

## Governance Report 2021

### ARAM Group Company

In its internal policy, the company has adopted a level of professionalism over the past years to achieve the application of governance by adding substantial value on the internal controls, which ensured the company's success and prosperity throughout the years of its operation. This is from the fulfillment of promises to all our partners, having strong financial results, investment in its staff, developing solutions to better serve our customers, facing challenges and exploring new horizons for our shareholders, partners and the communities in which we operate.

Our most important objectives are to reach with the company's management to the best practices in an effective and dynamic method in favor of all shareholders through management that understand its responsibilities, develop its skills in making decisions with clearly defining its objectives and trying to reach them as soon as possible in order to encourage investment on the long run, financial stability and work integrity that would result in achieving sustainable growth. In order to reach this end, the company's Board of Directors (corporate governance system) adopted, according to all legal and regulatory requirements concerned, the code of professional conduct and institutional governance, especially the directives issued on the application of the Chairman of Authority's Board of Director's Decision no, (3/Chairman) of 2020 concerning Approval of Joint Stock Companies Governance Guide.

ARAM Group Company adopts the Federal Law Article No 2 of 2015 and its modifications on the commercial companies regarding regulating the business of the public shareholding companies in addition to the Chairman of Authority's Board of Director's Decision no, (3/Chairman) of 2020 concerning Approval of Joint Stock Companies Governance Guide as well as ARAM Group Company's Articles of Association and the internal policies and procedures guide as a basis in taking any action to regulate the company's business.

## 2. Statement of ownership and transactions of BOD (Board) members and their spouses, their children in the company securities during 2021.

According to the company's policy to establish the governance principles in the trading of the members and staff and according to the Article 12 of the instructions of listing securities in Abu Dhabi stock market, which states:

"The Board Chairman and members of the company listing securities in the market and its General Director or any of the staff who have access to the basic data of the company may not trade themselves or by others in the securities of the mother company, affiliate, ally or sister company during the following periods:



10 days before announcing substantial information that would affect the stock price up and down unless the information results from emergency and sudden events.

1) 15 days before the end of the annual and quarterly financial period and till the disclosure of the financial statements of this quarter.

| Name                                    | Position / Kinship | Owned shares as on 31/12/2021 | Total sale | Total purchase |
|-----------------------------------------|--------------------|-------------------------------|------------|----------------|
| Ziyad Mahmood Khairallah Al Haji        | Chairman           | NA                            | NA         | NA             |
| Ibrahim Ahmed Al Mannaei                | Vice Chairman      | 26,000                        | NA         | NA             |
| Khamis Mohamed Khamis Buharoon Alshamsi | Board Member       | NA                            | NA         | NA             |
| Mohammad Jaffar Alhaj Ali Alrahma       | Board Member       | 3,778,987                     | NA         | 693,077        |
| Christian Wolff                         | Board Member       | NA                            | NA         | NA             |

### 3. Board Formation:

The Board of Directors of ARAM Group Company has experience and high skills. The Board focuses on achieving the best practices of governance and has a clear direction and a positive outlook on the long run as they are well acquainted with the company's business and activities as well as committed to achieve the company's objectives, taking into consideration the best interest of the shareholders. The Board used affiliated committees to assign some tasks and responsibilities where each committee submits its reports and recommendations to the Board of Directors out of responsibility and transparency. The Board of Directors is formed from five members according to the following schedule.

| Name | Category (executive, non-executive, independent) | Experience | Qualification | Period served as a BOD member of the Company since his first election date | Their memberships and positions in any other shareholding companies | Their positions in any other important supervisory, governmental or business entities |
|------|--------------------------------------------------|------------|---------------|----------------------------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------------------------------------|
|      |                                                  |            |               |                                                                            |                                                                     |                                                                                       |



