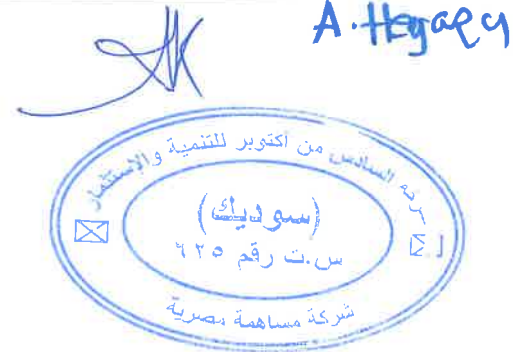


**Annual report of the Board of Directors attached to the financial statements
for the Fiscal Year Ended 31/12/2023
Prepared in accordance with Article 40 of the Listing Rules**

Company name	Sixth of October for Development & Investment – SODIC
---------------------	--

Main information:

Company objects	Purchase land plots, equip them with facilities, and prepare them for development. Zone, sell and lease land plots. Carry out construction works. Perform all aspects of work relating to information technology and systems, communications and the Internet. Plant and landscape gardens and roads. Engage in the security, maintenance and facility management business. Manage sports facilities and clubs. Own and manage restaurants.		
Company term	50 years starting 25/05/1996 and ending 24/05/2046	Date of listing on the EGX	10/03/1998
Law to which the Company is subject	Law No. 159 of 1981 and its Executive Regulations	Share nominal value	EGP 4
Last authorized capital	EGP 2 800 000 000	Last issued capital	EGP 1 424 789 472
Last paid-up capital	EGP 1 424 789 472	Registration with Commercial Registry (number and date)	625 (Date: 1996)



Investor Relations:

Contact persons	Ahmed Hegazy Mohamed Youssef Eman Galal Ibrahim Mahmoud Ahmed Asal Salah El Din waly		
Head office address	Kilo 38, Cairo Alexandria Desert Road, Polygon Building 1, Beverly Hills, Sheikh Zayed City, Giza		
Telephone numbers	38270300	Fax numbers	38270301
Website	www.sodic.com , ir.sodic.com		
Email	ahegazi@sodic.com egalal@sodic.com mwaly@sodic.com		

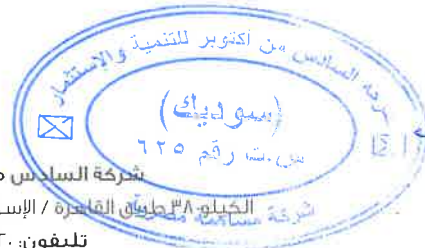
Auditor:

Auditor's name	KPMG Hazem Hassan Public Accountants & Consultants – Ehab Mohamed Fouad Mohamed Aboul-Magd		
Date of appointment:	09/3/2023		
Number of registration with the Authority	378	Date of registration with the Authority	29/08/2016

Due to the death of Mr. Ehab Mohamed Fouad Mohamed Aboul-Magd on December 12, 2023, the company's board of directors was held on February 5th, 2024 to appoint a replacement for him until the next company's general assembly meeting.

Shareholders' structure and Board members' shareholding:

Holders of 5% or more of shares	No. of shares as of 31-12-202 ^٢	%
Aldar Ventures International Holdings RSC Limited	213 240 140	59.87%
Gamma Forge Limited	91 388 632	25.66%
Total	304 628 772	85.52%



Details of the company's treasury shares: None

Board of Directors: Latest formation of the Board:

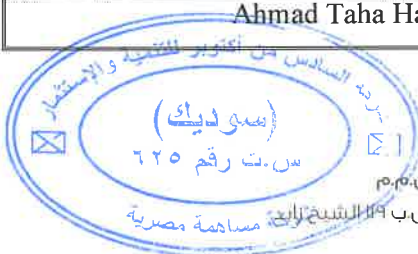
* The new Board was elected by the General Assembly meeting convened on 16/1/2022.

Name	Position	Representation	Capacity
Talal Shaffique Abdullallah Al Dhiyebi	Chairman	Aldar Ventures International Holdings RSC Limited	Non-Executive
Osama Abdulmonem Mahmoud Saleh	Deputy Chairman	Self	Independent
Magued Ahmed Sami Mohamed Sherif	Board Member	Self	Non-Executive
Jonathan Michael Emery	Board Member	Aldar Ventures International Holdings RSC Limited	Non-Executive
David Manson Dudley	Board Member	Aldar Ventures International Holdings RSC Limited	Non-Executive
Emma Louise O'Brien	Board Member	Aldar Ventures International Holdings RSC Limited	Non-Executive
Fahad Abdulla Mohamed Abdulla Al Mahmoud	Board Member	Aldar Ventures International Holdings RSC Limited	Non-Executive
Roque Manuel Solabarrieta Chelech	Board Member	Gamma Forge Limited	Non-Executive
Khalifa Mohammed Murad Hassan AlBlooshi	Board Member	Gamma Forge Limited	Non-Executive
Dalia Hazem Gamil Khorshid	Board Member	Self	Independent

