AL KHALEEJ INVESTMENT P.S.C

Governance Report

Year 2025

AL KHALEEJ INVESTMENT P.S.C

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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 P.S.C (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 Capital Market Authority (CMA) 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 26 years of industry expertise.

KICO - Public Joint Stock Corporation recognizes the significance of implementing the Chairman of Authority's Boards' Decision no. (3/Chairman) of 2020 concerning Approval of Joint Stock Companies Governance Guide ('Authority Regulation'). The Company applies best governance practices derived from the Company's values and rationality, reflecting the extent to which the Board and 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	Shares owned as in 31/12/2025	Total sale	Total procurement
1	H.E. Khalifa Yousif Abdulla Husain Khouri	Chairman	--	--	--
		Relatives	**8,193,665**	--	**8,193,665**
2	H.E. Alia Abdulla Mohamed Almazrouei	Vice Chairman	--	--	--
3	Mr. Ahmed Omar Abdulla Balfaqeeh	Member	--	--	--
4	Mr. Samer Abdulrahman Katerji	Member	--	--	--
5	Mr. Nasser Abdulrahman Mohammad Rafi Alkhazraji	Member	--	--	--
6	Mr. Omar Siraj M Qandeel	Member	--	--	--
7	Ms. Shaikha Ahmed Saif Alqassab Alsuwaidi	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 investment 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 CMA 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 Abdulla Husain Khouri **Chairman** 	• 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. • Khalifa Khouri's leadership style is characterized by a forward-thinking approach, attention to detail, and a focus on cultivating strong business relationships. His strategic vision has not only helped his ventures succeed but also contributed to the broader economic development of the UAE. He remains dedicated to exploring new opportunities, driving innovation, and playing a pivotal role in the country's ongoing growth and diversification efforts. • 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 mergers and acquisition, bond issuance and taking company public. • He is a Chairman of Apex Investments P.S.C, Vice Chairman of UAE Padel Tennis Association. He is also a Board Member of Abu Dhabi National Industrial Projects Company and Palm Sports. • Mr. Khalifa has completed Master of Business Administration at Grand Canyon University, Phoenix, Arizona.

H.E. Alia Al Mazrouei **Vice Chairman** 	• 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.
Mr. Ahmad Omar Balfaqeeh **Board Member** 	• 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.
Mr. Nasser Abdulrahman Alkhazraji **Board Member** 	• 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 investigated new mall opportunities 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.

Mr. Samer Katerji **Board Member** 	• He is currently CEO and Managing Director of Truss bridge, an investment advisory firm based in DIFC and regulated by the DFSA for over 23 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).
Mr. Omar Siraj M Qandeel **Board Member** 	• Mr. Omar is specialized in project development and consulting for European and Asian corporations doing business in the Middle East and North Africa • He has developed manufacturing and distribution projects for European corporations in the food and packing industry looking to expand their operations to the Middle East. • Mr. Omer began his career with involvement in a wide range of research projects across both the public and private sectors, contributing to analytical studies, policy-related research, and data-driven initiatives. • Mr. Omar holds a Bachelor of Science Degree in Physics from the University of California at Berkeley and a Master of Science Degree in Geological Sciences from the University of Southern California.
Ms. Shaikha Ahmed Saif Alqassab AL Suwaidi **Board Member** 	• Shaikha Al Suwaidi is a strategic and results-driven finance professional with over 15 years of experience in public-sector financial leadership, revenue assurance, and policy impact evaluation • She has a demonstrated track record of strengthening financial governance, leading complex and high-profile audits, and driving digital transformation initiatives across government entities. • Shaikha Al Suwaidi actively contributes as a member of multiple strategic initiatives and committees, including the Abu Dhabi Police Impact Evaluation Study, Creativity Committee, Asset Inspection Committee, Innovation and Happiness Programs, Finance Department Excellence Program, CSR initiatives, ISO 9001:2015 Quality Management System, and the Financial Well-Being Program. • She is the Head of the Revenue Assurance Section within Licensing, Regulation & Compliance at the Abu Dhabi Department of Culture and Tourism. She has a bachelor's degree from Abu Dhabi University with her Bachelor of Business Administration & Accounting and Master of Business Administration.

3.2. Statement on gender composition of the Board:

Women hold 28.6 % of Boards seats at the year end.

3.3 Statements since no female component nominated to the Board:

H.E. Aliya Al Mazrouei and Ms. Shaikha Ahmed Saif Alqassab Alsuwaidi 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 ('the Federal Regulation'), 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 members of the Board of Directors 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, 2025, for the members of the Board will be set at the next General Assembly.