|                                                 |                    |                                                                                                                                 |                                                                                                   |                           |                                                                                                   |                                                                                                                         |
|-------------------------------------------------|--------------------|---------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|---------------------------|---------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| 1- Ziyad Mohamoud Khairallah Al Haji - Chairman | Independent member | Board Chairman of ARAM Group - Managing Director of General Ceramic Company –Chairman of Emaar International Plastic Industries | Diploma of Banking Sciences                                                                       | Since 2012 to date        | Managing Director of General Ceramic Company – Chairman of Emaar International Plastic Industries | Board member in Sharjah Chamber of Commerce & Industry and Honorary Secretary in Sharjah Chamber of Commerce & Industry |
| 2- Ebrahim Ahmed Al Mannaei - Vice Chairman     | Independent member | General Director - Vice Chairman – Board member (ARAM Group)                                                                    | Bachelor of Foreign Trade                                                                         | Since 1984 to date        | Nothing                                                                                           | Nothing                                                                                                                 |
| 3- Khamis Mohamed Khamis Buharoon Alshamsi      | Independent member | Overall Banking, Finance and Real Estate experience of 35 years                                                                 | Bachelor's Degree of Accounting, Business Administration and other banking courses                | Since Oct 7, 2021 to date | Chairman of Abu Dhabi National Takaful Company                                                    | Independ Managing Director in Royal Capital                                                                             |
| 4- Mohammad Jaffar Alhaj Ali Alrahma            | Independent member | Aircraft Engineer in GAMCO.<br><br>Chief Commander of Dubai Police.                                                             | Bachelor of Science in Aviation Maintenance Management. Airframe & Power Plant Approved Engineer. | Since Oct 7, 2021 to date | Nothing                                                                                           | Nothing                                                                                                                 |
| 5-Christian Wolff                               | Independent member | More than 15 years in Financial Management                                                                                      | Master of Science in Economics                                                                    | Since Oct 7, 2021 to date | Nothing                                                                                           | Nothing                                                                                                                 |

- There is no female element in the Board of Directors due to the failure of the female candidate during 2021 election.



**D- Statement of the following:**

- 1- There were non-distributing remunerations of the Board members for the year 2020.
- 2- Proposal of non-distributing remunerations to the Board members for the year 2021.
- 3- A statement of the details of allowances for attending the sessions of committees derived from the BOD, which were paid to the BOD members for the fiscal year 2021:

| S/N | Name                                    | Allowances for attending the BOD Committees |                  |                    |
|-----|-----------------------------------------|---------------------------------------------|------------------|--------------------|
|     |                                         | Name of Committee                           | Allowance Amount | Number of Meetings |
| 1   | Khamis Mohamed Khamis Buharoon Alshamsi | Audit Committee                             | 2,000 AED        | 1 meeting          |
| 2   | Mohammad Jaffar Alhaj Ali Alrahma       | Audit Committee                             | 2,000 AED        | 1 meeting          |
| 3   | Christian Wolff                         | Audit Committee                             | 2,000 AED        | 1 meeting          |
| 4   | Khamis Mohamed Khamis Buharoon Alshamsi | Nomination & Remuneration Committee         | 2,000 AED        | 1 meeting          |
| 5   | Mohammad Jaffar Alhaj Ali Alrahma       | Nomination & Remuneration Committee         | 2,000 AED        | 1 meeting          |
| 6   | Christian Wolff                         | Nomination & Remuneration Committee         | 2,000 AED        | 1 meeting          |

- 4- Proposal to pay equal fees of 50,000 aed for board members as of Dec 31, 2021.

**E- Board meetings**

The Board of Directors of ARAM Group has held meetings during the year 2021 as detailed below:

| Board Member                      | 28/3/2021 | 6/5/2021 | 9/8/2021 | 29/8/2021 | 7/9/2021 | 11/11/2021 |
|-----------------------------------|-----------|----------|----------|-----------|----------|------------|
| Ziyad Mohamoud Khairallah Al Haji | *         | *        | *        | *         | *        | *          |
| Ebrahim Ahmed Al Mannaei          | *         | *        | *        | *         | *        | *          |
| Humid Obaid Al Matrooshi          | *         |          |          |           |          |            |
| Khalid Abdul Aziz Kashwani        | *         | *        | *        | *         | *        |            |



|                                         |   |   |   |   |   |   |
|-----------------------------------------|---|---|---|---|---|---|
| Nasr Bakhit Al Muhairi                  | * | * | * | * | * |   |
| Khalid Mohamed Abdulaziz Ahmed          | * | * | * |   |   |   |
| Mona Gasim Hussein Gasim                | * | * | * | * | * |   |
| Khamis Mohamed Khamis Buharoon Alshamsi |   |   |   |   |   | * |
| Mohammad Jaffar Alhaj Ali Alrahma       |   |   |   |   |   | * |
| Christian Wolff                         |   |   |   |   |   | * |

**F- Number of the Board resolutions passed during the 2021 fiscal year, along with its meeting convention dates.**

There were no Board resolutions circulated during the 2021 fiscal year.