Board meetings: ١٤ Board meetings were held during the year 2023

Audit Committee: Latest formation of the Audit Committee:

Name	Capacity
Osama Abdulmonem Mahmoud Saleh	Head of Committee
Dalia Hazem Gamil Khorshid	Committee Member
Ahmad Taha Hasan	Committee Member



A. Hegazy

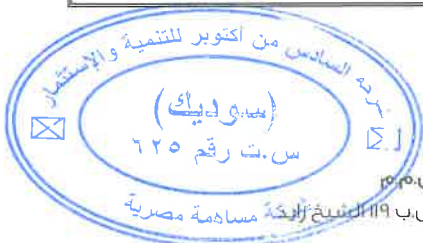


Audit Committee's responsibilities and duties:

1. To examine and review the Company's internal control procedures, and to verify the Company's implementation of these procedures.
2. To study the adopted accounting policies, and any changes that would occur from the implementation of the new accounting standards.
3. To examine and review the internal audit mechanisms, tools, procedures, plans and findings, study the internal audit reports and monitor the implementation of the recommendations presented in these reports.
4. To examine and review the periodic managerial reports, submitted to the various managerial levels; noting the methodology, and manner of presentation.
5. To examine the procedures that were followed in the preparation and review of the following:
 - Periodic and annual financial statements.
 - The Public offering and private placement of financial instruments.
 - Estimated budgets, including estimated income and cash flow statements.
6. To examine the preliminary financial statements prior to the presentation to the Board, in preparation for their audit.
7. To nominate the appointment of an auditor(s), determine the auditor's fee, and the matters relating to the auditor's resignation and removal, in accordance applicable law.
8. To render an on the permission to assign the auditor to provide services for the Company other than auditing services, as well as on the estimated fees for those services, without prejudice to the auditor's independence requirements.
9. To review the auditor's report on the financial statements, discuss with the auditor the observations and qualifications stated in the report, follow up on the actions taken in response to these observations and qualifications, and settle any discrepancies between the Company's management and the auditor.
10. To ensure the implementation of the control methods necessary to preserve the Company's assets, conduct periodical assessment of the administrative procedures to ensure adherence to the rules, and prepare reports to the Board.

AUDIT Committee's activities during the year:

Number of Committee meetings held	8 meetings
Were the Committee's reports submitted to the Board of Directors?	Yes
Did the Committee's reports include material issues that must be remedied?	No
Did the Board remedy the material issues?	Not Applicable



A-Hossain
AK

Employees' information:

Average number of employees during the year	705
Average salary of employee during the year	EGP 521 621

Employee and Manager ESOP (Employee Stock Option Plan):

- On January 20, 2016 the extra ordinary general assembly have approved the new Employees Stock Option Plan for executive board members and directors through granting shares with special conditions as per stated in the plan that part of the Company's shares should be assigned to the employee stock option plan equal to 1% of the company's issued capital annually on five tranches for a year of six years and three months as per annex (1). These shares should be available through the special reserve- additional paid in capital, or through reserves, or part of it, or through retained earnings, or part of it which is to be used in the capital increase, this capital increase is based on the approval of the Board of Directors as per the proxy granted by the company's extra ordinary general assembly dated January 20, 2016. The grant of the employee stock option plan is done based on a decision from the supervisory committee by the treasurer.
- The ESOP was concluded on March 31st, 2022.
- The total number of unallocated and allocated and unexercised ESOP shares are 3 878 425 shares, the necessary legal procedures are being undertaken to dispose of these shares.

Violations and procedures relating to the Capital Market Law and the Listing Rules:

During the fiscal year ending on 12/31/2023, no fines or financial obligation were imposed on the company by the Financial Supervisory Authority or the Egyptian Stock Exchange.

Conflict of interest:

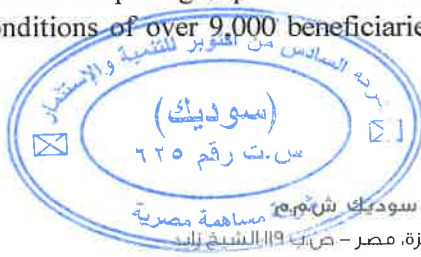
There are no conflicts of interest cases reported between the company and its insiders that require disclosure to the Company's Board of Directors.

Community Development and Environment Preservation Activities during the Year

The Company follows a clear policy on its social and environmental responsibility, and on its continuous commitment to participating in the economic and societal development, which is also stemming from the Company's responsibility toward the community and the environment.

SODIC is committed to performing an effective role in achieving real and tangible human development that benefits the Egyptian citizen in poorer communities, while affording real opportunities, since it is a leading real estate developer in the Egyptian market.

