

INTEGRATED REPORT 2025

ARAM GROUP COMPANY PJSC

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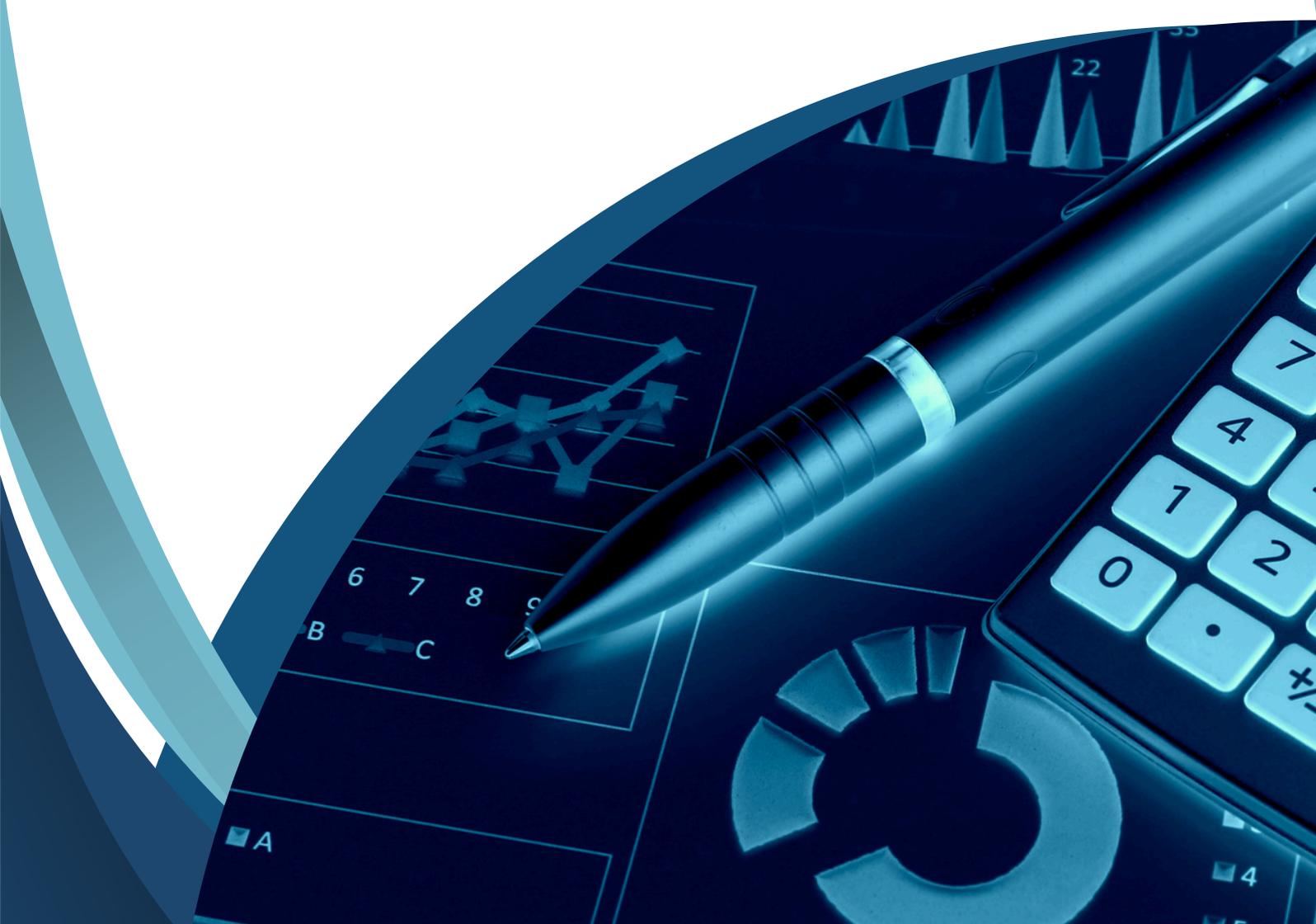
**BOARD OF DIRECTORS
REPORT**

**INDEPENDENT AUDITOR'S
REPORT**

**CONSOLIDATED FINANCIAL
STATEMENTS**

2025

ARAM GROUP COMPANY PJSC



**ARAM Group Company P.J.S.C. and its
subsidiary**

Sharjah, United Arab Emirates

**Reports and Consolidated financial
statements**

For the year ended 31 December 2025

ARAM Group Company P.J.S.C. and its subsidiary

Sharjah - United Arab Emirates

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ARAM Group Company P.J.S.C. and its subsidiary

Sharjah - United Arab Emirates General information

Principal office address:

Al Khan Street
P.O. Box: 5440
Sharjah, United Arab Emirates
T: +971 6 5565570
Website: www.aramgroup.ae

The Directors:

H.H Shaikh Mohammed Bin Sultan Bin Khalifa Al-Nahyan
Mr. Ali Nasser Sultan Alyabhouni Aldhaheri
Mr. Arkadiusz Jakub Bajak
Mr. Ali Mohd Zaid Ali Musmar
Ms. Salama Alhaj Abdullah Alawadhi

The Chief Executive Officer:

Mr. Ali Mohd Zaid Ali Musmar

The Auditor:

Crowe Mak
P.O. Box: 6954
Sharjah, United Arab Emirates

The Banks:

Sharjah Islamic Bank P.J.S.C.
National Bank of Kuwait S.A.K.P.

ARAM Group Company P.J.S.C. and its subsidiary

Sharjah - United Arab Emirates Directors' report

The Directors have pleasure in presenting their report and the audited consolidated financial statements for the year ended 31 December 2025.

Principal activities of the Group

The Group's principal activities are investing in financial instruments, investing and leasing of properties, and investing, establishing and managing agricultural, industrial, and commercial projects, general trading and contracting, purchase and sale of shares and bonds.

Financial review

The table below summarizes the results of the year 2025 and 2024.

	2025	2024
	AED	AED
Rental income	11,236,419	10,193,038
Gain on fair value of investment properties	10,008,652	16,600,000
Profit after tax	13,174,539	16,696,855
Net profit ratio	117.25%	163.81%

Role of the Directors

On 28 April 2025, Mr. Khamis Mohamed Khamis Buharoon Alshamsi retired as the Chairman of the Group and Mr. Jassim Mubarak Masoud Jassim Al-Dhaheri was appointed as the Chairman of the Group.

On 13 November 2025, The Company's Board of Directors resigned. Accordingly, a General Assembly meeting was convened on 19 December 2025 to elect a new Board of Directors in compliance with applicable regulatory requirements.

Following the election, H.H. Shaikh Mohammed Sultan Bin Khalifa Al-Nahyan was appointed as Chairman of the Board, and Mr. Ali Nasser Sultan Alyabhouni Aldhaheri was appointed as Vice Chairman on 22 December 2025.

The Directors are the Group's principal decision-making forum. The Directors have the overall responsibility for leading and supervising the Group for delivering sustainable shareholders value through their guidance and supervision of the Group's business. The Directors set the strategies and policies of the Group. They monitor performance of the Group's business, guide and supervise its management.

Going concern

The attached consolidated financial statements have been prepared on a going concern basis. While preparing the consolidated financial statements, the management has made an assessment of the Group's ability to continue as a going concern. The management has not come across any evidence that causes it to believe that material uncertainties related to the events or conditions existed, which may cast significant doubt on the Group's ability to continue as a going concern.

Events after year end

Subsequent to the year end, on 21 January 2026, the Group executed revised financing arrangements with Sharjah Islamic Bank to formalise a newly obtained overdraft facility under an Ijara financing structure. The overdraft facility, which was made available subsequent to the reporting date, is being structured as a Sharia-compliant Ijara arrangement secured by four properties. In connection with this restructuring, the mortgage terms over the existing secured properties were amended and an additional property located in Industrial Area 10 was included as security.

On 22 January 2026, the Group entered into a USD 6,000,000 term loan agreement with Prepaire Labs Holding Ltd. The loan bears interest at 6% per annum and has a tenure of 12 months. Repayment of the facility will be effected either through the issuance or transfer of shares within the loan term or by settlement of the principal amount in cash.

In the opinion of the Directors, other than above, no transaction or event of a material and unusual nature, favourable or unfavourable has arisen in the interval between the end of the financial year and the date of this report, that is likely to affect, substantially the result of the operations or the financial position of the Group.

Statement of Directors' responsibilities

The applicable requirements require the Directors to prepare the consolidated financial statements for each financial year which present fairly in all material respects, the consolidated financial position of the Group and its financial performance for the year then ended.

ARAM Group Company P.J.S.C. and its subsidiary

Sharjah - United Arab Emirates Directors' report (continued)

The audited consolidated financial statements for the year under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Directors confirm that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose with reasonable accuracy at any time, the consolidated financial position of the Group and enables them to ensure that the consolidated financial statements comply with the requirements of the applicable statute. The Directors also confirm that appropriate accounting policies have been selected and applied consistently in order for the consolidated financial statements to reflect fairly, the form and substance of the transactions carried out during the year under review and reasonably present the Group's financial conditions and results of its operations.

The Directors confirm that so far as they are aware, there is no relevant audit information of which the Group's auditor is unaware and they have taken all the steps that they ought to have taken as the Directors in order to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

The consolidated financial statements set out on pages 8 to 51, which have been prepared on the going concern basis were approved by the Directors on the date of these consolidated financial statements and signed on behalf of the Group by:



**H.H Shaikh Mohammed Bin
Sultan Bin Khalifa Al-Nahyan**
Chairman



Mr. Ali Mohd Zaid Ali Musmar
Managing Director

3 March 2026

Ref: RR/B2354/MAR'2026

Independent auditor's report

To
The Shareholders
ARAM Group Company P.J.S.C.
Sharjah, United Arab Emirates

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of ARAM Group Company P.J.S.C. (the "Entity") and its subsidiary (together the "Group"), Sharjah, United Arab Emirates, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of consolidated financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the consolidated financial statements of public interest entities in the United Arab Emirates. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of the investment properties

We identified the valuation of investment properties as a key audit matter due to the significance of the Group's investment properties in the context of the Group's consolidated financial statements as a whole and due to significant judgement involved in determining the inputs used in the valuation exercise.

As at 31 December 2025, the Group's investment properties aggregated AED 163,460,000 (2024: AED 153,350,000) which represented 88% (2024: 90%) of the Group's total assets and a gain on revaluation of investment properties aggregating AED 10,008,652 (2024: AED 16,600,000) was recognised in the consolidated statement of profit or loss for the year then ended.

The Group's investment properties are stated at fair value based on valuation carried out by an independent qualified valuer (the "Valuer"). The valuation depends on certain key estimates which required significant judgement, including observable market data from comparable property transactions under the market approach and under the income approach, assumptions relating to yield rates, contractual lease rents and forecasted operating expenses, which are influenced by prevailing market forces and specific characteristics such as property location and income returns of each property in the portfolio. Details of the valuation methodologies and key inputs used in the valuation are disclosed in Note 7 to the consolidated financial statements.

Independent auditor's report (continued)

To the Shareholders of ARAM Group Company P.J.S.C. and its subsidiary Report on the Audit of Consolidated Financial Statements (continued)

How our audit addressed the key audit matters:

We have performed the following procedures in relation to the valuation of investment properties:

- We assessed the competence, capabilities and objectivity of the independent valuer;
- We reviewed the terms of engagement between valuer and the Group to determine whether the scope of the work is adequate and there were any matters that might have affected their objectivity or may have imposed scope limitations upon their work;
- We assessed the completeness and consistency of information provided by the Group to the valuer and evaluated the reasonableness of the key inputs used in the valuation on a sample basis;
- We assessed the appropriateness and reasonableness of the valuation methodologies, key assumptions and estimates used in the valuation on a sample basis;
- We agreed the total valuation in reports of third party valuers to the amount reported in the consolidated statement of financial position;
- We reperfomed the arithmetical accuracy of the determination of net fair value gain;
- We reviewed a sample of investment properties valued by external valuers and assessed whether the valuation of the properties was performed in accordance with the requirements of IFRS 13 Fair Value Measurement; and
- We assessed the presentation and disclosures made in relation to this matter to determine if they were in accordance with the requirements of IFRSs.

Other Information

The Directors are responsible for the other information. The other information comprises the Directors' report. The other information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and their preparation in compliance with the applicable provisions of the UAE Federal Law No. 32 of 2021, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Independent auditor's report (continued)

To the Shareholders of ARAM Group Company P.J.S.C. and its subsidiary Report on the Audit of Consolidated Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Independent auditor's report (continued)

To the Shareholders of ARAM Group Company P.J.S.C. and its subsidiary Report on the Audit of Consolidated Financial Statements (continued)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Law No. 32 of 2021, we report that:

- (a) We have obtained all the information we considered necessary for the purpose of our audit.
- (b) The consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. 32 of 2021.
- (c) The Group maintained proper books of account.
- (d) The financial information included in the Directors' report is consistent with the books of account of the Group.
- (e) Investments in shares and stocks are disclosed in Notes 8 and 9 to the consolidated financial statements and include purchases and investments made by the Group during the financial year ended 31 December 2025.
- (f) Note 10 to the consolidated financial statements reflects the disclosures relating to material related party transactions and the terms under which they were conducted.
- (g) Based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Group has contravened, during the financial year ended 31 December 2025 any of the requirements of UAE Federal Law No. 32 of 2021, and the Articles of Association of the Parent Entity, which would materially affect its activities or its financial position as at 31 December 2025.

For Crowe Mak,



Dr. Khalid Maniar
Registered Auditor Number: 24
Sharjah, United Arab Emirates
3 March 2026



ARAM Group Company P.J.S.C. and its subsidiary

Sharjah - United Arab Emirates

Consolidated statement of financial position as at 31 December 2025

	Notes	2025 AED	2024 AED
ASSETS			
Non-current assets			
Property, plant and equipment	5	298,651	71,318
Right-of-use assets	6	570,374	61,603
Investment properties	7	163,460,000	153,350,000
Investments carried at fair value through other comprehensive income (FVTOCI)	8	20,683,300	14,466,656
Total non-current assets		185,012,325	167,949,577
Current assets			
Investments carried at fair value through profit or loss (FVTPL)	9	419,959	160,246
Due from a related party	10	-	300,000
Trade and other receivables	12	929,054	840,914
Cash and cash equivalents	13	448,996	697,289
Total current assets		1,798,009	1,998,449
Total assets		186,810,334	169,948,026
EQUITY AND LIABILITIES			
Equity			
Share capital	14	78,901,086	78,901,086
Statutory reserve	15	36,179,437	34,869,340
Voluntary reserve	16	16,498,495	15,188,398
Fair value reserve		2,923,849	(3,274,068)
Foreign currency translation reserve		(719,978)	(732,393)
Retained earnings		25,211,847	14,657,502
Total equity		158,994,736	139,609,865
LIABILITIES			
Non-current liabilities			
Employees' end-of-service benefits	17	1,013,028	898,120
Lease liabilities	18	458,193	-
Bank borrowings	19	16,247,761	19,870,419
Deferred tax liabilities	26	2,215,671	1,314,892
Total non-current liabilities		19,934,653	22,083,431
Current liabilities			
Due to a related party	10	48,000	534,012
Dividend payable		562	562
Lease liabilities	18	116,714	70,489
Bank borrowings	19	3,684,211	3,684,211
Trade and other payables	20	3,678,004	3,853,410
Current tax liabilities	26	353,454	112,046
Total current liabilities		7,880,945	8,254,730
Total liabilities		27,815,598	30,338,161
Total equity and liabilities		186,810,334	169,948,026

These consolidated financial statements were approved and authorised for issue on 03 March 2026.

The consolidated financial statements set out on pages 8 to 50, which have been prepared on the going concern basis were approved by the Directors on the date of these consolidated financial statements and signed on behalf of the Group by:

H.H. Shaikh Mohammed Bin
Sultan Bin Khalifa Al-Nahyan
Chairman

Mr. Ali Mohd Zaid Ali Musmar
Managing Director

The accompanying notes and policies form an integral part of these consolidated financial statements.

The report of the auditor is set out on pages 4 to 7.

ARAM Group Company P.J.S.C. and its subsidiary

Sharjah - United Arab Emirates

Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2025

	Notes	2025 AED	2024 AED
Rental income	21	11,236,419	10,193,038
Other income		288,230	412,371
Repairs and maintenance expenses	22	(583,782)	(653,615)
General and administrative expenses	23	(5,407,888)	(7,048,057)
Loss on disposal of investments at FVTPL		-	(52,452)
Dividend income		191,246	191,131
Increase in fair value of investment properties	7	10,008,652	16,600,000
Increase in fair value of financial assets at FVTPL	9	159,436	593,767
Finance cost	24	(1,485,657)	(2,112,390)
Profit before corporate tax		14,406,656	18,123,793
Corporate tax expense	26	(1,232,117)	(1,426,938)
Net profit for the year		13,174,539	16,696,855
Other comprehensive income, net of tax			
Items that will not be reclassified subsequently to profit or loss:			
Increase/(decrease) in fair value of financial assets at FVTOCI	8	6,197,917	(52,242)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		12,415	(40,683)
Other comprehensive income/(loss) for the year		6,210,332	(92,925)
Total comprehensive income for the year		19,384,871	16,603,930
Basic and diluted earnings per share	25	0.1670	0.2116

The accompanying notes and policies form an integral part of these consolidated financial statements.
The report of the auditor is set out on pages 4 to 7.

ARAM Group Company P.J.S.C. and its subsidiary

Sharjah - United Arab Emirates

Consolidated statement of changes in equity for the year ended 31 December 2025

	Share capital AED	Statutory reserve AED	Voluntary reserve AED	Fair value reserve AED	Foreign currency translation reserve AED	Retained earnings AED	Total AED
As at 1 January 2024	78,901,086	33,190,039	13,509,097	(3,290,770)	(691,710)	1,388,193	123,005,935
Profit for the year	-	-	-	-	-	16,696,855	16,696,855
Other comprehensive income for the year	-	-	-	(52,242)	(40,683)	-	(92,925)
	-	-	-	(52,242)	(40,683)	16,696,855	16,603,930
Total comprehensive income for the year	-	-	-	(52,242)	(40,683)	16,696,855	16,603,930
Transfer from retained earnings (Notes 15 and 16)	-	1,679,301	1,679,301	-	-	(3,358,602)	-
Transfer of fair value reserve on disposal of investments carried at FVTOCI	-	-	-	68,944	-	(68,944)	-
	78,901,086	34,869,340	15,188,398	(3,274,068)	(732,393)	14,657,502	139,609,865
As at 31 December 2024							
Profit for the year	-	-	-	-	-	13,174,539	13,174,539
Other comprehensive income for the year	-	-	-	6,197,917	12,415	-	6,210,332
Total comprehensive income for the year	-	-	-	6,197,917	12,415	13,174,539	19,384,871
Transfer from retained earnings (Notes 15 and 16)	-	1,310,097	1,310,097	-	-	(2,620,194)	-
	78,901,086	36,179,437	16,498,495	2,923,849	(719,978)	25,211,847	158,994,736

The accompanying notes and policies form an integral part of these consolidated financial statements.

The report of the auditor is set out on pages 4 to 7.

ARAM Group Company P.J.S.C. and its subsidiary

Sharjah - United Arab Emirates

Consolidated statement of cash flows for the year ended 31 December 2025

	Notes	2025 AED	2024 AED
Cash flows from operating activities			
Profit for the year before tax		14,406,656	18,123,793
Adjustments for:			
Depreciation of property, plant and equipment	5	46,210	45,157
Depreciation of right-of-use asset	6	125,419	174,880
Increase in fair value of investment properties	7	(10,008,652)	(16,600,000)
Change in fair value of financial assets at FVTPL	9	(159,436)	(593,767)
Employees' end-of-service benefits	17	140,874	68,848
Allowance for expected credit losses of trade receivables	23	119,406	164,329
Loss on retirement of lease liability	23	-	8,169
Finance cost	24	1,485,657	2,112,390
Loss on disposal of investments at FVTPL		-	52,452
Dividend income		(191,246)	(191,131)
Operating cash flows before changes in operating assets and liabilities		5,964,888	3,365,120
Decrease/(increase) in due from a related party	10	300,000	(250,000)
(Decrease)/increase in due to a related party	10	(486,012)	534,012
(Increase)/decrease in trade and other receivables	12	(207,546)	184,973
(Decrease)/increase in trade and other payables	20	(175,406)	900,859
Decrease in current liabilities on discontinued operations		-	(342,542)
Cash generated from operating activities		5,395,924	4,392,422
Employees' end-of-service benefits paid	17	(25,884)	(30,906)
Corporate tax paid		(89,930)	-
Net cash generated from operating activities		5,280,110	4,361,516
Cash flows from investing activities			
Purchase of property, plant and equipment	5	(273,541)	(698)
Purchase of investment properties	7	(101,348)	-
Dividend income		191,246	191,131
Proceeds from sale of investments at FVTPL	9	-	1,056,475
Purchase of investments at FVTPL	9	(100,000)	-
Net cash (used in)/generated from investing activities		(283,643)	1,246,908
Cash flows from financing activities			
Payment of lease liabilities	18	(129,513)	(136,600)
Payment of interest on lease liability	18	(13,324)	(6,962)
Repayments of bank borrowings	19	(3,684,210)	(3,684,211)
Finance cost paid	24	(1,410,781)	(2,043,876)
Net cash used in financing activities		(5,237,828)	(5,871,649)
Net decrease in cash and cash equivalents		(241,361)	(263,225)
Cash and cash equivalents at the beginning of the year		697,289	959,461
Effects of exchange rate changes on the balance of cash held		(6,932)	1,053
Cash and cash equivalents at the end of the year	13	448,996	697,289

The accompanying notes and policies form an integral part of these consolidated financial statements.

The report of the auditor is set out on pages 4 to 7.

ARAM Group Company P.J.S.C. and its subsidiary

Sharjah - United Arab Emirates

Notes to the Consolidated Financial Statements for the year ended 31 December 2025

1 General information

ARAM Group Company P.J.S.C., Sharjah, United Arab Emirates (the "Entity") is a public joint stock company incorporated on 26 January 1977, under Emiri Decree Number 133/76 issued on 16 November 1976. The trading register was issued by Economic Development Department, Government of Sharjah. The shares of the Entity are traded in the Abu Dhabi Securities Market.

The address of the registered office of the Entity is Al Khan Street, P.O. Box: 5440, Sharjah, United Arab Emirates.

The principal activities of the Group consist of investing in financial instruments, investing and leasing of properties, and investing, establishing and managing agricultural, industrial, and commercial projects, general trading and contracting, purchase and sale of shares and bonds.

The management is vested with the Directors.

The Entity controls the following subsidiary as at 31 December 2025:

<i>Sr. no</i>	<i>Entities</i>	<i>License no.</i>	<i>Country of incorporation</i>	<i>Activities</i>
1	Tarfan General Trading and Contracting (Ebrahim Ahmed Al-Mannaai and Partners) W.L.L (the "Subsidiary")	2003/328	State of Kuwait	General trading and contracting, purchase and sale of shares and bonds.

The Subsidiary is a limited liability company incorporated in Kuwait. One individual owns 1% of the Subsidiary's share capital for and on behalf of the Entity; therefore, 100% beneficial ownership interest is with the Entity and hence there is no non-controlling interest.

These consolidated financial statements incorporate the consolidated operating results of the trading license no. 1233 of the Entity and license no. 2003/328 of the Subsidiary, herein together referred to as the "Group".

2 Application of new and revised Standards

2.1 New and amended Standards that are effective for the current year

In the current year, the Group has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2025. Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements.

New and revised Standards

Effective for annual periods beginning on or after

Amendments to IAS 21 Lack of exchangeability

1 January 2025

Management has adopted the new and amended IFRS standards in the current period and believes that these standards do not have material impact on these consolidated financial statements unless mentioned above.

ARAM Group Company P.J.S.C. and its subsidiary

Sharjah - United Arab Emirates

Notes to the Consolidated Financial Statements for the year ended 31 December 2025

2 Application of new and revised Standards (continued)

2.2 New and revised Standards in issue but not yet effective

The Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

<u><i>New and revised Standards</i></u>	<u><i>Effective for annual periods beginning on or after</i></u>
Amendments to IFRS 10 and IAS 28 – Sale or Contribution of assets between an Investor and its Associate or Joint Venture:	No effective date set
Annual Improvements to IFRS Accounting Standards - Volume 11	1 January 2026
Amendments to IFRS 9 Financial Instruments and IFRS 7 Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Management anticipates that these standards will not have any significant impact on these consolidated financial statements.	

3 Material accounting policies

3.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

3.2 Basis of preparation

These consolidated financial statements have been prepared on the historical cost basis except for investment properties, investments at fair value through profit or loss and investments at fair value through other comprehensive income that are measured at fair values.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Current/Non-current classification

The Group presents assets and liabilities in consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

Expected to be realised or intended to be sold or consumed in normal operating cycle or held primarily for the purpose of trading or expected to be realised within twelve months after the reporting year, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle or it is held primarily for the purpose of trading or it is due to be settled within twelve months after the reporting year, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

The Group classifies all other liabilities as non-current.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

3 Material accounting policies (continued)

3.2 Basis of preparation (continued)

that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

3.3 Basis of consolidation

The consolidated financial statements of the Group comprise the financial information of the Entity and its Subsidiary. Control is achieved when the Parent:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group. Total comprehensive income of subsidiaries is attributed to the owners of the Group.