**G- Statement of Board duties and powers exercised by Board members or the Executive Management members during 2021 based on the authorization from the Board.**

The Board of Directors of ARAM Group has adopted a policy that would allow and enable governance, including that the Executive Management members pay special attention to the duties assigned to them. The Board has authorized with certain levels of power to the following:

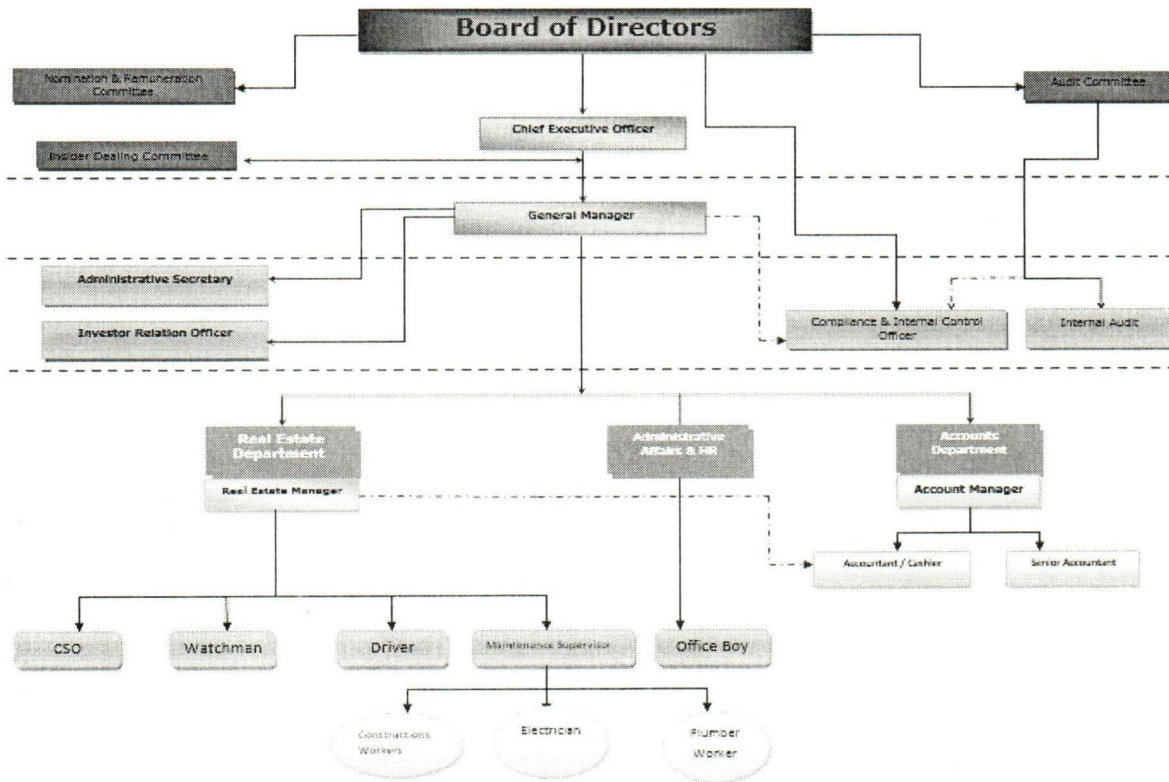
| Name of the authorized person | Power of authorization                                                                                         | Duration of authorization    |
|-------------------------------|----------------------------------------------------------------------------------------------------------------|------------------------------|
| Ali Musmar – CEO              | Administrative, operational and financial powers for ARAM Group Company.                                       | 3 years                      |
| Ali Musmar – CEO              | Full power to reach the highest occupancy rate for the company's buildings by repricing at competitive prices. | As needed                    |
| Ziyad Al Haji - Chairman      | Taking procedures regarding borrowing and mortgage                                                             | As needed for implementation |

**H- Statement of the details of transactions made with the related parties (Stakeholders) during 2021**

There is no trading with relevant parties within the scope of the concept of governance during the year 2021.



