

DIRECTORS REPORT FOR 9 MONTHS PERIOD ENDED 30 SEPTEMBER 2022

On behalf of the Board of Directors of RAK Properties PJSC, I am pleased to present the financial result of the company for the period ended 30th September 2022.

Q3 2022 Key Financial Highlights:

- Revenue for the period amounted to AED 289.58 million vs AED 424.37 million same period last year.
- Net Profit for the period amounted to AED 27.55 million vs AED 197.94 million same period last year.
- Total comprehensive income for the period amounted to AED 27.74 million vs AED 184.33 million same period last year.
- Total Asset stood by AED 6.24 billion in Q3 2022 vs AED 6.21 billion in December 2021.
- Total Equity stood by AED 4.13 billion in Q3 2022 vs AED 4.10 billion in December 2021

Income Statement	AED Million	
	<u>30th Sept 2022</u>	<u>30th Sept 2021</u>
Revenue	289.58	424.37
Cost of Revenue	(198.01)	(251.67)
Gross Profit	91.57	172.70
Operating Profit	47.29	205.26
Profit for the period	27.55	197.94
Total comprehensive income	27.74	184.33

Financial Position	AED Million	
	<u>30th Sept 2022</u>	<u>31st Dec 2021</u>
Non-Current Assets	5,234.19	5,185.44
Current Assets	1,007.78	1,028.88
Total Assets	6,241.97	6,214.32
Non-Current Liabilities	1,227.00	1,210.10
Current Liabilities	885.82	896.81
Capital and Reserves	4,129.15	4,107.41
Total Equity & Liabilities	6,241.97	6,214.32

Development Update

Residential Projects:

1. **Marbella Villas**, Mina Al Arab, Ras Al Khaimah – Villas and Townhouses
 - a. Completed and handing over has been done to end users in first half 2022
2. **Julphar Residence**, a residential tower in Reem Island, Abu Dhabi
 - a. The Project is completed and BCC issued. Sales launch will be announced soon.
3. **Bay Residence Phase 1**, Hayat Island, Mina Al Arab, Ras Al Khaimah
 - a. Project construction for Phase 1 (2 towers) has been awarded and started mobilization.
 - b. Tower 2 sales has been launched in Q2 2022
4. **Gateway Residence 2**, a residential tower in Hayat Island, Mina Al Arab
 - a. Project construction started and progressing as per development plan
 - b. Sales has been launched in Q1 2022

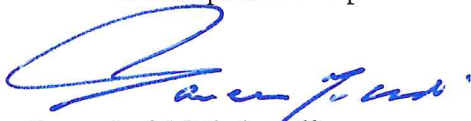
Hospitality Projects:

1. **Intercontinental Ras Al Khaimah Mina Al Arab Resort and SPA**
Hotel is in operation now from 11th February 2022
2. **Anantara Mina Al Arab Hotel and Resort**, Ras Al Khaimah
The construction is progressing as per development plan

These two premium assets will add significant value to the revenue stream and strengthen the balance sheet of the company.

Upcoming Projects:

1. **Bay Residence Phase 2**, Hayat Island, Mina Al Arab, Ras Al Khaimah
Another 2 Towers in Phase 2 will be launching soon as per the plan.
2. **Marbella Extension**, a residential villa in Hayat Island, Mina Al Arab
Tender result is under review to commence construction and project will be launched soon.
3. **Bay Area Projects**, in Hayat Island, Mina Al Arab
Development of 5 plots in Hayat Island are under tendering design stage



Sameh Al Muhtadi
Chief Executive Officer