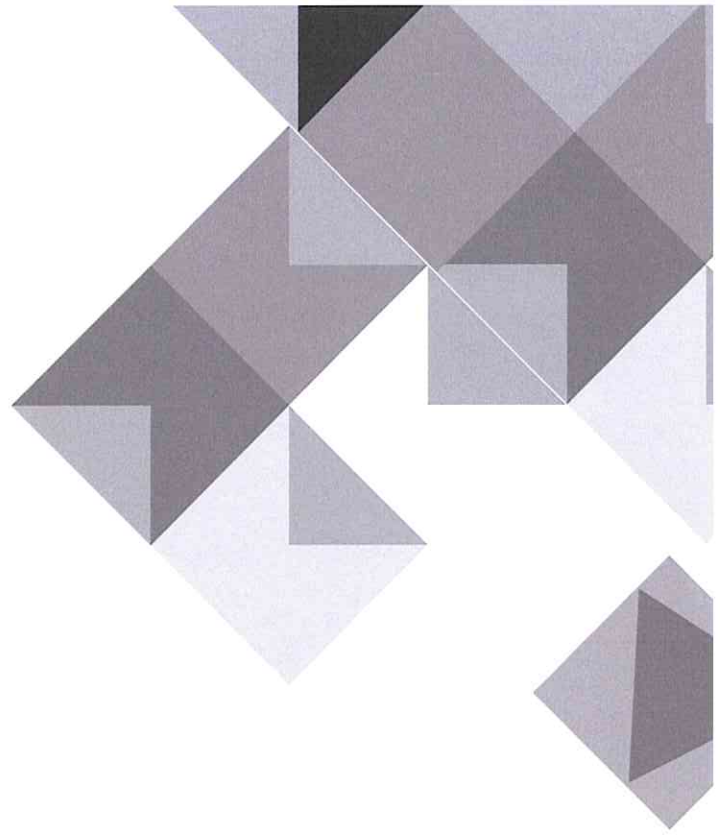
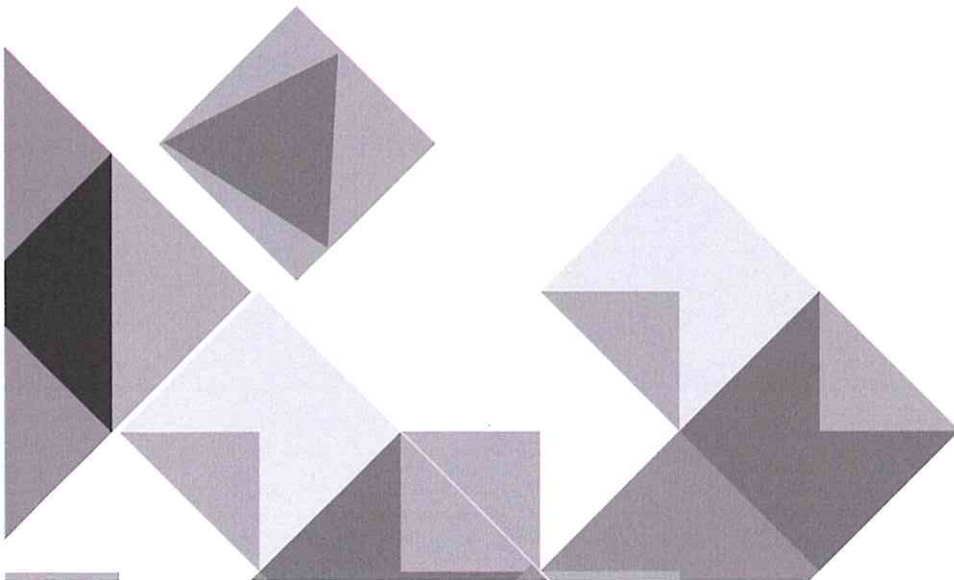




رأس الخيمة العقارية
RAK PROPRTIES



Governance Report 2024



I: Governance Rules Implementation Measures, 2024

RAK Properties [“the Company”] has adopted a well-crafted set of controls, rules and charters that aim at establishing institutional discipline in respect of the relations and management of the company in line with the international best standards and practices. This is achieved by defining the responsibilities and duties of members of the company's board of directors and senior executive management. Notably, the company attaches a great deal of importance to protecting and safeguarding the rights of shareholders and stakeholders. The company is also committed to communicating with the competent authorities and the public in order to maintain its prestigious standing locally, regionally and globally. In this respect, the company acts in full compliance with the Decision of the Chairman of the Board of Directors of the Securities and Commodities Authority [SCA] No. (3/RM) of 2020, as amended, concerning the Approval of Public Joint Stock Companies Governance Guide; with the aim of establishing the rules of transparency, justice and accountability based on the international best models, practices and standards.

As part of the Board of Directors' unwavering commitment to establishing a distinguished model of compliance with the Decision No. (3/RM) of 2020 issued by the Chairman of the SCA's Board of Directors concerning the Approval of Public Joint Stock Companies Governance Guide; the company is fully committed to implementing the best practices as follows:

Corporate Governance

- 1) The company implements the policies, procedures and decisions issued by the SCA regarding the Governance Guide for Public Joint Stock Companies, while applying the best practices regarding the Board of Directors and its committees, dealing transparently with the external auditor, and implementing the General Assembly's decisions.
- 2) The company has established well-crafted work rules that regulate the dealings of the company's board members and employees, and formed an Insiders Transactions Follow-up & Supervision Committee, which is tasked with closely monitoring and overseeing all transactions and ownerships of the insiders.
- 3) The Board of Directors has carried out all necessary measures to ensure the strict confidentiality of the company's materially significant data and information, in an accurate manner that ensures that they are not exploited. It has also established effective control mechanisms requiring all parties that have authorized access to internal data and information related to both the company and its clients to maintain the confidentiality of information and data and refrain from misusing, transferring, or facilitating the transfer of such data, whether directly or indirectly, to any third parties.
- 4) Any member of the company's board of directors, who - whether for himself or for the entity he represents - has a joint or conflicting interest in a transaction or deal that is presented to

the Board for a decision, is required to disclose the same to the Board and to have his disclosure recorded in the minutes of meeting. In addition, such a member is not allowed to vote on the decision to be issued in this respect.

- 5) The company is committed to conducting its business activities transparently in accordance with the requirements of the regulatory authorities and applicable laws, which include the disclosure of periodic reports, material information, ownerships of the insiders and their relatives, and related-party transactions with the company, in addition to making all information available to shareholders and investors in an accurate and clear manner.
- 6) All shares of stock issued by the company under the same category carry equal rights and obligations. Shareholders are entitled to all rights associated with their shares in accordance with the provisions of the Companies Law. The company's Articles of Association and internal bylaws set out the necessary procedures and controls to ensure that all shareholders are empowered to freely exercise their rights.
- 7) The Board of Directors has formed standing committees and other committees that report directly to it and operate in accordance with the governance rules of public joint stock companies, to carry out their tasks according to the powers vested in them.
- 8) The Board has established and approved in-depth written regulations and procedures for the Internal Audit Department, which define duties and responsibilities in accordance with the policy established by the Board of Directors and the general requirements and objectives, in order to monitor compliance with the provisions of applicable laws, regulations and decisions, as well as the requirements of regulatory authorities, the internal policy, regulations and procedures approved by the Board of Directors.
- 9) The company's board members, employees and auditor are committed to act in compliance with the code of professional conduct, internal policies and controls, and applicable laws and regulations.
- 10) Continuous updating of the company's website www.rakproperties.ae, which includes all relevant information about the company, for the sake of enhancing disclosure and transparency, and displaying any new developments. It also serves as a direct channel for shareholders to stay up-to-date with all events.
- 11) Continuous updating of the "Investor Relations Portal; <https://www.rakproperties.ae/investor-hub/>", through which the company is seeking to enable investors and parties concerned to have direct access to the most up-to-date information.

The Company fully complies with all provisions of applicable laws, regulations, decisions and requirements of regulatory authorities in the best possible manner. These provisions and rules apply to the members of the company's board of directors, the executive management and all employees in the course of performing their respective duties.

