



Disclosure Report

Proceeding with the invitation to the Extraordinary General Assembly meeting (EGM) to consider voluntary delisting of the Company in accordance with the provisions of Article (55) of the Listing & Delisting Rules of the Egyptian Stock Exchange (EGX)

Item	Disclosure
Company	Ezz Steel Company S.A.E
Party calling for the meeting	Board of Directors
Board of Directors meeting date	7 December 2024
Issued and paid-in capital	Issued and paid-in capital is EGP 2,711,772,730, divided into 542,354,546 shares with a nominal value of EGP 5/share.
Shareholders Structure	<p>1- Eng. Ahmed Abdel Aziz Ezz owns 61.56% of the Company's shares.</p> <p>2- Global Depository Receipts (GDRs), registered in the name of Bank of New York Mellon (BNY) represent 6.75% of the Company's shares*.</p> <p>3- Other shareholders own 31.69% of the Company's shares.</p> <p>*Eng. Ahmed Abdel Aziz Ezz owns 9,039,417 GDRs (equivalent to 27,118,251 shares) constituting 5% of the Company's total shares.</p>
Main Shareholder ownership and its related parties	The direct and indirect ownership of the principal shareholder, including GDRs and related parties, is as follows: <ul style="list-style-type: none">Directly owned shares and GDRs, 66.56% of the Company's shares.Related parties own 1.8% of Company's shares.
Rationale for voluntary delisting	<p>1- Increased risks in light of the fluctuations facing the industry, as a result of widespread protection measures in Europe and the rest of the world to which exports are directed.</p> <p>2- To avoid share price fluctuations which can negatively affect the Company and shareholders.</p> <p>3- To avoid the pressure on shareholders in light of the risky outlook resulting due to the increase in global steel production surpluses, especially originating from China, in addition to the competition in the local market arising from the excess flow of imported steel products into the country, which affects the companies' performance.</p>
Summary of the Resolutions of Ezz Steel's Board of Directors meeting held on 12/7/2024 regarding the proceeding with the voluntary delisting	<p>1- Ezz Steel Company shall initiate the procedures for the voluntary delisting from the Stock Exchange, and acquire the shares of those who object and those unwilling to remain as shareholders post delisting, and the shares representing the deposit certificates (GDRs) tradable on the London Stock Exchange (LSE), as well as the pledged shares, in accordance with the provisions of Article (55) of EGX Listing & Delisting Rules.</p> <p>2- The Company commits that the share purchase price, of those who object and those unwilling to remain as shareholders of the company post delisting, to be -in accordance with the provisions of Article (55) of the EGX Listing & Delisting Rules- shall be the highest of the following values:<ul style="list-style-type: none">The highest closing price of the share during the month preceding the Board of Directors' decision date, which is EGP 118.98/share,Or the average closing price of the share during the three months preceding the Board of Directors' decision date, which is EGP 108.19/share,Or the fair value of the share as determined by an Independent Financial Advisor (IFA) registered with the Financial Regulatory Authority (FRA).</p> <p>3- Appointing BDO Keys Financial Consulting S.A.E. as the Independent Financial Advisor (IFA) to determine the fair value of the share in accordance with the provisions of Article (55) of the EGX Listing & Delisting Rules.</p> <p>4- In view of the resources available to the Company to execute the voluntary delisting, the Board unanimously resolved that the ceiling for the buyback price is EGP 120.00 per share. In case the share valuation determined in accordance with Article (55) of the Listing & Delisting Rules exceeds such ceiling, the Board may decide to discontinue the delisting procedures prior to presenting them to the Company's EGM and to cancel the EGM.</p> <p>5- Approving the disclosure report required to call the EGM to consider the voluntary delisting and authorizing the Chairman & Managing Director to make the necessary amendments as may be required by the FRA</p>

