

# ESG Emirates Stallions Group

## Corporate Governance Report

2023



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## 1-1

### INTRODUCTION

ESG Emirates Stallions Group was established as a Limited Liability Company in 2008. Pursuant to a special resolution of the shareholders passed on 8th April 2021, Emirates Stallions Group was converted into a Private Joint Stock Company (hereafter referred as “ESG Emirates Stallions Group PJSC” or the “Company” or the “Group”). ESG Emirates Stallions Group PJSC was listed in Abu Dhabi Securities Exchange (ADX) Second Market on 31<sup>st</sup> May 2021.

ESG comprises of twenty seven (27) subsidiary companies spanning various industries, delivering products and services across more than 20 countries in the Middle East, Africa, Asia, Europe, and the Americas.

The main activities of the Group are represented in investing in commercial, real estate, industrial and agricultural projects, and the activities of the Group companies vary between purchasing and selling land and real estate, real estate development construction, real estate management and leasing, management services for companies and private institutions, general contracting, building maintenance, afforestation contracting, irrigation networks, landscaping and gardening services, plants and trees saplings trading, agricultural pest control services, disinfection and sterilization services and street cleaning. It also includes design services and architectural engineering consultancy, feasibility studies, interior design, architectural production and drawing technical consultancy, marketing operations management, management and operation of public utilities, upon request employees provision services and all related services, human resources and logistics consultancy, accounting records and books keeping organization, administrative and legal consultancy, development and innovation in computer systems and programs, information technology consultancy, procurement consulting, call centre services, transactions follow-up and related services, and also includes the interior design implementation works (Décor) and the sale of decoration materials, home furniture and office furniture manufacturing, sale, import and export trade, and onshore and offshore oil and gas field and facilities services.

Strong and effective Corporate Governance helps to cultivate a Group culture of integrity, leading to positive performance and a sustainable business overall. Governance of an enterprise encompasses several aspects such as the composition & role of the Board of Directors, decision making process, oversight of management, compliance, and compensation practices. At ESG Emirates Stallion Group, it's our strong belief that a stronger corporate governance foundation and good business ethics is a key factor in achieving effective leadership, sustainable corporate behavior ensuring Groups' ability to compete effectively & realize our full value potential.

This corporate governance report gives an overview of ESG's corporate governance systems & procedures as of December 31, 2023 & has been submitted to Ministry of Economy posted on the ADX website and the Group's website.



## 2-1

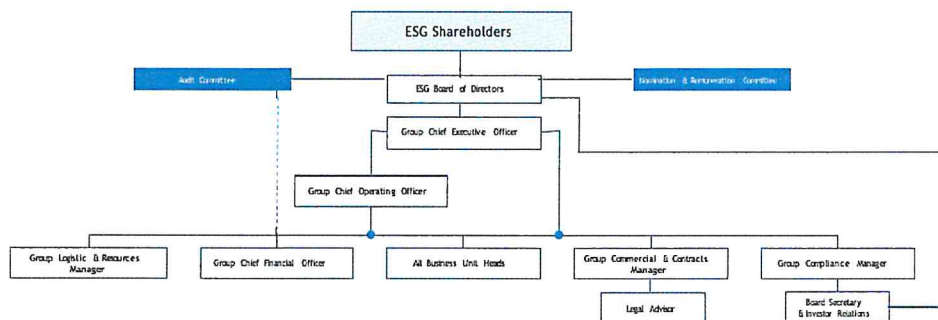
## GROUP GOVERNANCE STRUCTURE



ESG believes that maintenance of an efficient organizational structure, systems for internal control and risk management & transparent internal and external reporting ensures that all operations create long-term value for shareholders and other stakeholders.

The Board of the Group has established a governance structure to direct and control the business in an efficient manner. The structure specifies the distribution of rights and responsibilities among various stakeholders within the Company and establishes the policies and procedures for making business decisions.

**ESG's Structure is as below:**





## 3-1

# IMPLEMENTATION OF CORPORATE GOVERNANCE PRINCIPLES

The shareholders are the ultimate decision-makers in respect of the direction of the Group as they are responsible for appointing the Board of Directors. The General Assembly Meeting is the highest decision-making body in the Group and is the forum in which shareholders express themselves and exercise their right to decide on the Group's direction.

The Group is committed to implementing best governance standards as the following:

- The effectiveness of the board of directors' performance of its functions in addition to its full knowledge of the Group's affairs.
- Clarity of the role & responsibilities of the board, its members, its committees, and senior executives.
- Effective communication with shareholders through general assemblies and periodic reports.
- Permanent compliance with the disclosure instructions issued by the Securities and Commodities Authority and the ADX.
- Monitoring the Group's performance through an internal control system.
- Adoption of high standards and ethical practices by the Group and its employees.

Procedures taken to ensure effective governance:

- Appointing an external auditor.
- Implementing strong internal control & risk management system.

## 3-1-1

# ROLE OF BOARD AND EFFECTIVE DELEGATIONS

The Group is managed by the Board of Directors composed of five members elected by the ordinary general assembly through a cumulative secret ballot for a period of three years. The Board of Directors then elect the Chairman and the Vice Chairman from among its members. The position of the Board's Chairman and the position of CEO are separate.