SODIC adopts a group of societal development initiatives that contribute to improving the living conditions of over 9,000 beneficiaries annually. This comes out of SODIC's belief in a set of



A Hegazy
[Signature]

essential principles, such as turning attention to youth by supporting educational initiatives, development of informal settlements, creating job opportunities, empowerment of women, and protection of children's rights, in light of the general-meeting resolutions concerning donations.

Donations:

Entity Name	Amount in EGP
People of the Qur'an Charity Association	350 000
Children's Cancer Hospital Egypt 57357	3 800
Archdiocese of Maghagha and Adwa	30 000
Zayed Foundation for Creativity and Development	50 000
Magdi Yacoub Heart Foundation	3 800
Total	437 600

Proposals regarding addition to the reserve: the reserves is being allocated as per law, and the company's statutes.

Profit Dividend: None

Shares and bonds issued during the year: None

Company and subsidiaries' main activities:

- Real estate investment
- Facility management
- Clubs management

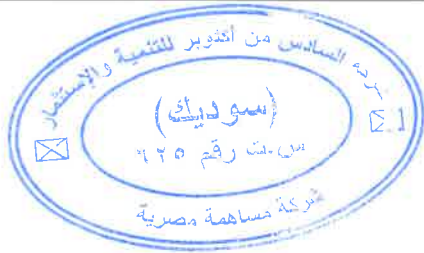


Group performance during the fiscal year ending 31/12/2023:

1. The total net value of executed customer contracts (net contracted sales) during the period from 01/01/2023 to 31/12/2023 is EGP 29 **Billion**.
2. The net cash collection from contracted sales during the period from 01/01/2023 to 31/12/2023 is EGP 10.5 Billion.

A Hegazy

Project Name	Number of the Delivered Units	Values of the Units Million EGP
Westown Residence and Courtyard	5	28
Eastown Residence	16	91
Villette	6	90
Caesar	5	104
Strip II	1	12
Forty West	4	72
Polygon	16	347
Polygon X	14	155
Portal	9	183
October Plaza	151	786
One 16	2	28
V-Residence	306	2,321
Six west	55	691
Sky Condos	111	650
EDNC	41	1,414
Westown Project Medical Center	3	21
Sodic East	431	1,762
Pavillion	36	490
Allegria	1	46
Estates	132	1,375
Allegria Residence	82	708



A. + 1921
AK

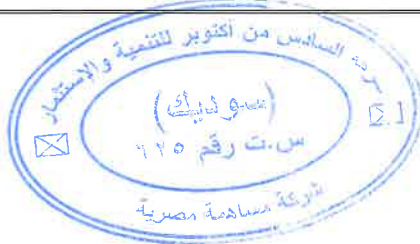
Key indicators deduced from the Company's consolidated financial statements for the fiscal year ending 31/12/2023:

• **Statement of profit or loss Indicators:**

Item	Fiscal Year	
	2023 (EGP'000)	2022 (EGP'000)
Total revenues from operations	10 329 991	7 810 879
Gross Profit	3 567 759	2 191 786
Net Profit	1 378 817	525 156
Net Profit attributable to equity holders	1 373 013	520 058

• **Statement of financial position Indicators:**

Item	Fiscal Year	
	2023 (EGP'000)	2022 (EGP'000)
Long-Term Assets	6 636 319	4 870 883
Trade & Notes Receivables	6 714 754	4 046 076
Work in Process	17 571 221	15 170 647
Financial Investments at amortized Cost	784 485	1 211 833
Cash and cash equivalents	1 875 574	1 689 974
Total Equity/ Property rights	8 683 699	7 311 127
Advances from Customers	12 428 610	8 700396
Total Bank Loans & Credit Facilities	3 224 555	3 163 620



A. Hany

Key indicators deduced from the Company's Separate financial statements for the fiscal year ending 31/12/2023:

• **Statement of profit or loss Indicators:**

Item	Fiscal Year	
	2023 (EGP'000)	2022 (EGP'000)
Total revenues from operations	4 462 116	3 306 869
Gross Profit	1 877 308	516 177
Net Profit	456 360	(477 689)

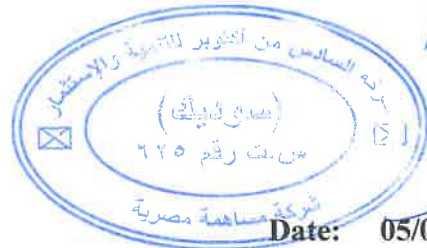
• **Statement of financial position Indicators:**

Item	Fiscal Year	
	2023 (EGP'000)	2022 (EGP'000)
Long-Term Assets	4 669 927	3 979 973
Trade & Notes Receivables	2 815 790	1 612 609
Work in Process	9 003 272	7 615 714
Financial Investments at amortized Cost	255 024	568 471
Cash and cash equivalents	360 501	395 278
Total Equity	3 039 685	2 583 324
Advances from Customers	4 700 861	3 619 901
Total Bank Loans & Credit Facilities	1 728 001	1 475 632

General Manager



Ayman Mustafa Aly Amer



A Hegazy

Date: 05/02/2024