



AL KHALEEJ INVESTMENT P.S.C

Governance Report

Year 2024



Table of Contents

#	Content	#
	Introduction	5
First	Measures for completing the Governance System	6
Second	Transactions of Board Members, Spouses, and Sons in Securities	7
Third	Composition of the Board of Directors ('Board'):	8
	3.1 Governing council composition	8
	3.2 Statement on gender composition of the Board	11
	3.3 Statements since no female component nominated to the Board	11
	3.4 Statement determines Board member compensation and meeting attendance allowances	12
	3.5 Number of meetings of the Board	13
	3.6 Decisions to pass within a year	14
	3.7 Board functions and terms of reference are performed by members authorized by the Board.	14
	3.8 Dealings of relevant parties (stakeholders)	15
	3.9 Company's full organizational structure	15
	3.10 Breakdown of Management compensation	16
Fourth	External auditor	17
	4.1 Profile of the external Auditor: Crowe Mak	17
	4.2 Statement of external Auditor's fees and costs	17
Fifth	Audit Committee	18
Sixth	Nominations and Reward Committee	22
Seventh	Insiders Monitoring Committee	24
	7.1 Composition decisions	24
	7.2 Functions and responsibilities of the Insiders Monitoring Committee	24
	7.3 Summary of the Committee's 2024 work report	24



#	Content	#
Eighth	Executive Committee	25
Ninth	Internal system	26
	9.1 Board Resolution	26
	9.2 Organizational Structure of the Inner Circle	26
	9.3 Duties and Responsibilities of the Interior Department	26
Tenth	Violations committed during the fiscal year 2024	28
Eleventh	The Company's contribution to community and environmental development	28
Twelfth	General information	29
	12.1 Statement of share price on the Abu Dhabi Stock Exchange for FY2024	29
	12.2 Comparing the KICO's shares with the general market and sector index	29
	12.3 Breakdown of shareholder ownership.	30
	12.4 Names of major shareholders and their ownership	30
	12.5 Statement of shareholder distribution by ownership size	30
	12.6 Statement of actions taken on investor relations management	31
	12.7 Statement of special resolutions introduced, and action taken by the General Assembly.	31
	12.8 Names of Rapporteur of meetings	31
	12.9 Statement of substantial events	31
	12.10 Statement of the Company's transactions with related parties	31
	12.11 Written statement of localization in the Company by the end of 2024	31
	12.12 Statement of innovative projects and initiatives in progress.	31
Thirteenth	Assessment of the Board, its committees, and executive management	32



AL KHALEEJ INVESTMENT SC



**His Highness Sheikh Zayed Bin
Sultan Al Nahyan
Founder of the UAE**



**His Highness Sheikh Mohammed
bin Zayed Al Nahyan
President of the UAE**



**His Highness Sheikh Saud bin Saqr
Al Qasimi
Member of the Supreme Council of
the Federation
Ras Al Khaimah Governor**

Introduction

Al Khaleej Investment PSC ('KICO' or 'the Company') is a diversified investment holding company that invests in real estate, facilities management, financial services, and portfolio investments, among others. KICO is regulated by the Emirates Securities & Commodities Authority ('SCA') and trades on the Abu Dhabi Securities Exchange ('ADX').

At KICO, we take pleasure in our strategic vision and market knowledge, which allow us to recognize and capitalize on new possibilities in the real estate and investment sectors. Our strategy is based on a thorough grasp of market dynamics, allowing us to execute projects that have a substantial impact on the UAE's urban and economic development.

Our portfolio comprises a wide range of developments, including both residential and commercial properties. As of today, the Company has adopted a fresh approach to all its investment plans, laying the groundwork for the future. It is committed to providing transparency to all its shareholders to maximize returns on its diverse assets. KICO is led by the Chairman, the Board, and a strong management team with an average of 25 years of industry expertise.

At KICO, we recognize the significance of implementing the Chairman of Authority's Boards' Decision no. (3/Chairman) of 2020 concerning Approval of Joint Stock Companies Governance Guide. The Company applies best governance practices derived from the Company's values and rationality, reflecting the extent to which the Board and Senior Executive Management ('SEM') adhere to government controls and their importance in terms of securing accountability and culture, thereby increasing market confidence and attracting new investors, thereby maximizing shareholder profitability.

To fulfill its corporate governance goals, the organization is establishing and developing transparency, safety, integrity, and internal control practices, as well as promoting business ethics. The Company realizes that the best practices in corporate governance rely on continual monitoring of governance developments at the local and regional levels. and the replication of corporate commitment to governance needs and the pursuit of the highest governance standards. It is made up of a system of controls and procedures that maintain institutional discipline in the Company's relationships and management. The framework adheres to international standards by outlining the responsibilities and duties of the Company's Board and SEM. It also considers the safeguarding of shareholders' and stakeholders' rights.

First: Measures for completing the Governance System

KICO emphasizes the importance and continuity of adhering to the decision of the Chairman of the Boards of the Authority, Decision No. (03/R.M) of 2020, regarding the approval of the Corporate Governance Guide for Public Joint Stock Companies. This aims to elevate disclosure and transparency requirements and ensure sound management through transparency, fairness, financial control, adopting clear responsibility limits, and granting the right to hold the Company's management accountable.

These actions lead to the creation of an attractive investment environment that encourages investors. The Company considers these elements to be essential for its success and for its governance system.

Given the importance of the governance system, the Company is keen to fulfill the requirements outlined in Decision No. (03/R.M) of 2020, regarding the approval of the Corporate Governance Guide for Public Joint Stock Companies. In this regard, the Company has taken several key actions to enhance its corporate governance system and practices, which includes the following:

1. Corporate Governance Executive Regulations:

The Company has developed executive standards for corporate governance, which cover critical issues related to the Board and its subcommittees, work ethics, internal controls, policies and procedures, risk management, and external auditing.