## I- Organizational structure of ARAM Group Company



## J- A detailed statement of the senior executives in the first and second grade according to the Company organizational structure.

| Position            | Date Appointment | Total Salaries and Allowances paid in 2021 (AED) | Total Bonuses paid for 2021 (AED) | Any other Cash/in-kind bonuses for 2021 or due in the future |
|---------------------|------------------|--------------------------------------------------|-----------------------------------|--------------------------------------------------------------|
| CEO                 | 2004/2021        | 866,958                                          | Nil                               | 110,314                                                      |
| General Manager     | 1979             | 424,800                                          | Nil                               | 79,000                                                       |
| Chief Accountant    | 1985             | 212,015                                          | Nil                               | 37,400                                                       |
| Real Estate Manager | 2006             | 176,880                                          | Nil                               | 26,320                                                       |

### 4. External auditor

A- Based on the Audit Committee nominations, the Board of Directors nominates the auditor to the General Assembly for approval of his hiring after verifying his independence, efficiency and reputation for one year



where he undertakes his duties from the end of this Assembly meeting till the end of the next year Assembly meeting. His fees are determined by a decision from the General Assembly and he is forbidden to do other accounting works related to the accounting records. He is also forbidden to design or implement any information systems if they have a substantial influence on the financial data or control systems related thereto or to provide any services or internal audit works by subcontract. Furthermore, he is forbidden to provide any valuation or appraisal works for the company during the audit or participate therein as well as to provide any administrative services or works or those related to financial or real estate mediation.

Accordingly, it was contracted with Grant Thornton Company, a member of the International Grant Thornton Company, operating in UAE since 1998, which is one of the largest audit and consulting companies worldwide with firm presence at the international and local levels, providing independent and objective opinions in line with the methodologies and processes arising at the global level in the application of accounting standards.

B- Statement of fees and costs for the audit or services provided by the external audit, according to the following schedule:

| Name of audit office and partner auditor                                                                          | Grant Thornton / Osama El Bakry            |
|-------------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| Number of years he served as the company external auditor                                                         | 2 years                                    |
| Total audit fees for 2021                                                                                         | 80,000 AED                                 |
| Fees and costs of other private services other than auditing the financial statements for 2021                    | 21,000 AED                                 |
| Details and nature of the other services                                                                          | Report on unclaimed dividend prior to 2015 |
| Statement of other services that an external auditor other than the company accounts auditor provided during 2021 | Nothing                                    |

**C- Statement clarifying the reservations that the company auditor included in the interim and annual financial statements for 2021.**

There are no reservations included by the company auditor in the interim or annual financial statements for the year 2021.

**5. Audit Committee**

A- Christian Wolff, Audit Committee Chairman, acknowledges his responsibility for the committee system in the company, review of its work mechanism and ensuring its effectiveness.



B- The Committee is formed upon a decision from the Board of Directors which determines its name and duties. The Committee is formed immediately after determining the Board of Directors positions after their election by the General Assembly. It consists of three independent members. The Committee consists of the following three members:

- Christian Wolff Committee Chairman
- Khamis Mohamed Khamis Buharoon Alshamsi Committee member
- Mohammad Jaffar Alhaj Ali Alrahma Committee member

The Audit Committee is concerned with control of the financial statements of the company, recommendations of changes in the control systems and financial system of the company, control of the accounting practices and recommendation of nominating external auditor.

The Audit Committee has powers to study any activity within its own revision terms. It is authorized to reach the external and internal auditor, get the information related to audit and use any internal or external specialized party for providing professional consultancy on any matter related to the company's accounts. It also has powers to request any information it needs from any employee or Board member; therefore, the Board members and employees are directed to cooperate with any demand from the Committee.

#### C- Committee meetings

| Name                                    | 8/2/2021 | 25/3/2021 | 5/5/2021 | 8/8/2021 | 9/11/2021 |
|-----------------------------------------|----------|-----------|----------|----------|-----------|
| Ibrahim Ahmed Al Mannaei                | *        | *         | *        | *        |           |
| Nasr Bakhit Al Mehiri                   | *        | *         | *        | *        |           |
| Khalid Mohamed Abdelaziz Ahmed          | *        | *         | *        | *        |           |
| Christian Wolff                         |          |           |          |          | *         |
| Khamis Mohamed Khamis Buharoon Alshamsi |          |           |          |          | *         |
| Mohammad Jaffar Alhaj Ali Alrahma       |          |           |          |          | *         |

## 6. Nomination & Remuneration Committee

A- Khamis Mohamed Khamis Buharoon Alshamsi, Nomination and Remuneration Committee Chairman, acknowledges his responsibility for the committee system in the Company, his review of its work mechanism and ensuring its effectiveness.



