



Governance Report Form for 2024

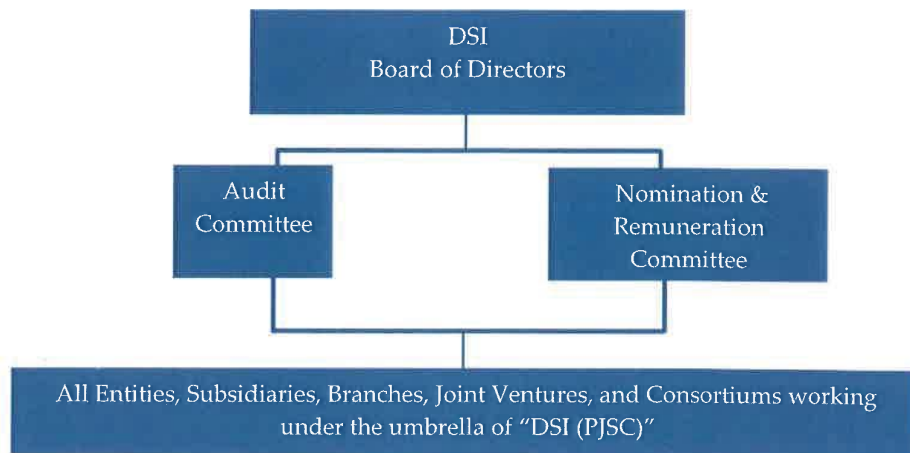
1. Statement of procedures taken to complete the Corporate Governance System during 2024 and method of implementing thereof.

Drake & Scull International PJSC [DSI] is committed to the highest level of Corporate Governance and has derived its values from a system that integrates ethics, corporate integrity, and leading compliant practices. Transparency, fairness, disclosure, and accountability have been central to the working ethos of the Company, Board of Directors, Senior Management, and Employees.

The Corporate Governance Framework takes into account the principles espoused and standards set by the Securities & Commodities Authority (SCA), Dubai Financial Market (DFM), Commercial Companies Law Federal Law No (32) of 2021 and its amendments, if any, and the Federal Decree Law No 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law) in setting the direction and requirements for DSI.

DSI is committed to implementing the decision of the Chairman of the Securities & Commodities Authority No. (3 / RM) of 2020 concerning approving the Corporate Governance Guide for Public Joint Stock Companies and its amendments from time to time to the latest standards and the Governance Guide issued accordingly ("The Governance Guide").

Depicted below is the Corporate Governance Structure developed and implemented by DSI which aims to enhance the good governance practices followed by the Board and the Executive Management of the Company.



****** All above Mentioned Divisions within Drake & Scull International PJSC have independent management for operational delivery but are overseen and monitored in terms of strategy, compliance, governance, risk, and audit by a single structure.



Board of Directors (Article 6, of the Governance Guide)

The roles and responsibilities of the Board of Directors of DSI (the “Board” or “Board of Directors”) are outlined in DSI’s Articles of Association (AOA). It was taken into consideration that the Chairman and the majority of the Board of Directors would hold the UAE nationality during 2024, in order to fulfill the criteria specified by the Governance Guide as per order (3/2020) in relation to executive and non-executive, and independent members of the Board with an appropriate level of skills, experience, and capabilities across the membership.

Board Committees (Article 53, of the Governance Guide)

The Board is empowered to establish Board Committees and to delegate powers to such committees as deemed necessary or appropriate. The Board also delegates certain functions to these committees but without abdicating its own responsibilities from the activities, tasks and powers that the committee has been delegated to perform. Board committees are an effective way to distribute work between Board Members and allow for more detailed consideration of specific matters. All the Board Committees are functioning on behalf of the Board and the Board will be responsible for constituting, assigning, selecting, and determining the term of membership of such committees.

Nomination and Remuneration Committee (Article 59, of the Governance Guide)

The Board of Directors forms a permanent committee called the Nominations and Remuneration Committee, which holds a meeting once a year or whenever needed. The Nomination and Remuneration Committee assists the Board in discharging its responsibilities in relation to qualifications, compensation, appointment and succession of the Company’s Directors and key management personnel. The Committee oversees the Company’s nomination process for the Board of Directors and its policy in line with the Federal Law No. (32) of 2021 and its amendments, if any, and implementing the decisions of the Chairman of the Securities & Communities Authority No. (3/R.M) for the year 2020 concerning approving the Corporate Governance Guide for Public Joint Stock Companies and the articles of the associated companies and its amendments from time to time. In addition, the Committee works continuously to monitor the independency of the independent members of the Board.

Audit Committee (Article 60 - 63, of the Governance Guide)

The Board of Directors has formed a permanent committee called the Audit Committee. All members of the Committee must have the knowledge and expertise in financial and accounting matters and shall monitor the integrity of the Company’s financial statements. Moreover, the Committee will make recommendations regarding the changes in the accounting policies and procedures that is necessary for the company’s control and financial system, in addition to appointing external auditors and ensuring that they meet the conditions stipulated by the laws and the articles of association of the Company. Furthermore, the Committee is responsible to meet with



the external auditors to discuss the nature and scope of the audit process and its effectiveness in accordance with the international auditing standards, international accounting standards, and international financial reporting standards. In addition, the Committee is responsible to meet with the external auditors to discuss all qualifications in the audit report to find out the solutions necessary to achieve clean external audit report. Furthermore, the Committee is responsible to monitor the accuracy and compliance of all internal management reports to ensure they are meeting all requirements of unqualified opinion by external auditors.

