

**Gadwa For Industrial Development S.A.E BOD Report for the
financial year ended on 31 December 2023**

To: Gadwa For Industrial Development S.A.E Shareholders

The Board of Directors is pleased to present its report on the company's activities for the financial year ended on 31/12/2023.

Company name: Gadwa for Industrial Development S.A.E.

Basic information:

Company purpose: Invest, contribute, and participate directly and indirectly in all activities of industrial investment, without prejudice to Article (27) of the Capital Market Law No. 95 of 1992 and Articles (121) and (122) of the Executive Regulations of Law No. 95 of 1992, and without prejudice to the provisions of the laws, regulations and decisions in force, and provided that the necessary licenses are obtained to practice these activities. The company may also participate with companies and others that carry out similar businesses to its own or that may cooperate with it to achieve its purpose in Egypt or abroad. It may also merge with them or acquire them in accordance with the provisions of the law

Company's Duration: 25 years starting from 05/09/2021 to 04/09/2046, may be renewed to other terms.

Law governing the company: Law No. 159 of 1981.

Listing date: 10/10/2021.

Authorized capital: 10 billion Egyptian pounds - **Issued capital:** 2,004,129,804 Egyptian pounds.

Paid Capital: 2,004,129,804 Egyptian pounds – **Par Value:** 1.90 Egyptian pounds.

Commercial Register number: 171850 - Registration date: 5/9/2021 - Cairo Investment Registration Office.

Investor Relations

Investor Relations Officer	Mohamed Gouda Ebaid	0228133857
Email	Mohamed.ebaid@gadwa.com	
Address	231 - 2 nd Sector - City Center - Fifth Settlement - New Cairo - Cairo.	
Website	www.gadwa.com	

Auditor

Auditor's Name: Mohamed Ahmed Mahmoud Abouel Kassem

Appointment date: 1/4/2023

Registration number: 17553

Financial Regulatory Authority registration number: 359

Shareholder structure:

(Shareholders holding 5% or more)

Name	No. Of Shares	%
Waleed Mohamed Zaki	٢١٩٥٧٩٧٣.	% ٢٠,٨٢
Abdulkadir Al Muhaidib and Sons Co	١٥١٦٥٨٧٥.	% ١٤,٣٨
Taha Ibrahim El Telbani	١٠٦٣٤٤٩٢١	% ١٠,٠٨
Hesham Ali Shokry	٧٤٦٤٣٧٦٦	% ٧,٠٨
Hossam Mohamed Zaki	82485236	% ٧,٨٢
EGYCAP INVESTMENTS LTD	٧.٩٣٥٨٩٧	% ٦,٧٣
Nawaf bin Abdullah bin Dayel	٦٢٤٣٢٨.٢	% ٥,٩٢
Total	768081102	% ٧٢,٨٢

Board Members Ownership as of the Financial Statements Date:

#	Name	No. Of Shares	%	Representative (in case of Legal entity)
١	Waleed Zaki	٢١٩٥٧٩٧٣.	% ٢٠,٨٢	
٢	Yasser Zaki	١٠٠.٣١٤٧	% ٠,٩٥	
٣	Taha El Telbani	١٠٦٣٤٤٩٢١	% ١٠,٠٨	
٤	Ziad El Saleh	-	-	
٥	NOUR FINANCIAL INVESTMENT	-	-	Hesham Hassan
٦	NOUR FINANCIAL INVESTMENT	-	-	Khaled El Tayeb
٧	Manaa El Sanaa	١٣٩٤١٢٢	% ٠,١٣	
٨	Nadia Ahmed Khalil	-	-	
٩	Shaimaa Abdel Aal	-	-	

Treasury Shares Status (31-12-2023)

Date Of Buying	Status as Per Current Report	
	NO. Of Shares	%
Does Not Exist		

Board of Directors members:

Name	Position	Representation	Status
Waleed Zaki	Chairman of the Board	-	Executive
Yasser Zaki	CEO and Managing Director	-	Executive
Ziad El Saleh	Board Member	-	Non-Executive
Taha El Telbani	Board Member	-	Executive
Hesham Hassan	Board Member	NOUR FINANCIAL INVESTMENT	Non-Executive
Khaled El Tayeb	Board Member	NOUR FINANCIAL INVESTMENT	Executive
Manaa El Sanaa	Board Member	-	Non-Executive
Nadia Khalil	Board Member	-	Independent
Shaimaa Abdel Aal	Board Member	-	Independent

Changes in the Board of Directors during the year:

According to the Board of Directors' resolution dated 01/04/2023, the following changes were made:

- The status of Mr. Ziad bin Fouad bin Fahd Al-Saleh was changed to a member of the Board of Directors representing himself.