When necessary, adjustments are made to the consolidated financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3.4 Functional currency

These consolidated financial statements are presented in Emirati Dirham, which is the Group's functional currency.

The Subsidiary's functional currency is the Kuwaiti Dinar (KWD). In the Group's consolidated financial statements, all assets, liabilities and transactions of the subsidiary are translated into AED upon consolidation.

As at the reporting date, the assets and liabilities of the subsidiary are translated into AED at the closing rate at the reporting date. Income and expenses have been translated into AED at the average rate over the reporting period.

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

3 Material accounting policies (continued)

3.5 Rental income

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices. When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

Rental income from investment properties is recognised as revenue on a straight-line basis over the term of the contract.

3.6 Dividend income

Dividend income is recognised in the consolidated statement of profit or loss at a point of time on the date that the Group's right to receive payment is established.

3.7 Leases

The Group leases office premises. Rental contracts are typically made for fixed period of 5 to 6 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represents substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- it has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- it has the right to direct the use of the asset.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group's incremental borrowing rate can be used.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentive receivables,
- variable lease payment that are based on an index or a rate,
- amounts expected to be payable by the lessee under residual value guarantees,
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease

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3 Material accounting policies (continued)

3.7 Leases (continued)

liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is re-measured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.

The Group did not make any such adjustments during the year.

The lease liability is presented as a separate line in the consolidated statement of financial position.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated using straight-line method from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the Property, plant and equipment policy.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

3.8 Foreign currencies

As at the reporting date, the assets and liabilities of the subsidiary are translated into AED at the closing rate at the reporting date. Income and expenses have been translated into AED at the average rate over the reporting period. Exchange differences on the Group's net investment in the subsidiary are charged or credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognised in equity are reclassified to profit or loss and are recognised as part of the gain or loss on disposal.

In preparing the consolidated financial statements of the Group, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

3 Material accounting policies (continued)

3.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.10 Employee benefits

Defined contribution plan

UAE national employees of the Group are members of the Government-managed retirement pension and social security benefit scheme pursuant to UAE labour law no. 7 of 1999. The Group is required to contribute 12.5% of the "contribution calculation salary" of payroll costs to the retirement benefit scheme to fund the benefits. The employees and the Government contribute 5% and 2.5% of the "contribution calculation salary" respectively, to the scheme. The only obligation of the Group with respect to the retirement pension and social security scheme is to make the specified contributions. The contributions are charged to profit or loss.

End of service benefits

Provision is made for the full amount of end of service benefits due to non-UAE national employees in accordance with the applicable Labour Law and is based on current remuneration and their period of service at the end of the reporting year. An actuarial valuation is not performed on staff terminal and other benefits as the net impact of the discount rate and future salary and benefits level on the present value of the benefits obligation are not expected by management to be significant.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

3.11 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the consolidated statement of profit or loss and other comprehensive income when incurred.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The following useful lives are used in the calculation of depreciation:

	<u>Useful lives</u>
Furniture, fixtures and office equipment	4 years
Motor vehicles	5 years
Other facilities	5 years

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

3 Material accounting policies (continued)

3.12 Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes).

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

3.13 Impairment of tangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.14 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.15 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the

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3 Material accounting policies (continued)

3.15 Financial instruments (continued)

financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.16 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

(i) Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (iii) above) are measured at FVTPL. Specifically:

- investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition (see (iii) above);
- debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

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3 Material accounting policies (continued)

3.16 Financial assets (continued)

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments that are measured at FVTOCI and trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for investments that are measured at FVTOCI and trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Receivables

Receivables were non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables (including trade and other receivables) were measured at amortised cost using the effective interest method, less any impairment.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity was recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that was no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income was allocated between the part that continues to be recognised and the part that was no longer recognised on the basis of the relative fair values of those parts.

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

3 Material accounting policies (continued)

3.17 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an Entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification should be recognised in profit or loss as the modification gain or loss within other gains and losses.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

3 Material accounting policies (continued)

3.18 Corporate taxes

Corporate tax expense comprises current and deferred tax. Current tax expense (or benefit) is the tax payable (or receivable) on the current year's taxable income calculated using tax rates (and laws) enacted or substantively enacted by the end of the reporting period in each jurisdiction, adjusted for changes in deferred tax assets and liabilities. Current tax expense is recognised in the consolidated statement of profit or loss except when the tax relates to items directly recognised in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity respectively. Tax provisions are recognised for uncertain tax positions when it is probable that there will be a future outflow of funds to a tax authority, measured at the best estimate of the amount expected to become payable.

Deferred tax is recognised using the liability method on temporary differences arising between the carrying amounts of assets and liabilities in the consolidated financial statements and their tax bases. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted as at the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax liabilities are recognised for all taxable temporary differences, except for goodwill and temporary differences arising from the initial recognition of assets and liabilities in transactions that do not affect taxable or accounting profit. Deferred tax assets are only recognised for temporary differences to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax assets are reviewed at each reporting date and adjusted to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax relating to items recognised in other comprehensive income or equity are recognised in other comprehensive income or directly in equity respectively. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities, and they relate to income taxes levied by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax liability has been recognized on the revaluation surplus with respect to their investment property existing as of the transition date.

4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, which are described in note 3 to these consolidated financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The significant judgements and estimates made by management that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below:

4.1 Critical judgements in applying accounting policies

Judgements in determining the timing of satisfaction of performance obligations

In making their judgement, the Directors consider the detailed criteria for the recognition of revenue set out in IFRS 15, and in particular, whether the Group has satisfied the performance obligation by rendering the services to the customers. The management is satisfied that the recognition of revenue in the current year is appropriate.

Revenue recognition for leases

Rental income arising from operating leases on investment properties is recognised, net of discount, in accordance with the terms of lease contracts over the lease term on a straight line basis, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset.

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4 Critical accounting judgements and key sources of estimation uncertainty (continued)

4.1 Critical judgements in applying accounting policies (continued)

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test (please see financial assets sections of note 3.16). The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Classification of properties

Based on the management's intention at the time of acquisition of a property, it was decided to classify the property as either held for sale or held for development or held for rental or capital appreciation. The management changes the classification when the intention changes.

4.2 Key sources of estimation uncertainty

Discounting of lease payments

The lease payments are discounted using the Group's incremental borrowing rate ("IBR"). The weighted average lessee's incremental borrowing rate applied to lease liabilities recognised in the consolidated statement of financial position at the date of initial application is 5.06%.

Subsequent to the initial application, the management has reviewed the incremental borrowing rates and has found the incremental borrowing rates used by the Group to be appropriate, and hence, no adjustments are required on this account.

Management has applied judgements and estimates to determine the IBR at the commencement of lease.

Determination of lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Calculation of loss allowance

When measuring ECL the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Useful lives of property, plant and equipment

Property, plant and equipment is depreciated over its estimated useful life, which is based on expected usage of the asset and expected physical wear and tear which depends on operational factors. The management has not considered any residual value as it is deemed immaterial.

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

4 Critical accounting judgements and key sources of estimation uncertainty (continued)

4.2 Key sources of estimation uncertainty (continued)

Valuation of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. Land is valued using market comparable approach. Market comparable approach references to transactions involving properties of a similar nature, location and condition. Other investment properties are valued using the direct capitalisation method which is used to convert the estimate of a single year's income expectancy into an indication of value. The key assumptions used to determine the fair value of the properties are disclosed in Note 7.

Valuation of financial instruments

Management uses various valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

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5 Property, plant and equipment

	Furniture, fixtures and office equipment	Motor vehicles	Other facilities	Total
	AED	AED	AED	AED
Cost				
As at 1 January 2024	1,235,210	204,460	374,612	1,814,282
Additions	698	-	-	698
Effect of foreign exchange rate differences	(331)	-	-	(331)
As at 31 December 2024	1,235,577	204,460	374,612	1,814,649
Additions	273,541	-	-	273,541
Effect of foreign exchange rate differences	108	-	-	108
As at 31 December 2025	1,509,226	204,460	374,614	2,088,300
Accumulated depreciation				
As at 1 January 2024	1,177,994	204,460	316,057	1,698,511
Depreciation expense	29,089	-	16,068	45,157
Effect of foreign exchange rate differences	(337)	-	-	(337)
As at 31 December 2024	1,206,746	204,460	332,125	1,743,331
Depreciation expense	30,250	-	15,960	46,210
Effect of foreign exchange rate differences	108	-	-	108
As at 31 December 2025	1,237,104	204,460	348,085	1,789,649
Carrying amount				
As at 31 December 2024	28,831	-	42,487	71,318
As at 31 December 2025	272,122	-	26,529	298,651

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

5 Property, plant and equipment (continued)

The depreciation charge has been allocated in the consolidated statement of profit or loss and other comprehensive income as follows:

	2025	2024
	AED	AED
General and administrative expenses (Note 23)	<u>46,210</u>	<u>45,157</u>

6 Leases (the Group as Lessee)

Right-of-use assets

Movement of the recognised right-of-use assets during the year:

	Office premises	Total
	AED	AED
Fair value		
As at 1 January 2024	1,151,736	1,151,736
Retirements during the year	(410,408)	(410,408)
Effect of foreign exchange rate differences	(2,066)	(2,066)
As at 31 December 2024	739,262	739,262
Additions during the year	635,690	635,690
Effect of foreign exchange rate differences	(1,269)	(1,269)
As at 31 December 2025	<u>1,373,683</u>	<u>1,373,683</u>
Accumulated depreciation		
As at 1 January 2024	706,669	706,669
Charge for the year	174,880	174,880
Related to retirements during year	(201,831)	(201,831)
Effect of foreign exchange rate differences	(2,059)	(2,059)
As at 31 December 2024	677,659	677,659
Charge for the year	125,419	125,419
Effect of foreign exchange rate differences	231	231
As at 31 December 2025	<u>803,309</u>	<u>803,309</u>
Carrying amount		
As at 31 December 2025	<u>570,374</u>	<u>570,374</u>
As at 31 December 2024	<u>61,603</u>	<u>61,603</u>

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

6 Leases (the Group as Lessee) (continued)

Amounts recognised in profit or loss

	2025	2024
	AED	AED
Interest expense on lease liabilities (Note 24)	13,324	6,962
Depreciation expense on right-of-use assets (Note 23)	<u>125,419</u>	<u>174,880</u>

7 Investment properties

	Land	Buildings	Total
	AED	AED	AED
Cost			
As at 1 January 2024	17,050,000	86,600,000	103,650,000
Increase in fair value	2,100,000	14,500,000	16,600,000
Transfer from non - current asset held for sale (Note 27)	-	33,100,000	33,100,000
As at 31 December 2024	19,150,000	134,200,000	153,350,000
Additions	101,348	-	101,348
Increase in fair value	998,652	9,010,000	10,008,652
As at 31 December 2025	<u>20,250,000</u>	<u>143,210,000</u>	<u>163,460,000</u>
Carrying amount			
As at 31 December 2025	<u>20,250,000</u>	<u>143,210,000</u>	<u>163,460,000</u>
As at 31 December 2024	19,150,000	134,200,000	153,350,000

The Group's investment properties consist of residential units and buildings, offices, warehouses and undeveloped parcels of land.

Investment properties located at Al Qasimia, Al Khan and Al Muweilah, Sharjah with carrying value of AED 84.47 million as at 31 December 2025 (2024: Investment properties located at Al Qasimia, Al Khan and Al Muweilah, Sharjah with carrying value of AED 78.4 million) have a first degree mortgage in favour of Sharjah Islamic Bank for the bank facilities (Note 19).

The Group has no restrictions on the realisability of its investment properties and there are no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance or enhancements, other than those against securities for the term loan (Note 19).

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

7 Investment properties (continued)

Investment properties are stated at fair value based on a valuation carried out by independent valuers as at 31 December 2025 and 31 December 2024. The significant inputs and assumptions are provided by management.

Land is valued using market comparable approach. Market comparable approach references to transactions involving properties of a similar nature, location and condition.

The most significant inputs with relation to the valuation of buildings, offices and warehouses, all of which are unobservable, are the estimated rental value, assumptions about vacancy levels, and the discount rate. The estimated fair value increases if the estimated rental increases, vacancy levels decline or if discount rate (market yields) decline. The overall valuation is sensitive to all three assumptions. Management considers the range of reasonably possible alternative assumptions is greatest for rental values and vacancy levels and that there is also an interrelationship between these inputs.

The fair values of the buildings, offices and warehouses are estimated using an income approach which capitalises the estimated rental income stream, net of projected operating costs, using a discount rate derived from market yields implied by recent transactions in similar properties. When the actual rent differs materially from the estimated rent, adjustments have been made to the estimated rental value. The estimated rental stream takes into account current occupancy level, estimates of future vacancy levels, the terms of in-place leases and expectations for rentals from future leases over the remaining economic life of the properties.

The Directors of the Group have reviewed the assumption and methodology used by the independent valuer and in their opinion the assumption and the methodology are reasonable as at the reporting date considering the current economic and real estate outlook of the UAE.

Management follows the accounting policy of carrying out the fair valuation of investment property on an annual basis.

Fair value hierarchy disclosures for investment properties are disclosed in Note 29.

The property rental income earned by the Group from its investment property, which is leased under operating leases on an annual basis and the repairs and maintenance expenses incurred are as follows:

	2025	2024
	AED	AED
Rental income (Note 21)	11,236,419	10,193,038
Repair and maintenance expenses (Note 22)	<u>(583,782)</u>	<u>(653,615)</u>

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8	Investments carried at fair value through other comprehensive income (FVTOCI)		
		2025	2024
		AED	AED
	Quoted investments	17,861,612	11,942,692
	Unquoted investments	2,821,688	2,523,964
		20,683,300	14,466,656
		2025	2024
		AED	AED
	The movements of investments carried at FVTOCI are as follows:		
	Balance at the beginning of the year	14,466,656	14,599,128
	Increase / (decrease) in fair value during the year	6,197,917	(52,242)
	Disposal during the year	-	(39,883)
	Foreign exchange loss during the year - net	18,727	(40,347)
		20,683,300	14,466,656
	The geographical distribution of investments carried at FVTOCI is as follows:		
	In Kuwait	20,683,300	14,466,656

The above quoted investments are valued at the closing rate on 31 December 2025.

Fair value hierarchy disclosures for investments carried at fair value through other comprehensive income (FVTOCI) are disclosed in Note 29.

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9	Investments carried at fair value through profit or loss (FVTPL)	2025	2024
		AED	AED
	Unquoted investments	<u>419,959</u>	<u>160,246</u>
		<u>419,959</u>	<u>160,246</u>

	2025	2024
	AED	AED
The movements of investments carried at FVTPL are as follows:		
Balance at the beginning of the year	160,246	635,946
Increase in fair value during the year	159,436	593,767
Addition during the year	100,000	-
Disposals during the year	-	(1,069,044)
Foreign exchange loss during the year - net	277	(423)
	<u>419,959</u>	<u>160,246</u>

The geographical distribution of investments carried at FVTPL is as follows:		
In United Arab Emirates	100,000	-
In Kuwait	<u>319,959</u>	<u>160,246</u>
	<u>419,959</u>	<u>160,246</u>

Fair value hierarchy disclosures for investments carried at fair value through profit or loss (FVTPL) are disclosed in Note 29.

10 Related party balances and transactions

The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in International Accounting Standard 24 Related Party Disclosures. Related parties comprise companies and entities under common ownership and/or common management and control, key management personnel, shareholders and the ultimate controlling party. The management decides on the terms and conditions of the transactions and services received/rendered from/to related parties as well as on other charges.

a) At the end of the reporting year, amounts due from related parties were as follows:

	2025	2024
	AED	AED
Due from key management personnel		
Receivable from Chief Executive Officer	<u>-</u>	<u>300,000</u>

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

10 Related party balances and transactions (continued)

b) At the end of the reporting year, amounts due to related parties were as follows:

	2025	2024
	AED	AED
Due to key management personnel		
Remuneration and sitting fees payable to directors	<u>48,000</u>	<u>534,012</u>

c) Transactions

During the year, the Group entered into the following transactions with the related parties:

	2025	2024
	AED	AED
Advance to Chief Executive Officer	160,000	300,000
Repayment of advance from Chief Executive Officer	<u>460,000</u>	<u>-</u>
	<u>620,000</u>	<u>300,000</u>

d) Compensation of key management personnel

The remuneration of Directors and other members of key management personnel during the year was as follows:

	2025	2024
	AED	AED
Salaries and other short-term benefits	1,376,497	1,362,770
Directors' sitting fee	48,000	28,012
End of service benefits	42,000	41,551
Directors' remuneration	<u>-</u>	<u>900,000</u>
	<u>1,466,497</u>	<u>2,332,333</u>

11 Non-current assets held for sale

	2025	2024
	AED	AED
Balance at the beginning of the year	-	33,100,000
Transfer to investment properties (Note 27)	<u>-</u>	<u>(33,100,000)</u>
Balance at the end of the year	<u>-</u>	<u>-</u>

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

11 Non-current assets held for sale (continued)

During the year ended 31 December 2023, the management had decided to dispose the investment properties located at Al Qasimia, Sharjah and Al Soor, Sharjah to settle the term loan liabilities. Accordingly, as at 31 December 2023, the investment properties and related assets amounting to AED 33,100,000 and liabilities amounting to AED 342,542 were classified as a disposal group and related income amounting to net AED 6,710,180 were classified as discontinued operations.

Management's intention to dispose these investment properties (Note 7) was changed vide board resolution dated 13 February 2025. Consequently, these were reclassified as Investment properties in the previous year ended 31 December 2024.

12 Trade and other receivables

	2025	2024
	AED	AED
Trade receivables	1,547,086	1,464,692
Loss allowance	<u>(1,209,151)</u>	<u>(1,151,823)</u>
	<u>337,935</u>	<u>312,869</u>
Prepayments	499,137	418,260
Deposits	65,061	82,526
VAT receivables	16,793	15,236
Other advances and receivables	<u>10,128</u>	<u>12,023</u>
	<u>929,054</u>	<u>840,914</u>

Geographical details of trade receivables

	2025	2024
	AED	AED
Primary Geographical Markets		
Within UAE	<u>1,547,086</u>	<u>1,464,692</u>

The following table details the risk profile of trade receivables based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base.

Trade receivables – ageing analysis

31 December 2025	0-90 days	91-120 days	More than 120 days	Total
	AED	AED	AED	AED
Estimated gross carrying amount	174,364	57,535	1,315,187	1,547,086
Lifetime ECL	-	-	1,209,151	<u>1,209,151</u>
				<u>337,935</u>

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

12 Trade and other receivables (continued)

<u>Trade receivables – ageing analysis</u>				
31 December 2024	0-90 days	91-120 days	More than 120 days	Total
	AED	AED	AED	AED
Estimated gross carrying amount	179,602	65,488	1,219,602	1,464,692
Lifetime ECL	-	-	1,151,823	<u>1,151,823</u>
				<u>312,869</u>
				Total
				AED
Balance as at 1 January 2024				1,192,992
Allowance for expected credit losses (Note 23)				164,329
Amounts written off				<u>(205,498)</u>
Balance as at 31 December 2024				1,151,823
				119,406
Allowance for expected credit losses (Note 23)				119,406
Amounts recovered				<u>(62,078)</u>
Balance as at 31 December 2025				1,209,151

The Group is involved in certain legal proceedings arising in the normal course of business, primarily relating to the recovery of outstanding tenant receivables, including dishonoured cheques. While the ultimate outcome of these matters cannot presently be determined, management believes that the total exposure arising from these claims is not material to the Group's consolidated financial statements.

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13 Cash and cash equivalents

	2025	2024
	AED	AED
Cash on hand	32,602	39,875
Bank balances	<u>416,394</u>	<u>657,414</u>
	<u>448,996</u>	<u>697,289</u>

The carrying amount of cash and cash equivalents are denominated in the following currencies:

	2025	2024
	AED	AED
Primary Geographical Markets		
Emirati Dirham	427,360	655,104
Kuwaiti Dinar	<u>21,636</u>	<u>42,185</u>
	<u>448,996</u>	<u>697,289</u>

The bank balances are also subject to impairment requirements of IFRS 9, however, balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the Central Bank of United Arab Emirates and Kuwait. None of the balances with banks at the end of the reporting year are past due, and taking into account the historical default experience and the current credit ratings of the bank, the management of the Group have assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

14 Share capital

	2025	2024
	AED	AED
Authorised, issued and paid up share capital:		
78,901,086 shares of AED 1 each	<u>78,901,086</u>	<u>78,901,086</u>

The authorised, issued and fully paid share capital of the Entity consists of 78,901,086 fully paid ordinary shares with a par value of AED 1 each.

15 Statutory reserve

	2025	2024
	AED	AED
Balance at the beginning of the year	34,869,340	33,190,039
Transfer from retained earnings	<u>1,310,097</u>	<u>1,679,301</u>
Balance at the end of the year	<u>36,179,437</u>	<u>34,869,340</u>

According to the Articles of Association of the Entity and the UAE Federal Law No. 32 of 2021, 10% of annual net profits is allocated to the statutory reserve. The transfer to statutory reserve may be suspended, when the reserve reaches 50% of the paid-up capital. This reserve is not available for distribution.

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

16	Voluntary reserve	2025 AED	2024 AED
	Balance at the beginning of the year	15,188,398	13,509,097
	Transfer from retained earnings	<u>1,310,097</u>	<u>1,679,301</u>
	Balance at the end of the year	<u>16,498,495</u>	<u>15,188,398</u>

As required by the Group's Articles of Association, 10% of the Group's net profit for the year is required to be transferred to the voluntary reserve until such reserve equals one half of the Group's share capital. The reserve is available for distribution at the discretion of the shareholders' general assembly.

17	Employees' end-of-service benefits	2025 AED	2024 AED
	Balance at the beginning of the year	898,120	859,179
	Charge for the year	140,874	68,848
	Payments during the year	(25,884)	(30,906)
	Effect of foreign exchange differences	<u>(82)</u>	<u>999</u>
	Balance at the end of the year	<u>1,013,028</u>	<u>898,120</u>

Amounts required to cover end of service benefits at the consolidated statement of financial position date are computed pursuant to the applicable Labour Law based on the employees' accumulated period of service and current basic remuneration at the end of reporting year.

18	Lease liabilities	2025 AED	2024 AED
	Lease liabilities recognized and maturity analysis:		
	<i>Amount due for settlement within 12 months</i>		
	Not later than 1 year (shown under current liabilities)	116,714	70,489
	<i>Amount due for settlement after 12 months</i>		
	Later than 1 year and not later than 5 years (shown under non current liabilities)	<u>458,193</u>	-
		<u>574,907</u>	<u>70,489</u>

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

18 Lease liabilities (continued)

The movement in lease liabilities is as follows:

	2025	2024
	AED	AED
As at the beginning of the year	70,489	407,533
Amortization of interest expense during the year (Note 24)	13,324	6,962
Additions during the year	635,690	-
Retirement of lease liabilities during the year	-	(200,408)
Repayment of lease liabilities during the year	(129,513)	(136,600)
Repayment of interest on lease liabilities during the year	(13,324)	(6,962)
Effect of foreign exchange differences	(1,759)	(36)
As at the end of the year	574,907	70,489

19 Bank borrowings

	2025	2024
	AED	AED
Term loan	<u>19,931,972</u>	<u>23,554,630</u>
	2025	2024
	AED	AED
Term loans movement during the year		
Balance at the beginning of the year	23,554,630	27,177,289
Add: Amortisation of loan arrangement fee during the year	61,552	61,552
Add: Amortisation of interest expense during the year	1,410,781	2,043,876
Less: Repayment during the year	(5,094,991)	(5,728,087)
Balance at the end of the year	19,931,972	23,554,630

Presented in the consolidated statement of financial position as:

	2025	2024
	AED	AED
Bank borrowings - non-current	16,247,761	19,870,419
Bank borrowings - current	<u>3,684,211</u>	<u>3,684,211</u>
	19,931,972	23,554,630

In 2021, the Group entered into a "One-off Ijarah facility" arrangement with Sharjah Islamic Bank. The facility is repayable in equal semi-annual installments over a period of ten years plus profit rate of 6 months EIBOR + 2.5% p.a., with a floor of 4% p.a.

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

19 Bank borrowings (continued)

The facility is secured against the following securities and guarantees:

- First degree registered mortgage over certain properties in favour of Sharjah Islamic Bank (Note 7).
- Assignment of fire insurance policy over Ijarah properties in favour of Sharjah Islamic Bank.
- Cheque covering the total facility amount.
- Notarised power of attorney in favour of Sharjah Islamic Bank or its appointed agent to manage certain properties and collect its rentals.
- Assignment of rental cover from investment properties located at plot no. 213 in Al Soor, Sharjah, plot no. 216 in Al Majaz, Sharjah and plot no. 689/A/1 in Industrial Area 13, Sharjah. Out of said investment properties, the investment properties located at Al Majaz, Sharjah and Industrial Area 13, Sharjah have been sold.