The Boards' pay was disbursed after being approved by the General Assembly on February 2025, in the sum of 1,050,000 AED. The remunerations were distributed as follows:

#	Name	AED
1	H.E. Khalifa Yousif Abdulla Husain Khouri	150,000
2	H.E. Alia Abdulla Mohamed Almazrouei	150,000
3	Mr. Ahmed Omar Abdulla Balfaqeeh	150,000
4	Mr. Nasser Abdulrahman Mohammad Rafi Alkhazraji	150,000
5	Mr. Samer Abdulrahman Katerji	150,000
6	Ms. Shaikha Ali Al nuwais (Resigned)	150,000
7	Mr. Munther Aldajani (Resigned)	150,000

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

#	Name	EX	N&R	AC	AED
1	Mr. Ahmad Omar Balfaqeeh	-	1	4	0000
2	Ms. Shaikha Ahmed Saif Alqassab Alsuwaidi	-	-	2	0000
3	Mr. Samer Katerji	1	1	-	0000
4	Mr. Mr. Nasser Abdulrahman Mohammad Alkhazraji	1	-	-	0000
5	H.E. Alia Al Mazrouei	1	-	-	0000
6	Mr. Omar Siraj M Qandeel	-	-	3	0000
	Previous Board members				
7	Ms. Shaikha Ali Al nuwais (Resigned)	-	1	1	00000

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 # 2 06/03/2025	Meeting # 3 12/05/2025	Meeting # 4 07/08/2025	Meeting # 5 06/11/2025
1	H.E. Khalifa Yousif Abdulla Husain Khouri	✓	✓	✓	✓
2	H.E. Alia Abdulla Mohamed Almazrouei	✓	✓	✓	✓
3	Mr. Ahmed Omar Abdulla Balfaqeeh	✓	✓	✓	✓
4	Mr. Nasser Abdulrahman Mohammad Alkhazraji	✓	✓	✓	✓
5	Mr. Samer Abdulrahman Katerji	--	✓	✓	✓
6	Ms. Shaikha Ahmed Saif Alqassab Alsuwaidi	--	--	✓	✓
7	Mr. Omar Siraj M Qandeel	--	✓	✓	✓
8	Ms. Shaikha Ali Al nuwais (Resigned)	--	--	--	--

Changes in the Company's Board of Directors

-On 17 April 2025, Mr. Omar bin Siraj bin Mahmoud Qandeel was appointed as a member of the Company's Board of Directors, in recognition of his extensive experience in joint stock companies and the value he is expected to add to the Board.

-On 25 April 2025, the resignation of Ms. Sheikha Al nuwais from the Board of Directors was accepted. The Company extends its appreciation for her efforts and contributions during her tenure.

-On 23 June 2025, Ms. Sheikha Ahmed Al Qassab Al Suwaidi was appointed as a member of the Board of Directors, given her strong financial expertise which will further enhance the Board's capabilities and support the Company's strategic direction.

3.6 Decisions to pass within a year:

There is one resolution by passing, which is the Boards' resolution to approve a capital increase,

dated February 20, 2025.