2. Guidelines for Board and its Committees Meetings:

Guidelines for the meetings of the Board and its committees have been established. These guidelines aim to organize the decision-making process during meetings to make them more structured and efficient. The Company has also established a framework to activate corporate governance and achieve its purpose, which includes the following:

- Compliance Policy derived from the Company's values.
- Code of Professional Conduct for KICO.
- Policies and procedures for implementing strategic plans.
- Insider Trading Period Ban (for those with access to sensitive information).



Second: Transactions of Board Members, Spouses, and Sons in Securities

The transactions of Board members, employees, and their immediate family members in the securities issued by KICO are governed by several procedures and rules, including:

- Ongoing adherence to the laws and regulations of regulatory bodies such as the SCA and the market.
- Commitment to not disclosing material information that affects the stock price in the financial market, except by the authorized management.
- Commitment to professional conduct and refraining from actions that may harm the stock price through speculative trading, which negatively affects trading activity.
- Avoiding participation in any actions or behaviors aimed at manipulating prices or artificially increasing trading volumes.
- Avoiding actions meant to mislead market participants.
- Refraining from trading or recommending others to trade based on insider information that could impact stock prices.

The following table shows a statement of ownership of the Company's securities by Board members, spouses, and sons:

#	Name	Position / Relationship	Shares owned as in 31/12/2024	Total sale	Total procurement
1	H.E. Khalifa Yousif Alkhoori	Chairman	--	--	--
2	Mrs. Noora Mohamed Aqeel	Wife of Chairman	8,193,665	--	8,193,665
3	H.E. Alia Almazrouei	Vice Chairman	--	--	--
4	Mr. Ahmed Omar Balfaqeeh	Member	--	--	--
5	Ms. Shaikha Al Nowais	Member	--	--	--
6	Mr. Nasser Alkhazraji	Member	--	--	--
7	Mr. Samer Katerji	Member	--	--	--
8	Mr. Munther Aldajani (Resigned)	Member	--	--	--

Third: Composition of the Board

The Board is the highest administrative authority within the organizational structure, making it the ultimate decision-making body. Its main responsibility is to maximize and ensure an appropriate return for shareholders in exchange for their investments in the Company, while also safeguarding their rights. In addition, the Board is responsible for approving strategic plans, financial statements and budgets, investments, overseeing and managing the financial situation, and other matters that will be clarified below.

3.1. Governing council composition:

The Company's Articles of Association ('AOA') stipulate that the management of the Company shall be entrusted to a Board, which is elected by the Company's General Assembly through voting in accordance with the laws of the SCA and the applicable regulations. The term of the Board is three years.

The Company's Board consists of seven members, who were elected at the Company's Ordinary General Assembly meeting held on February 29, 2024, for a term of three years.

3.1.1 Board of Directors:

A seven-member Board manages KICO.

Name / Position	Description
 H.E. Khalifa Yousif Alkhoori Chairman	<ul style="list-style-type: none"> • His Excellency Mr. Khalifa Yousif Alkhoori is certainly an influential investor and entrepreneur in the UAE and elsewhere. • He is a director in several public and private joint stock companies in the UAE and is a trusted representative for private family wealth management offices. • Over the years he has been involved in the founding of several companies in the UAE and certainly enjoys a wealth of experience in the fields of investments, media, trading, services, manufacturing, real estate, building material, oil & gas and others. • He has had an active leadership role in merger and acquisition, bond issuance and taking company public.
 H.E. Alia Al Mazrouei Vice Chairman	<ul style="list-style-type: none"> • Her Excellency Alia Al Mazrouei has been named Minister of State for Entrepreneurship in the newly formed UAE cabinet in July 2024. Prior to joining the government, she was the Group COO of Mazrui International LLC. • As CEO of the Khalifa Fund for Enterprise Development, she oversaw the organization's efforts to foster entrepreneurship and support small and medium-sized firms in the UAE. • She has worked as an advisor to the Chairman of the Abu Dhabi Department of Economic Development and the Director General of the Human Resources Authority (HRA) in Abu Dhabi and served as the Director General of the Abu Dhabi School of Government. • In 2013, she received the Arab Women's Award for Entrepreneurship, and in 2014, she was ranked twenty-sixth on Forbes Middle East's list of the world's 200 most powerful Arab women. In 2017, Forbes named her one of the world's 100 most powerful Arab businesswomen. • She earned a Bachelor of Business Administration (BBA) in Management Information Systems from the United Arab Emirates University in 2001 and a Master of Business Administration (MBA) in Global Leadership at the same institution, which she earned in 2005.