20 Trade and other payables

	2025	2024
	AED	AED
Trade payables	398,685	267,015
Contract liabilities - rent received in advance	1,320,883	1,138,401
Tenants' security deposits	1,004,345	1,056,373
Accrued expenses	<u>954,091</u>	<u>1,391,621</u>
	<u>3,678,004</u>	<u>3,853,410</u>

21 Rental income

	2025	2024
	AED	AED
Rental income	<u>11,236,419</u>	<u>10,193,038</u>
	<u>11,236,419</u>	<u>10,193,038</u>
	2025	2024
	AED	AED
Primary Geographical Markets		
Within UAE	<u>11,236,419</u>	<u>10,193,038</u>

22 Repairs and maintenance expenses

	2025	2024
	AED	AED
Waste water discharge	270,210	268,775
Building repairs	151,398	242,045
Others	<u>162,174</u>	<u>142,795</u>
	<u>583,782</u>	<u>653,615</u>

ARAM Group Company P.J.S.C. and its subsidiary

Sharjah - United Arab Emirates

Notes to the Consolidated Financial Statements for the year ended 31 December 2025

23 General and administrative expenses

	2025	2024
	AED	AED
Employee costs	2,443,366	2,744,442
Compensation of key management personnel (Note 10d)	1,466,497	2,332,333
Legal, license and professional	403,407	653,112
Utilities	267,667	268,939
General assembly expenses	162,400	80,307
Depreciation of right-of-use assets (Note 6)	125,419	174,880
Allowance for expected credit losses of trade receivables (Note 12)	119,406	164,329
Short term rent expense	100,012	130,590
Communication	62,502	66,354
Civil defense expenses	53,964	141,272
Depreciation of property, plant and equipment (Note 5)	46,210	45,157
Insurance	38,292	50,289
Loss on retirement of lease liabilities	-	8,169
Other general and administrative expenses	118,746	187,884
	<u>5,407,888</u>	<u>7,048,057</u>

24 Finance cost

	2025	2024
	AED	AED
Interest on bank borrowing	1,410,781	2,043,876
Amortization of loan arrangement fee	61,552	61,552
Interest expense on lease liabilities (Note 18)	13,324	6,962
	<u>1,485,657</u>	<u>2,112,390</u>

25 Basic and diluted earnings per share

	2025	2024
	AED	AED
Basic and diluted earnings per share		
Net profit for the year	13,174,539	16,696,855
Weighted average number of shares	78,901,086	78,901,086
Basic and diluted earnings per share	<u>0.1670</u>	<u>0.2116</u>

Basic earnings per share is calculated by dividing the profit after tax for the period by the weighted average number of shares outstanding at the end of the reporting period. The Group has not issued any instruments which would have a dilutive impact on earnings per share when exercised.

ARAM Group Company P.J.S.C. and its subsidiary

Sharjah - United Arab Emirates

Notes to the Consolidated Financial Statements for the year ended 31 December 2025

26 Corporate taxes

Corporate tax expense recognised in profit or loss

	2025	2024
	AED	AED
Current tax		
In respect of the current year	331,338	112,046
Deferred tax		
In respect of the current year	900,779	1,493,358
Adjustments to deferred tax attributable to changes in tax rates and laws	-	(178,466)
	<u>1,232,117</u>	<u>1,426,938</u>

The corporate tax expense for the year can be reconciled to the accounting profit as follows:

	2025	2024
	AED	AED
Profit before tax	14,406,656	18,123,793
Corporate tax expense calculated at 9% (2024: 9%)	1,296,599	1,631,141
Effect on deferred tax balances due to the change in corporate tax rates	-	(178,466)
Tax effect on basic tax exemption limit	(33,750)	(33,750)
Adjustment relating to previous year	(22,116)	-
Effect of different tax rates on subsidiary operating in other jurisdictions	(6,621)	8,655
Others	(1,995)	(642)
	<u>1,232,117</u>	<u>1,426,938</u>
Corporate tax expense recognised in profit or loss	<u>1,232,117</u>	<u>1,426,938</u>

The tax rate used for 2025 and 2024 reconciliations above is the corporate tax rate of 9% (2024: 9%) payable by corporate entities in on taxable profits under tax law in that jurisdiction.

Current tax assets and liabilities

	2025	2024
	AED	AED
Current tax liabilities		
Corporate tax payable	<u>353,454</u>	<u>112,046</u>

ARAM Group Company P.J.S.C. and its subsidiary

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

26 Corporate taxes (continued)

Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated statement of financial position:

	2025	2024
	AED	AED
Deferred tax liabilities	<u>2,215,671</u>	<u>1,314,892</u>
	<u>2,215,671</u>	<u>1,314,892</u>

Above deferred tax liabilities relate to the following:

	2025	2024
	AED	AED
Fair value gain on investment properties	2,394,779	1,494,000
Others	<u>(179,108)</u>	<u>(179,108)</u>
	<u>2,215,671</u>	<u>1,314,892</u>

27 Assets classified as held for sale

During the year ended 31 December 2023, the management had decided to dispose the investment properties located at Al Qasimia, Sharjah and Al Soor, Sharjah to settle the term loan liabilities. Accordingly, as at 31 December 2023, the investment properties and related assets amounting to AED 33,100,000 (Note 11) and liabilities amounting to AED 342,542 were classified as a disposal group and related income amounting to net AED 6,710,180 were classified as Assets held for sale.

Management's intention to dispose these investment properties (Note 7) was changed vide board resolution dated 13 February 2025. Consequently, in the previous year these were reclassified as investment properties as at 31 December 2024.

28 Financial instruments and risk management

Material accounting policies

Details of material policies and methods adopted including the criteria for recognition for the basis of measurement in respect of each class of financial assets and financial liabilities are disclosed in Note 3 to the consolidated financial statements.

ARAM Group Company P.J.S.C. and its subsidiary

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

28 Financial instruments and risk management (continued)

Categories of financial instruments

31 December 2025

	Financial assets			Financial liabilities	Total AED
	FVTPL AED	FVTOCI AED	Amortised cost AED	Amortised cost AED	
Investments at fair value through other comprehensive income (FVTOCI) (Note 8)	-	20,683,300	-	-	20,683,300
Investments at fair value through profit or loss (FVTPL) (Note 9)	419,959	-	-	-	419,959
Trade and other receivables (Note 12)	-	-	413,124	-	413,124
Cash and cash equivalents (Note 13)	-	-	448,996	-	448,996
Due to a related party (Note 10)	-	-	-	48,000	48,000
Lease liabilities (Note 18)	-	-	-	644,048	644,048
Bank borrowings (Note 19)	-	-	-	19,931,972	19,931,972
Dividend payable	-	-	-	562	562
Trade and other payables (Note 20)	-	-	-	2,357,121	2,357,121
	419,959	20,683,300	862,120	22,981,703	44,947,082

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

28 Financial instruments and risk management (continued)

31 December 2024

	Financial assets			Financial liabilities	Total AED
	FVTPL AED	FVTOCI AED	Amortised cost AED	Amortised cost AED	
Investments at fair value through other comprehensive income (FVTOCI) (Note 8)	-	14,466,656	-	-	14,466,656
Investments at fair value through profit or loss (FVTPL) (Note 9)	160,246	-	-	-	160,246
Due from a related party (Note 10)	-	-	300,000	-	300,000
Trade and other receivables (Note 12)	-	-	407,418	-	407,418
Cash and cash equivalents (Note 13)	-	-	697,289	-	697,289
Lease liabilities (Note 18)	-	-	-	71,561	71,561
Bank borrowings (Note 19)	-	-	-	23,554,630	23,554,630
Trade and other payables (Note 20)	-	-	-	2,715,009	2,715,009
Dividend payable	-	-	-	562	562
Due to a related party (Note 10)	-	-	-	534,012	534,012
	160,246	14,466,656	1,404,707	26,875,774	42,907,383

ARAM Group Company P.J.S.C. and its subsidiary

Sharjah - United Arab Emirates

Notes to the Consolidated Financial Statements for the year ended 31 December 2025

28 Financial instruments and risk management (continued)

Fair value measurements

The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices at the close of the business on the reporting date.
- The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Management considers that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

Financial risk management objectives

The Group's financial risk management policies set out the Group's overall business strategies and risk management philosophy. The Group's overall financial risk management program seeks to minimise potential adverse effects to the financial performance of the Group. The management carries out overall financial risk management covering specific areas, such as market risk (including foreign exchange risk and interest rate risk), credit risk, and liquidity risk and investing excess cash.

The Group's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates.

The Group does not hold or issue derivative financial instruments for speculative purposes.

Interest risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates. The Group's policy is to manage its interest cost using a mix of fixed and variable rate debts. Interest on financial instruments having floating rates is re-priced at intervals of less than one year and interest on financial instruments having fixed rate is fixed until the maturity of the instrument.

Interest rate sensitivity analysis

If interest rates had been 50 basis points higher/(lower) and all other variables were held constant, the Group's profit for the year then ended would (decrease)/increase by AED 102,534 (2024: (decrease)/increase by AED 118,125).

Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Market risk exposures are measured using sensitivity analysis. There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

Foreign currency risk

The carrying amounts of the Group's foreign currency denominated monetary assets at the end of the reporting date are as follows:

	2025	2024
	AED	AED
Assets		
Kuwaiti Dinar	<u>21,600,000</u>	<u>14,735,680</u>

ARAM Group Company P.J.S.C. and its subsidiary

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

28 Financial instruments and risk management (continued)

The carrying amounts of the Group's foreign currency denominated monetary liabilities at the end of the reporting date are as follows:

	2025	2024
	AED	AED
Liabilities		
Kuwaiti Dinar	<u>615,105</u>	<u>162,063</u>

Foreign currency sensitivity analysis

The following table details the ARAM Group Company P.J.S.C. and its subsidiary's sensitivity to a 10% decrease in the AED against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in foreign currency rates. A negative number below indicates a decrease in profit and other equity where the AED strengthens 10% against the relevant currency. For a 10% strengthening of the AED against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be positive.

	2025	2024
	AED	AED
Profit and loss at the end of the year		
Kuwaiti Dinar	2,098,490	1,457,362

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 December 2025, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise credit risk, the Group has tasked its management to develop and maintain the Group's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, management uses other publicly available financial information and the Group's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group's current credit risk grading framework comprises the following categories:

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the management which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity risk - unclaimed dividend

The Securities and Commodities Authority (the Authority) issued its letter dated 30 April, 2023 reference number E.M.SH/KH/258/2023, stating that the Authority has been appointed to manage the uncollected profits of locally listed public joint stock companies prior to March 2015 and requires public joint stock companies to stop the company's procedures for distributing uncollected profits prior to March 2015 from receipt of the letter and to transfer the full value of uncollected profits prior to March 2015 to the Authority's account no later than 21 May, 2023. As on 31 December 2025, the remaining dues of the uncollected profits amounted to AED 562.

ARAM Group Company P.J.S.C. and its subsidiary

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

28 Financial instruments and risk management (continued)

The table below summarises the maturity profile of the Group's financial instruments. The contractual maturities of the financial instruments have been determined on the basis of the remaining period at the reporting date to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained. The maturity profile of the financial assets and financial liabilities at the reporting date based on contractual repayment arrangements was as follows:

Interest bearing				
Particulars	On demand or less than 3 months	Within 1 year	More than 1 year	Total
As at 31 December 2025				
Financial liabilities				
Lease liabilities	-	143,122	500,926	644,048
Bank borrowings	-	3,684,211	16,247,761	19,931,972
	-	3,827,333	16,748,687	20,576,020
Non-interest bearing				
Particulars	On demand or less than 3 months	Within 1 year	More than 1 year	Total
As at 31 December 2025				
Financial assets				
Investments at fair value through other comprehensive income (FVTOCI)	-	-	20,683,300	20,683,300
Investments at fair value through profit or loss (FVTPL)	-	419,959	-	419,959
Trade and other receivables	413,124	-	-	413,124
Cash and cash equivalents	448,996	-	-	448,996
	862,120	419,959	20,683,300	21,965,379
Financial liabilities				
Due to a related party	-	48,000	-	48,000
Dividend payable	-	562	-	562
Trade and other payables	-	2,357,121	-	2,357,121
	-	2,405,683	-	2,405,683

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

28 Financial instruments and risk management (continued)

Particulars	Interest bearing			Total
	On demand or less than 3 months	Within 1 year	More than 1 year	
As at 31 December 2024				
Financial liabilities				
Lease liabilities	-	71,561	-	71,561
Bank borrowings	-	3,684,211	19,870,419	23,554,630
	-	3,755,772	19,870,419	23,626,191
Non-interest bearing				
Particulars	On demand or less than 3 months	Within 1 year	More than 1 year	Total
As at 31 December 2024				
Financial assets				
Investments at fair value through other comprehensive income (FVTOCI)	-	-	14,466,656	14,466,656
Investments at fair value through profit or loss (FVTPL)	-	160,246	-	160,246
Due from a related party	-	300,000	-	300,000
Trade and other receivables	-	407,418	-	407,418
Cash and cash equivalents	697,289	-	-	697,289
	697,289	867,664	14,466,656	16,031,609
Financial liabilities				
Due to a related party	-	534,012	-	534,012
Dividend payable	-	562	-	562
Trade and other payables	-	2,715,009	-	2,715,009
	-	3,249,583	-	3,249,583

ARAM Group Company P.J.S.C. and its subsidiary

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

28 Financial instruments and risk management (continued)

Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the equity balance and complying with statutory requirements.

The capital structure of the Group include of share capital of AED 78,901,086 (2024: AED 78,901,086), statutory reserve of AED 36,179,437 (2024: AED 34,869,340), voluntary reserve of AED 16,498,495 (2024: AED 15,188,398), fair value reserve of AED 2,923,849 (2024: debit balance of AED 3,274,068), debit balance in foreign currency translation reserve of AED 719,978 (2024: AED 732,393) and retained earnings of AED 25,211,847 (2024: AED 14,657,502) as disclosed in the consolidated financial statements. The Group's total capital resources amount to AED 158,994,736 (2024: AED 139,609,865).

29 Fair value hierarchy

At year end, the Group held the following financial and non-financial assets measured at fair value:

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
As at 31 December 2025				
Financial assets: Investments carried at FVTPL				
Unquoted shares	-	-	419,959	419,959
Investments carried at FVTOCI				
Quoted shares	17,861,612	-	-	17,861,612
Unquoted shares	-	-	2,821,688	2,821,688
Non-financial assets:				
Investment properties	-	-	163,460,000	163,460,000
	<u>17,861,612</u>	<u>-</u>	<u>166,701,647</u>	<u>184,563,259</u>

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
As at 31 December 2024				
Financial assets:				
Investments carried at FVTPL				
Unquoted shares	-	-	160,246	160,246
Investments carried at FVTOCI				
Quoted shares	11,942,692	-	-	11,942,692
Unquoted shares	-	-	2,523,964	2,523,964
Non-financial assets:				
Investment properties	-	-	153,350,000	153,350,000
	<u>11,942,692</u>	<u>-</u>	<u>156,034,210</u>	<u>167,976,902</u>

During the year, there were no transfers between the various levels of fair value measurements.

ARAM Group Company P.J.S.C. and its subsidiary

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

30 Segment reporting

The Group's activities comprise two main business segments: 1) real estate 2) investments. The details of segment revenue, result, assets and liabilities have been provided below:

	31 December 2025			31 December 2024		
	Real estate	Investments	Total	Real estate	Investments	Total
	AED	AED	AED	AED	AED	AED
Segment revenue	11,236,419	-	11,236,419	10,193,038	-	10,193,038
Segment other income	10,296,882	350,682	10,647,564	17,012,371	784,898	17,797,269
Segment expenses	(7,477,327)	-	(7,477,327)	(9,814,062)	(52,452)	(9,866,514)
Segment Profit	14,055,974	350,682	14,406,656	17,391,347	732,446	18,123,793

	31 December 2025			31 December 2024		
	Real estate	Investments	Total	Real estate	Investments	Total
	AED	AED	AED	AED	AED	AED
Segment assets	165,707,075	21,103,259	186,810,334	155,321,124	14,626,902	169,948,026
	165,707,075	21,103,259	186,810,334	155,321,124	14,626,902	169,948,026

	31 December 2025			31 December 2024		
	Real estate	Investments	Total	Real estate	Investments	Total
	AED	AED	AED	AED	AED	AED
Segment liabilities	27,815,598	-	27,815,599	30,338,161	-	30,338,162
	27,815,598	-	27,815,599	30,338,161	-	30,338,162

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

31 Uncertainty related to key estimates

Fair value of investments

The fair value of equities decreases as a result of changes in the levels of equity index and the value of individual stocks. The Group's listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities.

The effect on equity (fair value reserve) as a result of a change in the fair value of equity instruments quoted on the different stock exchange markets and held at FVTOCI at 31 December 2025, due to reasonably possible changes in the prices of these quoted shares held by the Group, with all other variables held constant, is as follows:

	Market Index	
	Change in market prices	Effect on equity (fair value reserve)
	%	AED
31 December 2025		
Kuwait	+5%	893,081
	-5%	(893,081)
		-
31 December 2024		
Kuwait	+5%	597,135
	-5%	(597,135)

32 Seasonality of results

The Group's income consists of rental and investment income. Rental income is not significantly affected by any seasonal impact as it depends on annual lease contracts which are recognised in the consolidated statement of profit or loss and other comprehensive income on a straight-line method and in accordance with terms of these lease contracts. In addition, there is limited fluctuation on the rent rates where the Group's investment properties are located.

Investment income depends on market conditions, investment activities of the Group and declaration of profit by investee companies, which are of a variable in nature. Accordingly, results of investment income for the year ended 31 December 2025 are not comparable to those relating to the comparative period and are not indicative of the results that might be expected for the year ended 31 December 2026.

33 Operating lease commitments

	2025	2024
	AED	AED
Short term leases payable within one year	143,122	71,561
Short term leases payable after one year but within five years	500,926	-
	<u>644,048</u>	<u>71,561</u>

ARAM Group Company P.J.S.C. and its subsidiary

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Notes to the Consolidated Financial Statements for the year ended 31 December 2025

34 Contingent liabilities and capital commitments

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known contingent liability and commitment on Group's consolidated financial statements as of reporting date.

35 Events after the reporting period

Subsequent to the year end, on 21 January 2026, the Group executed revised financing arrangements with Sharjah Islamic Bank to formalise a newly obtained overdraft facility under an Ijara financing structure. The overdraft facility, which was made available subsequent to the reporting date, is being structured as a Sharia-compliant Ijara arrangement secured by four properties. In connection with this restructuring, the mortgage terms over the existing secured properties were amended and an additional property located in Industrial Area 10 was included as security.

On 22 January 2026, the Group entered into a USD 6,000,000 term loan agreement with Prepaire Labs Holding Ltd. The loan bears interest at 6% per annum and has a tenure of 12 months. Repayment of the facility will be effected either through the issuance or transfer of shares within the loan term or by settlement of the principal amount in cash.

CORPORATE GOVERNANCE REPORT

2025

ARAM GROUP COMPANY PJSC



Introduction

In its internal policy, the company has followed the highest professional levels over the past years to optimally implement governance rules, The Board of Directors considers that the existence of a strong governance system as one of the cornerstones of the Company's sustainable and long-term growth. The Board is committed to enhance the value of the Company for its shareholders, taking into account the interests of all stakeholders, employees, suppliers, customers, business partners, as well as the communities in which the Company operates.

Our most important objectives are to reach with the company's management to the best practices in an effective and dynamic manner to serve all the shareholders by organizing the management's main responsibilities and tasks, developing its decision-making strategy, and clearly defining its objectives to achieve them as soon as possible in order to encourage long-term investment and achieve financial stability and business integrity, which ultimately leads to achieving sustainable growth. To achieve this goal, the company's Board of Directors approved the (Corporate Governance System) in accordance with all legal and regulatory requirements related to the rules of professional conduct and corporate governance, in particular, the directives issued regarding the implementation of the Authority's Chairman of the Board of Directors' Decision No. (3/Chairman) of 2020 regarding the adoption of the Governance Guide for Public Joint Stock Companies.

The Company's governance framework takes into consideration the application of the principles and standards set by both: the Capital Market Authority and Abu Dhabi Securities Exchange, as well as Federal Decree-Law No. (32) of 2021 on Commercial Companies, as amended, in order to develop the Company's policy, requirements and aspirations.

This report gives an overview of ARAM Group corporate governance systems and procedures as of December 31st , 2025, and has been posted on the Abu Dhabi Exchange (ADX) website and the Group's website. This report is governed by the Resolution of the Board of the Capital Market Authority (CMA) No. 3/Chairman of 2020 in regard to the Corporate Discipline and Governance Standards of Public Joint Stock Companies, and the format of this report is as prescribed by CMA.



1.0 Governance Application in ARAM Group Company

Shareholders represent the highest levels of governance, and the Company's Articles of Association define the framework through which ARAM Group Company shall operate to develop its policy, requirements and aspirations. The Board of Directors is accountable to the shareholders for ensuring that the Company's objectives are in line with their expectations, ensuring the effectiveness of the businesses of the Company's management, with the emphasis that the Company's objectives are consistent with the statutory requirements and the professional codes of conduct defined by both Capital Market Authority and Abu Dhabi Securities Exchange.

In the context of constant monitoring to measure the effectiveness of the application of the governance system, the Board of Directors periodically reviews the governance framework and amends its elements (where necessary) to ensure its consistency with the regulatory controls and changing business environment.

The following diagram illustrates the governance framework and the key elements resulting from the application of the Company's governance system:



As indicated above, the application of the governance system involves different levels, including Board of Directors, Executive Management, Board of Directors Committees, and the compliance officer.

The Board of Directors performs periodic reviews regarding the application of standards and systems of governance in the Company, taking into consideration the legal and regulatory requirements and controls of these systems, and the application of the highest international standards in this field.

2.0 A statement of the ownership and transactions of board members, their spouses, and their children in the company's securities during the year 2025

According to the company's policy of establishing governance principles in the trading's of the company's Board Members (along with all employees and insiders of the Company) and based on their belief in the importance and necessity of compliance with the rules and regulations controlling their transactions and trading's in the shares and securities of the Company. they are also prohibited to use any undisclosed internal information for personal interest or to remove a harm that may affect them as a result of any undisclosed material information according to the Article 12 of the instructions of listing securities in Abu Dhabi Securities Exchange (ADX), which states:

"The Chairman and members of the Board of Directors of a company whose securities are listed on the market, its general manager, or any employee familiar with the basic data of the company may not trade, personally or through others, by dealing in the securities of the mother company, subsidiary, allied or sister company of that company during the following periods:

1- 10 business days before announcing material information that would affect the stock price up or down, unless the information results from urgent and sudden events.

2- 15 days before the end of the annual and quarterly financial period and until the financial statements for that quarter are disclosed.

Based on the foregoing, and in the light of the disclosures made by the Board of Directors, the following table shows the shares and securities owned by the Directors and their first-degree relatives (their spouses and children) in the Company's share capital as of December 31, 2025, and the Trading's in the Company's Shares carried out by them during the year 2025:

Name	Position / relationship	Shares Owned as of December 31, 2025 (Share)	Shares Owned by first-degree relatives in the capital of the company (Share)	Total sales transactions (Share)	Total Purchases transactions (Share)
Shaikh Mohammed Bin Sultan Bin Khalifa Al-Nahyan	Chairman	NA	-	NA	NA
Dr. Ali Nasser Sultan Alyabhouni Aldhaheeri	Vice Chairman	NA	-	NA	NA
Mr. Ali Mohd Zaid Ali Musmar	CEO & Managing Director	NA	-	NA	NA
H.E. Salama Alhaj Abdullah Alawadhi	Board Member	NA	-	NA	NA
Mr. Arkadiusz Jakub Bajak	Board Member	NA	-	NA	NA
Mr. Jassem Mubarak Masoud Jassem Aldhaheeri	Chairman				
Mr. Mansoor Abduljabbar Ahmed Alsayegh	Vice Chairman	NA	-	NA	NA
Mr. Khamis Mohamed Khamis Buharoon Alshamsi	Board Member	NA	-	NA	NA
Mrs. Najoud Abdulla Mohammad Burahima	Board Member	NA	-	NA	NA
Mrs. Alyazia Naser Yousef Naser Alzaabi	Board Member	NA	-	NA	NA

3.0 ARAM Group Boards of Directors

The role of the Board of Directors is to supervise the Company's business affairs. The Board of Directors is responsible for monitoring the effectiveness of the governance framework, controlling and supervising the management and controls applied in the Company. The Board has delegated some of its authorities to its Committees (Audit Committee, Nomination and Remunerations Committee) which operate according to the Charters and Regulations approved by it and submits its reports and recommendations to the Board of Directors out of responsibility and transparency.

The Board has also delegated the tasks of the day-to-day management of the Company to the Chief Executive Officer & Managing Director to ensure balance and suitability between the level of control and the risks management and work requirements within the Company with regard to its developments and changes in its activities and operations.