The Board is and shall remain responsible for the overall governance of the Group and for those matters that are reserved for the Board. The Board's role and responsibilities are set out in the Board Charter, which include:

- Establishing & amending ESG's Corporate governance structure & framework.
- Review board composition and performance.
- Issuance / granting or revoking of general / specific power of attorney.
- Spell out ESG's vision and values. Set ESG's strategic direction / goals, approve and monitor corporate strategy (including subsidiaries), business plan, annual budget, and any amendments thereto.
- Review financial performance considering the strategy, business plan and budget of ESG ensuring that where necessary corrective action is taken.
- Establishment / Amendment of Authorized Bank Signatories / Mandates.
- Approval for listing / delisting on stock exchanges.
- Approve investment related decisions including mergers and acquisitions.
- Adoption and subsequent changes to Delegation of Authority including the Authority Framework
- Accounting of theft/fraud/ dishonesty of significant nature. Any event of theft /fraud or dishonesty needs to be reported to the Audit Committee and based on investigation the actions will be taken.
- Approval of Quarterly / Annual Financial Statements.
- Recruitment and Termination, Reward & Compensation and Benefit Matters for senior executive management.
- Review and approve incentive scheme for the group employees.
- Communication to external media (excluding marketing and business-related updating).
- Screening and Selection of Financial Institutions/Banks.
- Opening or closing of bank accounts.
- Creation of any Mortgage, Charge, or other Security Interest over any of the ESG's assets.
- Review and approve the Group's Annual Corporate Governance Report.

The Board has established Two (2) Committees namely Audit Committee, Nomination and Remuneration Committee, which review and monitor key areas on behalf of the Board and make recommendations for its approval. Each Board Committee operates under written terms of reference which are currently reviewed and shall be approved by the Board. The Chair of each Committee reports to the Board on their activities and minutes are circulated to all Board members once they have been approved by the Committee. Information on the activities and composition of each Committee is set out in Para 7-1





### 3-1-2

## DELEGATION OF AUTHORITY TO THE BOARD MEMBERS AND EXECUTIVE MANAGEMENT

The Board of Directors of ESG Emirates Stallions Group PJSC has authorized the Chairman of the Board, through an official Power of Attorney, with the powers of representation, attendance, transaction, and broad signing authority (with extensive powers) on behalf of the Group and its subsidiaries in all matters and transactions. The effectiveness of this Power of Attorney is valid until July 2026, as signed and attested by the Notary Public.

The Board of Directors of ESAG Stallions Group PJSC has delegated authority to the Chief Executive Officer through an official Power of Attorney, with the authority and powers to manage the business affairs of the Group and all its subsidiaries. The effectiveness of this Power of Attorney extends until January 2026, as signed and attested by the Notary Public.

### 3-1-3

## CORPORATE GOVERNANCE POLICIES AND PROCEDURES

Below is a summary of ESG's key policies and procedures to promote and enhance higher corporate governance standards:

- Corporate Governance Manual covering the roles and responsibilities of all stakeholders involved in governance processes including the General Assembly of Shareholders, the Board of Directors including the Chairman of the Board and Board Committees, CEO, Senior Management, Internal Audit / Internal Control, External Audit, Board & Committees Secretary & other stakeholders.
- Delegation of authority for ESG, Subsidiaries & Affiliates of ESG to ensure efficient and effective decision-making which balances empowerment against controls.
- Code of Conduct and Business Ethics to guide the conduct of Directors and Employees
- Board of Directors Charter for effective functioning of the Board.
- Charters for effective functioning of the Board Committees namely Audit Committee and Nomination and Remuneration Committee.
- Conflict of Interest Policy sets forth requirements for the avoidance and management of potential and actual conflicts of interests.
- Disclosure and Transparency Policy provides guidelines to ensure that ESG makes timely and accurate



disclosure on all material matters, including the financial situation, performance, governance, rules pertaining to disclosure of information, methods of classification of information, and the frequency of disclosure.

- Internal Controls Framework provides guidelines to Management to design and implement internal control processes.





## 4-1

### SUBSIDIARIES GOVERNANCE



ESG takes an enterprise-wide approach to subsidiary governance. The Group maintains high level of transparency and accountability which includes implementation of strong corporate governance for its subsidiaries. ESG Management holds monthly performance meetings with subsidiaries' management to oversee the business, progress and risks involved. Further, the Delegation of Authority Policy framework lists out the matters reserved for ESG Shareholders, ESG Board, ESG CEO and ESG Subsidiaries.



## 5-1

# THE BOARD OF DIRECTORS TRANSACTIONS IN GROUP'S SECURITIES

## 5-1-1

**TRANSACTIONS REPORT OF THE MEMBERS OF THE BOARD OF DIRECTORS, THEIR SPOUSES, AND THEIR CHILDREN IN THE COMPANY'S SECURITIES DURING THE YEAR 2023**

SNO	Name	Position / Kinship	Total sale	Total purchase	Owned shares as on 31/12/2023
1	Matar Suhail Ali Al Yabhouni Aldhaheeri	Board Chairman	-	-	12,500,000
2	Ali Saeed Abdulla Sulayem Alfalasi	Board Vice Chairman	-	-	-
3	Abdulla Rashed Mohammad Rashed Al Rashdi	Board Member	150,000	-	-
4	Salam Ali Mohammed Al Rawashdeh	Board Member	-	-	-
5	Seifallah Mohamed Amin Mahmoud Fikry	Board Member	-	-	-

## 5-1-2

**TRANSACTIONS REPORT OF THE MEMBERS OF THE BOARD OF DIRECTORS RESIGNED DURING THE YEAR 2023, AND THEIR SPOUSES AND THEIR CHILDREN IN THE COMPANY'S SECURITIES.**

None of the Board of Directors resigned during the year 2023.