 <p>Mr. Ahmad Omar Balfaqeeh Board Member</p>	<ul style="list-style-type: none"> • Mr. Ahmed Balfaqeeh has spent his whole career with the Abu Dhabi National Oil Company (ADNOC) Group, where he has held several positions and gained extensive knowledge in marketing, logistics, supply, shipping, refining, and petrochemicals. • Before taking on his current post, he was COO of ADNOC Refining and CEO of Borouge. • He has headed various Board Sub-Committees, including the Board Advisory, Projects, and Audit Committees, and has sat on the Boards of ADNOC Refining, Borouge PTE, Borouge ADP, and ADNOC Logistics & Services. • He is now the Deputy CEO/Assistant Downstream and Asset Management at ADNOC. • While in Takreer he has held several positions like Chief Operating Officer, Assistant General Manager Operations, Director of Ruwais Refinery and Director of Abu Dhabi Refinery. • He has a Bachelor's degree in Chemical Engineering from Kuwait University and a Master's degree in Corporate Governance and Leadership from John Moores University in Liverpool, United Kingdom.
 <p>Ms. Shaikha Al Nowais Board Member</p>	<ul style="list-style-type: none"> • Ms. Shaikha has been the Vice President of Owner Relations at Rotana Hotel Management Company since October 2018. • She was the Director of the Internal Audit Department at Rotana Hotel Management Company from 2012 to 2016 and previously worked in the Internal Audit Department at KPMG from 2008 to 2011. • In 2006, she earned a Bachelor of Business in Finance from Zayed University, UAE. • Currently she is Member of the Board of Directors in Al Ain Ahlia Insurance Company PJSC and Member of the Abu Dhabi Businesswomen Council from 2022 to date.
 <p>Mr. Nasser AlKhazraji Board Member</p>	<ul style="list-style-type: none"> • He is the Managing Director of the National Investment Corporation in the UAE. • He previously served as CEO of Emaar Malls for 15 years, overseeing the Company's digital transition and expansion. His significant successes include the Company's listing on the Dubai Financial Market, the opening of Dubai Mall, Dubai Marina Mall, Souk Al Bahar, and the Dubai Fountain. He also looked into new mall opportunity in emerging markets. • Nasser was Managing Director of Hamptons International - Middle East before joining Emaar and serving with the Dubai Police for almost a decade. • He has a Master's degree in Computer Science (AI) from Eastern Washington University and experience in digital transformation and ERP.
 <p>Mr. Samer Katerji Board Member</p>	<ul style="list-style-type: none"> • He is currently CEO and Managing Director of Trussbridge, an investment advisory firm based in DIFC and regulated by the DFSA for over 22 years. • Prior to this, he oversaw Citigroup Global Markets' Middle East Financial Institutions and Financial Sponsors advisory practice and was instrumental in the region's franchise expansion. • He has also held key positions with SHUAA Capital in Dubai, Prime Corp Finance, and Middle East Capital Group in Beirut and was the Director in Hayat Insurance Company PSC. • He graduated from the American University of Beirut with a Master's and Bachelor's degree in Business Administration, as well as a Bachelor's degree in Science (biology).

 <p>Mr. Munther Aldajani Board Member (Resigned)</p>	<ul style="list-style-type: none"> • He has 38 years of experience providing audit and advisory services to clients in the financial and non-financial sectors, as well as Islamic and conventional financial organizations. • Between 2004 and 2016, he served on the Board of KPMG Lower Gulf and held position of Senior Partner in Abu Dhabi and Managing Partner in Kuwait. <ul style="list-style-type: none"> ○ Senior Partner - KPMG Abu Dhabi ○ Managing Partner - KPMG Qatar • On November 9, 2024, Mr. Munther Al-Dajani resigned as a member of KICO's Board.
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3.2. Statement on gender composition of the Board:

Women hold 33.33% of Boards seats at the year end.

3.3 Statements since no female component nominated to the Board:

HE Aliya Al Mazrouei and Ms. Shaikha Al Nowais have been nominated for positions on the Board of the Company. This reflects confidence in their capabilities and expertise in areas that will contribute to our development and enhanced performance.

3.4 Statement determines Board member compensation and meeting attendance allowances:

The remuneration of Board members is determined based on the provisions of Article (29) of the decision of the Chairman of the Board of Directors No. (03/R.M) of 2020, regarding the adoption of the Corporate Governance Guide for Public Shareholding Companies. based on the Provisions of Article (171) Federal Decree Law No. (32) of 2021 on Commercial Companies, whereby the remuneration of board members consists of a percentage of the net profit.

The Company may also pay additional expenses or fees or a monthly salary to the extent determined by the Board to any of its members if the member serves on any committee, makes special efforts or does additional work to serve the Company above its duties as a member of the corporate Board. Thus, the remuneration of the Chairman and Board members will be determined, provided that it is approved by the General Assembly shall state the method for calculating the remuneration of the Board Members provided that it does not exceed 10% of the net profits of the fiscal year after deducting all the depreciations and reserves. Or subject to the regulations issued by SCA in this regard, a Board Member may be paid a lump sum fee not exceeding (AED200,000) two hundred thousand dirhams at the end of the fiscal year, whenever the Company's statute permits so, and subject to the General Assembly's approval of payment of these fees, in the following cases:

- The Company's failure to achieve profits.
- If the Company makes profits and the Board member's share in those profits is less than (200,000) two hundred thousand dirhams, and in this case the remuneration and fees may not be combined. Pursuant to this statement, the remuneration of the members of the Board shall be determined by a proposal or recommendation of the Board and shall be submitted to the Regular General Assembly



of the Company for the approval of the shareholders, in accordance with the provisions of the above-mentioned articles and laws concerning the remuneration of the Board.

The proposed equivalent of the fiscal year ending December 31, 2024, for the members of the Board will be set at the next General Assembly.

The previous Boards' pay was disbursed after being approved by the General Assembly on February 29, 2024, in the sum of 1,400,000 AED. The remunerations were distributed as follows:

#	Name	AED
1	Abdulaziz Alzaabi	200,000
2	Sultan Ahmad Almarri	200,000
3	Abdulrahman Alabdouli	200,000
4	Raman Garg	200,000
5	Abdullatif Al-Zair	200,000
6	Haytham Al Naeem	200,000
7	Mohamed Hassan Al Awadi	200,000

As for the attendance allowance of the previous Chairman and previous Board members for the meetings of the Board, no amount has been paid to the members of the Board in 2024.

The following table shows the allowance for the attendance of the Chairman or members of committees of the Board:

#	Name	EC	N&R	AC	AED
1	Mr. Ahmad Omar Balfaqeeh	-	1	3	10,000
2	Ms. Shaikha Al Nowais	-	1	3	10,000
3	Mr. Samer Katerji	1	1	-	10,000
4	Mr. Nasser AlKhazraji	1	-	-	5,000
5	H.E. Alia Al Mazrouei	1	-	-	5,000
6	Mr. Munther Aldajani	-	-	3	5,000

Previous Board members					
7	Abdullatif Al-Zair	-	2	1	10,000
8	Sultan Ahmad Almarri	1	-	1	10,000
9	Haytham Ahmed Al Naeem	-	2	1	10,000
10	Mohamed Hassan Al Awadi	1	2	-	10,000
11	Abdulrahman Alabdouli	1	-	-	5,000
12	Raman Garg	1	-	-	5,000

*Note: An amount of AED 16,605 was disbursed to Mr. Abdullatif Al-Zair for travel and accommodation allowances.
Audit committee (AC), Nominations and Remuneration (N&R), Executive Committee (EC)*



3.5 Number of meetings of the Board:

The table below indicates the number of personal attendance of members of the Board at meetings with dates.