II: Ownership and Transactions of Board Members and their Spouses and Children on the
Company's Securities during 2024

A. Rules governing transactions of the company's board members and employees

The company's board members are among the insiders who have authorized access to the financial statements and internal information of the company. Based on the Board of Directors' commitment to promoting the level of transparency in disclosure and full compliance with the laws and regulations of the authorities and markets, the following measures have been carried out:

- ❖ The Supervision and Follow-up Committee (Insiders Committee) has assumed the responsibility of following up on and supervising the transactions and ownerships of the insiders, and maintaining a separate record for that purpose.
- ❖ An independent, all-inclusive record is maintained for all insiders, including the persons who can be classified as temporary insiders and who are entitled or authorized to get access to the company's internal information before publication. This record includes prior and subsequent disclosures of the insiders.
- ❖ The financial market is provided with a list of the names of the chairman and members of the company's board of directors, as well as an updated list of the names of insiders from the executive management and department heads who are strictly required to comply with the procedures established by the market and the SCA, through obtaining the approval of the director of the financial market on any transactions involving the company's securities, whether through buying, selling on the trading floor, or family transfers in the clearing department.

The rules governing transactions of the company's board members, employees, and insiders on securities explicitly include the trading ban periods stipulated in Article (14) of Decision No. (2) of 2001, issued by the SCA's Board of Directors concerning the Regulations as to Trading, Clearing, Settlement, Transfer of Ownership and Custody of Securities. This Article states that 'The chairman and members of the board of directors of a company whose securities are listed on the market, as well as its director general or any employee with access to the company's material information shall be prohibited from trading—whether personally, on their own behalf through third parties, or in any other capacity for the account of third parties—in the securities of the company or its parent, subsidiary, sister, or affiliated company, if any of these companies have their securities listed on the market, during the following periods.

- (10) ten business days before the announcement of any material information unless that information results from emergency or unforeseen events.
- (15) fifteen days before the end of the quarterly, semi-annual or annual financial period and until the disclosure of the financial statements.

B. The following table illustrates the shares held by the company's board members and total sale and purchase transactions as at December 31, 2024:

#	Name	Position / Degree of Kinship	The shares held as at December 31, 2024	Total sale transactions during 2024	Total purchase transactions during 2024
1	H.E Abdulaziz Abdulla AlZaabi	Board Chairman	4,641,374	4,467,149	233,985
2	Mr. Mohamed Ali Mussabeh Al Nuaimi	Deputy Chairman	20,800	--	--
3	Mr. Abdulla Rashed Jasem Al Abdouli	Board Member	10,400	--	--
4	Sheikh Ahmed Omar Abdulla Al Qasimi	Board Member	208,000	--	--
5	Mr. Mohamed Ghobash Ahmed Al Marri	Board Member	7,280	--	7,000
6	Mr. Yaser Abdulla Mohammed Al Ahmed	Board Member	10,400	--	--
7	Ms. Mouza Mohamed Majed Al Zaabi	Board Member	-	--	--

III: The Board of Directors

The Board of Directors has the broadest authority to carry out all actions and operations on behalf of the company, to the extent permitted for the company to do, including exercising all necessary powers to achieve its objectives. These powers are only restricted by the provisions of the law or the company's Articles of Association, which reserve certain matters for the General Assembly. Additionally, the company's Articles of Association provides that the Board of Directors consists of seven members to be elected by the General Assembly through secret cumulative voting.

A. Composition of the Board of Directors

The current board members were elected by the General Assembly held on March 20, 2024 for a period of three calendar years starting from the date of their election, subject to the governance requirements consistent with the company's Articles of Association in relation to the status of the board members, so that the majority of the members are at least independent non-executive members who have practical experience and technical skills that are beneficial to the company. The below table shows the composition of the Board of Directors:

Name	Position	Category		Experience	Qualifications	Membership Term	Their Memberships and Positions in Any Other Joint-Stock Companies	Their Positions in Any Other Significant Regulatory, Governmental, or Commercial Roles
H.E. Abdulaziz Abdulla Al Zaabi	Board Chairman	Non-independent	Non-executive	Extensive experience in business management within the real estate and banking sectors, including real estate and banking investments. Additionally, he has a strong background in Federal National Council affairs	Bachelor of International Business Administration from San José State University, USA, 1987	20 Years	Director of Julphar Pharmaceuticals	Chairman of the Board of Directors of Ras Al Khaimah Charity Association
Mr. Mohamed Ali Mussabeh Al Nuaimi	Deputy Chairman	Independent	Non-executive	A pioneer in the banking sector in the United Arab Emirates with over 30 years of experience, a key contributor to establishing the principles of Islamic finance and Islamic insurance, and a specialist in the listing of public joint stock companies. He has held several high-level positions at the national level.	Master of Business Administration	4 Years	Director of the Commercial International Bank	Chairman of the Board of Directors of Ras Al Khaimah Chamber

Mr. Rashed Abdulla Jasem Al Abdouli	Board Member	Independent	Non-executive	He possesses extensive experience in architecture and urban planning and plays an active role in entrepreneurship, innovation, and attracting foreign investments	Bachelor of Architecture from the American University of Sharjah Master of Urban and Regional Planning from Paris-Sorbonne University Abu Dhabi Certificate in Real Estate Development Investment Strategies from Harvard University	4 Years	Director of RAK Ceramics	Deputy Chairman and Managing Director of RAK Dredging Company Chief Executive Officer of Marjan Director and General Manager of Saraya Ras Al Khaimah Company
Sheikh Ahmed Omar Abdulla Al Qasimi	Board Member	Non-independent	Non-executive	He possesses extensive experience in management and business administration	Master of Business Administration from Canadian University Dubai	10 Years	-	-
Mr. Mohamed Ghobash Ahmed Al Marri	Board Member	Independent	Non-executive	Former Senior Manager in Private Wealth Management at the National Bank of Abu Dhabi, with many years of experience at Abu Dhabi Financial Services	Higher Diploma from Higher Colleges of Technology in Business Administration	4 Years	Director of Fidelity United Insurance Company	-
Mr. Yaser Abdulla Mohammed Al Ahmed	Board Member	Independent	Non-executive	Extensive experience in the banking sector, having worked at National Bank of Ras Al-Khaimah	Bachelor of Arts (BA)	4 Years	N/A	Head of Government Communication Department at Ras Al Khaimah

				and Dubai Islamic Bank, as well as experience at Etisalat and Ras Al Khaimah Economic Zones (RAKEZ)				Economic Zones	
Ms. Mohamed Al Zaabi	Mouza Majed	Board Member	Independent	Non-executive	An entrepreneur with a proven track record in the real estate sector, successfully leading various projects. She has over 15 years of experience in real estate and business management.	Master of Business Administration from Abu Dhabi University	1 Year	N/A	Chief Executive Officer of Mozaabi Real Estate

B. Female representation on the Board of Directors for the year 2024

Under the company's Articles of Association, which provides that the company shall be managed by a Board of Directors to be elected by the General Assembly by secret ballot, the number and percentage of male and female directors are as follows:

D. Remunerations of Board Members

Description	Number	Percentage
Male Board Members	6	85%
Female Board Members	1	15%

The remuneration of members of the board of directors is determined based on the provisions of Article (169) of Federal Law No. 2 of 2015 regarding the Commercial Companies and the provisions of Article (29) of the SCA Board Chairman's Decision No. (3/RM) of 2020 concerning the Approval of Public Joint Stock Companies Governance Guide, and the provisions of Article (38) of the Company's Articles of Association.

The remuneration of the board chairman and members consists of a percentage of the net profit, but not exceeding 10% of the profits for the fiscal year. The company may also pay expenses, fees, an additional bonus or a monthly salary to the extent decided by the Board of Directors to any of its board member if that member performs certain duties in any committee or exerts special efforts or performs additional duties to serve the company further to his/her normal duties as a director of the company. It is not permissible to pay an attendance allowance to the board chairman or members for board meetings.

The fines imposed on the company by the SCA or a competent authority due to the board of directors' violations of the Companies Law or the Company's Articles of Association during the fiscal year ended will be deducted from the remuneration of the board chairman and members. The General Assembly may decide against deducting those fines or any part of them if it becomes convinced that those fines are not the result of negligence or error on the part of the Board of Directors.

1. Total remuneration paid to board members for the year 2023

The total remunerations paid to chairman and members of the board of directors for the fiscal year ending on December 31, 2023 amounted to AED 8 million.