## 5-1-3

**THE EXTENT TO WHICH THE BOARD MEMBERS ARE COMMITTED TO COMPLY WITH DISCLOSURE REQUIREMENTS PRESCRIBED BY THE PROVISIONS OF THE LAW AND THE REGULATIONS AND DECISIONS ISSUED PURSUANT THERETO IN RESPECT OF THEIR TRANSACTIONS IN SECURITIES.**

Members of the Board of Directors have complied with the disclosure requirements prescribed by the provisions of the law, regulations and decisions issued pursuant there to in respect of their transactions in securities issued by the Company.





## 6-1

### ESG BOARD OF DIRECTORS

The Board is structured to ensure that it has an effective composition, size, commitment and an appropriate collective mix of skills, experience, and expertise to discharge its responsibilities and duties. The present Board of Directors was elected at the Constitutive General Assembly Meeting held on 5th May 2021 for a term of three years. The Board currently has Five (5) members and all of them are Independent, Non - Executive Board Members.

Board of Directors	Role	Category	Member Since
Mr. Matar Suhail Ali Al YabhouniAldhaheeri	Chairman of the Board	Independent, Non-Executive	May 2021
Mr. Ali Saeed Abdulla Sulayem Alfalasi	Vice – Chairman Chairman – Audit Committee Member – Nomination and Remuneration Committee	Independent, Non-Executive	May 2021
Mr. Abdullah Rashed MohammadRashed Alrashdi	Board Member Chairman – Nomination and Remuneration Committee Member – Audit Committee	Independent, Non-Executive	May 2021
Mr. Salam Ali Mohammed Al Rawashdeh	Board Member Member – Nomination and Remuneration Committee	Independent, Non-Executive	May 2021
Mr. Seifallah Mohamed AminFikry	Board Member Member – Audit Committee	Independent, Non-Executive	May 2021



## 6-1-1

### PROFILE OF BOARD MEMBERS

The below shows the names, roles, experience, and capacities of the current Board of Directors.

#### HIS EXCELLENCY/

#### MATAR SUHAIL ALI ALYABHOUNI ALDHAHERI

Positions and Committee Memberships

**CHAIRMAN, INDEPENDENT/ NON-EXECUTIVE**



#### Skills, Experience and External Appointments

His Excellency Matar Suhail Ali Al Yabhouni Al Dhaheri, distinguished as a retired Brigadier General, currently serves as the Chairman in an Independent and Non-Executive role. His extensive professional journey spans over 25 years in the UAE armed forces, public, and private sectors. His Excellency's notable leadership roles include serving as the Managing Director of Gulf Dunes Landscaping & Agricultural Services LLC in the UAE, and as a board member of the UAE Federal National Council.

As an astute investor and trader, His Excellency has a strong portfolio in real estate, stocks, and companies both within the UAE and internationally. His high-profile business network and roles as a shareholder and director in various companies demonstrate his deep engagement across multiple industries.

In the realm of sports and community involvement, he is the President of the UAE Team Emirates for Cycling, a Member of the Emirates Horse Racing Authority (ERA), and Chairman of the UAE President's Cup World Series for Purebred Arabian Horses. He also contributes to various UAE sports organizations, including the Ghantoot Polo Club; Al Ain Equestrian, Shooting and Golf Club and the UAE's Equestrian and Racing Federation. His Excellency is a former board member of Abu Dhabi Sports Council.

Academically, His Excellency holds a Bachelor's and Master's degree in Air Force and a certificate in Strategic Management Issues in Military Organizations from the Naval Postgraduate School, along with a CFA designation, highlighting his financial and strategic acumen.





## MR. ALI SAEED ABDULLA SULAYEM ALFALASI

Positions and Committee Memberships

**VICE CHAIRMAN, INDEPENDENT/ NON-EXECUTIVE**

**CHAIRMAN, AUDIT COMMITTEE**

**MEMBER, NOMINATION & REMUNERATION COMMITTEE**



### Skills, Experience and External Appointments

Mr. Ali Saeed Abdulla Bin Sulayem Al Falasi has been leading Hydra Properties as CEO since 2009 and has played a pivotal role in elevating the Group's stature in the real estate sector. His leadership extends beyond Hydra Properties, as he also contributes his expertise as a board member at Aldar Properties, one of the region's most prominent real estate companies.

Mr. Ali Previously held the position of the Head of the Group Internal Audit Department at Royal Group Companies Management and held key roles at the Abu Dhabi Department of Finance and the Private Department of H.H. Sheikh Zayed Bin Sultan Al Nahyan, where he served as Deputy Director and then Director of the Internal Audit Department. His experience in these positions has significantly influenced his business leadership style.

Academically, Mr. Ali holds a BA in Accounting from the United Arab Emirates University and a BS in Production & Operation Management from California State University. He also holds an MBA from the University of Sharjah.



## MR. ABDULLA RASHED MOHAMMAD RASHED ALRASHDI

Positions and Committee Memberships

**BOARD MEMBER, INDEPENDENT/ NON-EXECUTIVE**  
**CHAIRMAN, NOMINATION & REMUNERATION COMMITTEE**  
**MEMBER, AUDIT COMMITTEE**



### Skills, Experience and External Appointments

Mr. Abdulla Rashed Mohammad Rashed Alrashdi holds the position of CEO at Tamouh Healthcare, where he has been instrumental in steering the Group through the challenges of the pandemic with effective leadership and management strategies. In addition to his role at Tamouh Healthcare, he serves as the Chairman of Adcan Pharma, guiding the Group in its pursuit of innovation and excellence in the pharmaceutical industry. His commitment to intellectual and community enrichment is further exemplified in his role as Vice Chairman of Al Ain Chess Club, where he promotes strategic thinking and mental agility. Mr. Abdulla also holds the position of the Chairman of Esysoft Technologies Group and the Chairman of Reach Employment Services.

