



Governance Report Form for 2023

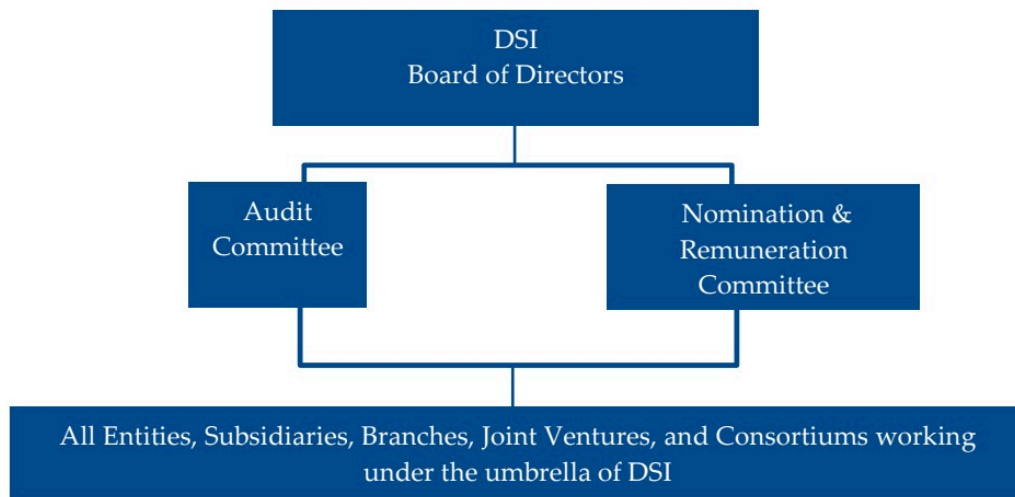
1. Statement of procedures taken to complete the Corporate Governance System during 2023 and method of implementing thereof.

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, 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.



Note: All entities, subsidiaries, branches, Joint Ventures, and Consortiums 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 appointment, 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 2023, 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, 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, enhancing the efficiency and effectiveness of the Company’s internal controls,



upgrading the financial system, and recommending the appointment of the external auditors while 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) and their spouses, their children in the company securities during 2023, according to the following schedule:

<i>Sr.</i>	<i>Name</i>	<i>Position</i>	<i>Owned shares as on 31/12/2023</i>	<i>Total sale</i>	<i>Total purchase</i>
1	Shafiq Abdelhamid	Chairman	0	0	0
2	Ahmad Alsirkal	Vice-Chairman	0	0	0
3	Abdulla Atatreh	Board Member	0	0	0
4	Abdel Hadi Al Sadi	Board Member	0	0	0
5	Ahmad Al- Kilani	Board Member	0	0	0
6	Ahmed Saeed Al Hamiri	Board Member	0	0	0
7	Saqr Hasan	Board Member	0	0	0

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

3. Board 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)	Experiences and qualifications	The period he spent as a Board member from the date of his first election Till 31/12/2023	Their membership and positions at any other joint- stock companies	Their positions in any other important regulatory, government or commercial positions.
1	Shafiq Abdelhamid	Independent	- 33 years - BSc & MSc in Civil Engineering	4 years & 9 months from 24/03/2019	-	Founding President & CEO of "City Engineering & Contracting LTD". Chairman of "City Plaza Real Estate & City Living Property".
2	Ahmed Alsirkal	Independent	- 28 years - Master's degree in Development Administration from university of Western Michigan, USA.	2 years and 8 months from 29/04/2021	Managing partner of "Flag holding LLC, Chairman of the Board of Directors at "Technogym", "Fix Pro "and & "Hub Land Investments ". Board member of BD Swiss company	Chairman of the Board of Directors at "Technogym", "Fix Pro "and & "Hub Land Investments ".
3	Abdulla Atatreh	Independent	- 23 years - Bachelor's in civil engineering - Master's in business administration	6 years and 4 months from 09/09/2017	- Vice-Chairman of Tabarak - Vice-Chairman of Core International Investment Group Holding PSC - Board Member of Anan Investment Holding PJSC	- Vice-Chairman of Tabarak - Vice-Chairman of Core International Investment Group Holding PSC - Board Member of Anan Investment Holding PJSC