2. Total proposed remunerations of board members for the year 2024

The remuneration of board members is determined based on a proposal by the Board of Directors submitted to the General Assembly. In all cases, it must not exceed 10% of the net profit for the fiscal year ending on December 31, 2024, after deducting all depreciation and reserves. The board members propose to the General Assembly the distribution of remuneration for the year 2024, amounting to AED 8 million.

3. Allowances for attending meetings of the board' committees for the fiscal year 2024

#	Name	Position	Allowances for Attending Meetings of committees of the Current Board of Directors				Number of Meetings
			Executive and Investment Committee	Nominations and Remuneration Committee	Audit and Risk Committee	Total	
1	H.E Abdulaziz Abdulla AlZaabi	Board Chairman	-	-	-	-	-
2	Mr. Mohamed Ali Mussabeh Al Nuaimi	Chairman of the Audit Committee / Chairman of the Nominations and Remuneration Committee	-	10,000 2 sessions as Nominations Committee Chairman 5,000 1 session as Nominations Committee Member	10,000 5 sessions as Audit Committee Chairman	75,000	8

3	Mr. Abdulla Rashed Jasem AlAbdouli	Chairman of the Executive and Investment Committee	10,000 5 sessions as Executive Committee Chairman	-	-	50,000	5
4	Sheikh Ahmed Omar Abdulla Al Qasimi	Member of the Nominations and Remuneration Committee / Member of the Executive and Investment Committee	5,000 5 sessions	5,000 2 sessions as a member of the Nominations Committee 10,000 1 session as Chairman of the Nominations Committee	-	45,000	8
5	Mr. Mohamed Ghobash Ahmed Al Marri	Member of the Nominations and Remuneration Committee / Member of the Executive and Investment Committee	5,000 5 sessions	5,000 2 sessions	5,000 1 session	40,000	8
6	Mr. Yaser Abdulla Mohammed Al Ahmed	Member of the Audit Committee / Member of the Executive and Investment Committee	5,000 5 sessions	5,000 1 session	5,000 5 sessions	55,000	11
7	Ms. Mouza Mohamed Majed Al Zaabi	Member of the Audit Committee / Member of the Nominations and Remuneration Committee	-	5,000 2 sessions	5,000 4 sessions	30,000	6

4. Allowances, salaries or additional fees received by board members other than committee attendance allowances for the fiscal year 2024

There are no allowances, salaries or additional fees received by the board members for the fiscal year ending on December 31, 2024.

5. Board Meetings during the fiscal year ending on December 31, 2024

In accordance with the provisions of Article (23) of the SCA Board Chairman's Decision No. (3/RM) of 2020 concerning the Approval of Public Joint Stock Companies Governance Guide, and pursuant to Article (28) of the Company's Articles of Association, the Board of Directors must hold its meetings at least four times a year. The meeting must be convened based on a written call by the Chairman of the Board of Directors or upon a written request submitted by at least two board members, at least one week before the scheduled meeting date, accompanied by the agenda. Each board member has the right to include in the agenda any topic he deems necessary for discussion during the meeting.

In accordance with the above-mentioned controls, the company's Board of Directors held 7 meetings during the fiscal year ending on December 31, 2024, as shown in the following table:

Meeting Number	Meeting Date	The number of attendees	The number of attendees by proxy	Absentees
First	12/02/2024	6	-	Mr. Yaser Abdulla Mohammed Al Ahmed
Second	20/03/2024	7	-	-
Third	08/05/2024	7	-	-
Fourth	15/07/2024	6	-	Mr. Yaser Abdulla Mohamed Al Ahmed
Fifth	07/08/2024	7	-	-
Sixth	06/11/2024	7	-	-
Seventh	23/12/2024	7	-	-

F. Board Decisions passed by circulations during the fiscal year 2024

No decisions were passed by circulation during the fiscal year 2024.

IV: Standing Committees of the Board of Directors

Pursuant to the SCA Board Chairman's Decision No. (3/RM) of 2020 concerning the Approval of Public Joint Stock Companies Governance Guide, the Board of Directors has formed standing committees that report directly to it, in order to contribute to performing the board's tasks and responsibilities. These committees play a crucial role in supporting the board in fulfilling its duties

relating to the management of the company, with each committee operating within its designated scope of authority approved by the Board.

The Board has also established procedures outlining the committee's mission, term, powers, and the mechanism through which the Board of Directors oversees and assigns tasks to it. The committee submits a written report detailing its actions, findings, and recommendations with absolute transparency.

A. Audit Committee

➤ Declaration by Chairman of the Audit Committee on his Liability for the Committee's Rules of Procedure

Pursuant to the provisions of Article (61) of the SCA Board Chairman's Decision No. (3/RM) of 2020 concerning the Approval of Public Joint Stock Companies Governance Guide, Mr. Mohamed Ali Moussbeh Al Nuaimi, Chairman of the Audit Committee, acknowledges his liability for the committee's rules of procedure within the company, as well as for his review of its operational mechanism and effectiveness for the year 2024.

➤ Names of Members of the Audit Committee, and details of the tasks and responsibilities of the committee

The Board of Directors, elected by the General Assembly held on March 20, 2024, formed the Audit Committee to support the Board in various areas. In accordance with the provisions of Article (58) of the SCA Board Chairman's Decision No. (3/RM) of 2020 concerning the Approval of Public Joint Stock Companies Governance Guide, the Audit Committee consists of three non-executive board members, all of whom are independent members. One of these members chairs the committee. The committee members have substantial expertise in financial and accounting matters, with past professional experience in the field of accounting and financial matters, as follows:

Name	Position	Capacity
Mr. Mohamed Ali Mussabeh Al Nuaimi	Chairman	Independent
Mr. Yaser Abdulla Mohammed Al Ahmed	Member	Independent
Ms. Mouza Mohamed Majed Al Zaabi	Member	Independent

Mr. Andrew Robinson was appointed as an external member of the Audit Committee, independent of the company's Board of Directors. He is a highly qualified professional with over 22 years of experience in financial analysis and consulting. He is a chartered accountant in England, previously worked at KPMG offices in Dubai and Oman. Additionally, he holds a fellowship from the Institute of Chartered Accountants - Britain.

➤ **Audit Committee's Responsibilities**

The Audit Committee undertake the tasks and duties assigned to it according to the SCA Board Chairman's Decision No. (3/RM) of 2020 concerning the Approval of Public Joint Stock Companies Governance Guide, as follows:

1. Review the financial and accounting policies and procedures in the company.
2. Monitor the integrity of the company's financial statements and reports (annual, semi-annual, and quarterly) and review them as part of its regular duties throughout the year, with a particular focus on the following points:
 - ✓ Any changes in accounting policies and practices.
 - ✓ Highlighting the aspects subject to management's discretion.
 - ✓ Substantial amendments resulting from the audit.
 - ✓ Assuming the continuity of the company's business.
 - ✓ Adherence to the accounting standards determined by the SCA.
 - ✓ Adherence to the rules of listing and disclosure and other legal requirements related to the preparation of financial reports.
3. Coordination with the company's Board of Directors, executive management, and the chief financial officer or the manager performing similar duties in the company in order to perform its duties.
4. Consider any important and unusual items that are or should be included in these reports and accounts. Additionally, the committee should attach due importance to any matters raised by the company's chief financial officer, the manager performing similar duties, the compliance officer, or the auditor.
5. Submit a recommendation to the Board of Directors regarding the selection, resignation or dismissal of the auditor. In the event that the Board of Directors does not approve the recommendations of the Audit Committee in this regard, the Board of Directors should include in the governance report a statement explaining the recommendations of the Audit Committee and the reasons underlying the board's rejection thereof.
6. Develop and implement the policy of hiring an auditor, and submit a report to the Board of Directors specifying the issues it deems important to take action on, with recommendations on the necessary steps to be taken.
7. Ensure that the auditor meets the conditions stipulated in the applicable laws, regulations, decisions and the company's articles of association, and follow up and monitor his independence.
8. Meet with the company's auditor without the presence of any of the senior executive management or their representatives, at least once a year, and discuss with him the nature and scope of the audit process and its effectiveness in accordance with the approved auditing standards.
9. Review all matters related to the company's auditor, including his plan of action, communications with the company, observations, suggestions, reservations, and any significant inquiries raised by the auditor to senior executive management regarding accounting records, financial statements, or control

systems. Additionally, monitor the company's management response to these inquiries and ensure the provision of necessary support to facilitate the auditor's work.