Before joining Tamouh Healthcare in 2019, Mr. Abdulla accumulated extensive experience at the Abu Dhabi Police General Headquarters, Abu Dhabi Authority of Culture and Heritage, and within the Federal Government.

Academically, Mr. Abdulla holds an MBA in Finance and Administration from Abu Dhabi University.





## MR. SALAM ALI MOHAMMED AL RAWASHDEH

Positions and Committee Memberships

**BOARD MEMBER, INDEPENDENT/ NON-EXECUTIVE  
MEMBER, NOMINATION & REMUNERATION COMMITTEE**



### Skills, Experience and External Appointments

Mr. Salam Ali Mohammed Al Rawashdeh is a seasoned leader with a distinguished career in strategic advisory roles and an unwavering commitment to driving strategic excellence. Mr. Salam serves as the trusted Advisor to the Chairman of Abu Dhabi Airports. His experience in guiding organizational strategies and setting-up board oversight and governance structures was instrumental in contributing to the growth and success of one of the region's principal aviation hubs.

More recently, Mr. Salam has taken on the role of CEO and Managing Director of Masaar Abu Dhabi, a significant milestone in his career journey. In this leadership capacity, he serves as a trusted confidant to Abu Dhabi's key decision-makers, offering invaluable guidance on strategic matters, governance, and investments. Mr. Salam also continues to apply his skills in guiding Masaar Abu Dhabi towards success through strategic vision and effective execution.

Mr. Salam is also an active board member, lending his expertise to a range of organizations in the industry development, infrastructure, and services sectors that share his commitment to fostering positive change. His invaluable strategic insights, channeled through his board responsibilities, play a pivotal role in advancing their missions.

Academically, Mr. Salam holds a bachelor's degree in civil engineering from the University of Jordan and a Master of Business Administration from Abu Dhabi University. His educational background, combining technical engineering skills with business management expertise, has been fundamental to his professional success and decision-making prowess.



## MR. SEIFALLAH MOHAMED AMIN FIKRY

Positions and Committee Memberships

**BOARD MEMBER, INDEPENDENT/ NON-EXECUTIVE  
MEMBER, AUDIT COMMITTEE**



### Skills, Experience and External Appointments

Seifallah Mohamed Amin Fikry, an accomplished C-level executive within the MENA region's capital Markets, brings forth a wealth of experience spanning over 27 years in securities, coverage, origination, and market regulation. In November 2018, he assumed the roles of Board Member and CEO at Chimera Capital, contributing significantly to the launch of the first SCA Umbrella fund and SCA ETF in 2020. Prior to this, Fikry founded Afkar Capital in ADGM in December 2015, where he pioneered the introduction of the MENA region's inaugural UCITS Physical in-kind ETF in collaboration with S&P and BNY Mellon. Furthermore, Mr. Seif is a Managing Partner at Lunate, in his position, Mr. Seif oversees Lunate's Public Markets Strategy and Operations.

During his extensive 18-year tenure at EFG Hermes, Mr. Seif served on the Executive Committee and spearheaded the establishment of the Group's first international operation. This endeavor grew to encompass 110 employees, generating USD 100 million in revenue and facilitating over USD 75 billion in annual trading volume. His leadership propelled EFG UAE to attain the No.1 ranking on both DFM and ADX. Fikry played significant roles in the ESCA Advisory Committee (2013-14) and the Nasdaq Dubai Practitioner Committee. Additionally, he founded the EFG Hermes One on One Conference in 2001, now recognized as a premier MENA investment conference.

Mr. Seif's distinguished career has been marked by numerous accolades, including MENA Sales awards from Reuters and Institutional Investor, along with the MENA Fund Manager Performance Award for "ETF's". His in-depth understanding of the client base, comprising local brokers and asset managers, has been instrumental in his sustained success in sales and business development.

Academically, Mr. Seif is a graduate of the American University of Cairo.





### 6-1-3

## DIVERSITY - WOMEN'S REPRESENTATION IN THE BOARD OF DIRECTORS IN 2023

ESG supports the inclusion and participation of women in business and believes diversity contributes to the quality and effectiveness of governance. For the last election of the Board, the Group invited nominations from both male and female candidates; however, no nominations of female representatives were received. Hence, we do not have any female representation in our current Board.

### 6-1-4

## KEY FOCUS AREAS FOR THE BOARD DURING 2023

During 2023, the Board of Directors focused and made decisions on various areas as below.

#### Strategic, Operations and Finance

- Approved reorganization of ESG Group structure
- Approved acquisitions of various strategic investments.

#### Governance

- Approved Corporate Governance Policies

#### Risk Management

- Identified & capitalized various strategic & operational opportunities resulting in optimizing the overall financial performance of the Group.



### 6-1-5

## METHOD OF DETERMINING THE REMUNERATIONS OF BOARD OF DIRECTORS

The Board of Directors' remuneration shall be determined in accordance with the Article of Association of the Group, subject to the provisions of Federal Law No. (32)/2021 regarding commercial companies. The remuneration of the members of the Board of Directors shall consist of a percentage of the net profit.