4	Abdel Hadi Al Sadi	Independent	-BSc degree in computer science/ Banking and Finance, Master's degree in project management from George Washington University.	3 years from 19/01/2021	CEO of BHM Capital	28 years of management and leadership experience at Regional and international financial institutions.
5	Ahmad Al-Kilani	Independent	- 19 years - Bachelor of Finance and Banking, Business Administration in Finance	6 years and 4 months from 09/09/2017	-CEO of Gulf Navigation Holding PJSC - Board member in Tabarak Investment LLC	-CEO of Gulf Navigation Holding PJSC - Board member in Tabarak Investment LLC
6	Ahmed Saeed Al Hamiri	Independent	- 18 years - Bachelor of Political Science - Master's Degree in Business Administration	6 years and 4 months from 09/09/2017		
7	Saqr Hasan	Independent	- More than 20 years - Bachelor in Computer Information Systems	1 year and 6 months from 21/06/2022		Chairman and CEO of SKH Limited



B. Statement of the percentage of female representation in the Board for 2023 (In case of non-representation, please state that there is no representation).

There is no 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).

No female candidate was nominated in the Board of Directors elections since the company was under restructuring during 2023. This matter is taken into consideration and will be fixed in the future.

D. Statement of the following:

1- The total remunerations paid to Board Members for 2023.

No remunerations or allowances were paid to the Board of Directors for attending the Board meetings during the year 2023.

2- The total remunerations of Board Members, which are proposed for 2023, and will be presented in the annual general assembly meeting for approval.

There is no proposal to pay remunerations to the Board of Directors for the year 2023.

3- Details of the allowances for attending sessions of the committees emanating from the Board, which were received by the Board members for 2023 fiscal year, according to the following schedule:

No remunerations or allowances were paid to any Board member for attending sessions of the committees emanating from the Board during the year 2023.

Sr.	Name	Allowances for attending sessions of the committees emanating from the Board		
		Committee name	Allowance Value	Meetings Nos.
1	Ahmed Alsirkal	Nomination & Remuneration Committee	-	1
2	Abdulla Atatreh	Nomination & Remuneration Committee	-	1



3	Ahmad Al-Kilani	Nomination & Remuneration Committee	-	1
4	Abdel Hadi Al Sadi	Audit Committee	-	4
5	Ahmad Al-Kilani	Audit Committee	-	4
6	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 2023.

E. Number of the Board meetings held during 2023 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-	16-3-2023	7	0	
2-	11-5-2023	7	0	
3-	14-8-2023	7	0	
4-	9-11-2023	6	0	Mr. Shafiq Abdel Hamid
5-	23-11-2023	7	0	

Evidence: Company's disclosures are posted on the Market Website regarding Board meetings

F. Number of the Board resolutions passed during the 2023 fiscal year, along with its meeting convention dates.

The Board of Directors has passed two (2) Resolutions by circulation on 14/07/2023, 23/10/2023, during the fiscal year ending 31/12/2023.

Evidence: Company's disclosures are posted on the Market Website regarding the Board Resolutions.



G. Statement of Board duties and powers exercised by Board members or the executive management members during 2023 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	Shafiq Abdelhamid	Chairman of the Board, representing the company and acting on its behalf on all financial, administrative, legal and operational matters.	From 10-6-2021 to 31/07/2024
2	Ahmad Al- Kilani	Financial, administrative, and operational powers to represent Drake & Scull PJSC and its subsidiaries.	From 15-6-2022 to 31/07/2024
3	Fares Al Khatib	Group CEO Financial, administrative, and operational powers to represent Drake & Scull PJSC and its subsidiaries	From 29-8-2023 to 31-07-2024

H. Statement of the details of transactions made with the related parties (Stakeholders) during 2023, provided that it shall include the following:

Year	2023	2022
Due From Related parties	AED 000	AED 000
Joint Arrangement Affiliations	0	0
Affiliates	14,824	5,242
Total	14,824	5,242

Year	2023	2022
Due To Related parties	AED 000	AED 000
Joint Arrangements	24,909	24,909
Affiliates	43,607	43,603
Related to Assets Held as discontinued Operations	(27,292)	(27,288)
Total	41,224	41,224

Evidence: Attachment of a statement confirming the above balances of related party transactions as at 31 December 2023.

I. The complete Organizational Structure of the company, which shall clarify Managing Director, the General Manager and / or CEO, the Deputy General Manager and the managers working in the company such as the Financial Manager.