#	Name	Meeting # 1 29/02/2024	Meeting # 2 06/05/2024	Meeting # 3 05/08/2024	Meeting # 4 08/11/2024
1	Mr. Khalifa Yousif Alkhoori	✓	✓	✓	✓
2	H.E. Alia Al Mazrouei	✓	--	✓	--
3	Mr. Ahmad Omar Balfaqeeh	--	✓	✓	✓
4	Ms. Shaikha Al Nowais	✓	✓	✓	✓
5	Mr. Nasser AlKhazraji	✓	✓	✓	✓
6	Mr. Samer Katerji	✓	✓	✓	✓
7	Mr. Munther Aldajani	✓	✓	✓	✓

Previous Board members					
#	Name	Meeting # 1 02/02/2024			
8	Abdulaziz Alzaabi	✓	-	-	-
9	Sultan Ahmad Almarri	✓	-	-	-
10	Abdulrahman Alabdouli	✓	-	-	-
11	Raman Garg	✓	-	-	-
12	Abdullatif Al-Zair	✓	-	-	-
13	Haytham Ahmed Al Naeem	✓	-	-	-
14	Mohamed Hassan Al Awadi	✓	-	-	-

On November 9, 2024, Mr. Munther Al-Dajani resigned from his position as member Board. We are working on appointing a new member of the Board, and this appointment will potentially be presented to the General Assembly at its next meeting for approval or for the appointment of another member, unless the Company's Articles of Association stipulate otherwise. The new member will complete the remaining term of his predecessor.

3.6 Decisions to pass within a year:

There is one resolution by passing, which is the Boards' resolution to adopt the financial powers matrix, dated February 29, 2024.



3.7 Board functions and terms of reference are performed by members as authorized by the Board:

Based on the powers vested in the Board to manage the Company and in accordance with the statutes of the Company and Federal Regulation, the Board has been granted the following:

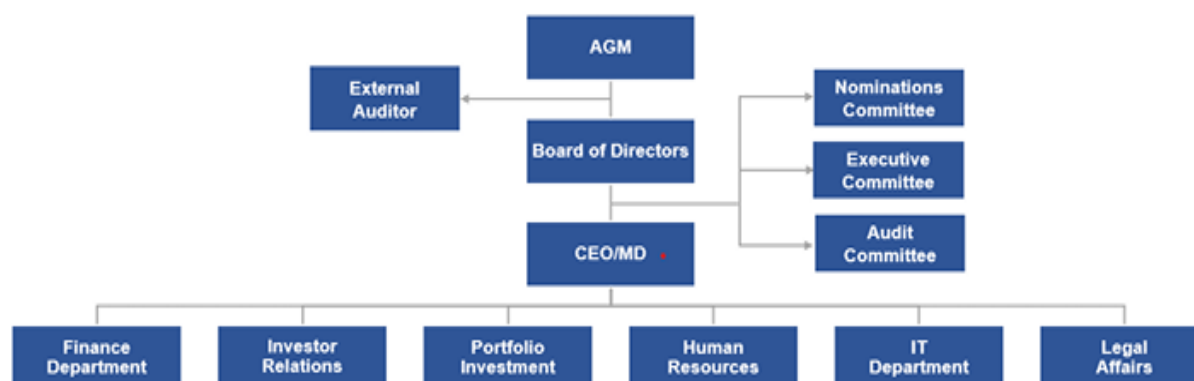
#	Name	Valid Authorization	Duration of authorization
1	H.E Khalifa Yousif Alkhoori	He shall be an authorized and empowered agent of the Board and shall have all the powers as stated in the Company's Articles of Association. This authorization shall be valid with all entities in which the Company or its subsidiaries have bank accounts, deposits, or securities.	This authorization shall be valid until the end of the term of the current Board and shall be considered valid unless it is revoked by the Board.

3.8 Dealings of relevant parties (stakeholders):

Statement of the relevant Party	Relationship	Type of the transaction	Value of the transaction
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There are no transactions with related parties

3.9 Company's organizational structure:





3.10 Breakdown of Management compensation:

#	Position	Joining Date	Total Salaries for 2024	Total Bonus paid for 2023
1	Chief Executive Officer	15/07/2024	970,967	-----
2	Chief Financial Officer	11/11/2024	200,000	-----
3	Head of HR and Admin	28/10/2024	106,451	-----
4	Legal Affairs Manager	20/09/2020	214,666	25,875

Note: No staff bonus has been approved for 2024 to date.

Fourth: External Auditor

4.1 Profile of the external auditor, Crowe Mak:

Crowe Mak is a member of Crowe Global, where Crowe Global ranks eighth in the world's largest accounting network, and has more than 200 accounting and consulting firms in more than 130 countries where each member is independent and separate.

A leading company in auditing, taxation, consulting, and risk with a national presence to complement our international deployment. .

4.2 Statement of External Auditor's fees and costs:

At its meeting of 29/02/2024, the General Assembly re-appointed Crowe Mak and set their annual professional fees at AED125,000 to perform the Company's audit functions for 2024 years.

Their services included all professional services related to the audit of the four (interim) as well as annual financial reports in accordance with the International Accounting Standards and SCA Regulation.

It also emphasizes the independence of the external auditor and his failure to provide any additional substantive, administrative or consulting services or work related to the work done.

Regarding the appointment of the Company's external auditor for the current fiscal year 2025, KPMG has been finalized as our next statutory auditor.

There was no other external auditor for 2024 besides Crowe Mak.