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

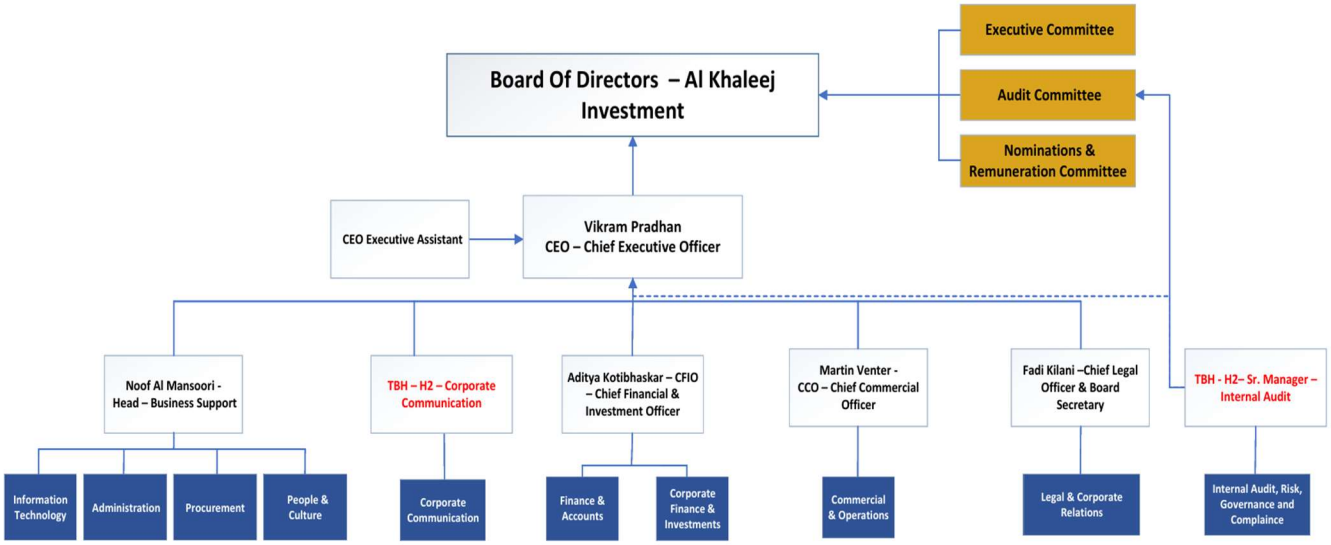
Based on the powers vested in the Board to manage the Company and in accordance with the statutes of the Company and Federal Regulation, the Board has been granted the following:

#	Name	Valid Authorization	Duration of authorization
1	H.E Khalifa Yousif khoori	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
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 2025	Total Bonus paid for 2024
1	Chief Executive Officer	15/07/2024	2,100,000.00	-----
2	Chief Financial & Investment Officer	11/11/2024	1,440,000.00	-----
3	Head of Business Support	28/10/2024	600,000.00	-----
4	Chief Commercial Officer	17/04/2025	1,016,000.00	-----
5	Chief Legal Officer & Board Secretary	01/09/2025	356,000.00	-----

Note: No staff bonus has been approved for 2025 to date.

Fourth: External Auditor

4.1 Profile of the external auditor, KPMG:

KPMG is a global organization of independent professional services firms providing Audit, Tax and Advisory services. KPMG is the brand under which the member firms of KPMG International Limited

("KPMG International") operate and provide professional services. "KPMG" is used to refer to individual member firms within the KPMG organization or to one or more member firms collectively. KPMG firms operate in 143 countries and territories with more than 273,000 partners and employees working in member firms around the world. Each KPMG firm is a legally distinct and separate entity and describes itself as such. Each KPMG member firm is responsible for its own obligations and liabilities. KPMG International Limited is a private English company limited by guarantee. KPMG International Limited and its related entities do not provide services to clients.

4.2 Statement of External Auditor's fees and costs:

At its meeting of 11/04/2025, the General Assembly appointed KPMG and set their annual professional fees at AED360,000 to perform the Company's audit functions for 2025 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 CMA 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.

There was no other external auditor for 2025 besides KPMG.

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 2025:

#	Members	Position	Category	No. of attendances
1	Mr. Omar Siraj M Qandeel	Chairman	Independent	3
2	Mr. Ahmad Omar Balfaqeeh	Member	Independent	4
3	Ms. Shaikha Ahmed Saif Alqassab Alsuwaidi	Member	Independent	2
	Previous Board members			
4	Ms. Shaikha Ali Al nuwais (Resigned)	Member	Independent	0

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 AC to perform its duties.

Meeting	Number	Date
(1)	01/2025	27/02/2025
(2)	02/2025	08/05/2025
(3)	03/2025	31/07/2025
(4)	04/2025	30/10/2025

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 2025:

#	Members	Position	Category	No. of attendances
1	Mr. Ahmad Omar Balfaqeeh	Chairman	Independent	1
2	Ms. Shaikha Ahmed Saif Alqassab Alsuwaidi	Member	Independent	0
3	Mr. Samer Katerji	Member	Independent	1
	Previous Board members			
4	Ms. Shaikha Ali Al nuwais (Resigned)	Member	Independent	0

The N&R Committee held one meeting during the year 2025 on the following dates:

Meeting	Meeting Number	Date of the meeting
(1)	01/2025	09/05/2025

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 members 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 2025. 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. Fadi Kilani	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 people.

- Consideration and prior approval of applications for trading in shares.

7.3 Summary of the Committee's 2025 work report.

A meeting was held on 30 December 2025 to update reports and statements containing the Company's insiders' names and dealings and notify the financial market and discuss and review the trading processes of its shareholders during 2025.