3.1 Formation of ARAM Group Board of Directors

The Board of Directors currently includes five Members, according to the following table:

Name	Position	Category (executive, non-executive, independent)	Experiences & Qualifications	Date of appointment as BOD member	Membership of the Directors in other Public Joint Stock Companies	Positions in any other important supervisory, governmental or business entities
Shaikh Mohammed Bin Sultan Bin Khalifa Al-Nahyan	Chairman	Independent	Bachelor of Business Administration with a major in Political Science and a minor in Economics from (NYU Abu Dhabi)	Since Dec 19, 2025 to date	N/A	Chairman of the Abu Dhabi Marine Sports Club, Vice Chairman of SBK Holding Group
Dr. Ali Nasser Sultan Alyabhouni Aldhaheri	Vice Chairman	Independent	Ph.D. in Decision-Making Strategy from Universiti Teknologi Malaysia, a Master's degree in Human Resources Management from Abu Dhabi University	Since Dec 19, 2025 to date	N/A	Board Member of Emirates Gold Refinery, Co-Founder and Board Member of Falcon Tech Robotics
Mr. Ali Mohd Zaid Ali Musmar	CEO & Managing Director	Executive	Bachelor of Business Administration (BBA) in Accounting from the University of Jordan	Since Dec 19, 2025 to date	N/A	N/A
H.E. Salama Alhaj Abdullah Alawadhi	Board Member / Chairman of Nomination & Remuneration Committee	Independent	Bachelor's degree in Earth Sciences (Geology) from Sultan Qaboos University (SQU)	Since Dec 19, 2025 to date	N/A	Assistant Undersecretary for Industry Growth at the Ministry of Industry and Advanced Technology (MoIAT), Board Member of the UAE Space Agency
Mr. Arkadiusz Jakub Bajak	Board Member / Chairman of Audit Committee	Independent	Academic studies in Law, Philosophy, Cognitive Studies, and Automation across educational institutions in Germany, Poland, and France.	Since Dec 19, 2025 to date	N/A	Chief Operating Officer of The Space Events and Sports L.L.C

In this regard, it should be noted that the membership of the Board of Directors consisted mostly of the independent members since the establishment of the Company according to the decision of the Chairman of the Authority No. (3/Chairman) of 2020 on the adoption of the Corporate Governance Manual of Public Joint Stock Companies.

The Board has adopted a policy on the independency of Members, under which the independence of each Member is assessed annually, which falls within scope of the responsibilities of the Nominations and Remunerations Committee. Accordingly, the conflict of interests and the emergence of relationships that may arise on independent members, which in turn may lead to a breach of independence, shall be reported and the relevant procedures shall be taken into account if the Board finds any defect or a decline in the capacity of their independence.

3.2 Profile of Board Members



H.H. Shaikh Mohammed Bin Sultan Bin Khalifa Al-Nahyan
Chairman

H.H. Sheikh Mohammed bin Sultan bin Khalifa Al Nahyan is a board-level institutional leader with extensive experience in the strategic oversight of diversified business groups and complex, multi-sector organizations. He is widely recognised for providing long-term strategic direction, strengthening institutional frameworks, and exercising structured and effective board supervision across a broad range of sectors, including retail, industrial, real estate, aviation, energy-related sectors, environmental technologies, fintech, hospitality, medical services, and marine activities.

H.H. Sheikh Mohammed currently serves as Chairman of the Board of Directors of ARAM Group PJSC, where he provides strategic guidance and board-level oversight in support of the Group's long-term objectives, sustainable growth, and operational efficiency. In addition, he holds senior board and leadership roles across prominent national and sector-focused entities, including chairmanship and vice-chairmanship positions within commercial, investment, and sectoral organizations, as well as board memberships in investment institutions. Through these roles, he contributes to strategic alignment, institutional oversight, and performance monitoring across multiple sectors.

H.H. Sheikh Mohammed's professional foundation is grounded in business administration, complemented by military leadership training at the Royal Military Academy Sandhurst, which underpins his structured and methodical approach to strategic leadership and organizational development.

He holds a Bachelor of Business Administration, with a major in Political Science and a minor in Economics, from New York University Abu Dhabi (NYU Abu Dhabi). His extensive leadership experience across diverse sectors reflects a sustained commitment to strategic vision, institutional effectiveness, and the creation of sustainable value at the highest levels of corporate and institutional leadership.

Dr. Ali Nasser Sultan Alyabhouni Aldhaheri



Vice Chairman

Dr. Ali Nasser Sultan Alyabhouni Aldhaheri is a senior business leader with extensive experience in international investment, energy, technology, and precious metals. He serves as Vice Chairman of ARAM Group PJSC, Board Member of Emirates Gold Refinery, Co-Founder of the International Bullion Exchange (IBX), Chief Operating Officer of Vizier Asset Management (ADGM-licensed), Co-Founder and Board Member of Falcon Tech Robotics, and Partner at Mark Cables FZE and The Space Events & Sports. He holds a Ph.D. in Decision-Making Strategy from Universiti Teknologi Malaysia and a Master's degree in Human Resources Management from Abu Dhabi University. In his roles, he contributes to strategic investments, institutional oversight, and sustainable value creation.

Mr. Ali Mohd Zaid Ali Musmar



CEO & Managing Director

Mr. Ali Musmar is a senior financial executive with over 24 years of experience in credit risk management, portfolio governance, and regulatory compliance across the Middle East, the GCC, and the Far East. He currently serves as Managing Director and Chief Executive Officer of ARAM Group PJSC, listed on the Abu Dhabi Securities Exchange, having previously held the position of Chief Executive Officer since October 2021, during which he led strategic planning, financial restructuring, and the enhancement of governance and risk management frameworks. He has also held senior leadership roles at Mashreq Bank and Commercial Bank of Dubai, and has served on various executive and board-level committees. Mr. Musmar holds a Bachelor's degree in Business Administration (Accounting) from the University of Jordan.

H.E. Salama Alhaj Abdullah Alawadhi



Board Member

H.E. Salama Alhaj Alawadhi is a senior government executive with extensive experience in industrial development, energy, supply chain management, and national economic growth. She has played a significant role in strengthening the competitiveness and sustainability of the industrial sector in the United Arab Emirates. She currently serves as Assistant Undersecretary for Industry Growth at the Ministry of Industry and Advanced Technology, where she leads national programs aimed at supporting industrial expansion, advancing sustainability, and enhancing competitiveness. She is also a Board Member of the UAE Space Agency and a Board Member of ARAM Group PJSC. H.E. Salama Alhaj Alawadhi holds a Bachelor's degree in Earth Sciences (Geology) from Sultan Qaboos University.

Mr. Arkadiusz Jakub Bajak



Board Member

Mr. Jakub Bajak is a business executive and consultant with international experience in corporate operations, strategic management, and leadership development. In addition to his role as a Board Member of ARAM Group PJSC, he currently serves as Chief Operating Officer of The Space Events & Sports L.L.C. and Managing Director of Kaboura FZ-LLC. He pursued his academic studies in Law, Philosophy, Cognitive Studies, and Automation at educational institutions in Germany, Poland, and France.

3.3 Women Representation in the Board of Directors during 2025

In its current formation, the Board of Directors includes one woman (one member), which is equivalent to 20% of the composition of the Board of Directors represented in the joining of H.E. Salama Alhaj Abdullah Alawadhi to the Company's Board of Directors, through the process and procedures for re-election and formation of the Company's Board of Directors in accordance with the decision issued by the Company's shareholders at the General Assembly held on December 19th, 2025.

3.4 Statement on determining the remuneration for the Company's Board of Directors.

Article (38) of the Articles of Association of ARAM Group Company provides that:

"The remuneration of the Board Chairman and members shall be a percentage of the net profit, provided that it shall not exceed 10% of the net profits of the fiscal year. The Company may also pay expenses, fees, additional bonus or a monthly salary to the extent decided by the Board of Directors to the Board member who serves in any committee, makes special efforts or performs additional work to serve the Company in excess of his/her regular duties as a Board member. Attendance allowance may not be paid to the chairman or the Board members for attending Board meetings."

Article (60) of the Articles of Association defines the distribution method of net profits. The net annual profits of the Company are distributed after deduction of all general expenses and other costs as follows:

- Ten percent (10%) shall be deducted and allocated to the legal reserve. This deduction shall be stopped when the total reserve amounts to 50% of the Company's paid-up capital. If the reserve decreased, the deduction shall be resumed.
- The General Assembly shall consider the recommendations of the Board of Directors in relation to the percentage proposed for the distribution of the net profits among the shareholders, after deducting the reserves and depreciations. However, if the distribution of the profits was not permitted in any year, they cannot be claimed from the profits of the following years.
- A percentage shall be allocated as a remuneration of the members of the Board of Directors, provided that it shall not exceed (10%) of the net profits of the ending fiscal year after deducting all the depreciations and reserves. The Board shall propose the said remuneration, and the same shall be presented to the General Assembly for consideration. Fines that may have been imposed on the Company by the Authority or the Competent Authority due to violations committed by the Board of Directors of the Companies Law or the Articles of Association during the ended fiscal year shall be deducted from the remuneration. The General Assembly may decide not to deduct such fines or some of them if it deems that they were not the result of a default, or an error made by the Board of Directors.
- The remaining net profits shall be distributed, carried forward, upon the recommendation of the Board of Directors, to the following year or allocated to establish a voluntary reserve for specific purpose, and it may not be used for any other purpose except with a resolution of the Company's General Assembly.

Total Remunerations of the Members of the Board of Directors for the year 2024

Pursuant to the resolution issued by the Company's General Assembly at its meeting held on 24 April 2025, the total remuneration paid to the members of the former Board of Directors for the financial year ended 31 December 2024 amounted to AED 500,000 (Five Hundred Thousand UAE Dirhams).

Total proposed remunerations of the Directors for 2025

No remuneration was proposed for the former members of the Board of Directors for the year 2025.

Details of the allowances for attending sessions of the Committees emanating from the Board, which were received by the Board Members for the year 2025

No allowances or remunerations were paid to the board members for attending the committee meetings emanating from the board during the year 2025.

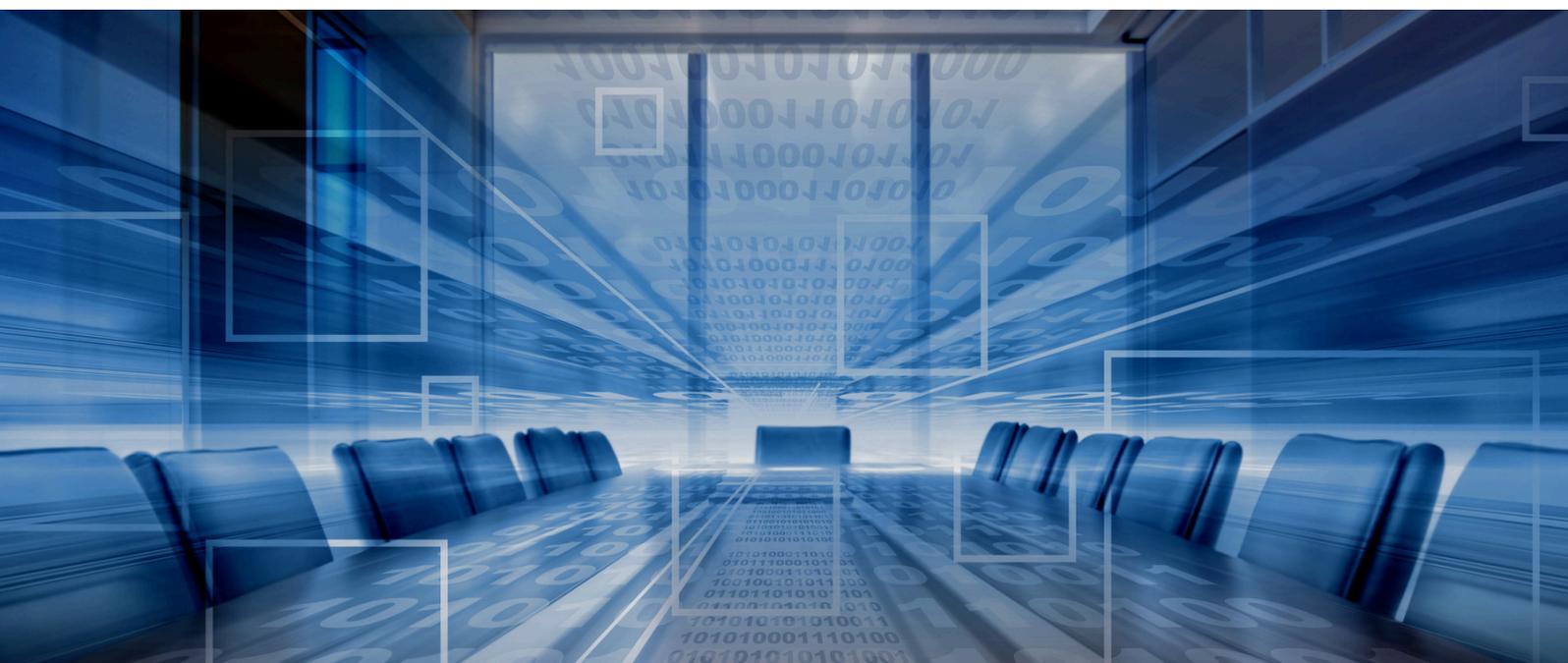
Details of additional allowances, salaries or fees received by a Board Member, during the year 2025, other than the allowances for attending the Committees

No allowances, salaries, or additional fees were disbursed during the year 2025.

3.5 Board Meetings during 2025 and Attendance of Board Members

Statement of the number of meetings held by the former Board of Directors during the fiscal year. The Board of Directors had convened six meetings during 2025 as follows:

No.	Meeting Date	No. of Attendance	No. of attendees by proxy	No. of Absent Members	Names of Absent Members
1	13 th Feb, 2025	3 (via video conference)	-	-	Alyazia Naser Yousef Naser Alzaabi
2	17 th March, 2025	4 (via video conference)	-	-	-
3	28 th April, 2025	5 (via video conference)	-	-	-
4	14 th May, 2025	5 (via video conference)	-	-	-
5	13 th Aug, 2025	5 (via video conference)	-	-	-
6	13 th Nov, 2025	5 (via video conference)	-	-	-



The following table outlines the attendance of the former Board of Directors at its meetings held during the year 2025:

The former Board of Directors	No. of Absences	First Meeting 13 th Feb, 2025	Second Meeting 17 th Mar, 2025	Third Meeting 28 th Apr, 2025	fourth Meeting 14 th May, 2025	Fifth Meeting 13 th Aug, 2025	Sixth Meeting 13 th Nov, 2025
Mr. Jassem Mubarak Masoud Jassem Aldhaheri	-	-	-	✓	✓	✓	✓
Mr. Mansoor Abduljabbar Abdulmohsen Ahmed Alsayegh	-	✓	✓	✓	✓	✓	✓
Mr. Khamis Mohamed Khamis Buharoon Alshamsi	-	✓	✓	✓	✓	✓	✓
Mrs. Najoud Abdulla Mohammad Burahima	-	✓	✓	✓	✓	✓	✓
Mrs. Alyazia Naser Yousef Naser Alzaabi	-	-	✓	✓	✓	✓	✓

Statement of the number of meetings held by the current Board of Directors during the fiscal year. The Board of Directors had convened one meeting during 2025 as follows:

No.	Meeting Date	No. of Attendance	No. of attendees by proxy	No. of Absent Members	Names of Absent Members
1	22nd December, 2025	5 (In person / via video conference)	-	-	-

The following table outlines the attendance of the current Board of Directors at its meeting held during the year 2025:

The current Board of Directors	No. of Absences	First Meeting 14th December, 2023
Shaikh Mohammed Bin Sultan Bin Khalifa Al-Nahyan	-	✓
Dr. Ali Nasser Sultan Alyabhouni Aldhaheri	-	✓
Mr. Ali Mohd Zaid Ali Musmar	-	✓
H.E. Salama Alhaj Abdullah Alawadhi	-	✓
Mr. Arkadiusz Jakub Bajak	-	✓

3.6 Summary of Board Resolutions Passed During 2025

- Board Resolutions passed by circulation during 2025**

Article (29) of the Articles of Association of ARAM Group regarding Board Resolutions passed by circulation provides that:

“Without prejudice to the minimum number of Board meetings required under Article 28 above, the Board of Directors may issue some of its resolutions by circulation in urgent instances. These decisions shall be valid and effective as if they were made at a meeting summoned and duly convened, taking into consideration that:

- The number of instances for issuing a Board resolution by circulation shall not exceed four (4) times per year.
- The majority of the directors approve that the instance requiring the issuance of a resolution by circulation is considered urgent.
- The directors are provided with the resolution by circulation in writing for their approval, and attached with all documents required for review.
- The majority of the directors must approve in writing the resolutions by circulation, and such resolutions by circulation shall be presented during the next board meeting to be included in the minutes of the said meeting.

During the financial year 2025, two resolutions were passed by circulation, as follows:

No	Date of Resolution	Resolutions Passed by Circulation
1	11th Mar, 2025	Approval of the appointment of Talal Abu-Ghazaleh & Co. International as Financial Advisor and Ibrahim & Co. as Legal Advisor, based on the Chairman's authorization and recommendation, for the negotiation and execution of the acquisition process following a comparative review of submitted proposals.
2	4th Dec, 2025	Resolved that the Chief Executive Officer, Mr. Ali Mohd Zaid Ali Musmar, is hereby authorized to open and operate the Company's bank accounts in the State of Kuwait, with full powers to manage such accounts and to undertake all necessary actions and formalities in connection therewith.

- Resolutions Adopted in Meetings of the former Board of Directors:**

No	Meeting Date	Resolutions Ratified
1	13 th Feb, 2025	- Approved the Audited Financial Statements for the year ended 31.12.2024. - The appointment of the financial advisor and legal advisor to oversee the implementation of the acquisition procedures was discussed, following the review of the submitted proposals.
2	17 th March, 2025	- Approved the General Assembly's agenda and scheduled the date of the meeting to be on 17 th April, 2025 at 12:00 PM at the company's headquarter, after obtaining the approval of the Capital Market Authority (CMA). - Approved the announcement to open nominations for the election of a board member to fill the vacant position. - Approved the Corporate Governance Report, Sustainability Report, and Integrated Report for the year 2024.
3	28 th April, 2025	- The Chairman of the Board of Directors was elected. - The Board of Directors' committees were reconstituted (Audit Committee and Nomination and Remuneration Committee).
4	14 th May, 2025	- Approved the Audited Financial Statements for the 1st quarter, 2025 ended 31.03.2025
5	13 th Aug, 2025	- Approved the Audited Financial Statements for the 2nd quarter, 2025 ended 30.06.2025
6	13 th Nov, 2025	- Approved the Audited Financial Statements for the 3rd quarter, 2025 ended 30.09.2025 - All members of the Board of Directors submitted their resignations, to be presented to the forthcoming General Assembly for the election of a new Board of Directors.

4.0 Committees of the Board of Directors of Aram Group Company

4.1 Audit Committee

- Ratification of Audit Committee Chairman**

Mr. Arkadiusz Jakub Bajak, The Chairman of the Audit Committee acknowledges responsibility for discharging the Audit Committee's mandate across the Company, reviewing its work mechanism, and ensuring its effectiveness. The Audit Committee assists the Board of Directors in discharging its responsibilities with respect to Internal Control Systems, accounting policies, financial reporting, compliance, and internal and external audits. The Audit Committee ensures that the main objectives of the Company are achieved effectively and efficiently, within a tight framework of internal controls, risk management and governance.

- Formation of the audit committee**

The Committee is formed pursuant to a resolution of the Board of Directors, which determines its name and mandates. It is constituted upon the determination of the Board members' positions following their election by the General Assembly.

The Audit Committee comprises three independent members; two members were appointed on 22 December 2025, while the appointment of the third member—an independent external member—is currently under process, as shown in the table below:

Audit Committee Members	Position	Category
Mr. Arkadiusz Jakub Bajak	Chair of the Committee	Independent
H.E. Salama Alhaj Abdullah Alawadhi	Member	Independent

The Audit Committee is responsible for monitoring the company's financial statements, recommending changes to the company's control systems and financial system, monitoring accounting practices, and recommending the nomination of an 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, obtain information relevant to audit work, and seek the assistance of any internal or external specialized party to provide 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.

- Audit Committee Meetings During the Year 2025**

The following table shows the number of meetings held by the committee consisting of the former Board of Directors members to discuss matters related to the financial statements and monitor the status of Aram Group Company's compliance with applicable laws and regulations and any other matters:

Audit Committee Members	No. of absences	First Meeting 10 Feb, 2025	Second Meeting 13 May, 2025	Third Meeting 11 Aug, 2025	Fourth Meeting 10 Nov, 2025
		External Auditor (Crowe Mak)	External Auditor (Crowe Mak)	External Auditor (Crowe Mak)	External Auditor (Crowe Mak)
Mr. Mansoor Abduljabbar Ahmed Alsayegh	1	✓	-	✓	✓
Mr. Khamis Mohamed Buharoon Alshamsi	-	-	✓	✓	✓
Mrs. Najoud Abdulla Mohammad Burahima	-	✓	✓	✓	✓
Mrs. Alyazia Naser Yusef Naser Alzaabi	-	✓	-	-	-

- **Audit Committee Report:**

The Audit Committee Report of Aram Group Company outlines the responsibilities assigned to the Audit Committee and the procedures followed as follows:

- Significant matters considered by the committee in relation to the financial statements and the procedures implemented to address these matters:

The Audit Committee has thoroughly reviewed all significant matters with management and external auditors, including the auditors' opinions on the quarterly and annual financial statements, and has submitted its recommendations to the Board of Directors for approval. Furthermore, the Committee has overseen the accuracy and reliability of the company's financial data, scrutinized key provisions within the financial reports, and addressed significant accounting and reporting issues. The Committee has emphasized the importance of strict adherence to financial reporting standards, regulatory requirements, listing and disclosure obligations, and other legal frameworks governing the preparation of financial reports.

- The approach adopted for the appointment of the external auditor, along with the assessment of the auditor's independence and the effectiveness of the external audit process.

The Audit Committee adopts a systematic approach in the selection of the external auditor and in evaluating the independence and effectiveness of the external audit process. This is achieved through the formulation and implementation of a comprehensive external auditor engagement policy. The Committee submits detailed reports and recommendations to the Board of Directors, highlighting critical issues that require attention and offering guidance on the appropriate actions to be taken.

In addition, the Audit Committee has defined the terms of engagement for the external auditor, including the issuance of the engagement letter at the commencement of each audit and the scope of the audit. The Committee also conducts an annual evaluation of the auditor's independence and objectivity in accordance with professional and regulatory standards.

The Committee convenes regularly to assess the auditor's performance, the adequacy of the accounting policies applied in the financial statements, and to ensure that senior management takes prompt corrective actions to address the auditor's findings and recommendations in a timely manner.

- The Committee's recommendation concerning the appointment, reappointment, or dismissal of the external auditor.

The Audit Committee unanimously recommended the re-appointment of the external auditor, Messrs. Crowe Mac, for the fiscal year 2025, during its meeting held on February 10th, 2025, for Board approval. The re-appointment was subsequently unanimously approved in the General Assembly meeting held on April 24, 2025.

- The independence of the external auditor when performing services beyond the scope of the company's audit engagement.

In order to maintain the independence of the external auditor when providing services beyond the scope of the company's audit engagement, in compliance with business requirements, the Audit Committee diligently monitors and assesses the auditor's independence and objectivity. This is achieved through discussions concerning the nature, scope, and effectiveness of the audit engagement, ensuring alignment with established auditing standards. In 2025, the external auditor did not provide any services other than the audit of the company's financial statements.

- The procedures implemented to address any deficiencies in the event of failures in internal control systems.

The Audit Committee is responsible for overseeing and monitoring the implementation of the risk management framework and internal control systems in accordance with its policies and business strategies. It continuously evaluates the efficiency and effectiveness of these policies and strategies through audits of records, information databases, network security systems, and control mechanisms for both operational and strategic units. In 2025, no deficiencies were identified within the internal control and risk management systems.

- Internal Control and Risk Management Reports

The Audit Committee is committed to ensuring the regular review of the company's internal control systems, engaging in discussions with executive management regarding the internal control framework. The Committee oversees the corrective actions taken by management in response to identified findings and recommendations, ensuring that executive management appropriately and promptly addresses any weaknesses in the control systems, non-compliance with policies, laws, regulations, and other issues highlighted by internal control personnel.

- The corrective action plan in the event of material deficiencies in the areas of risk management and internal control systems.

The Committee has implemented policies, procedures, and controls to ensure the timely reporting of any potential deficiencies in the company's reports. This includes conducting audits of company records and information systems, reviewing the outcomes of key audits concerning internal control matters, assessing the effectiveness of internal control and compliance functions, particularly in relation to planning, monitoring, and reporting, and evaluating the performance of the internal control and compliance officer, providing appropriate advice and guidance in a timely manner.

In the event that any deficiencies in internal control performance are identified, the Committee oversees the investigation process to ensure its independence and integrity. The Committee also reviews the actions taken by management to address the reported violations, ensuring that corrective actions are implemented and subsequently presented to the Board for further action in accordance with applicable laws and regulations.

As previously stated, no material deficiencies were identified in the internal control performance at Aram Group Company during 2025, which demonstrates the effectiveness and efficiency of the policies and procedures implemented by the Audit Committee in collaboration with executive management and internal control personnel.



