RAPCO
INVESTMENT

DIRECTORS' REPORT

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

Principal activities of the Company

The principal activities of RAPCO Investment P.J.S.C (the "Company") are commercial enterprises investment, institution and management, real estate enterprises investment, development, institution and management, and agricultural enterprises investment, institution and management

Financial review

The table below summarizes the financial results for the years 2025 and 2024:

	December 31, 2025	December 31, 2024 (restated)
Profit for the year	**29,912,260**	31,631,331
Basic and diluted earnings per share	**0.31**	0.33
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Dividend

To support RAPCO's 2026 growth strategy, the Board recommends retaining FY 2025 earnings to fund the expansion of our asset base. Management is prioritizing capital deployment to drive long-term value. This prudent approach ensures the Company maintains the liquidity required to execute its expansion plans.

Special reserve

The Board of Directors proposes to transfer the AED 80 million Special Reserve to Retained Earnings subject to shareholders approval. This internal equity reallocation aims to simplify the Company's capital structure, enhance balance sheet transparency, and provide greater flexibility for future shareholder distributions .Subject to shareholder approval via an Ordinary Resolution at the 2026 AGM, this transfer will be recognized in the 2026 financial statements with no impact on the Company's total equity position.

Role of the Directors

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

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Directors' report (Continued)

Events after the period end

In the opinion of the Board of Directors, no transaction or event of material and unusual nature, favorable or unfavorable has arisen in the period between the end of financial period and the date of this report that is likely to affect substantially the result of the operations or the financial position of the Company.

Projections and Risk

The Company is continuously monitoring its liquid funds and investments in equity and fixed income securities to maximize the yield. The Company is exposed to and affected by the fluctuation in the financial market it operates. However, the Company has various in-house systems to evaluate these risks and accordingly take steps to mitigate the effect of such risks.

Statement of Directors' Responsibilities

The applicable requirements require the directors to prepare the financial statements for each financial period which present fairly, in all material respects, the financial position of the Company and its financial performance for the period then ended.

The 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 financial position of the Company and enables them to ensure that the financial statements comply with the requirements of the applicable statute. The directors also confirm that the accounting policies and methods of computation adopted in preparing this financial information reflect fairly the form and substance of the transactions carried out during the year under review, and reasonably present the Company's financial condition and results of its operations.

These financial statements, which were prepared on a going concern basis, were approved by the Board of Directors on 2 March 2026 and signed on behalf of the Company by:

Shaikh Mohamed Humaid Abdulla Mohamed Alqasimi	**Raman Garg Mahabir Saran Garg**
Chairman	**Chief Executive Officer**

RAPCO INVESTMENT P.J.S.C License No: 302, Ras Al Khaimah - UAE