10. Ensure that the Board of Directors responds in a timely manner to the clarifications and essential issues raised in the auditor's letter.

11. Review and evaluate the internal control and risk management systems in the company.

12. Discuss the internal control system with the Board of Directors and ensure its effective implementation in establishing a robust internal control framework.

13. Review the findings of major investigations into internal control issues assigned to it by the Board of Directors or carried out at the initiative of the committee and with the approval of the Board of Directors.

14. Review the auditor's assessment of internal control procedures and ensure that there is coordination between the internal auditor and the external auditor.

15. Ensure the availability of the necessary resources for the internal audit department and review and monitor the effectiveness of that department.

16. Examine the internal audit reports and follow up on the implementation of corrective measures for the observations contained therein.

17. Establish controls that enable the company's employees to report any potential violations in the financial reports, internal control or other matters confidentially and the steps to conduct independent and fair investigations of such violations.

18. Monitor the company's compliance with the rules of professional conduct.

19. Review the dealings of related parties with the company and ensure that there is no conflict of interest and recommend the same to the Board of Directors before conclusion.

20. Ensure the application of the work rules for its tasks and the powers assigned thereto by the Board of Directors.

21. Submit the report and recommendations to the Board of Directors on the above-mentioned matters.

22. Consider any other topics determined by the Board of Directors.

➤ **Audit Committee's Meetings during 2024**

Based on the provisions of Article No. (62) of the SCA Board Chairman's Decision No. (3/RM) of 2020 concerning the Approval of Public Joint Stock Companies Governance Guide, the Audit Committee holds its meetings at least once every three months or whenever necessary. Accordingly, the Audit Committee held 4 meetings during the fiscal year ending on December 31, 2024, with all its members attending in person, as shown in the following table:

Meeting Number	Meeting Date	Personal attendance of members	Absentees
First	08/02/2024	3	-
Second	08/05/2024	3	-
Third	05/08/2024	3	-
Fourth	05/11/2024	3	-
Fifth	06/12/2024	3	-

D. Audit Committee's Annual Report

- The important matters considered by the Committee in respect of the financial statements and the way of addressing such matters:

		Area of Focus	Actions taken by the Committee
1	Tax Provision	The Group is subject to income tax where the determination of the global provision for income tax requires significant judgement.	The Committee reviewed updates from the Group's Head of Tax, reports from the external auditor and external tax advisors, including those on the newly enacted UAE corporate tax and its implications for the Group. After assessing the appropriateness of the tax provisions in light of these updates and reports, the Committee concluded that the applied treatment was fair and reasonable.
2	Post-Employment Obligations	Determining the present value of the Group's future pension liabilities requires several assumptions, primarily relating to life expectancy, discount rates applied to future cash flows, inflation rates and future salary increases.	The valuation assumptions prepared by external experts and adopted by management were considered in the light of the prevailing economic indicators and the view of the external auditors and were approved as appropriate.

2. An explanation of the mechanism used for assessing the independence and effectiveness of the external audit process and the approach followed in appointing or reappointing the external auditor, and information on the length of the current audit firm's term.

Grant Thornton, an experienced external audit firm accredited by the Ministry of Economy, was appointed as the company's external auditor for the year 2024 with the approval of the annual general assembly. There are no partners or agents affiliated with the firm's founders, its directors, or their relatives. All work performed by the external auditor is free from any conflict of interest and includes professional services related to reviewing quarterly and annual financial reports in compliance with all terms and conditions outlined in Decision No. 3 of 2020. Grant Thornton's term of appointment is one year.

3. A statement explaining the committee's recommendation regarding the appointment, reappointment or dismissal of the external auditor, and the reasons why the Board of Directors did not approve that recommendation.

Grant Thornton is an experienced external audit firm accredited by the Ministry of Economy. The Board of Directors' approval to reappoint Grant Thornton as the external auditor for the year 2024 aligns with the recommendation of the Audit Committee.

4. The mechanism used for ensuring the independence of the external auditor when providing non-audit services.

Grant Thornton provided only external audit services in 2023, and no special or additional services were obtained from them for the fiscal year 2024.

5. Actions taken or to be taken by the Committee to address any deficiencies or weaknesses in the event of any failures in internal control or risk management.

The Audit and Risk Committee periodically assesses the adequacy of internal controls and risk management processes across all organizational functions, including, among others, an annual review of the internal audit charter, evaluation of the internal audit department's structure, approval and execution of the risk-based internal audit plan (spanning two years), and oversight of the recruitment and seniority of the department head. The committee also examines the reporting structure, audit coverage, and frequency to identify and address any deficiencies, gaps, or weaknesses noted/found within the auditable functions during the audits. Additionally, it collaborates with the Board of Directors, senior management, and the Internal Control Department to discuss necessary corrective actions and ensure effective implementation by the relevant department heads.

6. Evidence that the committee has reviewed all reports of medium and high risks issued by the internal audit department to determine whether they arise from major failures or weaknesses in internal control, in addition to comprehensive information about the corrective remediation plan in the event of material deficiencies in the areas of risk management and internal control systems.

Since 2019, the Audit and Risk Committee has approved a risk-based internal audit plan covering a two-year period. Before 2019, the Committee had approved an annual audit plan and instructed the

Internal Control Department to conduct special audits or investigations in specific areas as needed on a monthly basis in the monthly activity report and at the quarterly Audit and Risk Committee meetings, where the Head of Internal Control Department provides a status update on all ongoing and completed audits for that quarter, as well as the progress of the internal audit plan's implementation. Additionally, the Committee reviews the findings of all high-risk and medium-risk internal audit reports issued by the Internal Control Department, along with the status of agreed action plans. It also directs management to implement all audit recommendations within the agreed timeframes through the relevant department heads.

7. Evidence that the Committee has reviewed all transactions executed with related parties and the resulting observations or findings and the extent of compliance with applicable laws in this regard.

All transactions with related parties, including any material amendments to the transactions executed with the related parties, require the approval of the Audit Committee. The Committee assesses the criteria for granting approval, ensuring that related party transactions serve the best interests of the company. Additionally, it conducts a quarterly review of all approved related party transactions. Furthermore, the Committee recommends reviewing the related party policy on material related party transactions, as well as the handling of related party transactions to be in line with the regulatory requirements.

B. Nominations and Remuneration Committee

➤ Declaration by Chairman of the Nominations and Remuneration Committee on his Liability for the Committee's Rules of Procedure

Pursuant to the provisions of Article (59) of the SCA Board Chairman's Decision No. (3/RM) of 2020 concerning the Approval of Public Joint Stock Companies Governance Guide, Mr. Mohamed Ali Mussabeh Al Nuaimi, Chairman of the Committee, acknowledges his liability for the committee's rules of procedure within the company, as well as for his review of its operational mechanism and effectiveness for the year 2024

➤ Names of Members of the Nominations and Remuneration Committee, and details of the tasks and responsibilities of the committee

The Board of Directors, elected by the General Assembly held on March 20, 2024, formed the Nominations and Remuneration Committee to ensure that the Board of Directors performs the tasks assigned to it efficiently and effectively and achieves the company's objectives, and in accordance with the requirements of the provisions of Article No. (58) of the SCA Board Chairman's Decision No. (3/RM) of 2020 concerning the Approval of Public Joint Stock Companies Governance Guide, the Nominations and Remuneration Committee consisted of four non-executive board members, three of whom are independent members, and one of them chairs the committee, as follows:

Name	Position	Capacity
Mr. Mohamed Ali Mussabeh Al Nuaimi	Chairman	Independent
Sheikh Ahmed Omar Abdulla Al Qasimi	Member	Non-independent
Mr. Mohamed Ghobash Ahmed Al Marri	Member	Independent
Ms. Mouza Mohamed Majed Al Zaabi	Member	Independent

➤ **Nominations and Remuneration Committee's Responsibilities**

The Nominations and Remuneration Committee carries out the tasks and duties assigned to it according to the SCA Board Chairman's Decision No. (3/RM) of 2020 concerning the Approval of Public Joint Stock Companies Governance Guide, as follows:

1. Develop a policy regulating candidacy for membership of the Board of Directors and Executive Management, aimed at ensuring gender diversity within the formation and encouraging women through incentive and training benefits and programs, and providing the SCA with a copy of this policy and any amendments thereto.
2. Organize and follow up on the procedures for nominations for membership in the Board of Directors in accordance with the applicable laws and regulations and the provisions of this decision.
3. Verify that the membership requirements for board members continue to be met.
4. Ensure the independence of independent members on an ongoing basis.
5. Develop the policy for granting bonuses, benefits, incentives and salaries to board members and employees of the company, and review the same annually. The committee must ensure that the bonuses and benefits granted to the company's senior executive management are reasonable and commensurate with the company's performance.
6. Annually review the required skills requirements for membership in the Board of Directors and preparing a description of the capabilities and qualifications required for membership in the Board of Directors, including the details of the time the member is required to dedicate for performing duties of the board of directors.
7. Review the required skills requirements for membership in the Board of Directors.
8. Review the structure of the Board of Directors and make recommendations regarding the changes that can be made.
9. Determine the company's needs for competencies at the level of senior executive management and employees and the basis for their selection.
10. Develop the company's HR & Training Policy and monitor its implementation, and review it annually.
11. Any other tasks determined by the Board.

➤ **Nominations and Remuneration Committee's Meetings during the year 2024**

Pursuant to the provisions of Article No. (59) of the SCA Board Chairman's Decision No. (3/RM) of 2020 concerning the Approval of Public Joint Stock Companies Governance Guide, the Nominations and Remuneration Committee holds its meetings at least once a year or whenever necessary. Accordingly, the Nominations and Remuneration Committee held 3 meetings during the fiscal year ending on December 31, 2024, as shown in the following table:

Meeting Number	Meeting Date	Personal attendance of members	Absentees
First	24/01/2024	4	-
Second	18/04/2024	4	-
Third	31/07/2024	4	-

C. Insiders Transactions Follow-up & Supervision Committee

➤ **Declaration by Chairman of the Insiders Transactions Follow-up & Supervision Committee**

Pursuant to the SCA Board Chairman's Decision No. (3/RM) of 2020 concerning the Approval of Public Joint Stock Companies Governance Guide, and the decision of the Board of Directors of the Company regarding the formation of a committee specialized in insiders' affairs, Mr. Maan Abdul Karim - Chairman of the Committee - acknowledges his liability for the committee's rules of procedure in the company and for reviewing its working mechanism and ensuring its effectiveness for the year 2024.

➤ **Members of the Committee:**

1. Legal Advisor (Chairman of the Committee)
2. Chief Financial Officer (Member)
3. Investor Relations Officer (Member)

➤ **The Committee's tasks and responsibilities:**

- 1) Create a special and integrated register that contains the names and data of insiders, including persons who can be considered as temporary insiders, and who are entitled or authorized to get access to the company's information before being published.
- 2) Monitor and supervise the transactions and ownerships of insiders, and maintaining a relevant register.

- 3) Periodically review the records and statements of insiders, to ensure that they are continuously updated, and consult with the company's executive management regarding any updates that need to be made to these records and statements as they occur in accordance with the requirements and requirements of the company's business.
- 4) Submit periodic statements and reports on the insiders to Abu Dhabi Securities Market and/or the Securities and Commodities Authority.
- 5) Ensure the continuous updating of the list of the company's insiders on Abu Dhabi Securities Market's website, and make any updates to that list as soon as they occur.
- 6) Continuously communicate with the insiders and raise awareness about their trading in the company's shares and securities issued by the company, including educating them and constantly reminding them of the trading ban periods in the company's shares and securities issued by the company in accordance with the regulations and rules in force at both the Securities and Commodities Authority and the Abu Dhabi Securities Market, to ensure compliance with them and avoid committing any violations.
- 7) Be generally responsible for all matters specified in the Securities and Commodities Authority's guidelines and which falls under the responsibility of the Insiders Transactions Follow-up & Supervision Committee.
- 8) Ensure the company's compliance with all disclosure and transparency rules.
- 9) Prepare and adopt a model and standards to identify the insiders from among the employees and external parties.
- 10) Identify the material and sensitive information that can be accessed and affect the company's share price.
- 11) Instruct the insiders from among the employees and board members of the necessity of disclosing any transactions to the Committee.

➤ **Summary of the Committee's work report during the year 2024**

The Committee updated the lists of insiders with the financial market to include board members and the first and second tier of the company's senior employees, as well as some insiders from the relevant departments. It also alerted employees and board members of the necessity of adhering to the laws and regulations of trading and not to sell and/or buy during trading ban periods.

D- Executive and Investment Committee

➤ **Declaration by the Chairman of the Executive Committee**

By virtue of the tasks and powers conferred upon it by the Board of Directors, Mr. Abdulla Rashed Jasem Al Abdouli - Chairman of the Committee - acknowledges his liability for the Committee's rules of procedure in the company and for reviewing its working mechanism and ensuring its effectiveness for the year 2024.

- Names of members of the Executive Committee, and details of the tasks and responsibilities of the committee:

Name	Position
Mr. Abdulla Rashed Jassem Al Abdouli	Chairman
Sheikh Ahmed Omar Abdulla Al Qasimi	Member
Mr. Mohamed Ghobash Ahmed Al Marri	Member
Mr. Yaser Abdulla Mohammed Al Ahmed	Member

➤ **Tasks and Responsibilities of the Committee:**

- 1) Provide support and assistance to the CEO and the executive management team.
- 2) Periodically review the progress of the company's projects and business in general.
- 3) Review and approve the applicable policies and procedures in the company and the approval and signature authorities from time to time.
- 4) Submit timely proposals and opinions to the Board and its Chairman, which are related to the company's overall performance and major issues, if any.
- 5) Propose major projects and strategic investments for the company and propose participation in public offering of the company's shares, and submit the same to the Board of Directors for approval.
- 6) Discuss and approve financial reports and commodities in the event that the Board of Directors fails to hold a meeting at the appropriate time.
- 7) Ensure the implementation of corporate governance controls.
- 8) Review and evaluate the company's investments and approve appropriate solutions regarding them, such as choosing exit mechanisms or choosing the most appropriate investment opportunities (in amounts not exceeding AED 20 million).
- 9) Ensure that an appropriate classification and archiving system is in place (such as meeting minutes, committee decisions, etc.).
- 10) The Committee may pass urgent decisions by circulation if it is unable to hold a meeting as quickly as possible.
- 11) The Committee's term of office is the same term of the Board unless the Board of Directors issues a decision to the contrary.
- 12) The committee handles any other matters assigned to it by the Chairman of the Board or the Board of Directors or required by the interest of work, and in line with the tasks and nature of the Committee's work.
- 13) The committee handles any other matters determined by the Board of Directors.

- 14) The Committee may seek the assistance of any specialized employees or members of the Executive Management at any time to explain topics related to the work of the Committee.
- 15) The Board of Directors has the right to request a meeting with the Committee whenever it deems necessary.
- 16) The Committee must submit all its reports to the Company's Board of Directors for approval and endorsement at the first meeting held by the Board and following the last meeting of the Committee.
- 17) The committee holds periodic meetings or at the request of the Chairman of the Committee or the majority of its members whenever necessary.

➤ **Meetings of the Committee during 2024**

Meeting Number	Meeting Date	Personal attendance of members	Absentees
First	03/04/2024	4	-
Second	15/05/2024	4	-
Third	06/06/2024	4	-
Fourth	06/08/2024	4	-
Fifth	21/10/2024	4	-

Z - The tasks and responsibilities of the Board of Directors carried out by a member of the Board or Executive Management based on authorization from the Board of Directors during the year 2024.

General authorization issued by the Board of Directors of RAK Properties based on the provisions of the Articles of Association of RAK Properties (the "Company") and the special authorization of the CEO No. 1773/2022 dated 26/9/2022 certified by a notary public, whereby the board unanimously decided to delegate the CEO of RAK Properties, Mr. Sameh Al-Muhtadi, to represent the company before all departments and authorities on all information and official, unofficial and private authorities and before

companies, governmental institutions and private sector institutions, sign all transactions and papers necessary to complete the company's business with all governmental, non-governmental and private authorities and before banks and financial institutions. He is also authorized to represent the company and sign on its behalf in all financial, administrative, legal and judicial matters and aspects according to the decisions of the Board of Directors issued in this regard and also in purchasing shares and stakes in existing companies and those still being established, and participating in their management, making their decisions, managing all their affairs from all administrative, legal, and judicial aspects.