**B-** It is one of the Committees emerging from the company's Board of Directors; it is formed upon a decision from the Board of Directors which determines its name and duties. The Committee is formed immediately after determining the Board of Directors positions after their election by the General Assembly. It consists of three independent and non-executive members. The Committee consists of the following three members:

- Khamis Mohamed Khamis Buharoon Alshamsi      Committee Chairman
- Mohammad Jaffar Alhaj Ali Alrahma                      Committee member
- Christian Wolff                                              Committee member

The role of the Committee is represented in determining the individual and total remunerations of the Board members within the framework approved in the Corporate Law and governance decision, setting the remuneration policy for the Executive Management associated with the company's performance and determining the payroll caps including salaries, remunerations and incentive programs. Also, the Committee is responsible for the preparation and revision of the human resources policies and relevant systems, supervision of procedures and revision of the Board members nomination. The Committee is granted powers by the Board of Directors to study any activity within its revision terms and it is authorized unconditionally to get any professional consultancy on any matter related to the company. The Committee has powers to demand any information it needs from any employee or Board member; therefore, the Board members and employees are directed to cooperate with any demand from the Committee.

#### C- Committee meetings

| Name                                    | 25/3/2021 | 9/11/2021 |
|-----------------------------------------|-----------|-----------|
| Khalid Abdul Aziz Kashwani              | *         |           |
| Ibrahim Ahmed Al Mannaei                | *         |           |
| Nasr Bakhit Al Mehiri                   | *         |           |
| Khamis Mohamed Khamis Buharoon Alshamsi |           | *         |
| Mohammad Jaffar Alhaj Ali Alrahma       |           | *         |
| Christian Wolff                         |           | *         |

### 7. The Supervision and Follow-up Committee of Insider's transactions

A- Batoul Assi, acknowledges her responsibility for the follow-up and supervision system on transactions of the insiders in the Company, review of its work mechanism and ensuring its effectiveness.



B- Committee members' names:

- Batoul Assi – Compliance and Internal Control Officer
- Najwa Farah – Executive Secretary and Investors Relations Officer

Statement of the Committee's functions and duties:

- 1- Determining and updating the insiders list
- 2- Receiving trading requests from insiders
- 3- Viewing trading periodically to check the insiders' commitment

C- Committee meeting

| Name        | 18/2/2021 | 6/5/2021 | 10/8/2021 | 5/10/2021 |
|-------------|-----------|----------|-----------|-----------|
| Batoul Assi | *         | *        | *         | *         |
| Najwa Farah | *         | *        | *         | *         |

Summary of the Committee's work report during 2021

-Trading on the company's stocks during the fourth quarter of 2020 and the first, second and third quarters of 2021 in Abu Dhabi Securities and Exchange were viewed and it proves the insiders' non-trading on the stocks in the prohibition periods.

- Company Insiders List for the fourth quarter 2020 & first, second & third quarter of 2021.

#### **8. Any committee(s) approved by the Board**

There are no other committees approved by the Board of Directors.

#### **9. Internal Control System**

A- The Board of Directors acknowledges its full responsibility for the Internal Control System and the efficiency of its working mechanism to ensure that the Senior Management prepares and applies an effective internal control system to provide reasonable guarantees for effective and efficient operations and adherence to the laws and legislation within the limits set forth in the Chairman of Authority's Board of Director's Decision no, (3/Chairman) of 2020 concerning Approval of Joint Stock Companies Governance Guide.