2. Statement of Ownership and transactions of Board of Directors (Board), their spouses and their children in the company securities during 2024, according to the following schedule:

Sr.	Name	Position	Owned Shares as on 31/12/2024	Total Sale	Total Purchase
1	H.H. Sheikh Theyab Bin Tahnoon Bin Mohammad Al Nahyan	Chairman	182,291	-	-
2	Eng. Abdulla Subhi Ahmed Atatreh	Vice-Chairman	-	-	-
3	Dr. Abdulrahman Mahmoud Abdulrahman Alafeefi	Board Member	-	-	-
4	Mr. Ahmad M F A Al Kilani	Board Member	-	-	-
5	Mr. Mustafa Ghazi Kheriba	Board Member	-	-	-
6	Mr. Abdulrahman Mohammed Al Ali	Board Member	-	-	-
7	Ms. Mia Zecevic	Board Member	-	-	-
Members whose term has expired (resignation)					
1	Mr. Shafiq Abdel Hamid Resigned on July 30, 2024	Chairman	-	-	-
2	Mr. Ahmed Al Sarkal Resigned on July 30, 2024	Board Member	-	-	-
3	Mr. Saqr Hasan Resigned on July 30, 2024	Board Member	-	-	-
4	Mr. Abdel Hadi Al-Sadi Resigned on May 14, 2024	Board Member	-	-	-
5	Mr. Ahmed Saeed Al-Hamairi Resigned on May 14, 2024	Board Member	-	-	-
6	Mr. Ahmed Abdullah Kankzar For the period from May 14, 2024 until his resignation on July 30, 2024	Board Member	-	-	-
Transactions of the sons and wives of board members in the company's securities during the year 2024					
1	Khaled Abdulla Subhi Atatreh	Son of a board member	-	529,000	529,000
2	Mohammed Abdulla Subhi Atatreh	Son of a board member	-	765,000	765,000
3	Noura Abdulla Subhi Atatreh	Daughter of a board member	-	530,000	530,000
4	Aylah Abdulla Subhi Atatreh	Daughter of a board member	-	528,000	528,000
5	Yasmin Mukhtar Al-Babaa	Wife of a board member	-	2,995,000	2,995,000

The balance of owned shares shall be shown regardless there are transactions during the year or not.



3. Board of Directors Formation:

A. Statement of the current Board formation (along with the names of both the resigned and appointed Board members) according to the following schedule:

Sr.	Name	Category (executive, non-executive, and independent)	Experience and Qualifications	The period spent as a Board member from the date of first election Till 31/12/2024	Their membership and positions at any other joint-stock companies	Their positions in any other important regulatory, government or commercial positions.
1	H.H. Sheikh Theyab Bin Tahnoon Bin Mohammad Al Nahyan	Independent	More than twenty years of experience. Bachelor degree in Architecture in 2003 from the United Arab Emirates University.	Five months from July 30, 2024	- Vice Chairman of the Board of Directors of Abu Dhabi National Insurance Company. - Chairman of the Board of Directors of Gulf Navigation Holding Company.	-Position, Chairman of City Land Company, a diversified investment company. - Presidency of the Board of Trustees of Al Ain University
2	Abdulla Atatreh	Independent	More than Twenty years of experience. Bachelor of Civil Engineering and Master degree of Business Administration	Seven years and three months from 09/09/2017	- Vice Chairman of Tabarak - Vice Chairman of Core International Investment Group Holding PJSC - Board Member of Anan Investment Holding PJSC	- Vice Chairman of Tabarak Investment Company LLC.
3	Dr.Abdulrahman Mahmoud Abdulrahman Alafeefi	Independent	More than ten years of experience. Doctorate in project management from the British University in Dubai	Five months from July 30, 2024	Member of the Board of Directors of Gulf Navigation Holding Company	- Executive Director of Tmkn Group. - CEO of the private office of H.H. Sheikh Theyab Bin Tahnoon Bin Mohammad Al Nahyan
4	Ahmad Al-Kilani	Independent	More than nineteen years of experience. Bachelor of Banking, Finance and Business Administration	Seven years and three months from 09/09/2017	CEO of Gulf Navigation Holding PJSC.	-

Sr.	Name	Category (executive, non-executive, and independent)	Experiences and qualifications	The period spent as a Board member from the date of first election Till 31/12/2024	Their membership and positions at any other joint-stock companies	Their positions in any other important regulatory, government or commercial positions.
5	Mustafa Ghazi Kheriba	Independent	More than twenty five years of experience. Master's degree in Business Administration	Five months from July 30, 2024	Member of the Board of Directors of Mira bank.	- CEO of Iceberg Capital. - CEO and General Manager of Arithma Capital
6	Abdulrahman Mohammed Al Ali	Independent	More than ten years of experience. Certificate in international tourism and marketing	Seven months and half from May 14, 2024	-	-
7	Mia Zecevic	Independent	More than twenty years of experience in the real estate market sector	Seven months and half from May 14, 2024	-	-
Members whose term has expired (resignation)						
1	Shafiq Abdel Hamid	Independent	More than thirty three years of experience. Bachelors and Master degrees in civil engineering.	Five years and Four months from 24/03/2019 to July 30, 2024	-	Founding President & CEO of "City Engineering & Contracting LTD". Chairman of "City Plaza Real Estate & City Living Property".
2	Ahmed Al Sarkal	Independent	More than twenty five years of experience. Master's degree in Development Management from Western Michigan University, USA.	Three years from 29/04/2021 to May 14, 2024	- Managing partner at Flag Holding - Chairman of the Board of Directors at Technogym, Fix Pro and Hubland Investments. - Member of the Board of Directors at BD Swiss	Chairman of the Board of Directors at Technogym, Fix Pro & Hub Land Investments.

