


Management Discussion and Analysis (MD&A) report of the Board of Directors of the listed public shareholding company

Date	12.05.2023
Name of the Listed Company	Aram Group Company
The period of the financial statements covered by the report	Financial Review Q1, 2023
Overview of the main results during the financial period	Realized operation revenue of AED 2.75 million Net Profit for the period AED 291,182/- Total Assets AED 181.24 million Total Equity AED 119.27 million Capital AED 78,901,086/-
Securities issued during the financial period	Nil
Summary of the most important non-financial events and developments during the financial period	-Continues enhancement to corporate governance and compliance as per the SCA requirements.
Summary of operational performance during the financial period	1- Operational Income increased by 9.41 % compared to the year 2022 corresponding period while total comprehensive income increased by 125% compared to the 2022 results. 2- Overall Occupancy rate increased up to 88.91% by the end of Q1 2023 from 86.94% reported at the end of the year 2022 where as occupancy rate at the end of Q1, 2022 was 80.95% only. 3- Price to-book value ratio decreased from 1.48 reported in the year 2022 to 1.04 by end of the Q1 2023. 4- Achieved the Budgeted operational revenue for the Q1, 2023 @ 94%.
Summary of profit and loss during the financial period	Despite the competitive real-estate market, the company was able to retain positive net profit during the Q1, 2023 compared to loss reported in Q1, 2022.
Summary of financial position as of the end of the financial period	- Total assets increased by AED 746,407 and reported at AED 181.24 Mn whereas total equity increased by AED 403,749 and reported at AED 119.27 Mn at the end of Q1, 2023.
Summary of cash flows during the financial period	During the period, net cash flow from operating activities reported at AED 1,849,433/- compared to AED 499,711/- reported in Q1, 2022.
Main performance indicators	Book value of the shares improved to AED 1.512 from AED 1.507 reported in the year Q1, 2022.



Expectations for the sector and the company's role in these expectations	The company achieved 88.9% occupancy whereas the average occupancy rate of the industry is said to be around 88%. Company was able to achieve higher occupancy rate due to focus on internal efficiency rather than rely on external market behavior.
Expectations regarding the economy and its impact on the company and the sector	It is expected that the EIBOR rate would increase further by increasing the pressure of finance cost which would adversely affect to the performance of the company. Company may not able to enjoy the positive forecast in rental price increment in the emirates as many of the unites were leased out during the Covid period at discounted price is not completed three-year period.
Future plans for growth and changes in operations in future periods	The company is in the process of diversifying business in to profitable segments while systematically withdraw from investments with low returns.
The size and impact of current and projected capital expenditures on the company	Considering the positive market Industry expectation, the company planning to increase its capital expenditure to diversify the investment portfolio and sustain a variety of revenue sources.
The developments of the implementation of projects, plans, transactions, and deals that were discussed by the company's board of directors in the report for the previous fiscal year	-New investment Plans and strategies were discussed to diversify the business process.

The name of the chairman of the company or the authorized signatory	Mr. Khamis Mohamed Khamis Buharoon Al Shamsi
Signature and date	 12.05.2023
Company's Seal	