B- Among the duties of the Internal Control Department is the issuance of internal control reports, monitoring and auditing all accounting and operational works in the company, monitoring the administrative works and adding recommendations to the Board of Directors in case of any weaknesses in the financial, operational and accounting aspects. It is concerned with the direct tracking of the Board of Directors, and the Audit Committee has access to the Management works. The Management shall give an evaluation of the means and procedures of risk management; ensure the commitment of the company and staff to the systems, policies and internal procedures; validate the financial statements in terms of accounting and ensure the application of the international accounting standards in the preparation and management of the company's finance. It is headed by Ms. Batoul Adnan Assi – qualification: “Bachelor of Business Administration & Accounting” – date of hiring: 26/11/2016.

C- Compliance Officer's name: Ms. Batoul Adnan Assi – qualification: “Bachelor of Business Administration & Accounting” – date of hiring: 26/11/2016. The Compliance Officer is also the Head of Internal Control Department, occupying two positions.

D- How the Internal Control Department dealt with any major problems at the Company or those that were disclosed in the annual reports and accounts: the company didn't face any major problems during the year 2021.

E- A quarterly report is issued and submitted to the Audit Committee which in turn submits the report with its recommendations to the Board of Directors to view the performance of the Internal Control System and issue any recommendations or decisions, if necessary, it has been issued four reports during the year 2021.

Communicate with the Board of Directors in case of failure in any operational procedure to determine the financial, operational and administrative risks and set priorities in terms of the degree of risks possible by identifying them in written notes.

The Internal Control Department deals with any notes that should be notified to the Management by periodic reports sent to the Board of Directors and the Audit Committee to be discussed with the Executive Management for finding proper solutions to address the imbalance. The company did not encounter any substantial problems in relation to the control and financial system during the year.

#### **10.Details of the violations committed during 2021**

There were no violations during the year 2021.

#### **11. Statement of the cash and in-kind contribution made by the Company during the year 2021 in developing the local community and preserving the environment.**

The company is committed to apply a mixture of environmental, social and local policy through preservation and contribution to improve the general view in the Emirate of Sharjah by renovating and cleaning the surrounding of the company located in Sharjah including renovating the facades of old buildings or cleaning modern buildings continuously. The cash or in-kind contributions made by company towards the local community is represented by



offering discount given to tenants financially affected by the negative economic repercussions due to epidemic situation the amount off 26,971aed.

## 12. General information

### A- Statement of the company share price in the market at the end of each month during the fiscal year 2021

| Month     | Lowest Price | Highest Price | Closing Price |
|-----------|--------------|---------------|---------------|
| January   | 0.850        | 0.850         | 0.850         |
| February  | 0.850        | 0.850         | 0.850         |
| March     | 0.850        | 0.850         | 0.850         |
| April     | 0.850        | 0.850         | 0.850         |
| May       | 0.800        | 0.800         | 0.800         |
| June      | 0.800        | 0.800         | 0.800         |
| July      | 0.800        | 0.800         | 0.800         |
| August    | 0.900        | 1.180         | 1.180         |
| September | 1.300        | 3.900         | 2.950         |
| October   | 2.400        | 3.310         | 2.900         |
| November  | 2.650        | 3.500         | 2.950         |
| December  | 2.620        | 3.220         | 3.100         |

### B- Statement of the Company comparative performance with the general market index and sector index to which the Company belongs during 2021

| Month     | General market index % | Sector index % | Company's share price % |
|-----------|------------------------|----------------|-------------------------|
| January   | 10.865                 | 9.903          | 0.00                    |
| February  | 1.245                  | 2.648          | 0.00                    |
| March     | 4.372                  | 2.464          | 0.00                    |
| April     | 2.406                  | (3.544)        | 0.00                    |
| May       | 8.467                  | 3.144          | (5.88)                  |
| June      | 4.136                  | 4.843          | 0.00                    |
| July      | 7.062                  | 4.230          | 0.00                    |
| August    | 4.997                  | 4.350          | 47.50                   |
| September | 0.179                  | (2.126)        | 150.00                  |
| October   | 2.142                  | (0.128)        | (1.69)                  |
| November  | 8.644                  | (1.050)        | 1.72                    |
| December  | (0.680)                | (0.698)        | 5.08                    |