Sr.	Name	Category (executive, non-executive, and independent)	Experiences and qualifications	The period spent as a Board member from the date of first election Till 31/12/2024	Their membership and positions at any other joint-stock companies	Their positions in any other important regulatory, government or commercial positions.
3	Abdel Hadi Al-Sadi	Independent	More than twenty years of experience. Bachelor degree in Computer Science, Banking and Finance. Master of Project Management from George Washington University.	Three years and four months from 19/01/2021 to May 14, 2024	CEO of BHM Capital	28 years of management and leadership experience at Regional and international financial institutions.
4	Ahmed Saeed Al-Hamairi	Independent	More than twenty years of experience. Bachelor degree in political science. Master's degree in Business Administration.	Seven years and Four months since 09/09/2017 to May 14, 2024	-	-
5	Saqr Hasan	Independent	More than twenty years of experience. Bachelor degree in Computer IT	Two years from 21/06/2022 to July 30, 2024	-	Chairman and CEO of SKH Limited
6	Ahmed Abdulla Kankzar	Independent	More than twenty years of experience. Master's degree in law	Two and half months from May 14, 2024 to July 30, 2024	-	-

B. Statement of the percentage of female representation in the Board for 2024 (In case of non-representation, please state that there is no representation).

There is female representation.

C. Statement of the reasons for the absence of any female candidate for the Board membership. (Explanatory example: No female candidate is nominated in the Board elections.

Not applicable.



D. Statement of the following:

1- The total remunerations paid to Board Members for 2024.

No remunerations or allowances were paid to the Board of Directors for attending the Board meetings or its committees during the year 2024.

2- The total remunerations of Board Members, which are proposed for 2024, and will be presented in the annual general assembly meeting for approval.

Any proposal from the Board of Directors will be presented during the annual general assembly meeting planned in April 2025 for deliberation and decision making.

3- Details of the allowances for attending sessions of the committees emanating from the Board, which were received by the Board members for 2024 fiscal year, according to the following schedule:

No additional allowances, salaries, or fees were paid to any Board member during the year 2024.

Sr.	Name	Allowances for attending sessions of the committees emanating from the Board		
		Committee name	Allowance Value	Meetings Nos.
1	Dr. Abdulrahman Alafeefi	Nomination & Remuneration Committee	-	1
2	Abdulla Atatreh	Nomination & Remuneration Committee	-	1
3	Ahmad Al-Kilani	Nomination & Remuneration Committee	-	1
4	Mustafa Kheriba	Audit Committee	-	1
5	Ahmed Al-Kilani	Audit Committee	-	5
6	Mia Zecevic	Audit Committee	-	2
7	Abdel Hadi Al-Sadi	Audit Committee	-	3
8	Saqr Hasan	Audit Committee	-	4

4- Details of the additional allowances, salaries or fees received by a Board member other than the allowances for attending the committees and their reasons.

No additional allowances, salaries, or fees were paid to any Board member during the year 2024.



E. Number of the Board meetings held during 2024 fiscal year along with their convention dates, personal attendance times of all members, and members attending by proxy.

Sr.	Date of meeting	Number of attendees	Number of attendees by proxy	Names of absent members
1	26/02/2024	7	-	-
2	28/03/2024	7	-	-
3	08/05/2024	7	-	-
4	16/05/2024	6	-	Mrs. Mia Zecevic
5	24/06/2024	6	-	Mrs. Mia Zecevic
6	26/07/2024	7	-	-
7	02/08/2024	7	-	-
8	11/11/2024	7	-	-

Evidence: The Company's disclosures on DFM website about Board of Directors meetings

F. Number of the Board resolutions passed during the 2024 fiscal year, along with its meeting convention dates.

The Board of Directors passed resolutions on 29/04/2024 and 06/09/2024 during the fiscal year ending on 31/12/2024

Evidence: The Company's disclosures on DFM website about Board of Directors meetings

4. Board committees :

Audit Committee:

A. The Chairman of the Audit Committee, Mr. Mustafa Kheriba, acknowledges his responsibility for the committee's system in the company, reviewing its work mechanism and ensuring its effectiveness.

B. Names of the Audit Committee members and clarifying their competencies and tasks assigned to them.

- Mr. Mustafa Kheriba (Chairman)
- Mr. Ahmad Al-Kilani (Member)
- Mrs. Mia Zecevic (Member)

Responsibilities of the Audit Committee:

The Audit Committee undertakes the responsibility for the following tasks and duties:

- 1- Reviewing the Company's Financial and Accounting Policies and Procedures.





- 2- Monitoring the integrity of the financial statements and reports (annual, semi-annual, and quarterly) in addition to the Company's internal controls related to all financial affairs at all subsidiaries, branches, joint ventures, and consortiums throughout the year. In particular, it shall focus on:
 - a. Any changes in the accounting policies and practices.
 - b. Highlighting matters that are subject to the Management's judgment.
 - c. Ensuring that the Company is updating its financial policies, procedures, and control systems on annual basis.
 - d. Material amendments resulting from the audit process.
 - e. Reviewing and validating the Qualifications in the external auditor reports.
 - f. Reviewing and validating all issues raised by the controlling bodies in the Company.
 - g. Assumption of the Company's going concern.
 - h. Adherence to the accounting criteria set by the SCA.
 - i. Adherence to the listing and disclosure rules as well as other legal requirements related to the preparation of financial reports.
- 3- Coordinating with the Board of Directors, Executive Management, and the Chief Financial Officer to fulfill its duties.
- 4- Submitting a recommendation to the Board of Directors regarding the selection, resignation, or terminating the external auditors. In the event of the absence of the Board of Directors' approval of the recommendations of the Audit Committee, the Board of Directors must include a statement in the Governance Report explaining the recommendations of the Audit Committee and the reasons that led the Board of Directors to decline the recommendations.
- 5- Establishing and implementing the contracting policy with the auditor, and submitting a report to the Board of Directors identifying the matters of importance that require immediate action, and recommending the steps to be taken in this regard.
- 6- Ensuring that the auditor fulfills the conditions stipulated in the laws, regulations, and decisions in force, the Company's Articles of Association, and following up and monitoring his independence.
- 7- Meeting the Company's auditor without the presence of any of the senior executive Management or its representative, to discuss the scope of the audit process and its effectiveness in accordance with the approved auditing standards.
- 8- Approving any additional work carried out by the external auditor, subject to absence of any conflict of interest, for the benefit of the Company and the fees charged for such work.
- 9- Discussing all matters related to the auditor's job, work plan, correspondence with the Company, notes, proposals, reservations, and any fundamental inquiries that the auditor raises to the higher executive management regarding accounting records, financial accounts or control systems, and

following up on the Company's management response to it and providing them with the necessary facilities to carry out his work.