4.2 Nomination and Remuneration Committee

- Ratification of Nomination and Remuneration Committee Chairman**

H.E. Salama Alhaj Abdullah Alawadhi, The Chairman of the Nomination and Remuneration Committee acknowledges responsibility for discharging the Nomination and Remuneration Committee’s mandate across the Company, reviewing its work mechanism, and ensuring its effectiveness.

The Nominations and Remunerations Committee reports to the Board on culture, performance and compensation policies that reflect best practices, and makes recommendations on the succession plans of the Board, taking into account the challenges and opportunities facing the Company and the skills and experiences needed in the future.

- Formation of the Nomination and Remuneration Committee**

The Nomination and Remuneration Committee consists of three independent members appointed on December 22, 2025, as per the following table:

Nomination and Remuneration Committee Members	Position	Category
H.E. Salama Alhaj Abdullah Alawadhi	Chair of the Committee	Independent
Dr. Ali Nasser Sultan Alyabhouni Aldhaheri	Member	Independent
Mr. Arkadiusz Jakub Bajak	Member	Independent

The role of the committee is to determine the individual and total remuneration for members of the Board of Directors in accordance with the framework approved in the Corporate Law and the Governance Resolution, develop a remuneration policy for executive management related to the company’s performance, and determine the payroll caps including salaries, bonuses, and incentive programs.

The committee is also responsible for preparing and reviewing human resources policies and relevant systems, supervising procedures, and reviewing the nomination of members of the Board of Directors. 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 the authority to request any information it needs from any employee or member of the Board of Directors; therefore, the Board members and employees are directed to cooperate with any request submitted by the Committee.

- Nomination and Remuneration Committee Meetings During the Year 2025**

The following table shows the number of meetings held by the committee consisting of members of the former Board of Directors during the year 2025.

Nomination and Remuneration Committee Members	No. of absences	First Meeting 10 Feb 2025	Second Meeting 08 Dec 2025
Mr. Mansoor Abduljabbar Ahmed Alsayegh	-	✓	✓
Mrs. Najoud Abdulla Mohammad Burahima	-	✓	✓
Mr. Khamis Mohamed Khamis Buharoon Alshamsi	-	-	✓
Mrs. Alyazia Naser Yousef Naser Alzaabi	-	✓	-

4.3 Insider Trading Supervision Committee

- **Insider Trading Supervision functions**

In implementation of the decision of the Chairman of the Authority No. (03/) of 2020 on the adoption of the Corporate Governance Manual of Public Joint Stock Companies, the Management of the Company assigned the Insiders' affairs and their trading in the Company's shares and securities to the Compliance and Corporate Governance officer, since the committee was not formed due to the lack of a quorum of members. . In addition, the Management of the Company identified the duties and competencies of such Department represented in the following:

The company's management referred the insiders' affairs and their trading in the company's shares and the securities issued by it to the compliance officer, since the committee was not formed due to the lack of a quorum of members. Accordingly, the company's management determined the tasks and powers assigned to the compliance officer, which are as follows:

- Management, follow-up and supervision of the insiders' transactions and ownerships, and maintaining their record.
- Development of a special and integrated record that includes the insiders' names and details, including persons who may be considered as temporary insiders and those who have access to the Company's internal information prior to publication.
- Quarterly review of the records and lists of the insiders for continuous update, and consultation with the Executive Management on any updates required to such records and lists according to the requirements of the business of the Company.
- Ensuring continuous update of the list of insiders on the Abu Dhabi Securities Exchange website and making any updates to such list as soon as it occurs.
- Submission of periodic reports and statements to Capital Market Authority and Abu Dhabi Securities Exchange.
- Any other competencies or tasks delegated to the Committee from time to time by the Board of Directors of the Company.

It is worth mentioning that the Company is fully committed not to exploit undisclosed or unpublished information related to the business of the Company and if it has an effect on the Company's shares price in the financial market. Additionally, trading by insiders in the Company's shares is prohibited during the trading prohibition periods imposed by Capital Market Authority and Abu Dhabi Securities Exchange to ensure continuous compliance with the applicable laws and regulations.

4.4 Other committees approved by the Board of Directors

No other committees approved by the Board of Directors of Aram Group Company were formed during the year 2025.

4.5 The responsibilities and authorities carried out by the Executive Management based on a mandate from the Board of Directors

The Aram Group's Board of Directors has adopted a policy that enables and empowers the governance process, including that members of the executive management pay special attention to the duties entrusted to them. The Board has delegated certain levels of powers to each of the following:

Name of the authorized person	Power of authorization	Duration of authorization
Ali Musmar – CEO & Managing Director	Administrative, operational, and financial authorities for ARAM Group Company.	3 years
Ali Musmar – CEO & Managing Director	Full authority to reach the highest occupancy rate for the company's buildings by repricing at competitive prices.	As needed

The CEO & Managing Director has the authority to act within the framework of the operational plan and the budget of operating income and expenses discussed and approved by the Board, according to the authorities granted thereto under the Delegations of Authority. He may delegate some of his duties to the Executive Management Team, according to the current policies of the Board, Delegations of Authority and legal requirements which determine the powers of such delegation. The validity of responsibilities and duties vested in the CEO & Managing Director is three (3) renewable years.

4.6 Business Transactions with related Parties

There are no transactions with related parties within the scope of the governance during the year 2025.

5.0 Board of Directors Evaluation

Evaluation of the Board of Directors of Aram Group Company, its Committees, and Executive Management.

5.1 Annual Evaluation of the Performance of the Company's Board of Directors, its Members, and Committees.

The annual evaluation of the performance of the company's Board of Directors, its members, and committees is one of the key tools that contribute to enhancing corporate performance and promoting robust governance practices. The purpose of this evaluation is to assess the Board's effectiveness in making strategic decisions and executing policies designed to achieve the company's objectives. Additionally, the individual performance of Board members is evaluated, focusing on their competencies, contributions, and adherence to ethical and professional standards. The performance of Board committees, such as the Audit Committee and the Nomination and Remuneration Committee, is also assessed to ensure effective coordination in their tasks and compliance with the highest standards of transparency. Since the company is listed on the Abu Dhabi Securities Exchange (ADX), it upholds the highest governance standards to ensure the provision of a transparent and objective report on the evaluation outcomes, thereby fostering shareholder confidence and demonstrating the company's commitment to sustainable growth.

Accordingly, in 2025, the Nomination and Remuneration Committee undertook the responsibility of evaluating the performance of the Board of Directors and its committees, following a set of systematic procedures aimed at ensuring the highest standards of governance and transparency. These procedures include:

- A comprehensive evaluation of the individual performance of Board members, based on specific criteria including professional competence, effectiveness in participation, and the ability to make effective strategic decisions.
- An assessment of the performance of the various Board committees, reviewing their ability to achieve their assigned objectives and evaluating the effectiveness of their operational mechanisms in supporting the company's strategic goals.
- A range of tools, including surveys and assessments conducted with relevant members, are utilized to obtain an objective evaluation that reflects both collective and individual performance.
- Finally, the evaluation results are meticulously analyzed, and comprehensive recommendations are provided to enhance sustainable performance and ensure alignment with global governance best practices, in accordance with the standards of the Abu Dhabi Securities Exchange (ADX) and industry-leading practices.

5.2 The evaluation of the Board of Directors, its members, and committees is conducted by an independent professional entity.

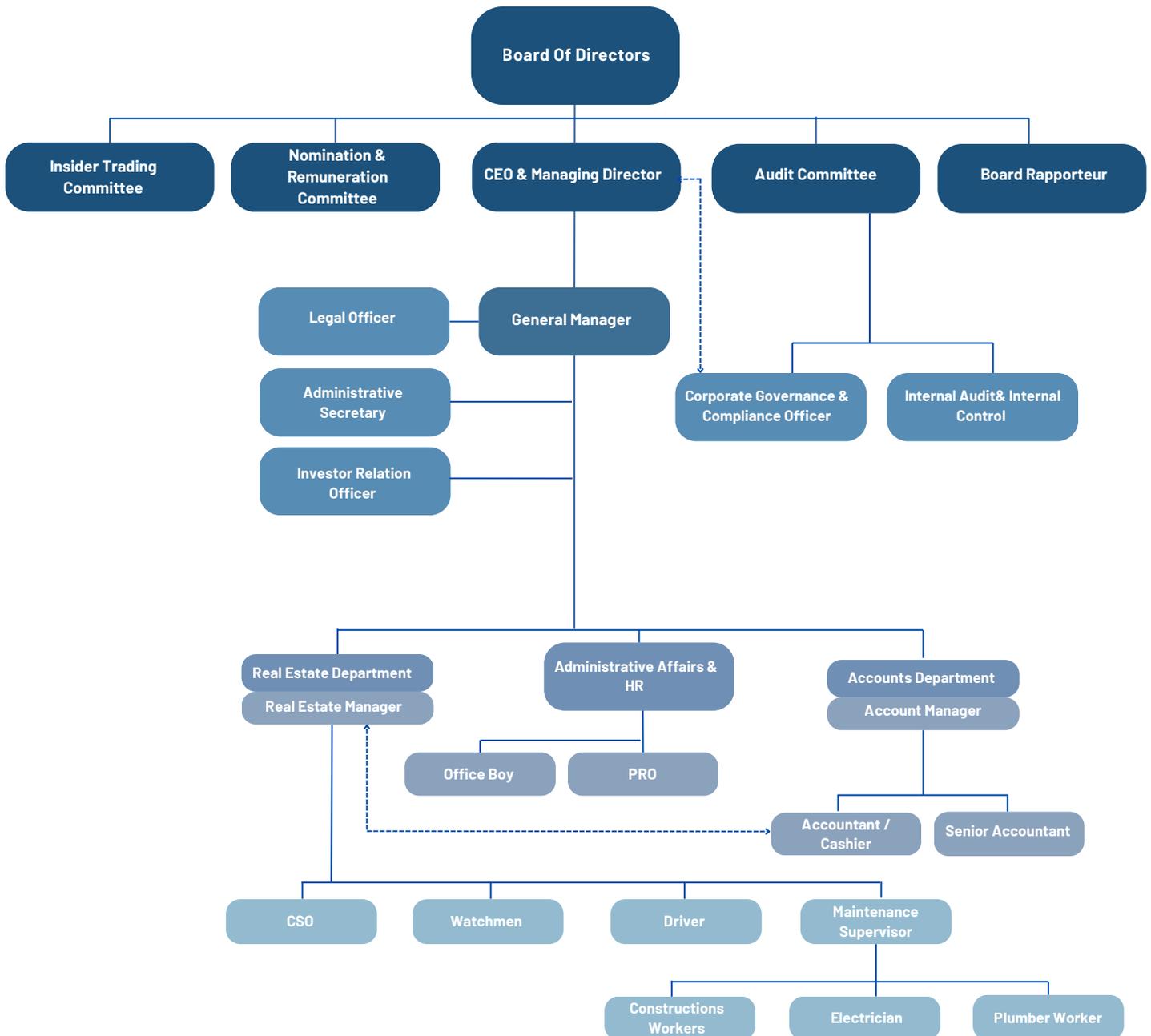
The Board of Directors is dedicated to maintaining the highest standards of governance and transparency. To reinforce this commitment, every three years, the Board engages an independent professional firm, with no affiliations or interests with the company, its Board members, or executive management, to conduct a thorough evaluation of the Board's performance, individual members, and its committees. The evaluation process encompasses an assessment of the Board's effectiveness in making strategic decisions, the accountability of members in fulfilling their duties, as well as the performance of key committees such as the Audit Committee and the Nomination and Remuneration Committee, and the efficiency of their operational frameworks.

The company applies precise and objective evaluation standards based on best practices in governance to ensure accurate and actionable results that improve organizational performance and enhance shareholders and stakeholders' confidence. In 2025, the company conducted an internal evaluation to support continuous performance improvement and strengthen governance standards. The Board of Directors is committed to following the necessary procedures, in compliance with applicable regulations, to engage an independent professional firm for future evaluations.

6.0 Organizational Structure and Executive Management of Aram Group Company

6.1 Organizational Structure of Aram Group Company

Since its inception, ARAM Group Company has been developing and implementing an efficient and effective organizational structure at all department and division levels in order to ensure a high-level of coordination and management interaction, and to ensure a high-level of disclosure, transparency and interaction with markets, which is reviewed continuously by the Executive Management. The following diagram represents the Company's Organizational Structure:



Tarfan General Trading and Contracting Company,
*a subsidiary of the Company, currently employs a single staff member,
 serves in the capacity of Secretary.*

6.2 Executive Management Team

The Executive Management Team (which includes the Company CEO & Managing Director and Executive Officers of its departments and divisions) work according to their authorities specified by the Board of Directors, and within the approved strategic plan. They are responsible for managing the day-to-day operations of the Company and key business issues, in line with the strategic plan framework of the Company. The CEO & Managing Director periodically meets with the Executive Management Team directly.

The following table shows the Members of the Executive Management Team, their appointment dates, salaries and Remunerations they received during 2025:

Position	Date of Appointment	Total Salaries and Allowances paid in 2025 (AED)	Total Bonuses paid for 2025 (AED)	Any other Cash/in-kind bonuses for 2025 or due in the future
CEO & Managing Director	10/10/2021	1,237,830	250,000	-
General Manager	03/02/1979	432,000	99,900	-
Chief Accountant	04/08/2025	78,452	-	-
Real Estate Manager	04/11/2006	201,600	33,600	-
Corporate Governance Senior Officer	01/10/2024	192,000	25,000	-

7.0 External Auditor

7.1 An overview of the company's auditor for shareholders

Based on the nominations of the Audit Committee, the Board of Directors nominates the auditor to the General Assembly to approve his appointment after verifying his independence, competence and reputation for a period of one year. Accordingly, the auditor will assume his duties from the end of the Assembly Meeting until the end of the Assembly Meeting of the following year. His fees are determined by a decision of the General Assembly, and he is prohibited from carrying out other accounting work related to accounting records. He is also prohibited from designing or implementing 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 work for the company during the audit process or participate therein, as well as to provide any administrative services or work related to financial or real estate brokerage.

Accordingly, it was contracted with Crowe Mak, a member of the International Crowe Mak Company, which has experience for more than 40 years in the United Arab Emirates and 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.

7.2 Fees and costs of the services provided by the External Auditor:

The following table shows the services provided by the External Auditor during 2025 and the fees charged for these services:

Name of Audit Firm	Crowe Mak
Name of Partner Auditor	Dr. Khalid Maniar
Number of years spent as an external auditor of the Company	3 Years
Number of years spent by the Partner Auditor in auditing the Company's Accounts	3 Years
Total audit fees for the financial statements for the year ended on December 31, 2025 (AED)	Aram Group Company AED 96,500+VAT Tarfan General Trading KWD 1,350+VAT
Details and nature of other services provided by the external auditor during the year 2025	N/A
Fees and costs for special services other than the audited financial statements of year 2025	N/A
Statement of other services provided by an external auditor other than the company's auditor during 2025	N/A

7.3 Reservations that the company auditor included in the interim and annual financial statements for the year 2025

The Company's auditor did not submit any reservations regarding the interim and/or annual financial statements of the Company during 2025.

8.0 Internal Control System

8.1 Board of Directors' Responsibility for the Internal Control System

The Board of Directors is responsible for supervision of the Company's Internal Control System and reviewing its adequacy, effectiveness, and efficiency. In addition, the Board formed the Audit Committee and appointed the Compliance and Corporate Governance Officer to contribute to the performance of governance responsibilities that fall under its responsibility. In addition, the Board of Directors authorized and delegated the Audit Committee and the Compliance Officer the responsibility of conducting audit and internal review operations independently and regularly and submitting recommendations to the Board of Directors in a manner that ensures the effectiveness, improvement and development of the company's internal control and governance processes.

8.2 Internal Control In-charge's Profile

No director has been appointed for the Internal Control Department, and internal control tasks have been entrusted to the Audit Committee and the Compliance Officer. The audits are executed using a methodology for evaluating the design and effectiveness of internal controls to ensure that risks are adequately addressed, and processes are operated efficiently.

8.3 Compliance Officer

As explained in clause (4.3) of this Report, The Compliance Officer has been appointed by virtue of a decision issued by the Board of Directors who is responsible for ensuring compliance by the Company and its employees with the issued laws, regulations and decisions, as well as other internal policies and measures. This step was under the decision of the Chairman of the Authority No. (03/ RM) of 2020 on the adoption of the Corporate Governance Manual of Public Joint Stock Companies.

Name of the Compliance Officer	Qualifications	Date of Appointment
Farah Nabel Alsuliman Aldaher	Bachelors' in business administration	01 October 2024

8.4 Company’s Dealing with Material Issues or Problems Disclosed in the Annual Accounts and Reports

The Board of Directors has established standards and principles of internal control in the Company, which aim to provide objective, independent and reliable advice, as well as an ideal work environment that meets the requirements of the Board of Directors and contributes to enhancing the role of the Board of Directors, the Audit Committee and the Compliance officer, in order to contribute to the proper performance of their duties, functions and responsibilities in accordance with the decision of the Chairman of the Authority No. (03/RM) of 2020 on the adoption of the Corporate Governance Manual of Public Joint Stock Companies to achieve the objectives of the Company and keep up with its aspirations.

During the year 2025, no significant operational internal control failures were identified, and the company did not face any material issues. However, process level improvements were identified and accepted by management for implementation towards the continuous improvement of internal controls of the company.

9.0 Violations committed by the Company during 2025

During 2025, The Company did not commit any material violations imposed by CMA or any statutory authority on any matter related to capital markets. Additionally, there have been no cases of material non-compliance with any applicable rules and regulations.

10.0 Statement of the cash and in-kind contributions made by Aram Group Company during the year 2025 towards the development of the local community and the preservation of the environment.

ARAM Group Company aims to leverage our people and community efforts towards solving real social and environmental challenges, deliver positive impacts for all, and shape communities that thrive now and into the future. Through its social responsibility, ARAM aims at creating sustainable value for shareholders, employees, suppliers, customers, business partners and the communities in which it operates. It supports local communities through a blend of volunteering, charitable donations, sponsorships, education projects, and healthcare initiatives, among others.

ARAM has hired an external consultant to assist the Board in the development of a Sustainability Report for 2025. Details about the sustainability initiatives are provided in ARAM’s Environmental, Social and Governance report.

11.0 General Information

11.1 Company's Share Performance during 2025

Trading in the Company's shares witnessed strong activity during the year 2025. The following table provides an overview of the Company's share price at the end of each month of the year ended on December 31, 2025:

Date (Month)	Opening (AED)	Highest Price (AED)	Lowest Price (AED)	Closing (AED)	Quantity (Share)	Value (AED)	No. of Transactions	Change	
								%	AED
Jan 2025	1.940	2.170	1.630	1.700	225,783	419,075.72	216	(12.371)	(.240)
Feb 2025	1.680	1.740	1.530	1.680	176,087	280,893.84	139	(1.176)	(.020)
Mar 2025	1.680	1.680	1.480	1.640	24,257	38,518.11	27	(2.381)	(.040)
Apr 2025	1.640	1.640	1.310	1.450	54,266	77,434.18	89	(11.585)	(.190)
May 2025	1.460	1.840	1.360	1.640	119,528	193,187.13	107	13.103	.190
Jun 2025	1.530	1.900	1.460	1.500	419,646	693,967.00	212	(8.537)	(.140)
Jul 2025	1.500	1.590	1.400	1.540	328,058	486,641.84	175	2.667	.040
Aug 2025	1.500	3.180	1.500	3.100	1,216,444	3,217,077.13	765	101.299	1.560
Sep 2025	3.090	3.100	2.070	2.070	382,394	994,966.06	580	(33.226)	(1.030)
Oct 2025	2.050	2.890	2.010	2.720	304,026	797,152.32	480	31.401	.650
Nov 2025	2.710	2.780	2.430	2.750	37,007	99,018.85	68	1.103	.030
Dec 2025	2.740	2.740	2.270	2.450	127,148	308,342.32	110	(10.909)	(.300)

Source : Abu Dhabi Securities Exchange

Big Block Trades during 2025

Date (Month)	Value (AED)	Volume	Trades
Oct 2025	55,877,084.00	13,969,271	8

Source : Abu Dhabi Securities Exchange

11.3 Statement of Distribution of Shareholders' Ownership as on December 31, 2025 (Individuals – Companies – Governments), categorized as follows: (Local – GCC – Arabic – Foreign)

The following table shows the distribution of shareholder's ownership in ARAM Group Company (Individuals – Companies – Governments) categorized as follows: (Local – GCC – Arabic – Foreign) as on December 31, 2025:

S/N	Shareholder's classification	Percentage of shares owned %			
		Individuals	Companies	Governments	Total
1	Local	24.88%	65.40%	0%	90.28%
2	GCC	3.89%	5.27%	0%	9.16%
3	Arabs	0.43%	0%	0%	0.43%
4	Foreigners	0.11%	0.02%	0%	0.13%
Total		29.31%	70.69%	0%	100%

11.4 Shareholders whose Ownership Percentage exceeds 5% of the Company's Capital as on December 31, 2025

The following table shows the shareholders whose ownership percentage exceeds 5% of the Company's capital as on December 31, 2025:

Shareholder	No. of Owned Shares	Ownership Percentage %
Ziyad Mahmoud Khairallah Alhaji Alharmouzi	6,319,890	8.01%
Fouad Abdel Hadi Mohammed Mashal	5,466,820	6.93%
Salem Abdullah Salem AlHosni	3,191,238	4.04%
AlSalem Limited Company	2,300,000	2.92%

As the shareholder Salem Abdullah Salem AlHosni owns a controlling percentage in AlSalem Limited Company, the combined ownership percentage is more than 5%.

11.5 Statement of Distribution of Shareholders according to their Ownership Percentage as on December 31, 2025

The following table shows the distribution of shareholders according to their ownership percentage as on December 31, 2025:

S/N	Shares Ownership (Share)	No. of Shareholders	No. of Owned Shares	Owned Shares Percentage of the Capital
1	Less than 50,000	8,141	14,342,180	18.17%
2	From 50,000 to less than 500,000	153	20,572,216	26.08%
3	From 500,000 to less than 5,000,000	22	32,199,980	40.81%
4	More than 5,000,000	2	11,786,710	14.94%
Total		8,318	78,901,086	100%

11.6 Controls of Investors Relationships with the Listed Companies

According to the decision of the Chairman of the Capital Market Authority No. (7/) of 2016 on standards of institutional discipline and governance of Public Joint Stock Companies, along with the amended laws, and the circular issued by the Authority on the controls of investor relationships with listed companies, and on the basis of ARAM’s keenness on the optimal application of the applicable rules and regulations in this regard, the Company, has appointed officials specialized in investor relationships management, who have the required qualifications and experiences in the fields of business, accounting and public relations, and full knowledge of the Company’s activities, and are familiar with the relevant legal and legislative requirements of the relevant authorities With the aim of implementing all the primary and secondary requirements of the company’s Investors and raising the consistency and quality in responding to external inquiries of investors and shareholders, in addition to strengthening the Company’s investment relations and market linkages, as well as enhancing the knowledge and awareness of the stakeholders and their understanding of the data related to the company’s performance through the application and enforcement of the best ways to communicate with the Company.

Therefore, the Company has developed and updated its Investor Relations Department website in accordance with the Capital Market Authority’s applicable requirements and controls of investor relations management, in an efficient and effective manner. The shareholders, investors, stakeholders and the public can visit this website through the following links:

<https://aramgroup.ae/overview/>



The following table shows the details and contact information of the Investor Relations Officer:

Investor Relation Officer	Ms. Sharihan Abou Mosleh
Contact Information	
Telephone	+971 6 5565570/ +971 50 7009304
Fax	+971 6 5565572
P.O.Box	5440 Sharjah
Email	sharihan.z@aramgroup.ae
Address	Al Khan- Al Sharjah, United Arab Emirates

11.7 Special Decisions taken in the General Assembly Meetings of Shareholders during 2025, and Actions taken in respect thereof.

In accordance with the applicable laws and regulations, the special decision is the decision issued by a majority vote of shareholders who own at least three quarters of the shares represented in the General Assembly meeting of the joint stock Company.

1- ARAM Group Company Annual General Assembly Meeting held on 24th April 2025:

No special decisions were taken during the Annual General Assembly Meeting held on 24th April 2025

2- ARAM Group Company General Assembly Meeting held on 19th December 2025:

No special decisions were taken during the Annual General Assembly Meeting held on 19th December 2025

11.8 The rapporteur of the company’s Board of Directors meetings and the date of his appointment

ARAM Group, its Board of Directors and Executive Management believe in the role played by the Company rapporteur of the Board of Directors’ meetings in organizing the work of the Board of Directors and its Committees. Further, his role includes ongoing coordination of matters and issues relating to the meetings of the Board and its Committees, from scheduling meetings’, organizing the agenda, organization and coordination between the Members before and during the meetings, preparing their minutes, arranging for the signature and adoption thereof. Furthermore, the Company Rapporteur’s role in coordination of communication among the different Departments of the Company in relation to resolutions issued by the Board and its Committees, is to ensure the optimal implementation of such resolutions according to the applicable laws, regulations and resolutions.