A maximum percentage of (10%) ten percent of the remaining net profits of the ending financial year, after deducting all amortizations and reserves, is allocated as remuneration to the Board Members, and the General Assembly shall decide the value of such remuneration on annual basis. Any penalties imposed by the Ministry or Competent Authority on the Group due to acts undertaken by the Board in violation of the Companies Law or these Articles during the ending financial year, shall be deducted from the said remuneration. The General Assembly Meeting may decide not to deduct all or part of such penalties if it finds out that they are not attributable to the negligence or mistake by the Board.

By way of an exception to provision (b) of Article (171) of Companies Commercial Law No. (32/2021), & subject to the regulations issued by the Ministry in this regard, a member of the Board may be paid a lump sum fee not exceeding two hundred thousand (200,000) dirhams at the end of the fiscal year, and after the approval of the General Assembly on payment of these fees, in the following cases:

- a. If the Company is not making a profit.
- b. If the Company achieves profits and the Board's amount of those profits is less than two hundred thousand (200,000) dirhams. In this case, it is not permissible to combine the remuneration and the fees.

### 6-1-6

## TOTAL REMUNERATIONS PAID TO THE MEMBERS OF BOARD OF DIRECTORS 2023

A remuneration of AED 2,282,685 is proposed to be paid to the Board of Directors for the financial year ended 31 December 2023, the shareholders approved this proposal on the Annual General Assembly held on 7<sup>th</sup> March 2024.





## 6-1-7

### DETAILS OF THE ALLOWANCES FOR ATTENDING SESSIONS OF THE COMMITTEES EMANATING FROM THE BOARD, WHICH WERE RECEIVED BY THE BOARD MEMBERS FOR THE YEAR 2023.

No Allowances allocated or received for attending the sessions of the Board of Directors and the committees emanating from the Board for the year 2023.

## 6-1-8

### DETAILS OF THE ADDITIONAL ALLOWANCES, SALARIES OR FEES RECEIVED BY A BOARD MEMBER, DURING THE YEAR 2023, OTHER THAN THE ALLOWANCES FOR ATTENDING THE COMMITTEES AND THEIR REASONS.

No allowances, salaries, or additional fees were allocated or disbursed during the year 2023.

## 6-1-9

### THE BOARD MEETINGS

The Board of Directors had convened four (4) meetings during 2023 as follows:

No	Meeting Date	Attendance	Proxy	Absent	Names of Absent Members
1	23/01/2023	5 (5 via con-call)	-	-	-
2.	11/05/2023	5 (4 via con-call)	-	-	-
3.	28/07/2023	3 (2 via con-call)	1	1	Salam Ali Mohammed Al Rawashdeh
4.	23/10/2023	4 (3 via con-call)	-	1	Salam Ali Mohammed Al Rawashdeh



Below details of Board meetings attendance during the year 2023 as follows:

Board of Directors	No. of Absence/ No. of Meetings	First Meeting 23/01/2023	Second Meeting 11/05/2023	Third Meeting 28/07/2023	Fourth Meeting 23/10/2023
His Excellency Matar Suhail Ali Al Yabhouni Aldhaheri	0/4	✓	✓	✓	✓
Mr. Ali Saeed Abdulla Sulayem Alfalasi	0/4	✓	✓	✓	✓
Mr. Abdulla Rashed Mohammad Rashed Alrashdi	0/4	✓	✓	✓	✓
Mr. Salam Ali Mohammed Al Rawashdeh	2/4	✓	✓	X	X
Mr. Seifallah Mohamed Amin Mahmoud Fikry	0/4	✓	✓	✓	✓

## 6-1-10

## SUMMARY OF BOARD RESOLUTIONS PASSED DURING 2023

### a. Resolutions Passed at the Board Meetings

Sr No	Board Meeting Date	Resolutions Passed
1	23/01/2023	<ul style="list-style-type: none"> <li>- Approval of the financial statements for the year ended 31 December 2022</li> <li>- To discharge the members of the Executive Management from liability for their activities for the fiscal year ended on 31/12/2022</li> <li>- To approve the "Corporate Governance Policies" that were discussed and recommended by Nomination &amp; Remuneration Committee</li> <li>- To Call for AGM</li> </ul>
2	06/02/2023 resolution by circulation	Acquiring 100% shares of the capital of TRI STAR Investment LLC
3	28/03/2023 resolution by circulation	To call for General Assembly Meeting to discuss and approve below matters: <ul style="list-style-type: none"> <li>- Approve sale of 5000 shares of one of the Company's subsidiaries in Aleskan Aljamae LLC ("Aleskan") representing 50% of Aleskan's capital to Kizad Communities Development &amp; Services Company LLC ("Kizad") for a consideration of 23,91% shareholding in Kizad's Capital.</li> <li>- Approve delegating Mr. Kayed Khorma, holder of UAE resident identity card number 784-1960-6809079-2, the powers to complete the sale procedures and to execute all the sale agreements and all required documents to conclude the transaction mentioned above as per the laws and regulations in force in the United Arab Emirates</li> </ul>
4	11/04/2023 resolution by circulation	To call for General Assembly Meeting to discuss and approve below matters: <ul style="list-style-type: none"> <li>- Approve selling the entire share of one of the Group's subsidiaries in WFC Holding L.L.C. (the "Company") representing 70% of the Company's capital to Reach Global Services Holding 1 SPV Limited and one of its subsidiaries for consideration of AED 314.58 million.</li> <li>- Approve delegating Mr. Kayed Khorma, holder of UAE resident identity card number 784-1960-6809079-2, the powers to complete the sale procedures and to execute all the sale agreements and all required documents to conclude the transaction mentioned above as per the laws and regulations in force in the United Arab Emirates</li> </ul>