- 10- Ensuring that the Board of Directors responds promptly to the inquiries and essential issues raised in the auditor's letter.
- 11- Reviewing and evaluating the Company's internal audit and risk management systems.
- 12- Discussing the internal audit system with the Board of Directors and making sure that it fulfills its duty to develop an effective internal control system.
- 13- Considering results of the main investigations into internal control issues that the Board of Directors has assigned or initiated by the committee with the approval of the Board of Directors.
- 14- Reviewing auditor's evaluation of the internal audit procedures and ensuring the coordination between the internal auditor and the external auditor.
- 15- Ensuring the availability of the necessary resources for the internal audit process and follow up on the implementation of corrective measures for the observations contained therein.
- 16- Studying internal audit reports and following up on the implementation of corrective actions for the observations contained therein.
- 17- Setting regulations upon which the Company's employees may confidentially report any potential violations in financial reports, internal audits, or other issues in confidence, as well as the steps required to ensure independent and fair investigations of these violations.
- 18- Monitoring the Company's compliance with the rules of professional conduct.
- 19- Reviewing related party transactions with the Company and ensuring that there are no conflicts of interest and recommending those transactions to the Board of Directors before concluding them.
- 20- Ensuring implementation of business rules related to its duties and the powers entrusted to it by the Board of Directors.
- 21- Submitting reports and recommendations to the Board of Directors on the aforementioned issues in this article.
- 22- Considering any other issues determined by the Board of Directors.



C. Number of meetings held by the Audit Committee during 2024 and their dates to discuss the matters related to financial statements and any other matters, and demonstrating the members' personal attendance times in the held meetings.

Name	Title	1 st	2 nd	3 rd	4 th	5 th
		Meeting	Meeting	Meeting	Meeting	Meeting
		26/03/2024	29/04/2024	06/05/2024	26/07/2024	07/11/2024
Ahmad Al-Kilani	Member	Attended	Attended	Attended	Attended	Attended
Abdel Hadi Al-Sadi *	Member	Attended	Attended	Attended	N/A	N/A
Saqr Hasan*	Member	Attended	Attended	Attended	Attended	N/A
Mia Zecevic*	Member	N/A	N/A	N/A	Attended	Attended
Mustafa Kheriba	Member	N/A	N/A	N/A	N/A	Attended

Mr. Abdel Hadi Al-Sadi resigned from his memberships in the Board of Directors and in Audit Committee on May 14, 2024.

Mr. Saqr Hasan submitted his resignation from his memberships in the Board of Directors and in Audit Committee on July 30, 2024.

Ms. Mia Zecevic was appointed as a member of the Audit Committee on May 16, 2024.

D. Annual Audit Committee Report for the year 2024:

The Internal Audit Committee of Drake & Scull International PJSC has prepared the annual report for the year 2024:

1- First Axis: Supervising the Restructuring Process

The Committee conducted a comprehensive review of the company's financial statements, especially the items related to the restructuring process, in order to ensure the accuracy and validity of the financial statements parameters that will be subject to the restructuring process and their impact on the company's financial position upon completion of the restructuring process, and accordingly :-

- All significant financial and commercial creditors' balances, their financial settlements, and relevant legal documents were reviewed.
- Follow up and supervise the work of financial advisors regarding the restructuring process and audit the validity of the procedures followed in accordance with the restructuring plan.
- Audit the process of issuing Mandatory Convertible Sukuk into shares in accordance with the restructuring plan.
- Audit all financial, legal and administrative procedures related to the subscription of the new capital raise in accordance with the restructuring plan and the applicable laws of the Securities and Commodities Authority and the Dubai Financial Market.



- Audit the offers related to the lead receiving bank of the IPO and appointing an external auditor for the subscription process in the new capital, to ensure the validity of the subscription process of the new capital and the allocation of shares in accordance with the laws in force at Securities and Commodities Authority and the Dubai Financial Market.

2- Second Axis: Supervision and audit of financial statements after the completion of the restructuring process

The completion of the company's restructuring process and capital increase had a material impact on the financial statements and the Audit Committee took the following steps:

- Reviewing substantial amounts resulting from restructuring process completion in coordination with the company's external auditor.
- Review financial statements related to shareholders' equity to ensure the effectiveness and efficiency of the company's capital in implementing the required business plan after the completion of the restructuring process.
- Review statement of cash flow resulting from subscription to new capital.

3- Third Axis: Periodic Internal Audit

The Internal Audit Committee has fulfilled the following actions:

- Review the unaudited interim financial statements and discuss them with the company's external auditor.
- Review all related party transactions and ensure their validity.
- Review the adopted accounting policies and ensure their effectiveness.
- Review and audit estimated financial statements of any investment projects that may be carried out by the company.
- Periodic follow-up of cash flow statement and working capital

4- Fourth Axis: External Audit

Internal Audit Committee has completed the following steps:

- Obtaining external audit quotes from 9 international audit institutions, with the aim of obtaining the best Quote to ensure that an external audit is conducted within international standards and at the lowest possible cost.
- Ensure that there is no conflict of interest with all audit institutions that may be contracted with.
- Ensure the approval of the Board of Directors and the General Assembly of Shareholders to appoint the new external auditor.
- Discuss unaudited interim financial statements and external auditor's report with company's executive management and external auditor to ensure the accuracy of all procedures followed in preparing the financial statements.
- Discuss the qualifications contained in external auditor's report and develop a detailed work plan to ensure that an audit report is obtained without any qualifications.