**C- Statement of the shareholders' ownership distribution as on 31/12/2021**

| S.N. | Shareholder's classification | Percentage of owned shares |           |            |        |
|------|------------------------------|----------------------------|-----------|------------|--------|
|      |                              | Individual                 | Companies | Government | Total  |
| 1    | Local                        | 12.17%                     | 9.63%     | 0.00%      | 21.80% |
| 2    | Arab                         | 47.77%                     | 19.78%    | 1.28%      | 68.83% |
| 3    | Foreign                      | 9.35%                      | 0.02%     | 0.00%      | 9.37%  |
| *    | Total                        | 69.29%                     | 29.43%    | 1.28%      | 100%   |

**D- Statement of shareholders owning 5% or more of the company's capital as on 31/12/2021**

| Name                      | Number of owned shares | % of owned shares of the Company's Capital |
|---------------------------|------------------------|--------------------------------------------|
| Al Fotouh Holding Company | 3,982,767              | 5.05%                                      |

**E- Statement of how shareholders are distributed according to the volume of property as on 31/12/2021**

| S.N. | Share(s) Ownership                  | Number of Shareholders | Number of owned shares | % of owned shares of the Capital |
|------|-------------------------------------|------------------------|------------------------|----------------------------------|
| 1    | Less than 50,000                    | 8224                   | 15,386,099             | 19.50%                           |
| 2    | From 50,000 to less than 500,000    | 140                    | 20,855,349             | 26.43%                           |
| 3    | From 500,000 to less than 5,000,000 | 27                     | 42,659,638             | 54.07%                           |
| 4    | More than 5,000,000                 | 0                      | 0                      | 0                                |
| *    | Total                               | 8391                   | 78,901,086             | 100%                             |

**F- Statement of measures taken regarding the controls of investor relationships**

- Name of the Investor relationships officer: Batoul Adnan Assi

- Data of communication with the investor relationships:

Email: [batoul.k@aramgroup.ae](mailto:batoul.k@aramgroup.ae)

Phone: 06/5565570

Mobile: 056 415 89 29

Fax: 06/5565572



**G- Statement of the special decisions presented in the General Assembly held during 2021 and the procedures taken with respect thereto**

a- Change the company's trade name.

b- Adding investment activities in agricultural projects, investment in industrial projects, their establishment and management, to the company's activities.

**Amending Article 2 of the Article of Association to become:**

**[Article [2] before the amendment:**

The name of this company is ("Sharjah Group Company"), which is a public joint stock company - hereinafter referred to as company.

**[Article [2] after amendment will be as follows:**

The name of this company is ("ARAM Group"), which is a public joint stock company - hereinafter referred to as company.

**Amending Article 5 of the Article of Association to become:**

**[Article [5] before the amendment:**

The purposes for which the company was established shall be in accordance with the provisions of the laws and resolutions in force within the country.

The purposes for which the company was established are:

Owning and managing investment and leasing real estate in all its residential, investment, commercial, medical, industrial, educational, administrative and governmental constructions, hotels, tourist resorts, recreational, sports and others inside and outside the country and construction and management work, development, reconstruction, management of maintenance of third parties' real estate, participation in any companies, authorities, projects or any other entity inside or outside the country, investing in stocks and bonds, borrowing, concluding contracts for construction, operation, management, maintenance, purchase and the sale or agreements related to the management of companies engaged in the establishment, development, operation or maintenance of any of the company's business activities or facilities, or in the field of any related services, or agreements related to the establishment, development, operation and maintenance of activities or the businesses or facilities owned by those companies and engaging in any activity or doing any work that would enhance the company's financial position, increase its value or the value of its assets, or support the interests of shareholders and be related to the company's activity or purpose. The company may have an interest, participate in, cooperate, buy or join in any way with other companies, institutions and authorities inside or outside the country as long as it carries out business similar to its business.

The company may not carry out any activity that requires the issuance of a license from the supervisory authority supervising the activity in the country or outside the country except after obtaining the license from that authority and submitting a copy of this license to the authority and the competent authority.



**[Article [5] after amendment will be as follows:**

The purposes for which the company was established shall be in accordance with the provisions of the laws and resolutions in force within the country.