Fifth: Audit Committee ('AC')

The AC is Boards sub-committee composed of three members of the Board. The following table shows the composition of the AC and the number of attendance and dates of the committee's meetings during 2024:

#	Members	Position	Category	No. of attendances
1	Mr. Munther Aldajani*	Chairman	Independent	3
2	Mr. Ahmad Omar Balfaqeeh	Member	Independent	3
3	Ms. Shaikha Al Nowais	Member	Independent	3

**Note: Mr. Munther Aldajani resigned from his position as a member of the Board on November 9, 2024.*

Previous Board members				
4	Abdullatif Al-Zair	Chairman	Independent	1
5	Sultan Ahmad Almarri	Member	Independent	1
6	Haytham Ahmed Al Naeem	Member	Independent	1

The AC meets at least four times a year, or as needed. The final minutes of the audit meetings are signed by all members of the Audit Committee, and the Company is committed to providing the necessary resources for the AC to perform its duties.

Meeting	Number	Date
(1)	01/2024	01 Feb 2024
(2)	02/2024	01 May 2024
(3)	03/2024	01 Aug 2024
(4)	04/2024	06 Nov 2024

The AC undertakes the following tasks and duties:

- Review the Company financial and accounting policies and procedures.
- Monitor and review the integrity of the Company financial statements and reports (annual, semi-annual, and quarterly) and its control regulation as part of its normal operation during the year.
- It shall concentrate on the following:
 - Any changes in accounting policies and practices.
 - Ensure that the Company annually updates its policies, procedures, and control systems.
 - Substantive amendments resulting from the audit.
 - Assumption of business continuity.
 - Compliance with the accounting standards established by the Authority.



- Compliance with listing and disclosure rules and other legal requirements related to financial reporting.
- Coordinate with the Company Board, senior executive administration, the financial manager, or the manager delegated with the same duties in the Company, to perform its duties.
- Reviewing any important and unusual items that should be included in reports and accounts, and off-balance sheet items). Giving due attention to any matters raised by the financial manager, the manager with similar responsibilities, compliance officer, or the auditor.
- Raise recommendations to the Board regarding the selection, resignation, or dismissal of the auditor. In case the Board does not approve the AC recommendations in this regard, the Board shall attach to the Governance report a statement explaining the AC recommendations and the reasons why the Board has not followed them.
- Develop and implement the policy of contracting with the auditor, and submit a report to the Board, outlining the issues that it deems necessary to be taken, along with providing recommendations for steps to be taken.
- Ensure that the auditor meets the conditions stated in the applicable laws, regulations, and decisions and in the Company AOA, along with following up and monitoring its independence.
- Meet the auditor of the Company without presence of any of the SEM personnel or its representatives and discuss the same regarding the nature and scope of the audit process and its effectiveness in accordance with the audited standards.
- Approve any additional works done by an external auditor for the Company and the fees received in consideration for that work.
- Examine all matters related to the auditor's work, his work plan, correspondence with the Company, his observations, suggestions and reservations, and any substantial queries raised by the auditor to the SEM regarding the accounting records, financial accounts or control systems, in addition to following up the response of the Company management and provision of the necessary facilities to do his work.
- Ensuring that the Board and SEM respond promptly to essential queries raised in the auditor's letter.
- Review and evaluate the Company internal auditing and risk management systems.
- Discuss the internal auditing system with the Board, and make sure it performs its duty regarding establishing an effective internal control system.
- Consider the results of the main investigations regarding the internal auditing matters assigned to it by the Board or at the initiative of the AC and the approval of the Board.
- Review the auditor's evaluation of the internal control procedures and ensure that there is coordination between the internal and external auditors.
- Ensure of the availability of necessary resources for the internal auditing department, review and monitor the effectiveness of such department.



- Examine internal auditing reports and follow up implementation of corrective actions of the observations contained therein.
- Establishing controls enabling employees and stakeholders to report potential violations in financial reports, internal audits, or other matters confidentially. Implementing procedures to conduct independent and fair investigations into such violations, with adequate measures to protect whistleblowers and closely monitoring their execution.
- Monitor the Company's compliance with the rules of professional conduct.
- Review related party transactions with the Company, ensure that there are no conflicts of interest and raise recommendations about them to the Board before concluding them.
- Ensure the application of the business rules of its functions and the powers entrusted to it by the Board.
- Submit reports and recommendations to the Board on the above matters mentioned in this Article.
- Consider any other matters determined by the Board.

Challenges Faced by the AC:

- **Challenges Related to Changes in Laws and Regulations:** Some local and international regulations were updated during the year, requiring the committee to stay abreast of these changes and evaluate their impact on financial reporting and audit processes.
- **Internal Control Challenges:** Some areas requiring improvement in internal controls were identified to ensure effective oversight of financial operations.
- **Pressure from Economic Crises:** Despite the Company's efforts to manage global economic crises, the committee remained vigilant in monitoring cash flows and the performance of subsidiaries.

Recommendations:

- **Strengthening Internal Controls:** The committee recommends continuing to strengthen internal systems to ensure the timely detection and mitigation of risks.
- **Ongoing Training:** Encouraging the management to organize regular training sessions for staff involved in financial oversight to maintain high level of competence.
- **Keeping Up with Regulatory Changes:** Continuously monitor updates to accounting standards and regulations to ensure company compliance.