Nomination and Remuneration Committee:

- A. "Dr. Abdulrahman Alafeefi, of the Nominations and Remuneration Committee, acknowledges his responsibility for the committee's system in the company and for reviewing its work mechanism and ensuring its effectiveness."
- B. Names of the Nomination and Remuneration Committee members and clarifying their competencies and tasks assigned to them.
- Dr. Abdulrahman Alafeefi (Chairman of the Committee)
 - Mr. Abdulla Atatreh (Member)
 - Mr. Ahmad Al-Kilani (Member)

Responsibilities of the Nomination and Remuneration Committee:

- 1- Establishing membership policy of the Board of Directors and executive management, aiming at taking into account the diversification of the genders within the formation and encouraging women through benefits, incentives and training programs, and providing the SCA with a copy of this policy and any amendments thereto.
- 2- Managing and overseeing the procedures for membership nomination of the Board of Directors in accordance with the laws and regulations in force and the provisions of this resolution.
- 3- Ensuring continued availability of membership conditions for members of the Board of Directors on an annual basis.
- 4- Ensuring independency of independent members on an ongoing basis.
- 5- If it appears to the committee that one of the members has lost the conditions of independence, it must present the matter to the board to notify the member; by means of a registered letter at his fixed address in the Company; of the justifications for losing the status of independence. The member must respond to the Board of Directors within fifteen days from the date of his notification, and the Board of Directors shall issue a decision considering the member as independent or not independent at the first meeting following the response of the member or the expiration of the period referred to in the previous paragraph without a response.
- 6- Subject to Article 145 of the Companies Law, should the Board decision affirming the absence of reasons or justifications for the independence of the member affect the minimum percentage required for independent members; as a Result, the Board of Directors shall appoint an independent member to replace this member if the latter submits his resignation due to the lack of Independence status about him, or in the event that a member refuses to resign, the board of directors must present the matter to the General Assembly to take a decision approving the appointment of another member to replace him or to call for elections to a new member.
- 7- Preparing the policy for granting rewards, benefits, incentives, and salaries for the Board of Directors and the Company's employees, and reviewing it annually. The Committee must ensure

that the rewards and benefits granted to the senior executive management are reasonable and in proportion with the Company's performance.

- 8- Ensuring that rewards and bonuses, including options and other deferred bonuses, and benefits offered to senior executive management are linked to the Company's performance in the medium and long term.
- 9- Annual review of the required needs of appropriate skills for membership of the Board of Directors and the preparation of a description of the capabilities and qualifications required for membership of the Board of Directors, including determining the time required to be allocated by each member to perform his duties in the Board of Directors.
- 10- Reviewing the structure of the Board of Directors and making recommendations regarding the changes that can be made.
- 11- Determining the Company's needs for competencies at the level of senior executive management and the staff and the basis of their choice.
- 12- Preparing the Human Resources and Training Policy, monitoring its implementation, and reviewing it on an annual basis.
- 13- Any other topics determined by the Board of Directors.

C. Statement of number of meetings held by the Committee during 2024, their dates, and statement of all Committee members' personal attendance of times.

Name	Title	One meeting on 19/08/2024
Dr. Abdulrahman Alafeefi	Chairman of the Committee	Attended
Mr. Abdulla Atatreh	Member	Attended
Mr. Ahmad Al-Kilani	Member	Attended

The Supervision and Follow-up Committee of insiders' transactions

A. Acknowledgment by the Committee Chairman or the authorized person of his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness.

(The name) acknowledges his responsibility for the follow-up and supervision system on transactions of the insiders in the Company, review of its work mechanism and ensuring its effectiveness.

The company did not appoint any follow-up and supervision committees due to the difficult financial circumstances that the company was going through during the first half of the year 2024. This issue will be taken into consideration during the year 2025



B. Names of members of the Supervision and Follow-up Committee of insiders' transactions and clarifying their competencies and tasks assigned to them.

Not applicable. Please check above Section A.

C. A summary of the committee's work report during 2024. (In case the committee was not formed, the reasons should be explained).

Not applicable. Please check above Section A.

Any other committee (s) approved by the Board.

A. "The Committee Chairman's acknowledgment of his responsibility for the Committee system at the Company, review of its work mechanism and ensuring its effectiveness."

Committee Chairman acknowledges his responsibility for the committee system in the Company, review of its work mechanism and ensuring its effectiveness.

Not Applicable.

B. Name of Committee (s).

Not Applicable.

C. Names of each committee members, clarifying its competencies and tasks assigned thereto.

Not Applicable.

D. Statement of number of meetings held by the Committee during 2024 and their dates, and all Committee members' personal attendance times.

Not Applicable.

E. Statement of Board duties and powers exercised by Board members or the executive management members during 2024 based on the authorization from the Board, specifying the duration and validity of the authorization according to the following schedule:

Sr.	Name of the authorized person	Power of authorization	Duration of authorization
1	H.H. Sheikh Theyab Bin Tahnoon Bin Mohammad Al Nahyan	Chairman of the Board, representing the company and acting on its behalf on all financial, administrative, legal and operational matters.	From 29/08/2024 to 31/07/2027
2	Any two members of the Board of Directors, one of whom must be Dr. Abdul Rahman Alafeefi or Ahmed Kilani	Financial, administrative, and operational powers to represent Drake & Scull PJSC and its subsidiaries.	From 29/08/2024 to 31/07/2027
3	Muin Abdul Raouf El Saleh	The CEO of the company has been granted financial, administrative and operational powers to represent Drake & Scull International PJSC and its subsidiaries.	From 03/09/2024 to 31/07/2027
4	Shafiq Abdel Hamid	Chairman of the Board of Directors, represents the company and acts on its behalf in all financial, administrative, legal and operational matters.	From 10/06/2021 to 31/07/2024
5	Ahmad Al-Kilani	Financial, administrative, and operational powers to represent Drake & Scull PJSC and its subsidiaries.	From 15/06/2022 to 31/07/2024
6	Fares Al-Khatib	Group CEO with Financial, administrative, and operational powers to represent Drake & Scull PJSC and its subsidiaries.	From 29/08/2023 to 31/07/2024