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

- J. 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 2023 (AED)	Total bonuses paid for 2023 (AED)	Any other cash / in-kind bonuses for 2023 or due in the future
1	Group Chief Executive Officer	06/03/2023	815,903	-	-
2	Passavant Chief Executive Officer	21/05/2012	904,000	-	-
3	Chief Legal Officer	28/12/2021	766,000	-	-
4	Group CFO	05/01/2022	822,000	-	-
5	MEP CEO	15/02/2003	793,000	-	-
6	Business Development Manager	16/09/2020	365,000	-	-
7	Human Resource Manager	06/10/2012	244,000	-	-
8	Quality, Health & Environment Safety Director.	01/10/2009	291,000	-	-
9	Investor Relation Manager	04/01/2022	127,000	-	-

4. External Auditor:

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

Mazars in UAE is part of the Mazars Group, an international audit, tax and advisory organisation with operations in over 95 countries and territories, headquartered in France, Paris. Mazars have



been operating in the UAE market since 1998, and have significant local presence in the government, public, and private sectors. Mazars specialists deliver tailored 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	Mazars Chartered Accountants Partner: Amir Abd El Hamid
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 2023 in (AED)	550,000 + VAT
Fees and costs of other private services other than auditing the financial statements for 2023 (AED), if any, and in case of absence of any other fees, this shall be expressly stated.	N/A
Details and nature of the other services (if any). If there are no other services, this matter shall be stated expressly.	N/A
Statement of other services that <u>an external auditor</u> other than the company accounts auditor provided during 2023 (if any). In the absence of another external auditor, this matter is explicitly stated.	N/A

C. Statement clarifying the reservations that the company auditor included in the interim and annual financial statements for 2023 and in case of the absence of any reservations, this matter must be mentioned explicitly.

- Opening Balances
- Bank Balances and Liabilities
- Going Concern Assessment

5. Audit Committee:

- A.** The Chairman of the Audit Committee is Mr. Ahmad Al Kilani acknowledges his responsibility for the Committee system and role in the Company, reviewing its work mechanism and ensuring its effectiveness.



- B. The Audit Committee members Mr. Abdul Hadi Al Saadi and Mr. Saqr Hasan acknowledge their responsibility for the Committee system and role in the Company in addition to reviewing its work mechanism and ensuring its effectiveness.
- C. Names of the Audit Committee members and clarifying their competences and tasks assigned to them.
- Ahmad Al Kilani (Chairman)
 - Abdul Hadi Al Saadi (Member)
 - Saqr Hasan (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 its operational 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 policies, procedures, and systems on regular 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 and 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 findings of the main investigations related to internal control issues and its presentation to the Board of Directors or at the initiative of the Committee upon the approval of the Board of Directors.
- 14- Reviewing the 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 in addition to reviewing and monitoring the effectiveness of that department.
- 16- Studying the internal audit reports and following up on the implementation of corrective actions for the observations contained therein.
- 17- Setting the 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 the transactions of the relevant parties 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 the 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.

D. Number of meetings held by the Audit Committee during 2023 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 AC 14-3- 2023	2 nd AC 10-5- 2023	3 rd AC 10-8- 2023	4 th AC 7-11- 2023
Ahmad Al-Kilani	Member	Attended	Attended	Attended	Attended
Abdel Hadi Al Sadi	Member	Attended	Attended	Attended	Attended
Saqr Hasan	Member	Attended	Attended	Attended	Attended

6. Nomination and Remuneration Committee:

- A. Mr. Ahmed Alsirkal, Nomination and Remuneration Committee Chairman, acknowledges his responsibility for the committee system and role in the Company, reviewing its work mechanism and ensuring its effectiveness.
- B. Names of the Nomination and Remuneration Committee members and clarifying their competences and tasks assigned to them.
 - Ahmed Alsirkal (Chairman of the Committee)
 - Abdulla Atatreh (Member)
 - Ahmad Al- Kilani (Member)



Responsibilities of the Nomination and Remuneration Committee:

- 1- Establishing the 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 and incentive and training programs, and providing the SCA with a copy of this policy and any amendments thereto.
- 2- Organizing and following up the procedures for the membership nomination of the Board of Directors in accordance with the laws and regulations in force and the provisions of this resolution.
- 3- Ensuring the continued availability of membership conditions for members of the Board of Directors on an annual basis.
- 4- Ensuring the independence 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, and 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, 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 in him, and 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 or when necessary. 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 2023 and their dates, and statement of all Committee members' personal attendance of times.