5	11/05/2023	Approval of the interim financial statements for the period ended 31 <sup>st</sup> March 2023
6	30/05/2023 resolution by circulation	Approve investment projects in Dubai & Zenzibar
7	10/07/2023 resolution by circulation	Acquire 51% in the capital of UNITED INTERNATIONAL GROUP – MANPOWER RECRUITMENT DIVISION LLC.
8	25/07/2023 resolution by circulation	To call for General Assembly Meeting to discuss and approve below matters: <ul style="list-style-type: none"> <li>- Approve the adjusted selling price of the entire share of one of the Group's subsidiaries in WFC Holding LLC (the "Company") representing 70% of the Company's capital to Reach Global Services Holding 1 SPV Limited and one of its subsidiaries previously approved.</li> <li>- Kayed Ali Khorma, holder of UAE resident identity card number 784-1960-6809079-2, to complete the sale procedures and to execute all the sale agreements and all required documents to conclude the transaction mentioned above as per the laws and regulations in force in the United Arab Emirates</li> </ul>
9	28/07/2023	<ul style="list-style-type: none"> <li>- Approval of the interim financial statements for the period ended 30th June 2022</li> <li>- To ratify the Board of Directors Resolutions that were issued by circulation during the period ending on June 30, 2023.</li> <li>- To approve building a boundary wall around the land in Reef Palace, transferring the workshops &amp; warehouses from their current location in Reef Camp and provision of the necessary main utilities lines with a budget not exceeding AED 10 million.</li> </ul>
10	05/09/2023 resolution by circulation	To approve acquiring by one of the Group's subsidiaries, 60% of the capital of AFKAR FINAICAL & PROPERTY INVESTMENTS LLC (the "Company"), a limited liability f incorporated in Abu Dhabi, UAE pursuant to commercial license number 1138906 issued by the Department of Economic Development for consideration of forty eight million UAED Dirhams (AED 48,000,000).
11	23/10/2023	<ul style="list-style-type: none"> <li>- Approval of the interim financial statements for the period ended 30th September 2022</li> <li>- To ratify the Board of Directors Resolutions that were issued by circulation during the period ending on September 30, 2023.</li> </ul>
12	20/12/2023 resolution by circulation	Acquiring 83.89% of the capital of SAWAEED HOLDING PJSC
13	20/12/2023 resolution by circulation	Acquiring 40% of the capital of DECO VISION COMPANY WLL
14	20/12/2023 resolution by circulation	Acquiring 40% of the capital of Vision Furniture & Decoration Factory LLC

## 7-1



## 7-1

### BOARD OF DIRECTORS' COMMITTEES

#### 7-1-1

#### AUDIT COMMITTEE

It is the responsibility of the Committee to provide the board with independent, objective advice on the adequacy of management's arrangements with respect to the following key aspects of the management of the organization as outlined in 7-1-4

#### 7-1-2

#### AUDIT COMMITTEE ACKNOWLEDGMENT

The Audit Committee members, acknowledge responsibility for discharging the Audit Committee's mandate including review of its work mechanism and ensuring its effectiveness.

#### 7-1-3

#### MEMBERS OF AUDIT COMMITTEE AS OF 31 DECEMBER 2023

S. No	Name	Title	Category
1	Mr. Ali Saeed Abdulla Sulayem Alfalasi	Chairman	Independent, Non-Executive
2	Mr. Seif Allah Mohammed Amin Fikry	Member	Independent, Non-Executive
3	Mr. Abdulla Rashed Mohammad Rashed Alrashdi	Member	Independent, Non-Executive



## 7-1-4

### AUDIT COMMITTEE FUNCTIONS

The Audit Committee is responsible for the following:

#### Financial Reporting

- Review with the management & the external auditors all significant matters including audit opinions on the quarterly, half-yearly (as applicable) and year-end financial statements and recommend its adoption by the Board.
- Monitor compliance with financial reporting standards & regulatory requirements.
- Review significant accounting and reporting issues.
- Review the Company's financial & accounting policies & procedures.
- Review any management letter from the external auditors and ensure corrective actions by executive management.

#### Corporate Governance

- Oversee & monitor the implementation of the corporate governance framework within ESG and ensure compliance to the regulatory requirements.
- Review and recommend to the Board, the Annual Governance Report submitted to the regulatory authorities.

#### Internal Control and Risk Management

- Review the Company's financial control, internal control, and risk management systems.
- Discuss the internal control system with the Management and ensuring that it fulfils its duty to establish an effective internal control system.
- Ensure an annual review of internal control system is performed to determine the overall adequacy and effectiveness of ESG Internal Control System.

#### External Audit

- Establishing and implementing the policy of contracting with the external auditor and submitting a report to the Board of Directors specifying the matters it deems necessary to act on, along with its recommendations of the steps to be taken.
- Assessing annually their independence and objectivity considering relevant professional & regulatory requirements and the relationship with the auditor, including the provision of any non-audit services
- Meet regularly with the statutory auditor to discuss the auditor's remit and any issues arising from the audits.
- Evaluate on an annual basis the external auditor's qualifications, performance and independence.





- Ensure that Senior Management is taking necessary corrective actions to address the findings and recommendations of statutory auditors in a timely manner.