F. Statement of the details of transactions made with the related parties (Stakeholders) during 2024, provided that it shall include the following:

Year	2024	2023
Due From Related parties	AED 000	AED 000
Affiliates	0	14,824
Total	0	14,824

Year	2024	2023
Due To Related parties	AED 000	AED 000
Joint Arrangements	0	24,909
Affiliates	46,343	43,607
Related to Assets Held as discontinued Operations	(27,322)	(27,292)
Total	19,021	41,224

Evidence: A copy of the subsidiaries' balance as of 31/12/2024



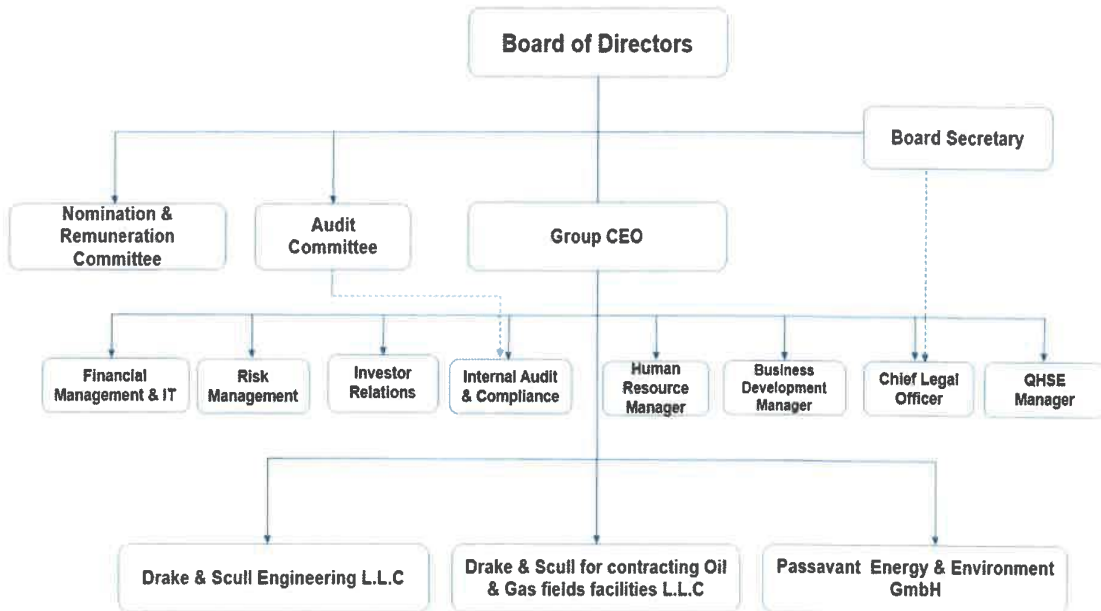
5. Evaluating the performance of the Board of Directors:

The Nominations and Remuneration Committee of Drake & Scull International conducted annual evaluation of the performance of the Board of Directors and its committees. The evaluations conducted this year provided valuable insights into the performance of the Board and its committees throughout the year, as in 2024 the Board of Directors achieved important achievements for Drake & Scull, as the restructuring plan for the company and its subsidiaries was successfully implemented, ensuring business continuity and preserving shareholders' rights. Thus, it became the first company in the UAE to achieve this success in restructuring. The evaluation included several main aspects, including but not limited to:

1. The organizational structure of the Board
2. The extent of the Board's commitment to governance
3. Board performance

In General, the 2024 Board Evaluation indicated that the Board and its committees have performed their duties and responsibilities carefully, efficiently and diligently, consistent with an effective organizational structure. The evaluation results also contributed to identifying areas that require training and improvement in the coming year, in order to ensure the continued development of the Board and its committees and enhance their capabilities in the field of governance.

6. The complete Organizational Structure of the company is clarifying the CEO, the General Managers and the managers working in the company.



Evidence: A sealed copy of company's complete organizational structure is enclosed.



A detailed statement of the senior executives in the first and second grade according to the company organizational structure (according to 3-I), their jobs and dates of their appointment, along with a statement of the total salaries and bonuses paid to them, according to the following schedule:

Sr.	Position	Appointment date	Total salaries and allowances paid for 2024 (AED)	Total bonuses paid for 2024 (AED)	Any other cash / in-kind bonuses for 2024 or due in the future
1	Group Chief Executive Officer	02/09/2024	595,000	-	-
2	Passavant Chief Executive Officer	21/05/2012	924,000	-	-
3	Chief Legal Officer	28/12/2021	996,000	-	-
4	Group CFO	05/01/2022	1,032,000	-	-
5	MEP CEO	15/02/2003	1,008,000	-	-
6	Business Development Manager	16/09/2020	306,583	-	-
7	Human Resource Manager	06/10/2012	31,013	-	-
8	Quality, Health & Environment Safety Director.	01/10/2009	306,000	-	-
9	Investor Relation Manager	04/01/2022	50,000	-	-

7. External Auditor:

A. Submit an overview of the company auditor to shareholders.

Grant Thornton is globally recognized firm spanning over 150 countries with more than 73,000 professionals working in member firms. In the UAE, Grant Thornton has been supporting businesses over 55 years, with offices in 3 emirates and over 700 employee, making it one of the leading professional services firms in the country.