The purposes for which the company was established are:

Owning and managing investment and leasing real estate in all its residential, investment, commercial, medical, industrial, educational, administrative and governmental constructions, hotels, tourist resorts, recreational, sports and others inside and outside the country investment in agricultural projects, investment in industrial projects, their establishment and management and construction and management work, development, reconstruction, management of maintenance of third parties' real estate, participation in any companies, authorities, projects or any other entity inside or outside the country, investing in stocks and bonds, borrowing, concluding contracts for construction, operation, management, maintenance, purchase and the sale or agreements related to the management of companies engaged in the establishment, development, operation or maintenance of any of the company's business activities or facilities, or in the field of any related services, or agreements related to the establishment, development, operation and maintenance of activities or the businesses or facilities owned by those companies and engaging in any activity or doing any work that would enhance the company's financial position, increase its value or the value of its assets, or support the interests of shareholders and be related to the company's activity or purpose.

The company may have an interest, participate in, cooperate, buy or join in any way with other companies, institutions and authorities inside or outside the country as long as it carries out business similar to its business.

The company may not carry out any activity that requires the issuance of a license from the supervisory authority supervising the activity in the country or outside the country except after obtaining the license from that authority and submitting a copy of this license to the authority and the competent authority.

**Amending Article 19 of the Article of Association to become:**

**[Article [19] before the amendment:**

- a- The company is managed by a board of directors consisting of (7) members elected by the general assembly of shareholders by a cumulative secret vote.
- b- The majority of the board members, including the chairman, must be citizens.

**[Article [19] after amendment will be as follows:**

- a- The company is managed by a board of directors consisting of (5) members elected by the general assembly of shareholders by a cumulative secret vote.
- b- The majority of the board members, including the chairman, must be citizens.



#### **H- Rapporteur of the Board meetings**

- Rapporteur of the Board meetings: Abdul Rahman Abdullah Al Mahmoud
- His appointment Date: 25<sup>th</sup> May 1998

#### **I- Detailed statement of major events and important disclosures that the Company encountered during 2021**

- Disclosure regarding the Executive Case no. 1969/2016, that the company signed a long-term loan agreement with a local bank to borrow an amount of 35,000,000 AED in order to settle the remaining outstanding balance related to the above-mentioned executive file amount 34,900,000 AED, which will result to close the executive file in the court and to release all the company properties.
- Disclosing the resignation of the Chief Executive Officer Mr. Mohamed Abdullah Al Wazzan for personal reasons.
- Disclosing the resignation of five Board Members, for personal reasons.
- Disclosing the resignation of Vice Chairman Mr. Ebrahim Ahmed Al Mannaai for personal reasons.
- Disclosure for the appointment of the Chief Executive Officer Mr. Ali Musmar.
- Disclosure that the company has signed an agreement with BHM Capital to act as liquidity provider on its traded shares in ADX. As per the terms of the agreement, the liquidity provider will not hold more than 5% pf the share capital.
- Disclosure of changing the trade name of Sharjah Group to ARAM Group, also adding investment activities in agricultural projects, investment in industrial projects, their establishment and management to the company's activities as well. This was announced in the Official Gazette by the Government of Sharjah Economic Development Department on 11/11/2021.
- Disclosure of publishing the Article of Association of ARAM Group Company (formerly Sharjah Group Company) in the Official Gazette no. 715 on 15/11/2021.
- Disclosure of changing the trading symbol for ARAM Group Company (formerly Sharjah Group Company) from SG to ARAM.

#### **J- Statement of the transactions carried out by the company during the year 2021 that are equal to 5% or more of the Company's capital**

There are no transactions carried out by the company during the year 2021 that are equal to 5% or more of the company's capital.



**K- Statement of Emiratization percentage in the company at the end of 2019, 2020, 2021**

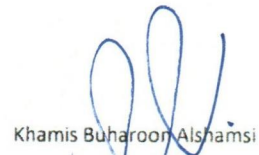
There is no Emiratization percentage in the company.

**L- Statement of the innovative projects and initiatives carried out by the company or being developed during 2021**

There are no projects or innovative initiatives done by the company or underway during the year 2021.



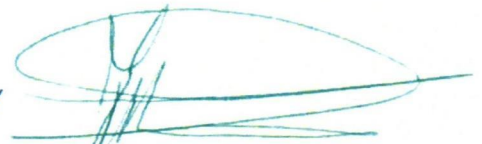
Batoul Assi  
Internal Control Department



Khamis Buharoon Alshamsi  
Nomination & Remuneration  
chairman



Christian Wolff  
Audit Committee Chairman



Ziyad Mahmoud Khairallah Al Haji  
Chairman

Date 22/03/2022