Rapporteur of Board of Directors meetings	Date of Appointment
Ms. Sarah Nicole Mcloughlin	22 December 2025

11.9 Material Events that the company encountered during 2025

- **Resignation of the Board of Directors Members on November 13th, 2025**

All members of the company’s Board of Directors submitted their resignation for special reasons on November 13th, 2025. Accordingly, a general assembly meeting was held to elect new Board members on December 19th, 2025.

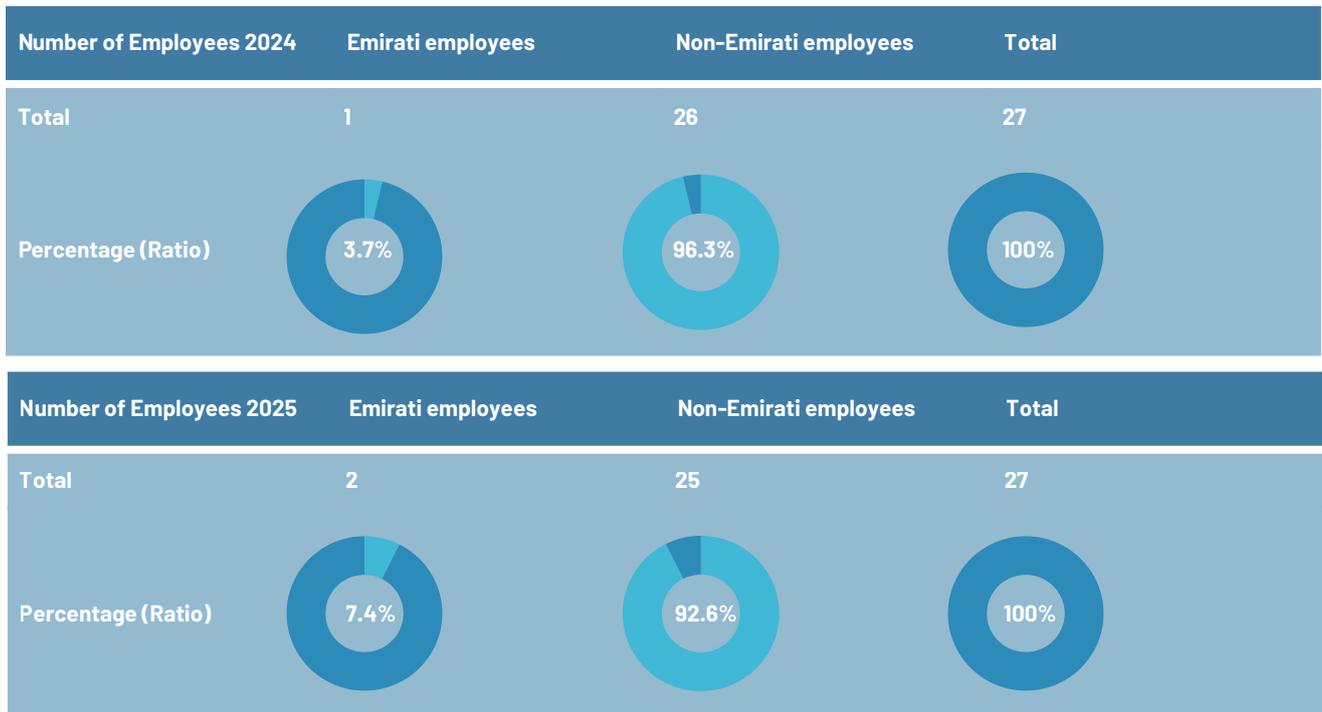
11.10 Statement of transactions conducted by the Company during 2025 which is equivalent to 5% or more from the Company’s capital.

ARAM Group Company didn’t conclude any deals amounting to 5% or more from the Company’s capital during 2025.

11.11 Emiratization Percentage in the Company for the years 2023, 2024 and 2025

The Emiratization rate in Aram Group Company is zero during the year 2023.

During the years 2024 and 2025, and as part of the implementation of our prudent leadership’s vision to employ national talent, and in compliance with Cabinet Resolution No. (33/5 W) of 2023 regarding the expansion of Emiratization targets to include establishments employing between 20 and 49 employees, Aram Group Company achieved an Emiratization rate in accordance with the details set out below:



11.12 Projects and Innovative initiatives performed by the Company during 2025

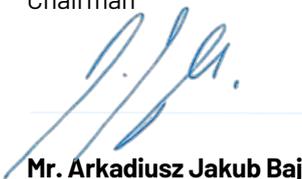
The company did not undertake any innovative projects or initiatives during 2025.

THIS REPORT HAS BEEN APPROVED BY:



H.H. Shaikh Mohammed Bin Sultan Bin Khalifa Al-Nahyan

Chairman



Mr. Arkadiusz Jakub Bajak

Chairman of Audit Committee



H.E. Salama Alhaj Abdullah Alawadhi

Chairman of Nomination & Remuneration Committee

ESG REPORT

2025

ARAM GROUP COMPANY PJSC



ESG REPORT 2025



MESSAGE FROM THE CHAIRMAN

On behalf of the Board of Directors, I am pleased to present ARAM Group PJSC's ESG Report for the fiscal year 2025.

This report reflects a year of disciplined progress and focused execution. Against a backdrop of evolving market expectations and increasing emphasis on sustainable value creation, ARAM Group has continued to embed environmental, social, and governance principles across its operations and strategic decision-making. Sustainability is not viewed as a standalone agenda, but as a core element of long-term competitiveness, resilience, and responsible growth.

Our approach aligns closely with the UAE's forward-looking development agenda, including the UAE Net Zero by 2050 Strategic Initiative, which underscores the national commitment to climate action, economic diversification, and future-ready industry. As an Abu Dhabi based organization, we are equally guided by the Emirate's priorities to enhance climate resilience, reduce emissions, and support sustainable economic progress.

During 2025, we further strengthened our environmental management framework, advanced resource efficiency initiatives, and enhanced internal capabilities for emissions measurement and oversight.

H.H. Sheikh Mohammed Bin Sultan Bin Khalifa Al Nahyan

Chairman of the Board

ARAM Group PJSC

We also continued to foster a safe, inclusive, and high-performance workplace, while reinforcing governance practices that promote transparency, accountability, and stakeholder confidence.

The Board believes that strong governance, responsible operations, and disciplined innovation are essential to creating durable long-term value. This principle will continue to guide ARAM Group's strategy as we grow, adapt, and contribute to the UAE's broader sustainability ambitions.

Looking ahead, ARAM Group remains committed to purposeful growth, balancing financial performance with environmental stewardship and social responsibility. We will continue to pursue continuous improvement while creating sustainable value for our shareholders, partners, employees, and the communities we serve.

On behalf of the Board, I extend my sincere appreciation to all those who contribute to ARAM Group's continued progress. Their trust, commitment, and partnership remain central to our success.



MESSAGE FROM THE CEO & MANAGING DIRECTOR

As CEO & Managing Director of ARAM Group PJSC, I am pleased to present our ESG Report for the fiscal year 2025.

This year has reinforced an important reality with respect to sustainability. It is central to how resilient, competitive organisations are built and how long-term value is created. At ARAM Group, we see environmental stewardship, strong governance, and social responsibility as integral to operational discipline and strategic growth.

The business environment in which we operate continues to evolve. Investors, regulators, customers, and communities are placing greater emphasis on transparency, accountability, and measurable impact. In this context, ESG is not about compliance alone. It is about strengthening decision making, managing risk more effectively, and positioning the company for sustained performance in a low carbon and innovation driven economy.

Our strategy is aligned with the UAE's Net Zero by 2050 Strategic Initiative and Abu Dhabi's broader climate and development priorities. These national ambitions are not abstract targets. They are shaping the future of industry, capital allocation, and corporate governance. We recognise that businesses have a direct role to play in supporting this transition while maintaining economic vitality.

Ali Musmar

CEO & Managing Director
ARAM Group PJSC

During 2025, we enhanced our environmental management practices, strengthened emissions measurement and oversight capabilities, and advanced resource efficiency across our operations. We continued to prioritise workplace safety, talent development, and inclusion, while reinforcing governance structures that promote clarity, accountability, and ethical conduct.

What distinguishes leading organisations today is not the presence of ESG commitments, but the depth of integration. At ARAM Group, we are embedding sustainability into risk management, capital planning, operational controls, and performance evaluation. This disciplined integration allows us to move beyond reporting toward meaningful and measurable outcomes.

Looking ahead, we remain focused on growth with purpose. Our objective is clear. Deliver strong financial performance while advancing environmental responsibility and social contribution. We believe that organisations that align purpose with performance will define the next phase of economic leadership in the UAE and beyond.

I would like to thank our employees, partners, shareholders, and stakeholders for their continued trust and collaboration. Their commitment and engagement remain fundamental to our progress.

MESSAGE FROM THE CORPORATE GOVERNANCE DEPARTMENT

We are pleased to present ARAM Group PJSC's ESG Report for the fiscal year 2025.

In today's business environment, sustainability performance is inseparable from governance quality. Environmental and social commitments only create lasting value when supported by strong oversight, clear accountability, and reliable reporting structures. At ARAM Group, strengthening this governance foundation remains central to our approach.

Throughout 2025, we enhanced board-level visibility over ESG matters, clarified management responsibilities, and reinforced internal controls supporting emissions measurement and non-financial disclosures. These steps ensure that our sustainability reporting is consistent, traceable, and aligned with regulatory expectations.

As regulatory scrutiny and stakeholder expectations continue to evolve, ESG oversight is increasingly embedded within enterprise risk management, compliance monitoring, and strategic planning. Our focus is not only on disclosure, but on ensuring that governance mechanisms support disciplined execution and measurable outcomes.

Alignment with the UAE's Net Zero by 2050 Strategic Initiative and broader national priorities requires structured oversight and integrated decision-making. We remain committed to strengthening governance maturity by refining internal review processes, improving data integrity, and reinforcing accountability across the organization.

Strong governance provides the stability and credibility necessary for sustainable growth. We will continue to build on this foundation to support long-term value creation for our shareholders and stakeholders.

Corporate Governance Department

ABOUT THE REPORT



INTRODUCTION

ARAM Group Company P.J.S.C attaches paramount importance to conscientious business practices and the transparent communication of our sustainability performance to our stakeholders on a regular basis. Our reporting suites illustrate an intensifying commitment to sustainable development, our active participation in the United Arab Emirates' journey towards enduring growth, and our dedication to upholding the most sophisticated standards of environmental, social, and governance (ESG) performance.

The [Environment Social Governance Report 2025](#) provides an exhaustive overview of our strategic, financial, and operational performance, complemented by a detailed synthesis of our ESG initiatives. In this disclosure, we delineate our progress on the fundamental sustainability issues identified as most material to our enterprise and stakeholders, thereby reinforcing our core mandate to generate long-term value through responsible & strategic expansion.

Reporting Period

The reporting period is from 1 January 2025 to 31 December 2025.

Reporting Boundary

The reporting boundary of ARAM Group Company P.J.S.C encompasses its core operations and its wholly-owned subsidiary, Tarfan General Trading and Contracting Company, ensuring a comprehensive account of the Group's value-creation activities. This perimeter covers all strategic investments in financial instruments and real estate, alongside the Group's diverse industrial and commercial projects within the United Arab Emirates.



Alignment with Standards

This Report has also been made with reference to the following standards and frameworks:

01 Global Reporting Initiative (GRI) 2021 Standards

02 Abu Dhabi Securities Exchange (ADX) Guide to ESG Reporting

03 United Nations Sustainable Development Goals (UN SDGs)

Assurance

The ARAM Group maintains a structured policy for the procurement of independent assurance, intended to bolster the reliability, transparency, and integrity of its financial and non-financial reporting. This is executed in strict adherence to the mandates of the Capital Market Authority (CMA) and the pertinent ADX regulations. Assurance undertakings are designed to underpin robust governance, meticulous risk management, and stringent compliance protocols.

The Board of Directors, operating through its designated committees, is charged with the oversight of the assurance framework and the sanctioning of the scope and outcomes of both external and internal assurance engagements. Senior executive management bears the responsibility for the policy's implementation, ensuring prompt collaboration with assurance providers, and rectifying findings via corrective and improvement actions. Key assurance results, salient observations, and management's responses are formally presented to the Board to facilitate informed oversight and consequential decision-making.



Contact

We welcome feedback from our stakeholders regarding this report. For questions or further information, please contact:

Contact Point: Farah Aldaher

Designation: Corporate Governance Senior Officer

Email: farah.d@aramgroup.ae

ABOUT THE COMPANY



ARAM Group Company P.J.S.C., a premier Public Joint Stock Company listed on the Abu Dhabi Securities Exchange (ADX), was initially established as Sharjah Group Company P.J.S.C. in the Emirate of Sharjah. Founded by Emiri decree in November 1976, the Group has a long and distinguished history in the United Arab Emirates. It showcases a strong legacy of industrial strength and strategic investment, demonstrated by its diversified portfolio that successfully combines traditional asset management with contemporary financial innovation.

STRATEGIC OPERATIONS & DIVERSIFICATION

The Group's operational mandate is centred on the sophisticated deployment of capital across high-potential sectors within the United Arab Emirates. Our principal activities comprise:



Real Estate & Property Management:

The ownership, leasing, & comprehensive management of a robust portfolio of residential, commercial, and industrial assets.



Financial Instruments:

Strategic investment in global and local capital markets to optimize risk-adjusted returns.



Project Management:

The establishment and oversight of multifaceted agricultural, industrial, and commercial ventures.

Through our wholly-owned subsidiary, **Tarfan General Trading and Contracting Company**, the Group further extends its reach into general trading and the strategic acquisition of shares and bonds.

VISION, MISSION & VALUES



OUR VISION

To create a highly respected, world-class portfolio of strategic and high returning investments, committed to adhere to international standards and value creation to shareholders.



OUR MISSION

To deliver industry-leading investment opportunities by managing core operational developments and creating a resilient business.



OUR VALUES

Integrity:

- ◆ We work precisely, acting with integrity & transparency

Excellence:

- ◆ We strive for excellence
- ◆ We believe that investment excellence should drive our long-term, thoughtful decisions.

Diversity:

- ◆ We show respect and equivalence
- ◆ We construct a supportive work environment that fosters accountability & loyalty.
- ◆ We work jointly to succeed our goals

Reliability:

- ◆ We deliver our promises by executing continuous improvement, and adapting the changeable circumstances in the global market

COMMITMENT TO EXCELLENCE AND SUSTAINABILITY

At the heart of ARAM Group's philosophy is a steadfast commitment to **sustainable development** and ethical business conduct. The organisation integrates **Environmental, Social, and Governance (ESG)** principles into its long-term strategy, ensuring that capital allocation not only delivers robust returns for shareholders but also fosters enduring value for the wider community. This dedication to transparency is reinforced by a rigorous governance framework overseen by the **Board of Directors**, ensuring full compliance with the regulations of the **Capital Market Authority (CMA)**.

ESG HIGHLIGHTS



ARAM Group's commitment to sustainable development is reflected in its disciplined integration of **Environmental, Social, and Governance (ESG)** principles into its core investment and operational strategies. By aligning our capital allocation with long-term value creation, we ensure that our growth contributes positively to our shareholders, stakeholders, and the wider community.



The Board features robust **Independent Oversight**, with four out of five members being independent.



Established a comprehensive GHG emissions inventory for Scopes 1 and 2, recording total emissions of **1,032.72 TCO₂e** for the reporting period.



Achieved a **reduction in petrol consumption of 10.7%** from 2024 to 2025, demonstrating our commitment to energy efficiency.



Zero material deficiencies were identified in our internal control systems during the 2025 period, reinforcing the reliability of our financial and non-financial reporting.



Achieved **zero fatalities** and **zero recordable work-related injuries** across all operations in 2025.



Conducted regular performance & career development reviews for **100%** of permanent workers and eligible staff.



Zero substantiated complaints regarding breaches of customer privacy or losses of customer data.

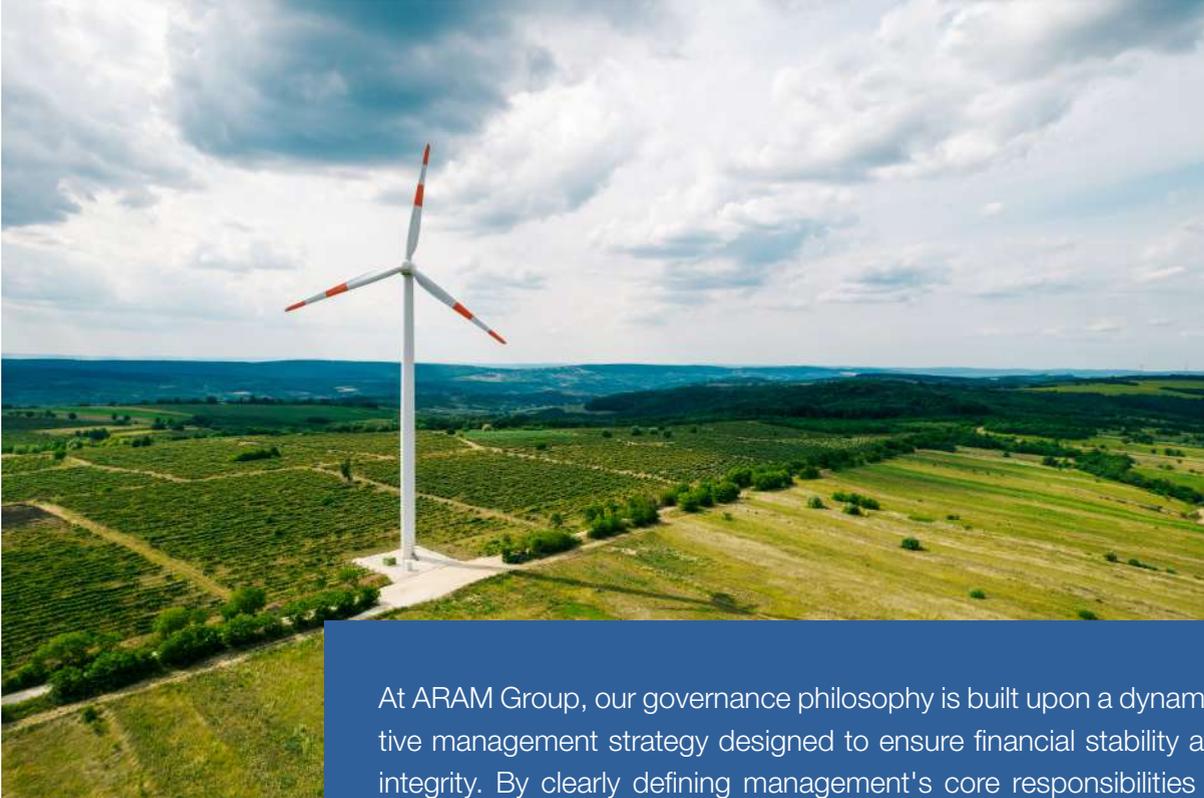


Implemented methodical water assessment approaches using calibrated meters to track consumption accurately in the UAE's specific environmental context.



GOVERNANCE



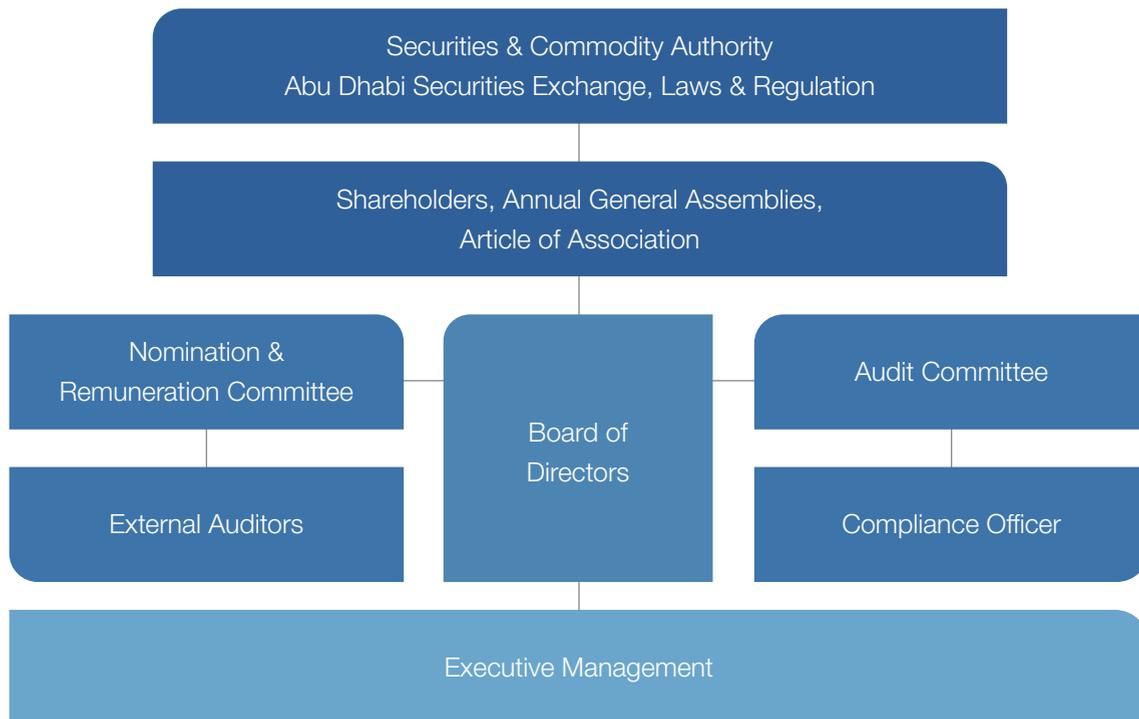


At ARAM Group, our governance philosophy is built upon a dynamic and effective management strategy designed to ensure financial stability and business integrity. By clearly defining management's core responsibilities and refining decision-making protocols, we cultivate an environment conducive to long-term investment and sustainable growth. This framework is continuously monitored and adapted to remain consistent with changing regulatory requirements from the Capital Market Authority (CMA) and the Abu Dhabi Securities Exchange (ADX), ensuring the Company's strategic objectives are always met with the highest level of accountability.

The Board of Directors of ARAM Group reviews the information reported by senior executives and employees on the Company's impacts on the economy, environment, and people, including updates on material topics identified through the Company's materiality assessment process. The review involves evaluating the accuracy, relevance, and completeness of the information, assessing management's mitigation measures, and considering alignment with strategic objectives, sustainability commitments, and regulatory requirements. The Board conducts this review at least annually and may request additional information or corrective actions as needed to ensure effective oversight and informed decision-making.

GOVERNANCE FRAMEWORK

Shareholders represent the highest levels of governance, and the Company's Articles of Association define the framework through which ARAM Group Company shall develop its policies, requirements and aspirations. The Board of Directors is accountable to the shareholders and ensuring that the Company's objectives are in line with shareholder expectations, ensuring the effectiveness of the Company's management, with the emphasis that the Company's objectives are consistent with the statutory requirements and the professional codes of conduct defined by both Securities and Commodities Authority and Abu Dhabi Securities Exchange. In the context of constant monitoring to measure the effectiveness of the application of the governance system, the Board of Directors periodically reviews the governance framework and amends its elements (where necessary) to ensure its consistency with the regulatory controls and changing business environment. The following diagram illustrates the governance framework and the key elements resulting from the application of the Company's governance system:



The application of the governance system involves different levels, including Board of Directors, Executive Management, Board of Directors' Committees, and the Compliance Officer. The Board of Directors performs periodic reviews regarding the application of standards and systems of governance in the Company, taking into consideration the legal and regulatory requirements and controls of these systems, and the application of the highest international standards in this field.

BOARD OF DIRECTORS COMPOSITION

The Board of Directors assume ultimate fiduciary responsibility for the organisation, encompassing strategy, financial stability, and defining the risk appetite. The Board is composed of members with a diverse and complementary skill set, including professional competence, relevant experience, and integrity, instrumental in guaranteeing objective decision-making and safeguarding stakeholder interests. In the 2025 fiscal period, four of the five Board members were designated as independent, underpinning objective deliberation and fostering comprehensive Stakeholder Inclusivity.

The Board maintains a structured nomination and selection process overseen by the Nomination and Remuneration Committee to ensure fulfilment of regulatory and legal eligibility requirements. The Board actively seeks an appropriate balance of skills, experience, and gender in order to strengthen leadership effectiveness and ensure inclusivity in all decisions. ARAM Group monitors these indicators as critical benchmarks to reinforce an inclusive leadership framework and support the Company's sustainable, long-term growth.