Grant Thornton professionals deliver tailored audit, advisory and tax related services to a wide range of clients including high-growth emerging companies, privately owned businesses and large enterprises across various industries.

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

Name of the audit office and partner auditor	Grant Thornton UAE Partner: Dr. Osama El-Bakry
Number of years he served as the company external auditor	1 Year
The number of years that the partner auditor spent auditing the company's accounts	1 Year
Total audit fees for 2024 in (AED)	700,000 + VAT

Fees and costs of other private services other than auditing the financial statements for 2024 (AED), if any, and in case of absence of any other fees, this shall be expressly stated.	AED 77,500 + VAT
Details and nature of other services (if any). If there are no other services, this matter shall be stated expressly.	1. Agreed upon Procedures- Pro Forma Balance sheet submitted to SCA for Q1-2024. 2. Agreed Upon procedure- Unclaimed Dividend as requested by SCA.
Statement of other services that <u>an external auditor</u> other than the company accounts auditor provided during 2024 (if any). In the absence of another external auditor, this matter is explicitly stated.	Mazars Chartered Accountants: Unaudited interim financial statements for the first quarter of the year 2024

C. Statement clarifying the reservations that the company auditor included in the interim and annual financial statements for 2024 and in case of the absence of any reservations, this matter must be mentioned explicitly.

- Opening Balances
- Bank Balances
- Emphasis of Matter (Going Concern Assessment)

8. Internal Control System:

A. Acknowledgment by the Board of its responsibility for the Company internal control system, review of its work mechanism and ensuring its effectiveness.

The Board of Directors acknowledges the responsibility toward the application, review and efficiency of the Company's internal control system by maintaining an effective and robust Internal Control Mechanism. The Board has committed itself to promote and deploy best practices in risk management, sound application of governance rules, verification of compliance by the Company and its employees with applicable laws, regulations and resolutions that govern its operations, as well as internal procedures and policies and review of financial information that is forwarded to the Company's senior management, investors and all stakeholders at large.

B. Name of the Department Director, his qualifications and date of appointment.

The Company is planning to activate this position during 2025.

C. Name of Compliance Officer, his qualifications and date of appointment.

The Company is planning to activate this position during 2025.

D. How the Internal Control Department dealt with any major problems at the Company or those that were disclosed in the annual reports and accounts (in case of the absence of major problems, it must be mentioned that the Company did not face any problems).

Not applicable.



E. Number of reports issued by the Internal Control Department to the Company's Board of Directors.

Not applicable.

9. Details of the violations committed during 2024, explaining their causes, how to address them and avoid their recurrence in the future.

According to our records, the company had no violations or penalties during the year 2024.

10. Statement of the cash and in-kind contributions made by the Company during 2024 in developing the local community and preserving the environment. (In case of the absence of contributions, it must be mentioned that the Company has not made any contributions.)

The Company did not make any cash or in-kind contributions during 2024. This subject will be taken into consideration during 2025.

11. General Information:

A. Statement of the company share price in the market (closing price, highest price, and lowest price) at the end of each month during the fiscal year 2024.

Month	Highest price	Lowest price	Closing price
Jan-24	Suspended from trading	Suspended from trading	0.37
Feb-24	Suspended from trading	Suspended from trading	0.37
Mar-24	Suspended from trading	Suspended from trading	0.37
Apr-24	Suspended from trading	Suspended from trading	0.37
May-24	0.328	0.295	0.304
Jun-24	0.402	0.307	0.381
Jul-24	0.423	0.376	0.406
Aug-24	0.411	0.350	0.395
Sep-24	0.419	0.368	0.378
Oct-24	0.384	0.342	0.355
Nov-24	0.368	0.334	0.345
Dec-24	0.384	0.348	0.351



B. Statement of the Company comparative performance with the general market index and sector index to which the Company belongs during 2024.

Month	Drake & Scull International PJSC	General Index DFM	Industrial index
Jan-24	0.370	4169.08	3095.97
Feb-24	0.370	4308.77	3027.81
Mar-24	0.370	4246.27	3038.92
Apr-24	0.370	4155.77	2980.92
May-24	0.304	3977.93	2836.77
Jun-24	0.381	4030.00	2797.74
Jul-24	0.406	4268.05	2868.77
Aug-24	0.395	4325.45	2979.10
Sep-24	0.378	4503.48	3095.03
Oct-24	0.355	4591.05	3285.89
Nov-24	0.345	4847.34	3439.65
Dec-24	0.351	5158.67	3444.08

C. Statement of the shareholders ownership distribution as on 31/12/2024 (individuals, companies, governments) classified as follows: local, Gulf, Arab and foreign

Shareholder classification	Shares Ownership							
	Individuals	Companies	Gov.	Banks	Institution	Market Maker	Total	%
Local	1,866,595,124	165,505,215	47,268	14,232,155	191,189	1,226,412	2,047,797,363	70.94%
Gulf	103,811,351	66,392,359	-	322,951	-	-	170,526,661	5.91%
Arab	353,942,313	13,398,392	-	78,713	-	-	367,419,418	12.73%
Foreign	203,709,333	97,239,716	-	4,531	-	-	300,953,580	10.43%
Total	2,528,058,121	342,535,682	47,268	14,638,350	191,189	1,226,412	2,886,697,022	100%
Percentage	87.58%	11.87%	0%	0.51%	0.01%	0.04%	100%	

D. Statement of shareholders owning 5% or more of the Company's capital as on 31/12/2024 according to the following schedule:

Not applicable





E. Statement of how shareholders are distributed according to the volume of property as on 31/12/2024 according to the following schedule:

Sr.	Share (s) ownership	Number of shareholders	Number of owned shares	Percentage of owned shares of the capital
1	Less than 50,000	16,732	50,515,042	1.750%
2	From 50,000 to less than 500,000	1,991	353,153,068	12.234%
3	From 500,000 to less than 5,000,000	874	1,184,385,658	41.029%
4	More than 5,000,000	96	1,298,643,254	44.987%

F. Statement of measures taken regarding the controls of investor relationships and an indication of the following:-

- **Name of the investor relationships officer.**
After Mrs. Sadeen Ghosheh submitted her resignation as Investor Relations Officer, the company is currently seeking to appoint an Investor Relations Officer in accordance with Article 51 of Resolution (3/R.M of 2020)
- **Data of communication with the investor relationships (e-mail- phone- mobile- fax).**
 - Email: IR@drakescull.com
 - Phone No.: +971 4 528 3444
 - The link of investor relationships page on the Company's website.
 - <http://www.drakescull.com/internethome/irteam>

G. Statement of the special decisions presented in the General assembly held during 2024 and the procedures taken in their regard.