Sixth: Nominations and Reward ('N&R') Committee

The N&R Committee consists of three members of the Board, the table below shows the formation of the N&R Committee, the number of times and dates of attendance at the committee's meetings during 2024:

#	Members	Position	Category	No. of attendances
1	Mr. Ahmad Omar Balfaqeeh	Chairman	Independent	1
2	Ms. Shaikha Al Nowais	Member	Independent	1
3	Mr. Samer Katerji	Member	Independent	1
Previous Board members				
4	Mohamed Hassan Al Awadi	Chairman	Independent	2
5	Abdullatif Abdullah Al-Zair	Member	Independent	2
6	Haytham Ahmed Al Naeem	Member	Independent	2

The N&R Committee held three meetings during the year 2024 on the following dates:

Meeting	Meeting Number	Date of the meeting
(1)	01/2024	19 Jan 2024
(2)	02/2024	16 Feb 2024
(3)	03/2024	01 Apr 2024

The N&R Committee has the following functions and responsibilities:

- Develop a policy to apply for Board membership, aiming at considering gender diversity within the formation and encouraging women through incentive and training programs and benefits.
- Organize and follow up the procedures for applying for Board membership in accordance with the applicable laws and regulations and the provisions of this resolution.
- Ensure the independence of independent members on an ongoing basis.
- Ensure availability of continuity of the membership conditions in the Board members annually.
- If the committee finds that a member has lost the conditions for independence, it must present the matter to the Board to notify the member by a registered letter to his address go the justifications for his lack of independence.
- The member must respond within fifteen days, and if there is no response, the Board issues a decision considering whether the member is independent or not.
- Subject to the provisions of Article (145) of Companies Law, if the decision of the Board regarding lacking reasons or justifications for the member independence affects the minimum percentage of its independent members, the Board shall appoint an independent member to replace this member if he submits his resignation due to lack of independence. If the member refuses to resign, the Board shall



present the matter to the General Assembly for a decision to approve the appointment of another member or to open the door for candidacy for electing a new member.

- Developing the policy for granting remuneration, benefits, incentives, and salaries to members of the Board and employees, reviewing it annually, ensuring that the benefits granted to senior executives are reasonable and commensurate with the Company's long-term performance.
- Ensure linking the remunerations and bonuses, including the other deferred options and remunerations and benefits offered to SEM in the performance of the Company in the medium and long term.
- Annually review the required needs of the suitable skills for Board membership and prepare a description of the abilities and qualifications required for Board membership, including determining the time that the member should set for the Board work.
- Review the structure of the Board and make recommendations regarding changes.
- Identify the Company needs for competencies at the level of SEM and staff and the basis of selecting them.
- Prepare the policy related to human resources and training in the Company and monitor its implementation, along with reviewing it annually.
- Ensuring the existence of an appropriate and updated plan for the continuation and succession of the work of the Company's senior executives and Chairs of the Boards committees.
- Any other matters determined by the Board.

Seventh: Insiders Monitoring Committee

7.1 Composition decisions:

A three-member committee was formed to oversee the dealings of people familiar with the Company during 2024. The Committee for Monitoring and Supervising the Dealings of Knowledgeable Persons is composed of three members:

#	Members	Position
1	Ms. Noof Almansoori	Chairman
2	Mr. Naji Merhaby	Member
3	Mr. Mohamed Alqasby	Member and Rapporteur

7.2 Functions and responsibilities of the Insiders Monitoring Committee:

- Keep a record of insiders.
- Follow-up and supervision of insiders' records, dealings and properties.
- Review and control of informed persons trading policies, if any.
- Receipt and review of reports on transactions by informed persons.
- Consideration and prior approval of applications for trading in shares.

7.3 Summary of the Committee's 2024 work report.

A meeting was held on 30 December 2024, wherein update reports and statements containing the Company's insiders' names and dealings were discussed and it reviewed the trading processes of its shareholders during 2024.

Eighth: Executive Committee ('EC')

The EC is composed of three members of the Board. The table below shows the composition of the EC and the number of attendance and dates of the committee's meetings during 2024:

#	Members	Position	Category	No. of attendances
1	Mr. Nasser AlKhazraji	Chairman	Independent	1
2	H.E. Alia Al Mazrouei	Member	Independent	1
3	Mr. Samer Katerji	Member	Independent	1
Previous Board members				
4	Sultan Ahmad Almarri	Chairman	Independent	1
5	Abdulrahman Alabdouli	Member	Independent	1
6	Mohamed Hassan Al Awadi	Member	Independent	1

The EC held two meetings during the year 2024 on the following dates:

Meeting	Meeting Number	Date of the meeting
(1)	01/2024	04 Jan 2024
(2)	02/2024	29 April 2024

The EC shall:

- Assisting the Board in fulfilling its responsibilities, aiming to review, evaluate, and propose recommendations to the management, and to formulate the Company's strategy and its related matters. The EC is also responsible for implementing and executing strategic deals and approving the Company's investments.
- Proposing regulations and decisions necessary to organize the workflow within the Company.
- Proposing amendments to the current investment policies and controls and presenting them to the Board.
- Reviewing topics related to the Company's activities referred by the Chairman of the Board or presented by the CEO and making appropriate decisions within the defined authorities.
- Proposing necessary actions to ensure the smooth operation of the Company, enhancing performance efficiency, and following up on implementation in accordance with the Company's regulations.
- Reviewing proposed amendments to the Company's organizational structure and submitting recommendations to the Board for approval.
- Discussing the work plan, the draft annual budget, the final accounts, and submitting them to the Board for approval, as well as developing investment plans and policies for current business development.

Ninth: Internal System

9.1 Board Resolution:

Applying the governance and directives of the SCA, the Board approved the establishment of the Internal Audit Department, its organizational structure, its reporting line to the Board, and the definition of its tasks and responsibilities. The Board also acknowledged its full responsibility for the internal control system, reviewing its operation mechanisms, and ensuring its effectiveness.

9.2 Organizational Structure of the Inner Circle:

The Internal Audit Department reports to the AC and is primarily aimed at verifying the SEM's compliance with the Company's policies, procedures, and the Boards' decisions. It also evaluates the effectiveness of risk management, applies governance rules, and ensures the Company and its employees comply with the applicable laws and regulations that govern various aspects of the Company's operations, as well as adherence to internal procedures.

Mr. Rakan Hani was appointed to head the Internal Audit Department on October 26, 2021. He holds a Bachelor's degree in accounting, specializing in Financial and Banking Sciences, and has extensive experience in internal and external auditing, accounting, and financial management at auditing firms and public joint-stock companies. Mr. Hani resigned for personal reasons on December 28th, 2024.