Name	Title	1st NRC – 7/11/2023
Ahmed Al Sirkal	Chairman	Attended
Abdulla Atatreh	Member	Attended
Ahmad Al- Kilani	Member	Attended

7. 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 anyone for the follow-up and supervision due to its liquidity crunch. This subject will be taken into consideration upon successful completion of the restructuring process.

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

N/A - Please refer to Clause 7/A

C. A summary of the committee's work report during 2023. (In case the committee was not formed, the reasons should be explained).

The Company has not appointed follow-up and supervision committees, due to the suspension of stock trading on November 14, 2018. The Company is currently under a restructuring process and



intends to appoint a follow-up and supervision committee once the restructuring process is completed.

8. 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.

"(Name), 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 competences and tasks assigned thereto.

Not Applicable.

D. Statement of number of meetings held by the Committee during 2023 and their dates, and all Committee members' personal attendance times.

Not Applicable.

9. 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.

Due to the financial difficulties and the restructuring process, the Company did not hire a Department Director in 2023 provided that, the Company would activate this position once the restructuring plan is successfully completed.



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

Due to the financial difficulties and the restructuring process, the role of the Compliance Officer put on hold until the restructuring process is successfully completed. The Board anticipates filling this position in 2024.

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.

Due to the financial difficulties and the restructuring process, the role of the Internal Control Department has been put on hold until the restructuring process is completed. The Board anticipates filling this position in 2024.

10. Details of the violations committed during 2023, 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 2023.

11. Statement of the cash and in-kind contributions made by the Company during 2023 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 2023 due to its current financial crisis. This subject will be taken into consideration upon successful completion of the restructuring process.

12. 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 2023.

Not Applicable - The stock had been suspended from trading at the closing price of (0.37 Dirhams) since November 14, 2018.

B. Statement of the Company comparative performance with the general market index and sector index to which the Company belongs during 2023.

Not Applicable - The stock had been suspended from trading at the closing price of (0.37 Dirhams) since November 14, 2018.



C. Statement of the shareholders ownership distribution as on 31/12/2023 (individuals, companies, governments) classified as follows: local, Gulf, Arab and foreign

Sr	Shareholder classification	Percentage of owned shares						
		Individuals	Companies	Gov.	Banks	Institution	Total	%
1	Local	583,624,664	60,177,937	186,732	145,917,590	1,191,189	791,098,113	73.87%
2	Gulf	19,208,038	23,728,978	-	404,951	-	43,341,967	4.05%
3	Arab	129,237,068	12,033,364	-	133,324	-	141,403,756	13.20%
4	Foreign	66,377,161	28,249,720	-	517,030	-	95,143,912	8.88%
	Total	798,446,931	124,189,999	186,732	146,972,895	1,191,189	1,070,987,747	100%
	Percentage	74.55%	11.60%	0.02%	13.72%	0.11%	100%	

D. Statement of shareholders owning 5% or more of the Company's capital as on 31/12/2023 according to the following schedule:

Sr.	Name	Number of owned shares	Percentage of owned shares of the company's capital
1	Ajman Bank	139,900,000	13.0627%

E. Statement of how shareholders are distributed according to the volume of property as on 31/12/2023 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	16,770	46,313,451	4.32%
2	From 50,000 to less than 500,000	1,407	238,454,271	22.27%
3	From 500,000 to less than 5,000,000	324	406,980,995	38.00%
4	More than 5,000,000	24	379,239,030	35.41%

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

- **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 2023 and the procedures taken in their regard.

A special decision approving the continuity of the company's activities in order to complete the restructuring plan.

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 2023.

- Court of Appeal’s decision to approve the opening of the Restructuring Plans of the Company and its subsidiaries – 1-11-2023.




J. Statement of Emiratization percentage in the Company at the end of 2018, 2019, 2020, 2021, 2022, 2023 (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%)

K. Statement of innovative projects and initiatives carried out by the company or being developed during 2023.

Due to the ongoing restructuring process, all available resources have been directed to complete the ongoing projects and maintaining the business continuity. Post restructuring, the Company intends to carry out innovative projects and initiatives to serve the local communities.

Signature of the Board Chairman	Signature of Audit Committee Chairman	Signature Nomination	of and Signature of Internal Control Department Director
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		Remuneration Committee Chairman 	
Date: 21/3/ 2024	Date: 21/3/ 2024	Date: 21/3/ 2024	Date: 21/3/ 2024

Company Official Seal