	<p>6- Authorizing the Chairman & Managing Director to invite the EGM to convene - to consider approving the execution of the voluntary delisting after publishing disclosure report approved by the FRA on EGX.</p>
Agenda of the EGM invitation to shareholders	<p>1- Certifying the fair value study prepared by the IFA and the auditor's report thereon.</p> <p>2- Approving the voluntary delisting of the Company from the EGX and the purchase of shares of those affected by the Company's voluntary delisting at the highest closing price during the month preceding the date of the Board of Directors' decision to call the EGM to consider the delisting, or the average closing prices during the three months preceding the date of the Board of Directors' decision to call the EGM or the fair value of the delisted share determined by an IFA registered with the FRA, whichever is higher, in accordance with the provisions of Article (55) of the Listing & Delisting Rules.</p> <p>3- Approving the opening of a temporary account ("<i>voluntary delisting shares account</i>"), the purpose of which is limited to executing the purchase of shares of shareholders affected by the delisting provided that this account is financed by the Company or guaranteed by a third party in accordance with the provisions of Article (55) of the EGX Listing & Delisting Rules.</p> <p>4- Authorizing the Chairman & Managing Director or his delegate to complete all necessary procedures to execute the voluntary delisting from the EGX listings and purchasing the shares of those affected by the delisting, the pledged shares and of other shareholders, and to represent the Company before the FRA, the General Authority for Investment and Free Zones (GAFI), as well as all other governmental and non-governmental entities.</p>
Expected impact of the voluntary delisting on the Company's shareholders and on the Company's financial position	<p>The expected impact on the Company's shareholders:</p> <ul style="list-style-type: none"> - Shareholders who will keep their shares after delisting shall trade the Company's shares through EGX via Over-The-Counter transactions (OTC). - The Company shall be committed to issue audited annual statements and the auditor's report thereon within a period not exceeding 90 days from the end of the fiscal year, without being obliged to issue the quarterly financial statements. <p>Expected impact on the Company's financial position:</p> <ul style="list-style-type: none"> - The Company's financial position is expected to accommodate the impact of the delisting process as well as the immediate impact of applying the same accounting treatment of treasury shares on the delisted shares.
Proposed sources of funding to finance the purchase of shares of those objecting to the delisting decision or the purchase of shares of other shareholders	<p>The purchase of shares will be financed primarily by:</p> <p>Long term external financing:</p> <ul style="list-style-type: none"> - A maximum amount of 300 million, excluding associated interest, fees, and expenses. <p>Company's own resources:</p> <ul style="list-style-type: none"> - A cash amount, supplementing the external financing that is necessary to complete funding the value of the shares of those affected by delisting to paid through the "<i>voluntary delisting shares account</i>".
Proposed timetable for voluntary delisting procedures	<p>Within a period not exceeding 4 months from the date of the Board's decision, and 3 months from the date of the EGM decision on the voluntary delisting failure of the Company to execute the delisting within such period, the matter shall be presented before the EGX Listing Committee for their decision on compulsorily delisting the shares, obligating the Company to buy the shares of those affected by the delisting, in accordance with the highest values stipulated in Article (55) of the Listing & Delisting Rules.</p> <p><u>During this period, the following procedures shall take place:</u></p> <ul style="list-style-type: none"> - Inviting the EGM within a maximum of one week from the date of posting the disclosure on EGX, as approved by the FRA. - Purchasing shares of those affected by the delisting during the period specified by EGX, which includes the period of opening the Special Operations Market (OPR). - Submitting the outcome to the Listing Committee of EGX upon completing the purchase of shares subject to delisting and issuing a shareholders' list from Misr Clearing Custody and Central Depository Company (MCDR), reporting the <i>voluntary delisting shares account</i> shares' balance, within the time frame stipulated in accordance with Article (55) of the Listing & Delisting Rules. - Completing the execution of the remaining procedures for voluntary delisting of EGX in accordance with Article (74) of the Executive Procedures of the Listing & Delisting Rules.
Investor Relation Contacts	<p>Mr. Ahmed Nabil Dr. Omar Al Bedwehy</p> <ul style="list-style-type: none"> - Telephone: +2 02 7989800 - Email: ir@ezzsteel.com

I, the undersigned, certify the accuracy and completeness of this form, and that this report includes all the material information and justifications relied upon by the Board of Directors, and that there are no undisclosed information or agreements that may affect the investment decision of the Company's shareholders. This report is prepared under the Company's responsibility, without any responsibility on the FRA, and I undertake to adhere to the Company's articles of association, the provisions of Law No. 139 of 1981 and of Law No. 95 of 1992, and the EGX Listing & Delisting Rules.

The Legal Representative of the Company

Hassan Nohu
Chairman & Managing Director

http://www.rns-pdf.londonstockexchange.com/rns/6184Q_1-2024-12-18.pdf

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