9.3 Duties and Responsibilities of the Interior Department:

To avoid any major problems, the Internal Audit team is pursuing policies and systems aimed at improving the quality and effectiveness of the team, including:

- Preparing internal control reports and submitting them to the AC and the Board, if they include the audit objectives, work program, scope and implementation methodology, and presenting a summary of audit and audit results and recommendations regarding them to improve performance.
- Cooperating with the Company's management and making recommendations and proposals that help improve work and solve the issues they face and that do not require the preparation of official reports.
- Cooperating and coordinating work with the Company's external auditor, regarding his observations, reports and ways to implement his recommendations after the approval of these recommendations by the management.
- Verify the commitment of the Company and its employees to the provisions of the applicable laws, regulations and decisions that regulate the work of internal policies and procedures.
- Performing audits on various financial and accounting operations.
- Carry out any audit work or tasks assigned by the Board or the AC.
- Verifying the effectiveness of the Company's internal control procedures and proposing rules and regulations to raise the efficiency of internal control in the Company's various departments.
- Verifying the proper implementation of Company policies in accordance with the applicable regulations in this regard.



- Ensuring the efficient and effective use and preservation of the Company's financial and human resources.
- Audit the reports and financial statements and verify their accuracy and commitment to the application of international standards for the preparation of financial reports.
- Carrying out audits on various financial and accounting operations, and their compliance with the rules and regulations.
- Continuous review and evaluation of the internal control systems and procedures in force within the Company to reach the highest levels of efficiency in risk management.
- In the event of any significant violations, the internal control policy requires immediate reporting of these violations to the AC and SEM, along with the proposed corrective actions. Additionally, measures and controls are activated to prevent the recurrence of such violations in the future.
- No significant issues were encountered by the Company during the year 2024.



Tenth: Violations Committed during the Fiscal Year 2024

KICO has been highly committed to fulfilling the established requirements concerning corporate governance and the governance standards for public joint-stock companies, ensuring its adherence to governance controls and corporate discipline standards.

According to reports provided by the Internal Audit Department and the external auditor, which are presented to the Board and its subcommittees on a regular basis, no significant violations were identified during the year 2024 regarding any matters related to the financial markets or any applicable laws.

Eleventh: The Company's Contribution to Community and Environmental Development

The Company had no significant activities in this regard; therefore, the management has focused its attention on supporting and developing the local community in the coming year, in belief of the importance of contributing to local community development and environmental preservation.



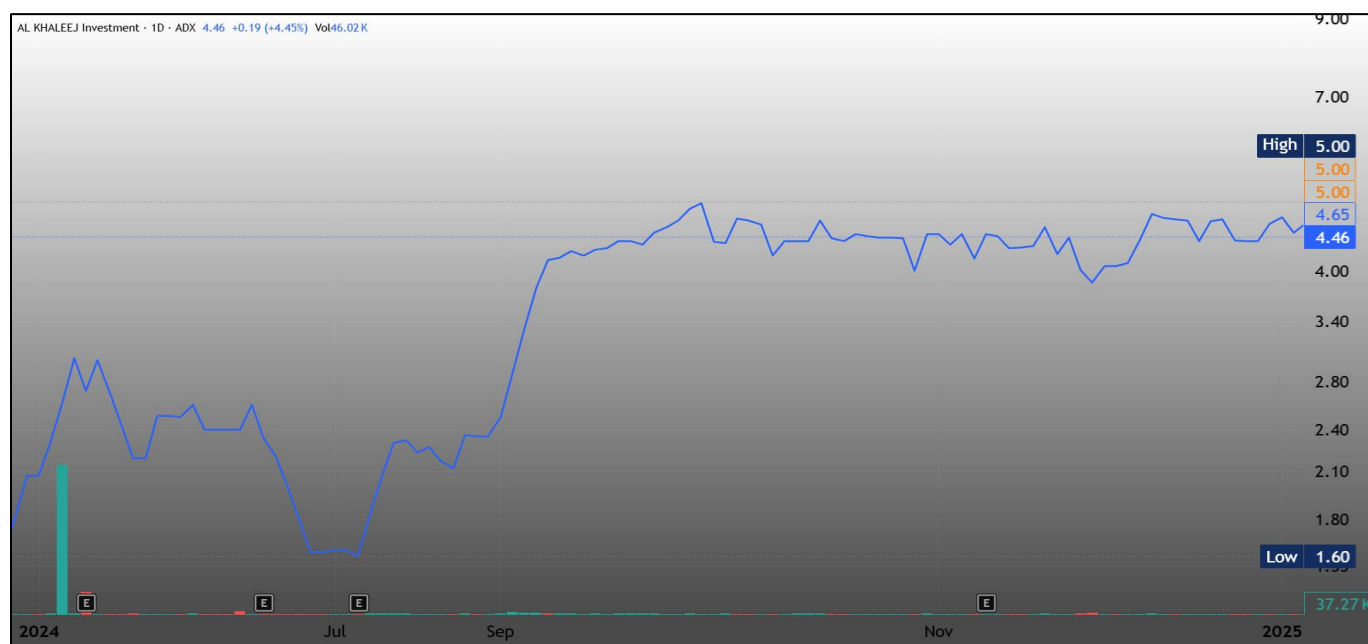
Twelfth: General Information

12.1 Statement of share price on the ADX for FY2024.

Month	Open (AED)	Close (AED)	High (AED)	Low (AED)
Jan	2.300	3.020	3.020	2.070
Feb	2.720	2.720	2.720	2.720
Mar	2.700	2.600	3.000	2.190
Apr	2.400	2.600	2.600	2.400
May	2.340	2.200	2.340	2.200
Jun	2.000	1.620	2.000	1.620
Jul	1.630	1.630	1.630	1.630
Aug	1.600	2.350	2.400	1.600
Sep	2.340	4.370	5.000	2.320
Oct	4.800	4.450	4.850	4.000
Nov	4.150	4.060	4.600	3.620
Dec	4.060	4.650	4.800	4.060