Number of meetings of the Board of Directors held in 2023: 5 meetings.

Number of employees in the company during the year (excluding subsidiaries): 14 Employee

Audit Committee:

Latest composition of the Audit and Governance Committee:

Name	Position
Nadia Khalil	Chair of the Committee
Khaled El Tayeb	Member of the Committee
Shimaa Abdel Aal	Member of the Committee

Committee Responsibilities:

- The responsibilities in the Egyptian Stock Exchange Listing and Governance Rules.

Number of Audit Committee Meetings:

- 4 meetings were held, and the committee's reports were presented to the Board of Directors, which approved its recommendations.

Remuneration and Incentive Program for Employees and Managers:

- None

Violations and Procedures Related to the Capital Market Law and Listing Rules:

- No penalties were imposed on the company (except for fines for late financial statements) due to the large volume of work for the multiple group companies, and a settlement was reached.

Related Party Transactions:

- Gadwa For Industrial development has not entered any Related Party transactions with any of its founders or major shareholders and their related groups since the listing.

Financial KPIs:

The company recorded revenues of EGP12.2 billion during this period and recorded a net profit of EGP 1.4 billion before minority interest. Total assets amounted to EGP 13.03 billion at the end of 2023, and total equity recorded EGP 3.79 billion.

Despite the economic challenges, the company was able to achieve solid profitability margins during this period with a gross profit margin of 27% and EPS of 0.95 pounds. The cables sector contributed 65% of the company's revenues during this year, while the dairy and retail sectors contributed 22%, packaging products contributed 7%, and other activities revenues about 6%.

Key Highlights:

The industrial sector faced many challenges during 2023 due to the noticeable slowdown in the global economy. The company succeeded in achieving excellent results during 2023, with revenues reaching EGP 12.2 billion and net profit before minority interests of EGP 1.4 billion.

The cables sector accounted for approximately 65% of the company's revenues during this period, the total revenues of the sector reached EGP 7.9 billion compared to 5.2 billion during 2022, achieving an increase of 53%.

The dairy products and retail sector recorded revenues of EGP 2.7 billion, representing 22% of the total revenues of the company, compared to EGP 1.4 billion during 2022, achieving an increase of 95%.

The packaging sector contributed 7% of the total revenues during this period, as the revenues of this sector reached EGP 846 million compared to 726 during 2022, with an increase of 16.4%.

While the company achieved other revenues of EGP 716 million during 2023. The management of Gadwa for Industrial Development continues to closely monitor what is happening in the global market to manage its various investments in the best way and achieve the best results during the coming period.

Board of Directors' Proposal for Dividends Distribution:

The Board of Directors of the company has decided to carry forward the profits achieved for the fiscal year ended 31/12/2023.

Vision:

The company is working on developing its future plans and strategies that will help it to continuously improve and develop its performance in order to achieve its goals. Despite the challenges facing all institutions, the company is developing alternative plans to face these challenges. The company's management also follows up on the future plans of its subsidiaries and develops them in a way that will positively reflect on the company's results in the coming period.

Company and Subsidiaries Activities:

Company Activity:

- The company may invest, contribute, and participate directly and indirectly in all activities of industrial investment.
- The company may participate in any way with companies and others that carry out similar businesses to its own or that may cooperate with it to achieve its purpose in Egypt or abroad.
- The company may merge with or acquire other companies, in accordance with the provisions of the law.

Activities of Subsidiaries:

- Cable manufacturing
- Electrical contracting
- Cardboard, paper, and packaging and insulation materials manufacturing
- Dairy products manufacturing

Annual General Assembly:

The invitation to hold the company's annual ordinary general assembly will be announced, and all documents related to the meeting will be provided in accordance with the laws, regulations, and rules governing the meeting at the scheduled dates.

Chairman of the Board of Directors

Waleed Mohamed Zaki