The Board of Directors also decided to authorize Mr. Sameh Al-Muhtadi to sign contracts that include an arbitration clause, to conclude and sign arbitration agreements with any party in the name of the company and on its behalf after the issuance of a Board of Directors' decision in this regard, to take all necessary measures in this regard, including appointing and disqualifying arbitrators and experts, making settlements, reconciliations and waivers, and to take all other measures related to arbitration that require special authorization under the law, pursuant to the stipulation of Article (25) of the company's Articles of Association, and to approve and ratify all arbitration agreements and contracts that include an arbitration clause that were previously concluded in the name of the company and on its behalf with any party, and all measures taken in this regard in light of the provisions of the company's articles of association .

H- Details of transactions made with related parties (stakeholders) during the year 2024

Statement of the relevant party	the nature of the relationship	Type of transaction	Transaction value
Mr. Sameh Al - Muhtadi CEO	purchasing a residential unit in 2024	purchasing a residential unit	4.6 million dirhams

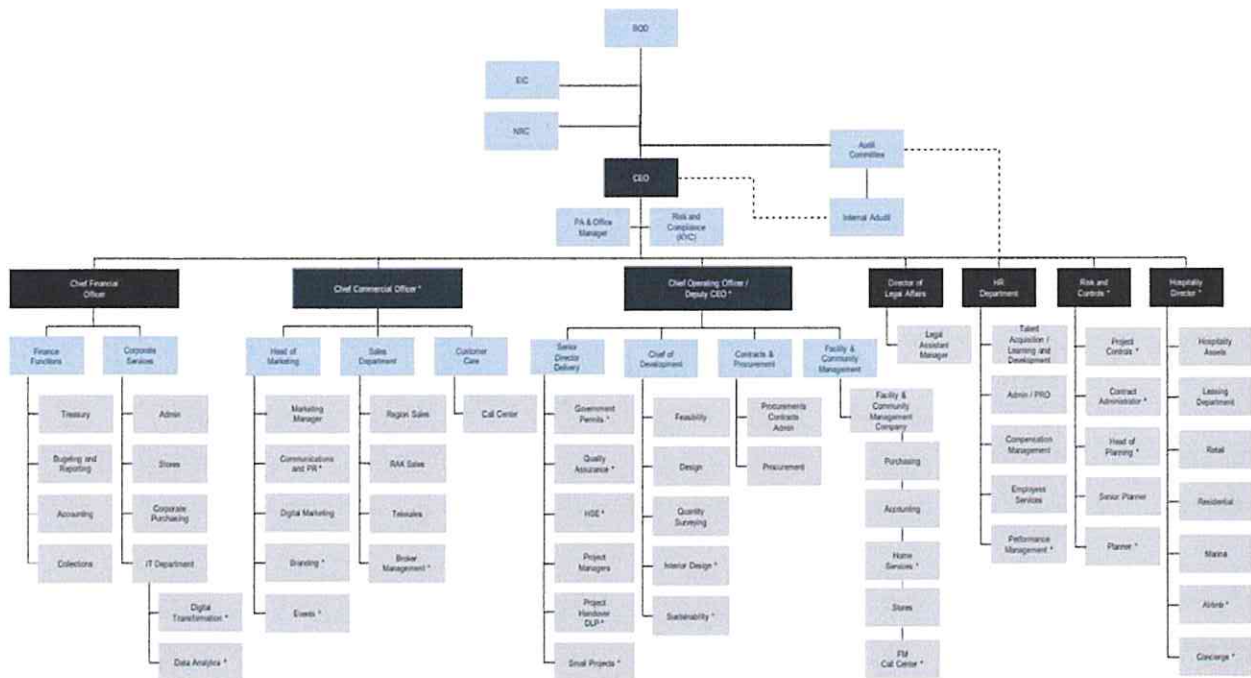
Fifth: Board of Directors Evaluation

According to the decision of the Chairman of the Board of Directors of the SCA No. (3/R.M) of 2020 regarding the approval of the Governance Guide for Public Joint Stock Companies. It stipulates that the Board of Directors shall conduct an evaluation annually, for its performance and the performance of its members and committees, to identify ways to enhance its effectiveness, and to ensure that it is subject to evaluation at least once a year, through the Nominations and Remuneration Committee or by the Chairman of the Board of Directors. It is also permissible, if necessary, to seek assistance from independent consultants to assist the Board of Directors in conducting the evaluation. The Board of Directors is also committed to inviting an independent professional body every third year to conduct an evaluation of the Board of Directors, its members and its committees.

A special policy and procedures have also been formulated to evaluate the performance of the Board of Directors and its members based on the decision of the Chairman of the Board of Directors of the Authority No. 3/٢٠٢٠ of 2020 in addition to the laws and regulations applicable in the country. Accordingly, the competent authority responsible for supervising the implementation of the Board of Directors' evaluation policy for the year 2024 will be either through the Chairman of the Board of Directors of the company or through the Nominations and Remuneration Committee.

Sixth: Company's Organizational Structure

RAK Properties has been keen to develop and implement an efficient and effective organizational structure at the level of the company's various departments and sections, to ensure a high level of coordination and administrative interaction. As shown below, the company's organizational structure approved by the company's Board of Directors is as follows:



➤ **Detailed statement with the names of senior executives in the company**

The table below shows the appointment dates of the Executive Management members and their current positions according to the company's organizational structure, and the salaries and bonuses granted for the year 2024:

Position	Date of appointment	Total salaries and allowances paid for the year 2024 AED	Total bonuses paid for 2024 AED	Any other cash/in-kind bonuses for the year 2024 or due in the future
Chief executive officer	August 2022	2, 348,808	To be brought before the Nominations and Remuneration Committee	-
Chief Financial Officer	November 2023	1,050,000	To be brought before the Nominations and Remuneration Committee	-
Head of Corporate Services Department	August 2017	863,454	To be brought before the Nominations and Remuneration Committee	-
Head of Legal Affairs Department	October 2019	637 , 956	To be brought before the Nominations and Remuneration Committee	-

Seventh: External Auditor

➤ External Auditor Contracting Policy

In accordance with the decision of the Chairman of the Board of Directors of SCA No. (3/R.M) of 2020 regarding the approval of the Governance Guide for Public Joint Stock Companies and the Company's Articles of Association, the Board of Directors of the Company has committed to the policy of selecting the external auditor by nominating him before the General Assembly. Then, Executive Management, at the request of the Audit Committee, provides it with offers from auditing companies to examine them and meet with the nominated applicant external auditors, discuss their offers, and nominate whomever it deems appropriate based on competence, reputation and experience. Also based on a recommendation by the Audit Committee, the Board nominates the external auditor, and the appointment and determination of his fees are based on a decision of the General Assembly.

In the event that the Board of Directors does not approve the nomination of the Audit Committee regarding the selection, appointment, resignation or removal of the external auditor, the Board of Directors shall write a statement in the governance report explaining the recommendations of the Audit Committee and the reasons for not adopting it.

➤ **About the company's auditor**

Grant Thornton is one of the external auditing firms with extensive experience in the field of auditing and accredited by the Ministry of Economy. Grant Thornton has been appointed as the company's external auditor for the year 2024 with the approval of the Annual General Assembly. It is an external auditor independent from the company and the board of directors and is not a partner or agent of anyone of the company's founders or a member of its board of directors or a relative of it. All work performed by the external auditor is free of any conflict of interest, and their services include all professional services related to reviewing quarterly and annual financial reports in accordance with, and in application of, all the terms and conditions of the external auditor pursuant to Decision No. 3 of 2020.