Shaikh Mohammed Bin Sultan Bin Khalifa Al-Nahyan	Chairman
Dr. Ali Nasser Sultan Alyabhouni Aldhaheri	Vice Chairman
Mr. Ali Mohd Zaid Ali Musmar	Managing Director
Mr. Arkadiusz Jakub Bajak	Board Member
H.E. Salama Alhaj Abdullah Alawadhi	Board Member

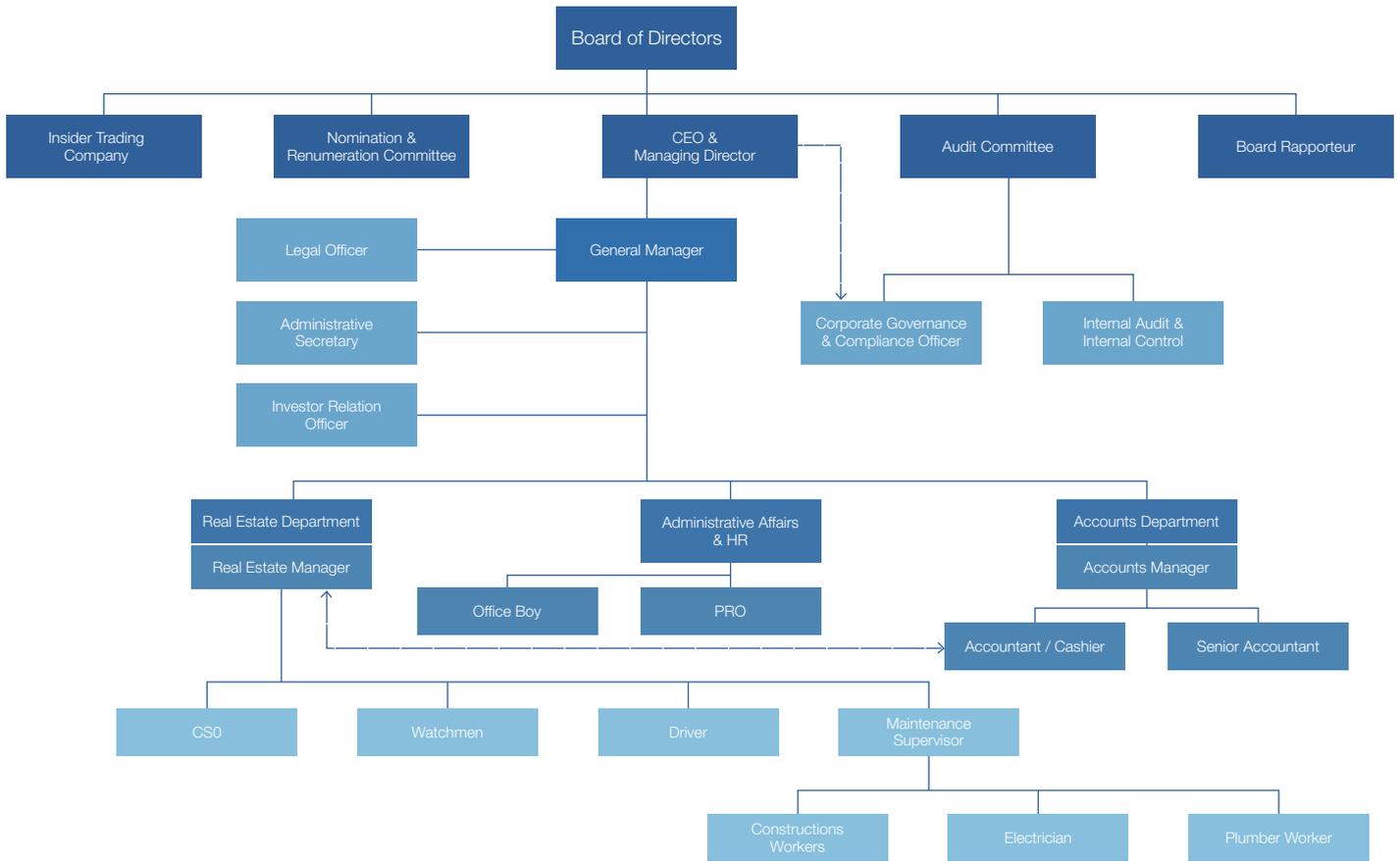
BOARD BREAKUP INTO AGE CATEGORIES

	Male	Female	Total	Male %	Female %
Below 30 years old	0	0	0	0	0
Between 30-50 years old	4	1	5	80	20
Over 50 years old	0	0	0	0	0

BOARD GENDER DIVERSITY

	Male	Female	Total
Number of Members	4	1	5

ORGANISATION STRUCTURE



BOARD COMMITTEES

To ensure specialised oversight, robust accountability, and the long-term sustainability of our business model, the Board of Directors has delegated specific responsibilities to standing committees. These committees serve as vital pillars of our governance framework, providing the in-depth scrutiny necessary to protect and enhance our Financial, Intellectual, Human, and Social & Relationship Capitals.



Board Audit Committee

The Audit Committee is fundamental to upholding the integrity of ARAM Group's financial reporting and the efficacy of its internal control systems. Its primary mandate is to assure all stakeholders regarding the Company's financial reliability and transparency.

Aspect	Focus and Outcome
Key Responsibilities	Oversight of internal and external audit functions, monitoring the integrity of financial statements, and ensuring rigorous compliance with CMA and ADX regulations.

Nomination and Remuneration Committee (NRC)

The NRC is the custodian of our leadership-related Human Capital, ensuring that ARAM Group is led by a Board and Executive Management team with the requisite skills, integrity, experience, and diversity to sustain long-term value creation.

Aspect	Focus and Outcome
Board Effectiveness	Oversees the nomination and selection process, conducting annual performance evaluations to ensure the Board remains fit-for-purpose and capable of navigating a changing business environment.
Remuneration Philosophy	Designs and monitors remuneration policies strategically aligned to attract talent while linking rewards directly to company performance and the management of economic, environmental, and social impacts.

Insider Trading Committee

The Insider Trading Committee serves as a strategic guardian of the Group's Intellectual and Relationship Capital, overseeing compliance with regulations governing the trading of company securities to ensure market integrity. In alignment with the **Chairman of the Authority Decision No. (03/R.M) of 2020**, ARAM Group has proactively fortified its governance by assigning the supervision of insider affairs to the **Compliance and Corporate Governance Officer**. While the formal committee was not constituted during the period due to a lack of quorum, this strategic delegation ensured that oversight remained seamless, uninterrupted, and highly effective.

Aspect	Focus and Outcome
Regulatory Compliance	Formulates and monitors internal guidelines to ensure all trading activities by insiders strictly adhere to CMA and ADX legal requirements.
Ethical Value Creation	Reinforces a culture of transparency and accountability, safeguarding the Company's reputation and ensuring fair treatment of all shareholders.
Capital Protection	Safeguards Intellectual Capital (data security) and Relationship Capital (investor confidence).

ARAM Group is fully committed to maintaining a fair and equitable trading environment, strictly ensuring that all undisclosed or unpublished price-sensitive information is protected and never exploited. To enhance the value of our Financial Capital, we maintain a robust system of "blackout periods" and detailed insider records, which are reviewed quarterly and updated immediately on the ADX website. These proactive measures do more than just ensure compliance; they build enduring trust with our investors and partners, demonstrating our unwavering dedication to ethical business conduct and long-term value creation.



BOARD NOMINATION AND ELECTION FRAMEWORK

The ARAM Group employs a meticulous and compliant process, overseen by the Nomination and Remuneration Committee, for the appointment of Board Directors and committee members, adhering strictly to the Capital Market Authority and ADX governance frameworks. This rigorous assessment evaluates prospective candidates against established, objective criteria, which encompass professional acumen, pertinent professional background, complete independence, unassailable integrity, and a complementary breadth of expertise. Following the committee's review, nominations are formally proposed to the Board of Directors for endorsement before being presented to the General Assembly in accordance with prevailing legal and regulatory stipulations. Committee appointments, also proposed by the Nomination and Remuneration Committee and approved by the Board, are carefully managed to achieve an optimal blend of specialised knowledge and effective oversight.

The process incorporates shareholder perspectives via formal nomination procedures and the General Assembly, whilst simultaneously ensuring that candidates' capabilities reflect broader strategic imperatives, notably in sustainability, governance, and risk mitigation. The commitment to diversity is evident in the proactive pursuit of a balanced mix of skills, professional backgrounds, and gender, thereby bolstering the Board's overall efficacy. Furthermore, independence is rigorously verified against CMA standards to guarantee impartial judgement and the systematic prevention of any potential conflicts of interest, with the additional governance safeguard that the chair of the highest governance body is not a senior executive within the organization. The thorough evaluation of competencies focuses on qualifications, sector-specific proficiency, demonstrable leadership ability, and expertise in crucial areas such as financial oversight, enterprise risk management, ESG considerations, and regulatory adherence.

Risk Management and Internal Control

Due Diligence & Impact Management

The Board oversees the Company's due diligence processes to identify and manage impacts on the economy, environment, and people. These frameworks are integrated into the Company's internal control and risk management systems. The effectiveness of these processes is reviewed at least annually to ensure alignment with regulatory obligations and sustainability objectives.

Conflict of Interest and Integrity

ARAM Group employs stringent processes to prevent and mitigate conflicts of interest in accordance with CMA regulations. All Board members and senior executives are required to disclose potential or actual conflicts, and conflicted members must abstain from relevant discussions or decisions. The following conflicts are transparently disclosed to stakeholders:

- ◆ Cross-board memberships.
- ◆ Cross-shareholding with suppliers and other stakeholders.
- ◆ Existence of controlling shareholders.
- ◆ Related party transactions and outstanding balances.

Remuneration Policy

The company's remuneration framework is meticulously designed to encourage the Board and senior executives to incorporate economic, environmental, and social considerations into their strategic decision-making, thereby linking compensation to comprehensive company performance and long-term value creation. Remuneration policies for the Board of Directors are determined according to Article 38 of the Articles of Association, based on a percentage of net profits with additional allowances for committee service, and are subject to approval by the General Assembly, which serves as the primary mechanism for seeking and incorporating shareholder views on the proposals.

Senior executives' compensation, conversely, is proposed by the Board, aligning with their specific roles and contributions, including their effectiveness in managing the aforementioned impacts.

The process is rigorously overseen by the independent highest governance body members and is periodically informed by external, independent remuneration consultants who provide expert guidance on market practices and regulatory compliance. Notably, all remuneration proposals put before the General Assembly during the reporting period received shareholder approval, underscoring the perceived fairness and alignment of the policy with stakeholder interests and the company's sustained objectives.



Governance Performance and Continuous Improvement



The Board undergoes a structured annual evaluation process to assess its performance in managing the Company's impacts on the economy and the environment. These internal evaluations, which may periodically involve external advisors, inform improvements in organizational practices, such as targeted training for Board members or adjustments to the Board's composition to enhance diversity and expertise. To advance their collective knowledge, Board members participate in workshops and briefings on emerging ESG trends, climate risks, and regulatory developments. This commitment to continuous professional development ensures the leadership remains equipped to promote innovation while maintaining a robust culture of integrity and accountability.

FINANCIAL PRACTICES

Strategic Definition and the Foundation of Economic Value

At ARAM Group, financial capital represents the pool of funds used for the production of services and the management of investment and real estate activities. This capital is primarily obtained through financing such as debt and equity or generated directly through our operations and investments. As a public entity based in Sharjah, UAE, we recognize that our ability to create value for the organization is intrinsically linked to the financial returns we provide to our shareholders. By effectively managing these funds, we ensure that the organization remains equipped to respond to market forces and external environment shifts while maintaining a stable foundation for our long-term strategic objectives.



Governance Oversight and Financial Integrity Framework

The integrity of our financial capital is safeguarded by the Board of Directors through a structured oversight framework led by the Audit Committee. This committee is tasked with ensuring that our financial reporting, accounting policies, and internal control systems remain transparent and reliable. During the 2025 reporting period, the Audit Committee, chaired by Mr. Arkadiusz Jakub Bajak, held four meetings to scrutinize the accuracy of financial data and monitor compliance with legal frameworks. To ensure objective verification of our financial position, the General Assembly ratified the re-appointment of Messrs. Crowe Mac as the external auditor for the fiscal year.

Strategic Capital Allocation and Performance Metrics

Financial Oversight Component	Description of Policy or Status	Fiscal Year 2025 Metric/Status
Direct Economic Value Generated	Total value created through core real estate and investment operations.	
External Auditor	Independent party responsible for verifying financial integrity.	Messrs. Crowe Mac
Audit Committee Frequency	Regularity of internal control and financial reviews.	4 Meetings
Internal Control Deficiencies	Identification of material weaknesses in financial systems.	None Identified

Remuneration Policy and Profit-Sharing Alignment

Our financial capital is distributed in a manner that aligns the interests of our highest governance body with those of our shareholders. In accordance with Article 38 of the Articles of Association, Board remuneration including that of the Chairman is capped at 10% of the fiscal year's net profits. This framework ensures that leadership is directly incentivized to pursue long-term value creation and sustainable profitability. Furthermore, the Group provides performance-based rewards and bonuses to eligible employees, which are determined by the company's operational results and profitability, thereby transforming financial capital into a motivated and high-performing human capital asset.

Value Preservation and Internal Control Effectiveness

ARAM Group maintains a policy of seeking independent assurance to enhance the reliability and integrity of its financial disclosures. The Audit Committee oversees the corrective action plans for any identified findings, ensuring that executive management addresses weaknesses in a timely manner. Throughout 2025, no material deficiencies were identified in our internal control performance, which demonstrates the effectiveness of the policies implemented by the Committee in collaboration with executive management. This rigorous approach to internal monitoring ensures that our financial capital is preserved against unnecessary risks and is deployed efficiently to meet our strategic and operational objectives.

INTELLECTUAL CAPITAL

The intellectual capital of ARAM Group is underpinned by a sophisticated architecture of governance frameworks, proprietary procedural knowledge, and a commitment to perpetual board-level development. These intangible assets are meticulously integrated into the Group's operational DNA, ensuring that strategic foresight and regulatory precision serve as primary catalysts for long-term value creation within the real estate and investment sectors. By synthesis of rigorous oversight and innovative strategic direction, the Group transmutes its institutional wisdom into a robust competitive advantage.

Governance and Policy Architecture

A foundational pillar of this capital is the Group's robust governance and policy framework, overseen by the Board of Directors to ensure the highest standards of integrity and transparency. The Group has developed an extensive suite of internal policies encompassing responsible business conduct, human rights, and occupational health and safety that serve as the blueprint for its ethical and operational resilience. This procedural rigour is further augmented by a structured policy for seeking independent external assurance, which fortifies the reliability and integrity of both financial and non-financial disclosures in accordance with the Capital Market Authority (CMA) and ADX regulations.

Strategic Knowledge Management

ARAM Group prioritises the continuous refinement of its collective knowledge through proactive and systematic professional development for its highest governance body. The Board of Directors engages in periodic training sessions, workshops, and briefings focused on emerging ESG trends, climate-related risks, and evolving regulatory landscapes. This commitment to perpetual learning ensures that the Board possesses the requisite competencies to manage complex economic and environmental impacts. This culture of intellectual rigour is supported by specialised committees, such as the Board Audit Committee and the Nomination and Remuneration Committee, which provide expert oversight and strategic guidance.





Proprietary Operational Systems

The synergy between the Group's human expertise and its proprietary operational systems significantly enhances its intellectual portfolio. By adhering to internationally recognised standards and management system guidelines such as ISO 45001 for occupational health and safety and ISO 31000 for risk management the Group has institutionalised a risk-based approach to operational excellence. This is complemented by a performance-driven culture that utilises structured reviews and recognition programmes to align individual expertise with the Group's strategic objectives.

Institutional Reputation and Feedback

The Group's systematic approach to customer relationship management and grievance resolution ensures that stakeholder feedback is continuously harvested to inform operational improvements and safeguard institutional reputation. Formal procedures for receiving and handling customer requests and complaints are designed to ensure transparency, accountability, and continuous improvement. Furthermore, the Group maintains robust internal controls and compliance monitoring to ensure adherence to all legal and regulatory requirements, which serves as a vital intangible asset in maintaining market confidence.

MANAGEMENT OF MATERIAL TOPICS

ARAM Group utilizes a structured materiality determination process to identify the economic, environmental, and social issues that most substantively affect our ability to create, preserve, or erode value over the short, medium, and long term. This process ensures our strategic priorities remain aligned with regulatory requirements, such as those set by the **Capital Market Authority (CMA) and Abu Dhabi Securities Exchange (ADX)**, while responding to the evolving expectations of our stakeholders.

Our Materiality Determination Process

In alignment with the GRI Framework, we evaluate potential matters based on their magnitude of effect and likelihood of occurrence to prioritize those essential to our value creation narrative.

- ◆ **Identification:** We identify relevant matters by considering the external environment, regulatory obligations, and ongoing risk assessments.
- ◆ **Evaluation:** Matters are assessed based on their potential impact on our long-term financial performance and our broader impact on the economy, environment, and people.
- ◆ **Prioritization:** The Board of Directors, through its governance and committee structures, reviews and prioritizes these topics to ensure they are integrated into our business strategy and risk management.

Key Material Topics

The following table categorizes our prioritized material topics across ESG categories and our operational framework:

Category	Material Topics	Impact
Governance & Economic	<ul style="list-style-type: none"> ◆ Corporate governance ◆ Board effectiveness ◆ Regulatory compliance ◆ Anti-corruption 	Fortifies trust and ensures long-term stability and value creation.
Environmental	<ul style="list-style-type: none"> ◆ Energy efficiency ◆ Climate-related risks ◆ Waste management 	Minimizes our environmental footprint and manages resource dependencies.
Social	<ul style="list-style-type: none"> ◆ Occupational health and safety ◆ Human rights ◆ Talent development 	Enhances employee well-being, skills, and our social license to operate.
Operational & Market	<ul style="list-style-type: none"> ◆ Customer satisfaction ◆ Data protection ◆ Business continuity 	Strengthens brand loyalty and operational resilience.

Integrated Management Approach

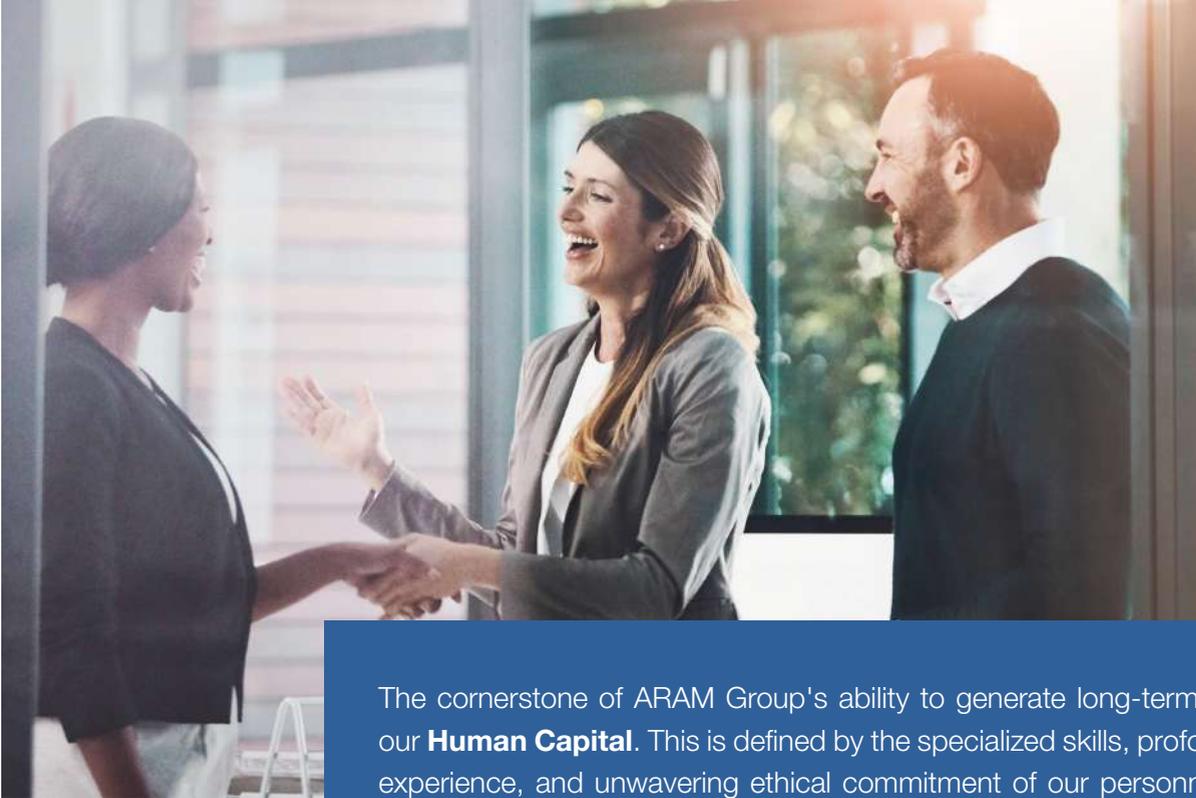
ARAM Group manages its material topics through a unified governance framework, with the **Board of Directors** providing high-level oversight and ensuring strategic alignment, while **Senior Executive Management** is responsible for implementing specific policies and action plans. This management approach is characterized by the integration of these topics into daily operations and internal control systems, with performance continuously tracked through internal reporting and compliance reviews. Furthermore, the company commits to continuous improvement by conducting at least annual reviews of the effectiveness of its impact management processes to ensure they remain responsive to significant risks or regulatory shifts.





SOCIAL





The cornerstone of ARAM Group's ability to generate long-term value lies in our **Human Capital**. This is defined by the specialized skills, profound industry experience, and unwavering ethical commitment of our personnel. As a real estate and investment entity, we measure success beyond financial holdings; it is rooted in the intellectual rigor and operational agility of our team as they navigate the complexities of the UAE's dynamic market.

We foster a culture where high performance is balanced with a rigorous commitment to safety, diversity, and continuous professional evolution.

Strategic Approach to Workforce Management

Our management of human capital is grounded in the **UAE Labor Law** and internal human resources policies that define fair and transparent terms of employment. While collective bargaining agreements are not applicable to our operations, we ensure that all employee rights are protected through individual contracts and a commitment to international human rights standards, specifically focusing on **non-discrimination and equality**.

Diversity of KMPs, Employees, and Workers

Employee Category	Male	Female	Total	Male %	Female %
Key Managerial Personnel					
Below 30 years old	0	0	0	0	0
Between 30-50 years old	0	0	0	100	0
Over 50 years old	2	0	0	100	0
Permanent Employees					
Below 30 years old	3	2	5	60	40
Between 30-50 years old	6	3	9	66.67	33.33
Over 50 years old	1	0	1	100	0
Workers					
Below 30 years old	2	0	2	100	0
Between 30-50 years old	8	0	8	100	0
Over 50 years old	2	0	2	100	0

Workforce Hires and Exits

	Employees	Workers
Total workforce that joined the organization	2	1
Total workforce that left the organization	3	3

Emiratization Rate

In alignment with Cabinet Resolution No. (33/5 W) of 2023, we are pleased to announce the successful expansion of our Emiratization efforts. With two Emirati nationals in our team, UAE nationals now represent 7.4% of our total workforce, reflecting our commitment to national talent development.

	2024	2025
Emirati Nationals Employed	1	2
% of Workforce	3.7	7.4

A Culture of Safety and Well-being

At ARAM Group, the health, safety, and wellbeing of our workforce are fundamental to our operational resilience and long-term value creation. We manage Human Capital by fostering a "safety-first" culture that identifies risks before they manifest into incidents, ensuring a secure environment for all employees and contractors.

Our Robust Management Framework

Our Occupational Health and Safety (OHS) Management System is a strategic and comprehensive framework, deeply integrated into our overall corporate governance and risk management processes. It is designed to extend far beyond simple legislative compliance, aiming for best-in-class health and safety performance.

This system is meticulously designed to rigorously adhere to all relevant national legal frameworks, specifically UAE Federal Decree-Law No. (33) of 2021 (The Labour Law) and its implementing regulations, Cabinet Resolution No. (1) of 2022. These regulations legally and ethically obligate us to proactively identify, assess, and mitigate workplace hazards to provide a physically and psychologically safe working environment for all.

Furthermore, our OHS system is strengthened by incorporating globally recognized, best-practice principles. We align with the requirements of ISO 45001 (Occupational Health and Safety Management Systems) for systemic hazard control and continual improvement, and ISO 31000 (Risk Management) for a robust, principled approach to safety-related risk identification and treatment.

Through this comprehensive, legally compliant, and standards-based approach, we ensure that 100% of our workforce which includes all full-time employees, part-time staff, third-party contractors, suppliers, and visitors is protected without exception, across every workplace under our operational control. The system ensures effective communication, consultation, and participation of all workers in safety matters.





Proactive Hazard Identification & Mitigation

We employ a structured, risk-based approach to eliminate hazards and minimize occupational risks through an established hierarchy of controls.

Routine Assessments

We conduct periodic workplace inspections and task-based risk assessments to identify potential hazards on both a routine and non-routine basis.

Incident Investigation

All work-related incidents, including near-misses, are documented and investigated to identify root causes and implement corrective actions to prevent recurrence.

Worker Empowerment

Employees are encouraged to report unsafe conditions through internal channels and have the **right to remove themselves** from situations they believe pose an imminent risk to their health or safety.

Protection from Reprisal

In accordance with CMA governance requirements, any worker who raises safety concerns in good faith is strictly protected against retaliation or adverse consequences.

PERFORMANCE AND TRAINING

Our commitment to organizational excellence is fundamentally reflected in our robust performance metrics and the continuous development of our people's safety and technical competencies. We employ a rigorous performance management system to align individual career goals with the Group's strategic objectives. These regular performance and career development reviews form the basis of our internal talent pipeline.

During the 2025 reporting period, we achieved a **100% participation rate** in formal performance reviews for the Board of Directors, all permanent workers, and Key Management Personnel (KMP). This high level of engagement directly links leadership accountability and workforce contributions to the achievement of the Group's strategic milestones.