12.2 Comparing the KICO's shares with the general market and sector index:

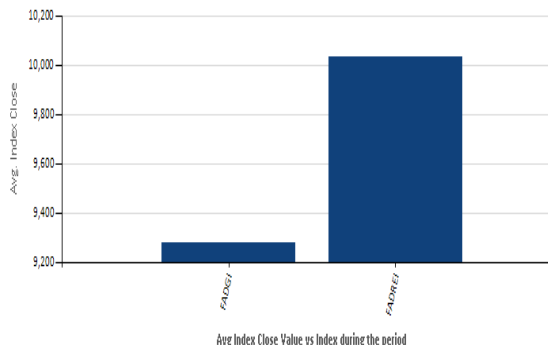
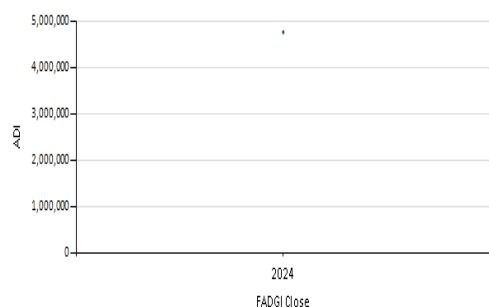
The following is a graph showing the performance of KICO's share with the general market index and the industry sector index during the year 2024.



Source: TradingView.com



Year to Date FADGI Value



12.3 Breakdown of Shareholder ownership:

Shareholders	Individuals	Companies	Government	Number of shares	(%)
UAE	49.30%	30.60%	-	83,916,406	79.90%
Gulf	17.30%	0.50%	-	18,675,883	17.80%
Arab	1.93%	-	-	2,027,374	1.93%
Alien	0.36%	-	-	380,337	0.36%
Total	72,312,084	32,687,916	-	105,000,000	-
Percentage (%)	68.90%	31.10%	-	100%	100%

12.4 Names of major shareholders and their ownership:

The following is a statement of the shareholders who own 5% or more of the Company's capital on December 31, 2024:

#	Shareholder's name	No. of shares as at 31/12/2024	Ratio of ownership in capital (%)
1	Salama Amer Omer Saleh	31,038,253	29.56%
2	Alramz Corporation for Investment and Development	30,773,053	29.31%
3	Noora Mohamad Aqeel	8,193,665	7.80%

12.5 Statement of shareholder distribution by ownership size:

The following is an indication of how the shareholders are distributed according to the volume of ownership as of 31 December 2024:



Capital share ratio	No. of shareholders	No. of shares owned	% of shares owned by the capital
less than 50,000	649	9,194,729	8.76%
From 50,000 to less than 500,000	201	19,217,216	18.30%
From 500,000 to less than 5,000,000	9	6,583,084	6.27%
More than 5,000,000	3	70,004,971	66.67%
Total	862	105,000,000	100%

12.6 Statement of actions taken on investor relations management:

Applying the governance requirements and directives of the SCA, it was decided to establish the Department of Investor Relations and adopt its regulatory structure in accordance with the decision. Investor relations management data:

Name of the investor relations officer	Mohamed Mahmoud Al-Qasabi
Email	Kico-shares@Kico.ae
Direct phone number	72281152-00971
Mobile phone number	00971-564550704
Company website	http://www.Kico.ae

12.7 Statement of special resolutions introduced, and action taken by the General Assembly during 2024:

There are no special resolutions presented at the General Assembly.

12.8 Name of Rapporteur of meetings:

Mr. Naji Merhaby, Board Secretary and Committee Rapporteur, was appointed on November 22, 2024.

12.9 Statement of substantial events during 2024

The Company appointed new CEO and CFO.

12.10 Statement of the Company's transactions with the related parties in 2024 equal to 5% or more of the Company's capital:

There are no dealings with related parties equal to or greater than 5%.

12.11 Statement of the Company's Emiratizations ratio by the end of 2024:

In 2024, about % 6.1 of the Company's total staff.

12.12 Statement of innovative projects and initiatives undertaken or under development by the Company during 2024:

The Company did not undertake any innovative initiative or projects during 2024.



Thirteenth: Assessment of the Board, its Committees, and SEM during 2024.

In line with the provisions of the Companies Law and governance regulations set forth by the SCA, and in accordance with the Company's AOA, the evaluation of the Board, its committees, and the SEM for the year 2024 is conducted as follows:

- Evaluation of the performance of the Board, members of its Committees, and SEM.
- The evaluation process is led by the Chairman of the Board, with support from the Board Secretary. The purpose is to assess the performance of the Board, its committees, and SEM. This evaluation focuses on the skills, experiences, and operational effectiveness of the Board as a whole, identifying both strengths and weaknesses. For individual members of the Executive Board, their performance is assessed based on the following criteria:
 - Fulfillment of suitability criteria.
 - Commitment to performing their duties and responsibilities.
- Based on the evaluation, the strengths and weaknesses are identified, and corrective measures are proposed to address any issues that may arise. These measures are designed to align with the best interests of the Company. The Board remains committed to addressing any weaknesses identified during the process.

Key Evaluation Criteria:

- **Suitability Criteria:** The extent to which each member meets the requirements of their position.
- **Commitment to Attendance:** The level of commitment of members to attend meetings and actively participate.
- **Independence:** The independence of members, ensuring there is no conflict of interest that could impede their duties.

To further enhance the effectiveness of the evaluation process, the Board will arrange for an independent professional external party to conduct a comprehensive performance evaluation every three years. This third-party evaluation will provide an objective, impartial assessment.

Approach:

The Company employs updated models for the evaluation of the Board, its committees, and the SEM. These models aim to demonstrate the effectiveness of the Board and the performance of its committees, ensuring the Company remains compliant with governance standards and promotes continuous improvement in its leadership practices.

This structured evaluation process helps identify areas for growth and fosters a high-performance culture, ensuring the Board and SEM work in the best interests of the Company and its stakeholders.



AL KHALEEJ INVESTMENT SC

H.E. Khalifa Alkhoori

Chairman



Date: March 6, 2025