➤ **External auditor fees and costs during the year 2024**

Audit office name	Grant Thornton
Partner Auditor Name	Mr. Osama Bakri
Number of years he spent as an external auditor for the company	2 years
Number of years the partner auditor has been auditing the company's accounts	year
Total Audit Fees for the year 2024 (AED)	377,500 dirhams
Fees and costs for other special services other than the audit of the financial statements for the year 2024 "AED"	240,000 dirhams
Details and nature of other services provided	<ul style="list-style-type: none"> - the company's capital - agreed upon Procedures (AUP) to confirm the cost of shared infrastructure incurred for the Mina Al Arab Project to estimate the allocation of Sheikh Omar's plot.
Statement of other services provided by an external auditor other than the company's auditor during the year 2024	-

➤ **External auditor's reservations on the interim or annual financial statements for the year 2024**

There are no reservations by the external auditor regarding the interim or annual financial statements for the year 2024.

Eighth: Control System Interior

The Internal Audit Department enjoys complete independence in performing its tasks and is directly subordinate to the Board of Directors and the Audit Committee. The Internal Audit Department implements audit and oversight policies and contributes to the proper application of governance rules in the company. It also verifies the company's and its employees' compliance with the provisions of applicable laws, regulations and decisions that regulate its work, organizes internal policies and procedures, reviews financial statements, and reviews accounting policies and practices.

The Internal Audit Department has full authority to access all the company's documents, records, data and transactions of its employees. The Internal Audit Department shall take appropriate measures to ensure the accurate implementation of the decisions and directives issued by the Board of Directors or its Chairman and Committees to the Executive Management. According to the governance issued by the Board of Directors, all departments and employees must cooperate permanently with the Internal Audit Department. The most important objectives, tasks and powers of the Internal Audit Department determined by the Board of Directors are as follows:

- **Values:** The Director and employees of the Internal Control Department shall do the following:
 - Doing the utmost in professionalism, honesty and ethics
 - Building up strong and effective relationships through mutual respect and teamwork
 - Developing partnership with all company employees during the audit and advisory services process.
 - Recruiting and training individuals with appropriate expertise.
- **Scope of work:** The Internal Control Department participates with the management, the internal community of the company and various parties in contributing to achieving the company's objectives and supporting them in adhering to policies, rules and procedures. The Internal Control Department works to pay attention to risk areas that have a significant impact on the company. The Internal Control Department must also have sufficient flexibility to react to changing circumstances. Specifically, the Internal Control Department evaluates the extent of the company's internal control, monitoring and risk management system to ensure that:
 - Risks have been identified and managed appropriately.
 - Important administrative, financial and operational information is accurate, reliable and timely demonstrating integrity.

- The employees adhere to policies, laws and instructions.
 - Materials are economically procured, efficiently used and adequately protected.
 - Programs, plans and goals are achieved with the required effectiveness
 - Continuous quality and development of the company's control process
 - Legislative and regulatory requirements that have an impact on the company have been properly managed.
- **Accounting:** The Director of Internal Control shall be responsible for performing his duties before the Board of Directors of the Company through the Audit Committee. He shall also be responsible for submitting audit reports to the Acting CEO. This responsibility includes the following:
- Regularly verify the accuracy and efficiency of the company's internal control and monitoring in the activities that fall within the scope and tasks of the audit.
 - Report on important issues with information on appropriate decision of such issues and make recommendations for improving operations in activities related to such issues.
 - Provide periodic information on the status and results of the annual audit plan and on the adequacy of internal control management tools.
 - Coordinate with other supervisory and regulatory functions, both internal and external, including all areas such as risk management, compliance control, security, laws, ethics and environmental and external auditing.
- **Powers:** The Director and the staff of internal control have the following powers:
- Unrestricted access to all functions, records, properties and employees.
 - Allocating internal control management resources, selecting tasks, defining the scope of internal control work, and applying the techniques necessary to achieve audit objectives.
 - Obtaining the necessary assistance from employees in the company's various departments when conducting the audit, in addition to other specialized services from within or outside the company.
- **Independence:** There is no interference in internal control activity in terms of determining the scope of internal control or performance of work and reporting results. To achieve the independence of the internal control management, the management employees are responsible to the internal control manager who is directly responsible to the audit committee coming out directly of the board of directors and he has full and independent authority to deal with any individual within the company to perform his duties.
- **Information and confidentiality:** The information obtained by auditors through their audit provides a reliable basis for the audit process and the submission of reports and recommendations. The audit worksheets containing this information are the property of the

company while these sheets remain under the supervision of the Internal Control Department and can be accessed only by authorized individuals.

- **Responsibilities:** The Director and staff of the Financial Control Department are responsible for:
- establishing policies for internal control activity and the manager is responsible for the technical or administrative implementation of those policies.
 - developing the annual audit plan using an activity-based risk identification approach and submitting that plan to the Audit Committee and the Chairman for executive review and approval.
 - implementing the annual audit plan, as approved by the Committee, incorporating any special tasks or duties required by management and the Committee.
 - creating and implementing comprehensive work programs to cover all audit areas mentioned in the annual plan, and evaluating and developing the company's internal control and regulatory activities.
 - Continuously re-evaluating the audit plan based on changing circumstances and making adjustments.
 - issuing audit reports to the CEO and other directors on the results of audit activities.
 - informing the Acting CEO and the Audit Committee of current trends and successful practices in the field of internal control in the company.
 - reporting to the Audit Committee on internal control activities and critical issues at periodic meetings.
 - following up on comments sent to management and evaluating corrective actions taken.
 - conducting close follow-up to ensure the implementation and effectiveness of the corrective actions taken.
 - considering the scope of work of external auditors and external bodies as is necessary for the purpose of comprehensiveness of the company's audit process.
 - assisting in conducting investigations into acts of dishonesty within the company and notifying the acting CEO, the Audit Committee and other directors of the results. assisting official authorities in various allegations (if necessary).
 - providing consulting services to assist the management in achieving its objectives and addressing various issues, which may include designing new systems, training and initiatives.
 - participating in various committees, compliance monitoring tasks and systems development tasks to provide the company with guidance to address potential issues and areas of weakness.

- conducting an evaluation of the company's important functions, as well as evaluating changes and innovations in the company's operational systems, services, main systems and control systems, while working to develop assistance in implementing these changes.
- performing all requirements related to internal control matters assigned by the Board of Directors.

Based on the above, the Board of Directors acknowledges its responsibility for the Company's internal audit system, which has sufficient power to apply governance rules in all of the Company's activities and achieve transparency, accountability and justice.

➤ **Name and qualifications of the Director of Internal Audit Department**

The position of Internal Control Manager is held by Mr. Usman Zishan, holding a bachelor's degree in commerce in 2002. He is on the Board of Directors and has more than 17 years of experience in internal auditing. The Board of Directors continuously reviews the internal audit system to ensure its effectiveness and the achievement of its objectives.

➤ **Compliance Officer's Name and Qualifications**

It was decided to appoint Ms. Duaa Masoud Al-Mahri as Compliance Officer for the fiscal year 2024. She holds a bachelor's degree in public relations and advertising from the United Arab Emirates University in 2018 and has previous experience spanning 4 years in the field of compliance.

➤ **How the internal audit department deals with any major challenges in the company**

The Internal Audit Department evaluated the company's risk management methods and procedures, reviews the systems followed regarding internal policies, ensures the implementation of governance rules, continuously verifies the company's compliance with laws and decisions, and submits periodic reports to both the Board of Directors and the Audit Committee.

The Internal Audit Department deals with any challenges in the company independently and objectively by informing the Audit Committee and the Senior Executive Management of the potential challenges and risks and proposing the necessary steps to address them, ensuring that they are not repeated and following up with the Senior Management to ensure that the procedures and decisions taken are implemented. The company also supports a policy for reporting violations that allows any employee, customer or supplier to report any financial, professional, legal or ethical violations in complete confidentiality.

➤ **Number of reports issued by the Internal Audit Department to the Company's Board of Directors**

The Internal Audit Department submitted 18 reports on the Internal Audit Department to the Board of Directors during the year 2024.

Ninth: Violations during the year 2024

The company was keen to adhere to federal and local laws, ministerial decisions, laws and decisions issued by authorities and markets, and the governance of the Board of Directors in all its dealings,

and achieved justice with all those dealing with it, which is consistent with the company's distinguished reputation. Also, during the year 2024, the company did not commit any violations.

Tenth: The company's contributions to community development and environmental preservation.

