

DIRECTORS REPORT ON EARNING AS AT END OF MARCH 31 2021

On behalf of the Board of Directors of RAK Properties PJSC, I am pleased to present the report on Earnings for the period ending 31st March 2021.

Q1 2021 Financial Key Highlights:

- Revenue increased by 244% to AED 124.3 million in Q1 2021 vs AED 36.14 million in Q1 2020.
- Net Profit Increased by 433% to AED 64.14 million in Q1 2021 vs AED 12.04 million in Q1 2020.
- Total comprehensive income for the period increased to AED 65.4 million vs AED 1.5 million in Q1 2020.
- The total sales backlog is AED 152 million to be recognized over the period of construction based on construction percentage.
- Total Asset increased by 2.9% to AED 5.97 billion vs AED 5.8 billion due to increased investment in the development of hotels and residential properties.

	AED M		AED M	
	Income Statement		Financial Position	
	31st Mar 2021	31st Mar 2020	31st Mar 2021	31st Dec 2020
Revenue	124.30	36.14	Non current Assets	4,646
Cost of Revenue	(75.97)	(22.68)	Current Assets	1,319
Gross Profit	48.33	13.46	Total Assets	5,965
			Non current Liabilities	987
Profit for the period	64.14	12.04	Current Liabilities	1,002
			Total Equity	3,976
Earnings per share for the period (AED)	0.032	0.006	Total Equity and Liability	5,965

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Development Update

Residential Projects:

1. **Marbella Villas**, Mina Al Arab, Ras Al Khaimah – 205 villas and townhouses
2. **Julphar Residence**, Reem Island, Abu Dhabi – 266 apartments

The above projects will be handed over during this year.

Hospitality Projects:

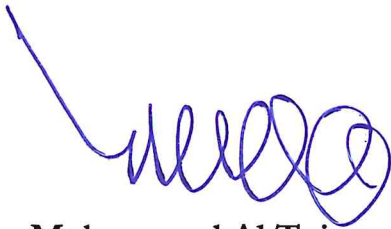
1. **Intercontinental Hotel and Resort**, Mina Al Arab, Ras Al Khaimah
2. **Anantara Mina Al Arab Hotel and Resort**, Ras Al Khaimah

The development of the premium Five Star Hotels is progressing well. The Intercontinental Hotel and Resort is scheduled to open in Q4 /2021 and the Anantara Mina Al Arab Hotel and Resort, Ras Al Khaimah is scheduled to start operation in 2022. These two premium assets will add significant value to the revenue stream and strengthen the balance sheet.

Upcoming Projects:

1. **Bay Residence**, Hayat Island, Mina Al Arab, Ras Al Khaimah
2. **Gateway Residence 2**, a residential tower in Hayat Island, Mina Al Arab

The investment in the infrastructure, lagoon revitalization, marina in the Mina Al Arab Master development is continuing as part of the Corporate strategy to enhance the value of Mina Al Arab as a preferred destination where people aspire to live, work and enjoy.



Mohammad Al Tair

Acting Chief Executive Officer