Eighth: Executive Committee (EX C)

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 2025:

#	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

The EC held one meetings during the year 2025 on the following dates:

Meeting	Meeting Number	Date of the meeting
(1)	01/2025	28/07/2025

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 CMA, 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. Nishant Parihar (EY) was appointed to head the Internal Audit Department in March 2025. 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.

A compliance officer (Mr. Mohamed Mahmoud) was appointed in 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 2025.

Tenth: Violations Committed during the Fiscal Year 2025

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 2025 regarding any matters related to the financial markets or any applicable laws.

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

The Company has 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.

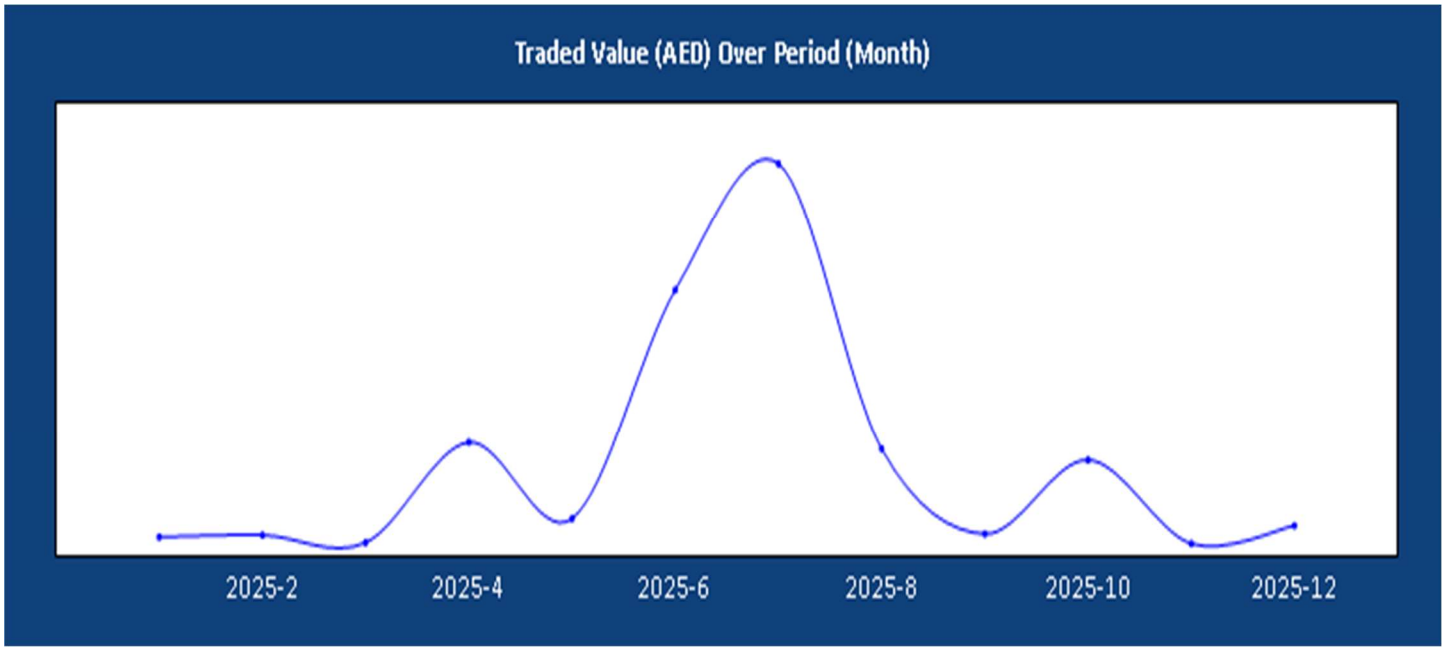
Twelfth: General Information

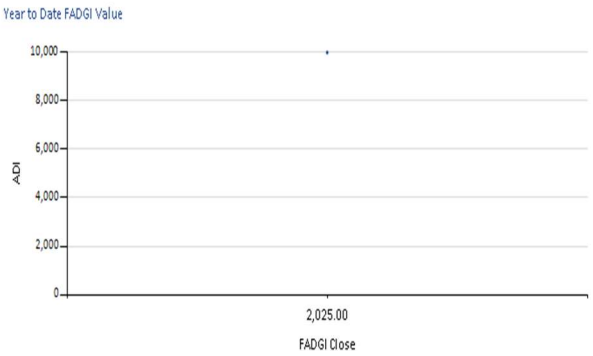
12.1 Statement of share price on the ADX for FY2025.