#### Internal Audit

- Review and approve the Internal Audit Charter.
- Review and approve audit plans, budget, staffing, & organizational structure of the Internal Audit Function and related Internal Control activities.
- Review the appointment, resignation or dismissal of the Chief Audit Executive and the internal audit provider, in case of an outsourced service provider.
- Review all reports submitted to the Committee by the Internal Audit Function and monitor management response and action to the findings & recommendations. Ensure that control weaknesses, non-compliance with policies, laws and regulations & other problems identified by internal auditors are adequately and timely addressed by Executive Management.
- Review performance of the Chief Audit Executive, Internal Audit Function/Outsourced Internal Audit service provider (as applicable) and evaluate its performance on an annual basis.
- Report to the Board all matters presented to the Audit Committee by virtue of the delegation.
- Review all reports submitted to the Committee by International Holding Company's Audit Committee and monitor management response and action to the findings and recommendations. Ensure that control weaknesses, non-compliance with policies, laws and regulations and other problems identified by internal auditors are adequately and timely addressed by Executive Management.
- Consider the results of the investigations in internal control matters assigned to them by the Board of Directors or are inherited by the Committee and approved by Board of Directors.

#### Compliance Monitoring

- Monitor the status of ESG's compliance with applicable laws,
- regulation and agreements, Management's efforts to monitor compliance with ESG's Code of Conduct and Business Ethics.
- Review the related parties' transactions with the Company and ensuring that there is no conflict of interest and recommending them to the Board of Directors before their conclusion.



## 7-1-5

### AUDIT COMMITTEE MEETINGS DURING THE YEAR 2023

Board of Directors	No. of Absences/ No. of Meetings	First Meeting 23/01/2023	Second Meeting 11/05/2023	Third Meeting 25/07/2023	Fourth Meeting 23/10/2023
Mr. Ali Saeed Abdulla Sulayem Alfalasi	0/4	✓	✓	✓	✓
Mr. Abdulla Rashed Mohammad Rashed Alrashdi	0/4	✓	✓	✓	✓
Mr. Seifallah Mohamed Amin Mahmoud Fikry	0/4	✓	✓	✓	✓



## 7-2-1

### NOMINATION AND REMUNERATION COMMITTEE

It is the responsibility of the Committee to provide the board with independent, objective advice on the adequacy of management's arrangements with respect to the following key aspects of the management of the Organization.

## 7-2-2

### NOMINATION AND REMUNERATION COMMITTEE ACKNOWLEDGMENT

The Nomination & Remuneration Committee members, acknowledge responsibility for discharging the Nomination and Remuneration Committee's mandate across the Group, review of its work mechanism and ensuring its effectiveness in line with the approved charter of the Nomination and Remuneration Committee.

## 7-2-3

### MEMBERS OF NOMINATION & REMUNERATION COMMITTEE AS OF 31/12/2023

S. No	Name	Title	Category
1	Mr. Abdulla Rashed Mohammad Rashed Alrashdi	Chairman	Independent, Non-Executive
2	Mr. Salam Ali Mohammed Al Rawashdeh	Member	Independent, Non-Executive
3	Mr. Ali Saeed Abdulla Sulayem Alfalasi	Member	Independent, Non-Executive





## 7-2-4

### COMMITTEE FUNCTIONS

The Nomination and Remuneration Committee is responsible for the following tasks:

- Propose policies & criteria for membership in the Board & Senior Management.
- Annually review the required needs of skills for Board membership & prepare description of qualification and abilities required for Board membership.
- Identify individuals qualified to become Board members, consistent with criteria approved by the Board, and to recommend to the Board the director nominees for the next annual meeting of shareholders.
- Regularly review the structure, size, and composition (including the skills, knowledge, and experience) required of the Board compared to its current position and make recommendations to the Board with regard to any changes.
- Continuously ensure that independent Directors remain independent throughout the term of their office.
- If the Committee finds that a member lacks the conditions of independence, it shall submit the matter to the Board to notify the member by a registered letter to his address known to the company about the grounds of lacking independence. The member shall reply to the Board within fifteen days from the notice date. The Board shall issue a decision that the member is independent or not independent at the first meeting following the member reply or expiration of the period referred to in the preceding paragraph without reply.
- Conduct an annual evaluation of Board performance and the performance of Board members & Committees to determine ways to strengthen its effectiveness.
- Identify the competencies required for Senior Management and the basis of selecting them.
- Consider succession planning for Directors and other senior executives in the course of its work, considering the challenges and opportunities facing the Group, and what skills and expertise are therefore needed on the Board in the future.
- Formulate and carry out and annual review of policies on granting remunerations, benefits, incentives and salaries to Board members and employees of the Group.
- Ensure linking the remunerations and bonuses, including the other deferred options and remunerations and benefits offered to Senior Management in the performance of the company in the medium and long term.
- Annually review executive compensation trends and policies at peer groups of companies and make relevant modifications to its own policies and practices to consider market practice.
- Oversee any major changes in employee benefit structures throughout the Group.
- Develop, recommend, and review annually the Group's human resources and training policies and monitor the implementation of the same



## 8-1

### EXECUTIVE MANAGEMENT

#### MR. KAYED ALI KHORMA

##### Group CEO



Mr. Kayed Ali Khorma, the CEO of the ADX-listed Emirates Stallions Group (ESG), has a distinguished career marked by his transformative leadership from COO to CEO at Abu Dhabi Land Group. He is recognized for his role in evolving the business from a startup to a large, multifaceted enterprise with operations in engineering, construction, hospitality, investments, manpower supply & accommodation and services, spread across GCC countries & multiple regions worldwide.

Mr. Kayed, a University of Colorado alumnus with a BSc in Civil & Environmental Engineering, began his career in Jordan and the UAE, rapidly establishing himself as a decisive leader in engineering and contracting. His expertise lies in tackling daily business challenges and shaping long-term operational and investment strategies, aimed at ensuring sustainable growth.