The community has solid privacy and a lofty goal in the company's strategies. It is a national responsibility that establishes the basic foundations for the tasks entrusted to everyone. Since the company is an integral part of the surrounding community and works with all sincerity and belonging to consolidate effective community partnerships, the company supports community activity of all kinds with a package of voluntary contributions, according to the laws and regulations followed in the country. It works to ensure that all its employees are an active and influential part of society. In implementation of Federal Law No. (2) of 2015 on commercial companies as amended regarding voluntary contributions, which allowed companies to pay voluntary contributions, cash contributions were provided during the year 2024 as follows:

Emirates Red Crescent Society	50,000
Shaml Association for Popular Arts and Theater	15,000
Al-Ihsan Charity Association	50,000
Ajman Club for the Disabled	10,000
Ras Al Khaimah Charity Association	1,000,000
Global Citizen Forum	330,750
Ras Al Khaimah Arts Festival	100,000
Arab Warrior Event	600,000
Total	2,155,750

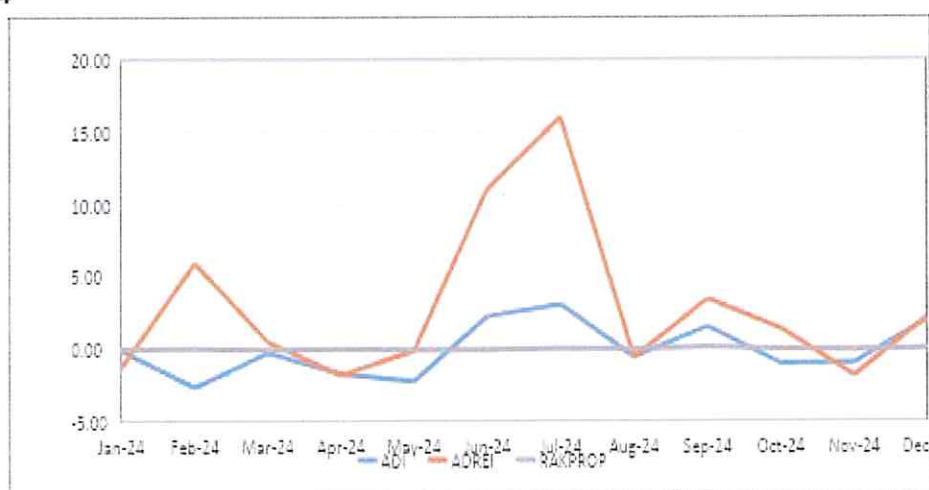
Eleventh: General Information

- **Trading movement and price of the company's share in the Abu Dhabi Securities Market (Closing price/ High price/ Low price) during the fiscal year 2024**

Date	Highest price (AED)	Lowest price (AED)	Closing price (AED)	Trading volume (share)	Trading value (AED)
January	1.330	1.310	1.310	2,526,401	3,323,242.330
February	1.390	1.260	1.330	211,356,681	283,971,276.760
March	1.360	1.230	1.250	88,511,812	117,103,952.190
April	1.280	1.160	1.220	57,753,622	70,249,595.770
May	1.240	1.130	1.140	80,891,048	96,138,626.670
June	1,200	1.060	1.060	92,106,845	102,660,437.820
July	1.120	1.040	1.070	135,670,266	146,562,455.620

August	1.090	0.992	1.070	79,306,078	82,687,469.750
September	1.210	1.060	1.190	289,985,917	335,954,084.070
October	1.270	1.150	1.190	220,000,863	265,911,878.930
November	1.180	1.080	1.110	128,724,099	144,828,064.800
December	1.150	1.030	1.140	85,665,788	92,636,527.940

- **RAK Properties' share with the general market index and the industrial sector index during the year 2024**



- **Distribution of the company's shareholders' ownership as of 31 December 2024**

Shareholder /Investor	Individuals		Companies		Government		Total	
	Number of shares	ratio	Number of shares	ratio	Number of shares	ratio	Number of shares	ratio
Local	790,571,918	26%	603,639,849	20%	1,026,677,836	34%	2,420,889,603	80%
Arab	211,291,759	7%	82,475,507	3%	-	-	293,767,266	10%
Foreign	88,284,831	3%	197,058,300	7%	-	-	285,343,131	10%
Total	1,090,148,508	36%	883,173,656	29%	1,026,677,836	34%	3,000,000,000.00	100%

- **Shareholders who own (5%) or more of the company's capital as of 31 December 2024**

S	Shareholder's Name	Number of shares owned	Percentage of shares owned from capital
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1.	RAK Government	1,025,057,905	%34
2.	United Al Saqer Group LLC	225,847,307	%8

➤ **Distribution of shareholders according to ownership size as of 31 December 2024**

S	Stock (Share) Ownership	Number of shareholders	Number of shares owned	Percentage of capital
1.	Less than 50,000	12010	113,600,962	%4
2.	50,000 to less than 500,000	1116	179,859,273	%6
3.	500,000 to less than 5,000,000	350	501,023,697	17%
4.	More than 5,000,000	64	2,205,516,068	74%
Total		13,540	410,548,410	100%

➤ **Actions taken regarding investor relations controls:** Investor Relations Officer Name: Mr. Abdullah Shukri Al Akhdar/ Investor Relations Officer, who can be contacted via email at ir@rakproperties.ae. Also, the electronic link to the investor relations page on the company's website contains a special page for investor relations according to the following link: <https://www.rakproperties.ae/investor-hub/>

➤ **Special resolutions presented at the Annual General Assembly:** in Its meeting held on 20 March 2024, the General Assembly approved the following:

1. Increasing the company's capital by issuing 920 million shares at a nominal value of one dirham, with a total issue value of 920 million dirhams, in favor of the Ras Al Khaimah government as a strategic shareholder. This raises its shareholding in the company from 5% to approximately 34% after the increase, after obtaining the approval of the Securities and Commodities Authority.
2. Amending Article (6) of the company's articles of association to be consistent with the amendment of the company's capital after the increase.
3. Providing voluntary contributions for community service purposes, provided that voluntary contributions do not exceed (2%) of the company's average net profits during the two fiscal years (2022/2023), taking into account the provisions of the Commercial Companies Law, and authorizing the Board of Directors to determine the entities to which these amounts will be allocated.

➤ **Meetings Secretary and Date of Appointment:** Board of Directors' Meetings' rapporteur/ Mr. Majed Abdulla - Secretary of the Board of Directors, appointed since 2023.

➤ **Key events during the year 2024:**

- Increasing the company's capital by issuing 920 million shares at a nominal value of one dirham, with a total issue value of 920 million dirhams, in favor of the Ras Al Khaimah government as a strategic shareholder. This raises its shareholding in the company from 5% to 34% after the increase.

- Amending Article (6) of the company's articles of association to be consistent with the amendment of the company's capital after the increase

➤ **Transactions made by the company during the year 2024 that are equal to 5% or more of the company's capital:**

According to the decision of the Chairman of the Board of Directors of SCA No. (3/R.M) of 2020 regarding the Governance Guide for Public Joint Stock Companies, which defined a "transaction" as an event that affects the assets of a public joint stock company listed on the market, its liabilities, or its net value from transactions, contracts, or agreements concluded by the company, and any other transactions determined by the SCA from time to time by decisions, instructions, or circulars issued by it, and based on the stipulation of the decision, there are no deals or transactions concluded by the company during the year 2024 that affected its assets, liabilities, or net value.


➤ **The percentage of localization in the company:**

The company attaches great importance to localization and considers it one of its responsibilities. The table below shows the localization percentage as follows:

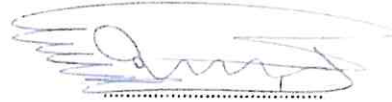
Year	Localization rate
2022	18.1%
2023	18.3%
2024	21.3%

➤ **Innovative projects and initiatives which the company has carried out or is being developed during the year 2024**

There are no innovative projects or initiatives undertaken by the company or being developed during the year 2024.



H.E Abdulaziz Abdulla Al Zaabi
Chairman of the Board of
Directors



Mr. Mohamed Ali Mussbeh Al Nuaimi
Chairman of the Audit and Risk Committee
Chairman of the Nominations and
Remuneration Committee



Mr. Usman Zishan
Head of Internal Control Department