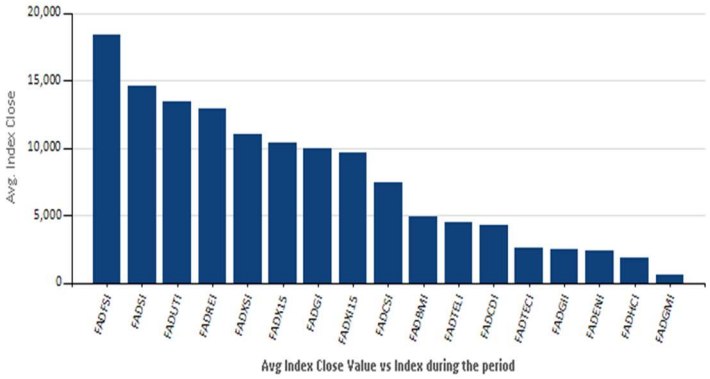
Year	Month	Open (AED)	Close (AED)	High (AED)	Low (AED)
2025	12	5.660	5.450	6.000	5.400
	11	6.000	5.650	6.010	5.380
	10	5.860	5.950	6.01	5.080
	9	6.700	6.500	7.670	5.820
	8	7.100	6.800	7.100	6.550
	7	5.780	7.200	7.610	5.300
	6	3.550	5.990	6.250	3.550
	5	4.000	3.920	4.000	3.500
	4	3.810	4.000	4.610	3.610
	3	4.030	4.190	4.480	3.800
	2	4.250	4.460	4.560	3.850
	1	4.600	4.320	4.750	3.900
	Total				

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 2025.







12.3 Breakdown of Shareholder ownership:

Shareholders	individuals	Companies	Government	Number of shares	(%)
UAE	59,091,825	32,501,732	-	91,593,557	87.23%
Gulf	12,855,943	380,604	-	13,236,547	12.61%
Arab	42,115	127,780	-	169,895	0.16%
Alien	1	-	-	1	0.00%
Total	71,989,884	33,010,116	-	105,000,000	-
Percentage (%)	96%	4%	-	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, 2025:

#	Shareholder's name	No. of shares as at 31/12/2025	Ratio of ownership in capital (%)
1	Salama Amer Omer Salem	31,038,253	29.56%
2	Al Ramz 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 2025:

Capital share ratio	No. of shareholders	No. of shares owned	% of shares owned by the capital
less than 50,000	674	9,033,070	9%
From 50,000 to less than 500,000	188	18,544,356	18%
From 500,000 to less than 5,000,000	10	7,417,603	7%
More than 5,000,000	3	70,004,971	67%
Total	**875**	**105,000,000**	**100%**

12.6 Statement of actions taken on investor relations management:

Applying to the governance requirements and directives of the CMA, 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 manager	Mohamed Mahmoud Al Qasaby
Email	Kico-shares@Kico.ae
Direct phone number	00971-43824200
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 2025:

There are special resolutions presented at the General Assembly.

-Approval of Increase in Share Capital and amendment to Article (6) of the Articles of Association (AOA)

- Amendment Articles (3, 24 & 40) of the Articles of Association of the Company to comply with Federal Decree-Law No. 32 of 2021 concerning Commercial Companies and the applicable laws and regulations,

12.8 Name of Rapporteur of meetings:

Mr. Fadi Kilani, Board Secretary and Committee Rapporteur, was appointed in September 2025.

12.9 Statement of substantial events during 2025

The Company appointed new CCO, CLO

12.10 Statement of the Company's transactions with the related parties in 2025 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 2025:

In 2025, about % 5.4 of the Company's total staff.

12.12 Statement of innovative projects and initiatives undertaken or under development by the Company during 2025:

-The company successfully established new branches in Dubai and Abu Dhabi, further strengthening its operational footprint across the UAE. Moreover, the Group established separate entities to focus on its currently targeted sectors, namely energy, marine, and real estate.

-The Company entered into a joint venture agreement for the development of two strategic plots on YAS Island. The project has a projected Gross Development Value (GDV) of AED 2.2 billion which was approved in August2025.

Thirteenth: Assessment of the Board, its committees, and SEM during 2025.

In line with the provisions of the Companies Law and governance regulations set forth by the CMA, and in accordance with the Company's AOA, the evaluation of the Board, its committees, and the SEM for the year 2025 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.

H.E. Khalifa Yousif Alkhoori



Chairman

Date: 23/02/2026