Upskilling Strategy & Technical Proficiency

Our upskilling strategy prioritizes both operational safety and digital resilience to maintain a secure, modernized business environment. To remain competitive in the **Investments and Real Estate sectors**, we provide targeted training on work-related hazards and specific hazardous situations to ensure technical proficiency.

Occupational Health & Safety (OHS)

Training is executed through comprehensive modules, including generic awareness, new joiner induction, and targeted sessions on workplace-specific hazards and emergency preparedness.

Health Services

We provide essential services such as workplace health monitoring and medical fitness assessments facilitated by qualified providers.

Technological Readiness

Dedicated programs focus on data privacy, data security, and the adoption of innovative technology to bolster operational efficiency.

Stakeholder Consultation

We encourage workforce participation in the development and evaluation of our OHS system through established line management and direct engagement mechanisms.

Governance & Knowledge Advancement

The Board of Directors proactively enhances its collective expertise to navigate the complexities of sustainable development and ESG-related matters. Through periodic workshops and briefings on ESG trends, climate-related risks, and regulatory developments, the Board ensures its oversight remains both informed and visionary.

Performance-Linked Remuneration

The company's remuneration philosophy is meticulously crafted to ensure a tangible alignment between the interests of its dedicated workforce and those of its discerning shareholders, whilst simultaneously advancing key sustainability objectives. Demonstrating a clear commitment to rewarding excellence, the organisation has implemented a robust, performance-led structure. For instance, the year 2025 saw eligible personnel duly compensated with bonuses and other performance-related rewards, the quantum of which was directly contingent upon the preceding year's operational efficacy, overall profitability, and rigorous individual performance assessments. Furthermore, the compensation for the senior executive cohort is meticulously overseen by the Board, incorporating judiciously selected incentives that unequivocally reflect their overarching responsibility for navigating the Group's broader strategic impact on both the economic landscape and the environment.

2025 Safety Performance Summary

The success of our proactive safety measures and continuous education is evidenced by our 2025 safety record:

0

Fatalities

0

Recordable work-related injuries.

0

high-consequence injuries for both employees and workers



Stakeholder Engagement: A Structured Dialogue

Our overarching strategic approach to stakeholder engagement is meticulously structured and rigorously transparent, ensuring that the legitimate needs and diverse interests of all involved parties are systematically integrated into our core strategic decision-making processes. This begins with a comprehensive Identification phase, where we determine key stakeholder groups based on their potential to either significantly influence our operations or be substantially impacted by our corporate activities. These essential groups routinely include our shareholders, dedicated employees, valued customers, critical suppliers, relevant regulatory bodies, and the local communities in which we operate.

The purpose of this engagement is multifaceted and critically important: it is fundamentally designed to foster a profound understanding of stakeholder expectations, proactively identify material risks that could compromise our business model, diligently support full regulatory compliance across all jurisdictions, and, crucially, to furnish the foundational insights necessary for the informed development and refinement of our ambitious corporate sustainability initiatives.

We facilitate **Meaningful Dialogue** through a spectrum of sophisticated channels, which range from formal General Assembly meetings and structured regulatory consultations to periodic, in-depth stakeholder dialogues, thus guaranteeing that all pertinent information flows efficiently and directly to the Board of Directors for consideration and action.

Our Social License to Operate

ARAM Group's social license to operate is anchored in a steadfast commitment to conducting business with ethics, transparency, and accountability. This trust is maintained through a robust governance framework where all policies concerning responsible business conduct and human rights are approved by the Board of Directors, ensuring senior-level endorsement and strategic authority. By explicitly requiring respect for human rights and aligning with international standards, the Company ensures that its internal operations and external interactions do not infringe upon the rights of any stakeholder group.

To preserve this license, the Board takes ultimate responsibility for overseeing the Company's impacts on the economy, environment, and people. This oversight includes regular reviews of the effectiveness of management processes, conducted at least annually, to ensure alignment with sustainability objectives and regulatory requirements. These structured review cycles allow the organization to proactively identify and manage potential negative impacts, reinforcing the Company's standing as a responsible corporate citizen within the UAE.

Customer Relationships and Trust

Building and protecting customer trust is essential for long-term value preservation, particularly through the safeguarding of data and the maintenance of high service standards. During the 2025 reporting period, ARAM Group did not receive any substantiated complaints regarding breaches of customer privacy or losses of customer data. This achievement is supported by robust internal controls and governance processes that prioritize the confidentiality and integrity of customer information in line with regulatory expectations.

The Company manages its customer interactions through formal, systematic procedures designed to receive and resolve complaints or service requests promptly. Customers are provided with multiple engagement channels, including digital platforms, email, and direct contact, ensuring accessibility and transparency in the resolution process. All requests are logged & assigned to appropriate departments for investigation, with escalation mechanisms in place for complex cases to ensure senior management intervention when necessary.

Supply Chain and Business Partnerships

ARAM Group extends its core values of responsible conduct across its entire value chain by integrating sustainability and ethical expectations into its business relationships. Our policies apply not only to internal functions but also to suppliers, contractors, and partners, ensuring that due diligence and responsible practices are consistently implemented throughout the value chain. This embedding process is reinforced through contractual requirements and structured onboarding procedures that mandate alignment with the Company's legal and ethical standards.

We maintain meaningful engagement with our business partners through regular meetings and monitoring to ensure ongoing compliance and the identification of material risks. Furthermore, the Company is committed to providing for or cooperating in the remediation of any negative impacts identified within its business relationships. By working collaboratively with partners and regulators, we ensure that grievances are addressed in a timely and proportionate manner, thereby strengthening the resilience and integrity of our external operations.

Value Creation and Outcomes

The interactions within our Social and Relationship Capital lead to critical outcomes that either create, preserve, or erode value over the short, medium, and long term. Positive outcomes are manifested through enhanced brand loyalty, a strengthened social license to operate, and the development of trust-based relationships with key stakeholders like shareholders and regulators. These internal and external consequences, such as improved organizational reputation and satisfied customer bases, are vital indicators of our success in delivering enduring value beyond financial returns.

Conversely, we remain vigilant regarding potential negative outcomes, such as the erosion of social capital through product-related concerns or impacts on the community. By monitoring these outcomes in a balanced way and supporting assessments with both qualitative and quantitative information, ARAM Group can adjust its strategic objectives and resource allocation. This dynamic process ensures that our business activities continue to contribute positively to society while minimizing our environmental and social footprint.



ENVIRONMENT





ARAM recognizes that its long-term viability is inextricably linked to the health of the environment and the sustainable management of natural resources. Within our value creation framework, **Environment** represents the environmental resources such as energy, water, and climate stability that we utilize and impact through our investment and real estate activities. Our commitment is to minimize our environmental footprint while ensuring compliance with UAE laws and regulatory requirements.

Environmental Governance and Strategic Oversight

The Board of Directors of ARAM Group holds ultimate oversight responsibility for the organization's environmental strategy and the integration of climate-related risks into the long-term business model. This governance framework ensures that sustainability considerations are not merely peripheral but are embedded into the Company's risk appetite and strategic direction. Senior executive management supports this by implementing policies that monitor performance against approved environmental goals, with the Corporate Governance Senior Officer facilitating the escalation of climate-related matters to the Board level. To ensure informed decision-making, the Board periodically reviews the effectiveness of these due diligence processes, typically on an annual basis, to align with evolving regulatory requirements and stakeholder expectations.

Energy Consumption and Carbon Footprint

Our energy management strategy focuses on quantifying and mitigating the environmental impact of our physical assets and operations. In 2025, our total energy consumption reached **14,064.66 GJ**. In a significant upgrade to our reporting capabilities, we have initiated the tracking and reporting of LPG consumption and the associated emissions, from this reporting period. Consequently, the GHG emissions calculated in this period are not comparable to our emissions reported in the prior years.

The additional emissions have in no way changed our environmental commitments, and we remain steadfast in our goal of **reducing our carbon footprint by 30%** and transitioning to **50% renewable energy by 2030**.

A Brief on Ghg Emissions Methodology and Calculation Approach

Scope	Definition	Scope and Boundary	Activity Data	Emission Factor
Scope 1	Emissions from operations that are owned or controlled by the reporting company, such as emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.	Stationary and Mobile combustion	a. Petrol consumption in owned vehicles b. LPG supplied by SEWA	DEFRA 2025
Scope 2	Emissions from the generation of purchased or acquired electricity, steam, heating, or cooling consumed by the reporting company. Such as use of purchased electricity, steam, heating, or cooling	Electricity	Electricity consumption data	UAE Government Energy Strategy 2050

Energy Consumption

	Unit	2023	2024	2025
Fuel consumption (Petrol)	Litres	5,540	6,400	5,715.07
LPG consumption	m3	-	-	510.00
Electricity consumption	kwh	166,070	124,005	407,844.00

Energy Consumption in GJ

	Unit	2023	2024	2025
Fuel consumption (Petrol)	GJ	178.01	205.65	183.64
LPG consumption	GJ	0	0	6575.66
Total direct energy consumption	GJ	178.01	205.65	6759.30
Electricity consumption	GJ	597.852	446.418	1468.24
Total indirect energy consumption	GJ	597.852	446.418	1468.24
Total Energy Consumption	GJ	775.86	652.06	8227.54

Energy Intensity (GJ/employee)

	2023	2024	2025
Direct energy intensity	0.42	0.49	250.34
Indirect energy intensity	3.42	2.55	54.38
Total energy intensity	3.84	3.04	304.72

GHG Emissions in TCO₂e

	2023	2024	2025
Scope 1	11.46	13.24	805.96
Scope 2	92.33	68.95	226.76
Total GHG emissions	103.80	82.19	1032.72

GHG Emissions Intensity in TCO₂e/Employee

	2023	2024	2025
Scope 1 Intensity	0.42	0.49	29.85
Scope 2 Intensity	3.42	2.55	8.40
Total Emissions Intensity	3.84	3.04	38.25



Water Management

ARAM Group treats water as a critical shared resource, viewing its preservation as a pivotal element of our environmental governance and a key component of our environment management strategy. We are committed to the highest standards of sustainability and responsible resource management.

Our water management strategy is guided by the principle of continuous improvement, pursuing water efficiency through the accurate assessment of our usage's economic, environmental, and social impacts. Following the principles of **ISO 14046**, we employ a methodical assessment approach using direct measurements and calibrated water meters to track consumption accurately. Furthermore, our context-driven strategies consider sector-specific factors and regional water scarcity, ensuring our withdrawal practices which represent our total consumption are sustainable within the UAE's specific environmental context.

Water Consumption in Gallons

	2023	2024	2025
Total water consumption	301,786	315,020	487,499

GRI CONTENT INDEX

Statement of use	ARAM Group PJSC has reported with reference to the GRI Standards for the period 1st January 2024 to 31st December 2025 in accordance with the GRI Standards. GRI 1 used GRI 1: Foundation 2021
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI Standard / Other Source	Disclosure	Location or Direct Answer	Omission	
			Reason	Explanation
General Disclosures				
GRI 2: General Disclosures 2021	2-1 Organizational details	05		
	2-2 Entities included in the organization's sustainability reporting	05		
	2-3 Reporting period, frequency and contact point	05		
	2-4 Restatements of information	05		
	2-5 External assurance		NA	ARAM does not seek external assurance
	2-6 Activities, value chain and other business relationships	05		
	2-7 Employees	14		
	2-8 Workers who are not employees	29		
	2-9 Governance structure and composition	15		
	2-10 Nomination and selection of the highest governance body	16		
	2-11 Chair of the highest governance body	14		
	2-12 Role of the highest governance body in overseeing the management of impacts	17		
	2-13 Delegation of responsibility for managing impacts	16		
	2-14 Role of the highest governance body in sustainability reporting	16		
	2-15 Conflicts of interest	19		
	2-16 Communication of critical concerns	20		
	2-17 Collective knowledge of the highest governance body	18		

	2-19 Remuneration policies	19		
	2-20 Process to determine remuneration	19		
	2-21 Annual total compensation ratio	22		
	2-22 Statement on sustainable development strategy	09		
	2-23 Policy commitments	23		
	2-24 Embedding policy commitments	23		
	2-25 Processes to remediate negative impacts	24		
	2-26 Mechanisms for seeking advice and raising concerns	24		
	2-27 Compliance with laws and regulations	25		
	2-28 Membership associations	25		
	2-29 Approach to stakeholder engagement	26		
	2-30 Collective bargaining agreements	28		
Material Topics				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	25		
	3-2 List of material topics	25		
Economic Performance				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	21		
	201-2 Financial implications and other risks and opportunities due to climate change		NA	
	201-3 Defined benefit plan obligations and other retirement plans		NA	
	201-4 Financial assistance received from government		NA	
Indirect Economic Impacts				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts		NA	

Procurement Practices				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 204: Procurement 2016	204-1 Proportion of spending on local suppliers	25		
Anti-Corruption				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	19		
	205-2 Communication and training about anti-corruption	25		
	205-3 Confirmed incidents of corruption	0		
Energy				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	38		
	302-3 Energy intensity	39		
	302-4 Reduction of energy consumption	38		
Water and Effluents				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 303: Water 2018	303-5 Water consumption	40		
Emissions				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	39		
	305-2 Energy indirect (Scope 2) GHG emissions	39		
	305-3 Other indirect (Scope 3) GHG emissions		NA	
	305-4 GHG emissions intensity	39		

Waste				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 306: Waste 2020	306-1 Waste generation and significant impacts		NA	
	306-2 Management of significant waste-related impacts		NA	
	306-3 Waste generated		NA	
Supplier Environmental Assessment				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 308: Supplier Env. 2016	308-1 New suppliers screened using environmental criteria	100%		
Employment				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 401: Employment 2016	401-1 New employee hires and turnover	29		
	401-2 Benefits for full-time employees (not temp/part-time)	31-33		
Occupational health and safety				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 403: Occupational Health & Safety 2018	403-1 Occupational health and safety management system	30		
	403-2 Hazard identification and incident investigation	31		
	403-5 Worker training on occupational health and safety	32		
Training and education				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 404: Training 2016	404-1 Average hours of training per year	32		
	404-2 Programs for upgrading employee skills	32		
	404-3 Employees receiving regular performance reviews	33		

Diversity and equal opportunity				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 405: Diversity 2016	405-1 Diversity of governance bodies and employees	14		
Non-discrimination				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions	0		
Local Communities				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 413: Local Communities	413-1 Operations with local community engagement	10 & 35		
Supplier Social Assessment				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 414: Supplier Social 2016	414-1 New suppliers screened using social criteria	100%		
Marketing and Labeling				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 417: Marketing 2016	417-1 Requirements for product information/labeling		NA	
	417-2 Incidents of non-compliance: info and labeling		NA	
	417-3 Incidents of non-compliance: marketing		NA	
Customer Privacy				
GRI 3: Material Topics 2021	3-3 Management of material topics	25		
GRI 418: Customer Privacy	418-1 Substantiated complaints regarding customer data	0		

ADX CONTENT INDEX

ESG Metric	Calculation	Unit	Corresponding Standard Alignment	Corresponding Page Number / Direct Answer	Omission, if any - Reason & Explanation
E1. GHG Environmental Operations	E1.1) Does your company follow a formal Environmental Policy?	Yes	GRI: 23-2	37	
	E1.2) Does your company follow specific waste, water, energy, and/or recycling policies?	Yes	GRI: 24-2	37	
	E1.3) Does your company use a recognised energy management system?	Yes		37	
E2. Water Usage	E2.1) Total amount of water consumed	m3	GRI 303-3	40	
	E2.2) Total amount of water reclaimed	m3		-	Not applicable
E3. Waste Generation	E3.1) Total waste generated, per waste type	Tonnes	GRI: 306-3		Not applicable
	E3.2) Percentage of waste recycled, per waste type	Tonnes	GRI: 306-4		Not applicable
E4. Energy Intensity	E4.1) Total amount of energy directly consumed	GJ	GRI 302-1	39	
	E4.2) Total amount of energy indirectly consumed	GJ	GRI 302-2	39	
E5. Energy Intensity	E5.1) Total direct energy usage per output scaling factor	GJ/employee	GRI 302-1	39	
E6. Energy Mix	E6.1) Percentage: Energy usage by generation type	GJ, MWh, or %	GRI 302-1, GRI 302-2		Not applicable
E7. GHG Emissions	E7.1) Total amount in CO2 equivalents, for Scope 1	tonCO2eq	GRI 305-1	39	
	E7.2) Total amount, in CO2 equivalents, for Scope 2 (if applicable)	tonCO2eq	GRI 305-2	39	
	E7.3) Total amount, in CO2 equivalents, for Scope 3 (if applicable)	tonCO2eq	GRI 305-3		Not applicable
E8. Emissions Intensity	E8.1) Total GHG emissions per output scaling factor	tonCO2eq/output scaling factor	GRI 305-4	39	
	E8.2) Total non-GHG emissions per output scaling factor	tonCO2eq/per output scaling factor	GRI 305-7		Not applicable

ESG Metric	Calculation	Unit	Corresponding Standard Alignment	Corresponding Page Number / Direct Answer	Omission, if any - Reason & Explanation
E9. Climate Strategy	E9.1) Please describe the climate-related risks & opportunities that could reasonably be expected to affect your company's prospects. Also explain, for each climate-related risk your organization has identified, whether your organization considers the risk to be a climate-related physical risk or transition risk.	Text	IFRS S-2	19	
	E9.2) Describe the current and anticipated impacts of climate related risks and opportunities on your organisation's business model and value chain.	Text	IFRS S-2	19	
	E9.3) How has your organisation responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including the plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation?	Text	IFRS S-2	20	
	E9.4) What are the current effects (during the reporting period) of climate-related risks and opportunities on your organisation's financial position, financial performance and cash flows for the reporting period (current financial effects)?	Text	IFRS S-2	21	
E10. Climate Related Risks & Opportunities	E10.1) Describe the processes and policies your organisation uses to identify, assess, prioritise, and monitor climate related risks, and the inputs and parameters used in these processes.	Text	IFRS S-2	19	
	E10.2) Whether and how does your organisation use climate related scenario analysis to inform the identification of climate-related risks?	Text	IFRS S-2	19	

ESG Metric	Calculation	Unit	Corresponding Standard Alignment	Corresponding Page Number / Direct Answer	Omission, if any - Reason & Explanation
E11. Climate Governance	E11.1) Which governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) is responsible for oversight of climate-related risks and opportunities?	Text	IFRS S-2	16	
	E11.2) How does the body or individual consider climate related risks and opportunities when overseeing your organisation's strategy?	Text	IFRS S-2	16	
	E11.3) Are performance metrics related to climate targets included in remuneration policies? If so, how?	Text	IFRS S-2	16	
	E11.4) Has your organisation delegated the role of overseeing climate-related risks and opportunities to a specific management-level position or committee, and how is oversight over this role or committee exercised?	Text	IFRS S-2	16	
E12. Climate Targets	E12.1) Are performance metrics related to climate targets included in remuneration policies? If so, how	Text	IFRS S-2	19	
S1. CEO Pay Ratio	S1.1) Please share the ratio of CEO total compensation to median full-time employee (FTE) total compensation	Number	GRI 2: 21		Not applicable
S2. Gender Pay Ratio	S2.1) The ratio of median male employee compensation to median female employee compensation	Number	GRI: 405-1	29	
S3. Employee Turnover	S3.1) Percentage: Year-over year change for full-time employees	%	GRI: 401-1	29	
	S3.2) Percentage: Year-over year change for part-time employees	%	GRI: 401-1	29	
	S4.3) Year-over-year change for contractors/consultants	%	GRI: 401-1	29	

ESG Metric	Calculation	Unit	Corresponding Standard Alignment	Corresponding Page Number / Direct Answer	Omission, if any - Reason & Explanation
S4. Gender Diversity	S4.1) Percentage: Total enterprise headcount held by men and women	%	GRI 2: 9	29	
	S4.2) Percentage: Entry- and mid-level positions held by men and women	%	GRI 2: 9	29	
	S4.3) Percentage: Senior- and executive-level positions held by men and women	%	GRI 2: 9	29	
S5. Temporary Worker Ratio	S5.1) Percentage: Total enterprise headcount held by part-time employees	%	GRI 2: 9	29	
	S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants	%	GRI 2: 9	29	
S7. Nationalisation	S7.1) Percentage of national employees, per employment category	%		29	
S8. Non-Discrimination	S8.1) Does your company follow non-discrimination policy?	Yes/No	GRI 405-1	28	
S9. Health, Safety and Wellbeing	S6.1) Does your company follow an occupational health and safety policy?	Yes/No	GRI 2: 23	30	
S10. Injury Rate	S10.1) Percentage: Frequency of injury events relative to total workforce time	%	GRI: 403-9	33	
S11. Child and Forced Labor	S11.1) Does your company follow a child and/or forced labour policy?	Yes	GRI 2: 19		
	S11.2) If yes, does your child and/or forced labour policy also cover suppliers and vendors?	Yes	GRI 2: 19		
S12. Human Rights	S12.1) Does your company follow a human rights policy?	Yes	GRI 2: 23		
	S12.2) If yes, does your human rights policy also cover suppliers and vendors?	Yes	GRI 2: 23	35	
S13. Community Investment	S13.1) Amount invested in the community, as a percentage of company revenues.	NA	GRI: 413-1		NA

ESG Metric	Calculation	Unit	Corresponding Standard Alignment	Corresponding Page Number / Direct Answer	Omission, if any - Reason & Explanation
G1. Board Independence	G1.1) Does company prohibit CEO from serving as board chair?	Yes			
	G1.2) Percentage: Total board seats occupied by independent board members	%			NA
G2. Board Diversity	G2.1) Percentage: Total board seats occupied by men and women	20% Female 80% Male	GRI 405-1		
	G2.2) Percentage: Committee chairs occupied by men and women	%	GRI 405-1		NA
G3. Supplier Code of Conduct	G3.1) Are your vendors or suppliers required to follow a Code of Conduct?	Yes	GRI 23 :2	35	
	G3.2) If yes, what percentage of your suppliers have formally certified their compliance with the code	100%		35	
G4. Ethics and Anti-Corruption	G5.1) Does your company follow an Ethics and/or Anti-Corruption policy?	Yes	GRI 23 :2	17	
	G4.2) If yes, what percentage of your workforce has formally certified its compliance with the policy	100%	GRI: 205 - 2	17	
G5. Data Security	G6.1) Does your company follow a Data Privacy policy?	Yes	GRI: 418-1	17	
	G6.2) Has your company taken steps to comply with GDPR rules or similar standards?	Yes		17	
G6. Sustainability Strategy	G6.1) Describe the sustainability-related risks and opportunities that could reasonably be expected to affect your organisation's prospects.	Text	IFRS S-1	Part of internal risk management framework.	
	G6.2) Describe the current and anticipated impacts of sustainability-related risks and opportunities on your organisation's business model and value chain.	Text	IFRS S-1	Part of internal risk management framework.	

ESG Metric	Calculation	Unit	Corresponding Standard Alignment	Corresponding Page Number / Direct Answer	Omission, if any - Reason & Explanation
	G6.3) Describe how your organisation responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making.	Text	IFRS S-1	Part of internal risk management framework.	
	G6.4) Describe the current and anticipated effects (during the reporting period) of sustainability-related risks and opportunities on your organization's business model, financial position, performance, and cash flows. How are these risks considered in financial planning (current financial effects)?	Text	IFRS S-1	Part of internal risk management framework.	
G7. Sustainability Risks Management	G7.1) Describe the processes and policies your organisation uses to identify, assess, prioritise, and monitor sustainability-related risks, and the inputs and parameters used in these processes.	Text	IFRS S-1	Part of internal operational framework.	
	G7.2) How are the processes for identifying, assessing, prioritising and monitoring sustainability-related risks and opportunities integrated into and informing your organisation's overall enterprise risk management process?	Text	IFRS S-1	Part of internal operational framework.	
G8. Sustainability Governance	G8.1) Which governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) is responsible for oversight of sustainability-related risks and opportunities?	Text	IFRS S-1	Part of internal governance framework.	
	G8.2) How does the body or individual consider G8. Sustainability Governance sustainability-related risks and opportunities when overseeing your organisation's strategy?	Text	IFRS S-1	Part of internal governance framework.	

ESG Metric	Calculation	Unit	Corresponding Standard Alignment	Corresponding Page Number / Direct Answer	Omission, if any - Reason & Explanation
	G8.3) Are performance metrics related to these targets included in remuneration policies? If so, how?	Text	IFRS S-1	Part of internal operational framework.	
	G8.4) Has your organisation delegated the role of overseeing sustainability related risks and opportunities to a specific management-level position or committee, and how is oversight over this role or committee exercised?	Text	IFRS S-1	Part of internal governance framework.	
G9. Sustainability Targets	G9.1) What metrics does your organisation use to measure and monitor each sustainability-related risk or opportunity identified above?	Text	IFRS S-1	Part of internal governance framework.	
G10. Disclosure Practices	G10.1) Does your company publish a sustainability report?	Yes			
	G10.2) Does your company publish a GRI, IFRS, CDP, SASB, IIRC, or UNGC based report?	Yes			
G11. External Assurance	G11.1) Are your sustainability disclosures assured or validated by a third party?	No		ARAM does not seek external assurance	