1. Special Resolution No. (1) approving an increase in the company's capital to a value of up to 600,000,000 (six hundred million) UAE dirhams.
2. Special Resolution No. (2) approving the company's commitment to issuing mandatory bonds for conversion into shares according to certain conditions.
3. Special Resolution No. (3) authorizing the Board of Directors of the company, or any person authorized by the Board of Directors, jointly or individually to adopt any decision or take any action on behalf of the company as may be necessary to implement any of the special decisions approved at the General Assembly meeting on April 1, 2024 and authorizing the Board of Directors, or any person authorized by it, to approve any change in the documents that the company must conclude in relation to the sukuk, which may be required by SCA or any other regulatory authorities.

4. Special Resolution No. (4) approving the amendment of Article (5) of the company's articles of association to reflect the change in the company's capital (i.e., the increase in capital). This article has been amended.

H. Rapporteur of the Board meetings.

- **Name of the rapporteur of the Board meetings.**
 - Mrs. Dana Abu Al Ghanam / Senior Legal Counsel and Board Secretary.
- **Her appointment Date.**
 - Appointed as a Board Secretary in January 24, 2022
- **Her qualifications and experiences.**
 - Bachelor of Law – University of Jordan (2013).
- **Statement of her duties during the year.**
 - Providing legal support and advice on relevant legal issues.
 - Following up and monitoring the compliance of the law regularly.
 - Maintaining records of cases, internal and external investigation committees, and ensuring their confidentiality.
 - Organizing board meetings and preparing official minutes of the meeting.
 - Carried out all former communications, notifications, and disclosures between the company, the Dubai Financial Market and SCA.

I. Detailed statement of major events and important disclosures that the Company encountered during 2024.

1. Share subscription for the new capital increase of Drake & Scull International PJSC on April 25, 2024.
2. The acquisition of the project to design and build a wastewater treatment plant in Saudi Arabia by Passavant, a subsidiary of Drake & Scull International, disclosed on April 29, 2024.
3. Successfully closing the subscription for the new capital increase and subscription exceeding 150% of the requirements required to complete the restructuring process and disclose it on May 20, 2024.
4. The stock was resumed trading with a reference price set at 0.25 dirhams and was disclosed on May 28, 2024.
5. BHM Capital was appointed as a liquidity provider for its shares, disclosed on May 28, 2024.

6. A court decision was issued in favor of Drake & Scull Engineering, a subsidiary of Drake & Scull International, obliging a prominent company to pay 36,715,677 dirhams. This was disclosed on June 6, 2024.
 7. Implementing the restructuring plan, writing off financial lenders and commercial trade creditors, legal allocations, and bank interest in the amount of 4.1 billion dirhams, and achieving net profits of 3.79 billion dirhams in the financial results for the second quarter of the year 2024, in addition to issuing mandatory convertible sukuk for conversion into shares according to the court's decision and the restructuring plan. It was disclosed on June 10, 2024.
 8. The resignation of the company's Board members from their positions, with the resignations taking effect from the date of the General Assembly meeting on July 30, 2024. The resignations were announced on June 24, 2024.
 9. Seven new members were elected to the company's Board of Directors on July 30, 2024, this was announced on July 30, 2024.
 10. A court decision was issued in favor of the company in the amount of 151,979,857 dirhams against Khaldoun Rashid Al-Tabari, the former CEO of the company, by the Dubai Court of Appeal. This was disclosed on July 29, 2024.
 11. H.H. Sheikh Theyab bin Tahnoun bin Mohammed Al Nahyan elected as Chairman of the Company's Board of Directors, which was announced on August 5, 2024.
 12. Appointment of Mr. Muin El Saleh as GCEO. Announcement made on November 21, 2024.
- J. Statement of Emiratization percentage in the Company at the end of 2018, 2019, 2020, 2021, 2022, 2023, 2024 (workers are excluded for companies working in the field of contracting).**
- 2018: 11 employees (1.28%)
 - 2019: 7 employees (2.51%)
 - 2020: 2 employees (2.53%)
 - 2021: 2 employees (3.63%)
 - 2022: 2 employees (3.07%)
 - 2023: 2 employees (3.07%)
 - 2024: 3 employees (7.31%)

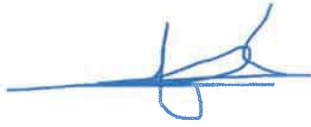
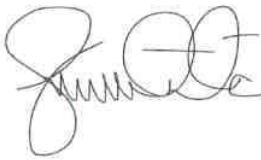



K. Statement of innovative projects and initiatives carried out by the company or being developed during 2024.

Not applicable.

L. Statement of transactions made by the company with related parties during the year, 2024, which are equal to 5% or more of the company's capital.

Not applicable

Signature of the Chairman of Board of Directors	Signature of the Chairman of Audit Committee	Signature of the Chairman of Nomination and Remuneration Committee
		
Date: 20/03/2025	Date: 20/03/2025	Date: 20/03/2025



Company Official Seal



Drake & Scull International PJSC

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