With four decades in the demanding fields of construction and investments, Mr. Kayed has developed an unmatched proficiency in guiding businesses through varying market conditions and economic challenges. As a CEO, he is known for his hands-on approach, high integrity, and unwavering commitment to delivering results. He is instrumental in directing group-level operations and spearheading strategic development, aligning with the broader vision and values of IHC leadership.



## ALEJANDRO FONSECA

### Group COO



As the Group Chief Operating Officer at Emirates Stallions Group (ESG), Alejandro Fonseca has been instrumental in streamlining operations and enhancing business efficiency since 2021. He manages operations across the Group's companies, focusing on optimizing daily business and administrative processes.

Before joining ESG, Mr. Alejandro gained substantial international experience, encompassing vital roles in over 15 countries within the design, real estate, and construction sectors. His six-year tenure as a Board Member for a premier construction company in the UAE is a testament to his industry acumen and leadership skills.

With a career spanning over 15 years at the Royal Group, Mr. Alejandro has been central to the growth and strategic development of various companies within the group. His robust academic credentials include a bachelor's degree in architecture from Anahuac University, Mexico, and a master's degree in management from Liverpool University, UK. Further enriching his expertise, he completed a comprehensive studies program at the London School of Economics and Catalunya Polytechnic University in Barcelona, Spain.





## FAWAD ABDUL HAMEED

### Group CFO



Fawad Hameed is the Group CFO of Emirates Stallions Group (ESG), an ADX-listed company, with over 22 years of expertise in Corporate Finance, Financial Reporting, Assurance, and Governance. He possesses a strong 14-year track record with Royal Group companies, where he played a pivotal role in shaping finance policies, implementing group financial reporting systems, and restructuring various group entities, including ESG's incorporation and listing.

Fawad began his career with PricewaterhouseCoopers (PwC) Karachi and later moved to PwC Abu Dhabi office, where he managed a substantial client portfolio spanning financial and non-financial sectors. His qualifications include Chartered Accountant certifications from England & Wales (ICAEW) and Pakistan. Furthermore, he has enriched his knowledge with executive courses at Columbia Business School and INSEAD.

The following table lists out senior executives in the Group, their designations, appointment dates and total salaries, allowances & bonuses paid to them during the year 2023:

Position	Appointment Date	Total salaries and allowances paid during the year 2023 - in dirham	Total bonuses paid during the year 2023 -in dirham
Group Chief Executive Officer	27-May-2006	1,440,000	-
Group Chief Operational Officer	3-Sep-2008	1,250,016	-
Group Chief Financial Officer	04-Aug-2020	880,000	367,500



## 9-1

### RELATED PARTIES TRANSACTIONS

Summary of transactions with related parties amounting to 5% or more of Company's capital for the year 2023.

Sr No	Name of Related Party	Nature of relationship	Type of transaction	Value of transaction / AED
1	Deco Vision Company WLL	Associate	Revenue	28,966,374
2	RG Procurement RSC LTD	Entity under common control	Revenue	46,775,930
3	Somerian Health LLC	Entity under common control	Revenue	20,221,816
4	The Private Affairs Department of Sheikha Fatima	Other related party	Revenue	35,055,987
5	Q Properties L.L.C	Entity under common control	Revenue	13,811,697
6	Reem Hills – Sole Proprietorship L.L.C.	Entity under common control	Revenue	37,169,377
<b>Note:</b> cumulative transactions per party which exceeds 5% of share capital (12.5million)				

## 10-1

# RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Board of Directors acknowledges its responsibility for the Company's risk management and internal control system and its review and effectiveness.

### 10-1-1

## RISK MANAGEMENT

Risk Management is the responsibility of the Board & is integral to the achievement of strategic objectives. The Board is responsible for establishing the system of risk management, setting the risk appetite & for maintaining a sound internal control system. The Audit Committee oversees the risk management process and assesses the effectiveness of risk management within the Group.

Risk Management within ESG starts with management's forward-thinking approach, and cascades to the subsidiaries identifying, monitoring, and mitigating risks in their own sphere of work on a continuous basis. For every investment and project, assessment of risks and opportunities starts at the initial phase & is continuously monitored and managed during execution. Any risk taken is considered within the Company's risk appetite and tolerance levels, which are reviewed annually by the Board.

### 10-1-2

## INTERNAL CONTROLS

The Company's internal control system is established to ensure that the Board and Management are able to achieve their business objectives in a prudent manner, safe guarding interests of the Company's shareholders and other stakeholders, whilst at the same time minimizing key risks such as fraud, unauthorized business activity, misleading financial statements, un-informed risk-taking, or breach of legal or contractual obligations, & also ensuring highest quality achieved in a safe & sustainable environment.

The Board is responsible for establishing and maintaining an effective system of internal control and has established a control framework within which the Company operates. The objective of the Company's internal control framework is to ensure that internal controls are formally established as necessary. The appropriate policies and procedures are then properly documented, maintained, and adhered to, and are incorporated by the Company within its normal management and governance processes.





This system of internal control is embedded in all key operations and is designed to provide reasonable assurance that the Company's business objectives will be achieved.

The Audit Committee reviews the effectiveness of the system of internal controls in accordance with its remit.

### 10-1-3

## THE BOARD OF DIRECTORS' ACKNOWLEDGEMENT OF ITS RESPONSIBILITY FOR THE INTERNAL CONTROL SYSTEM AND ITS REVIEW AND EFFECTIVENESS

The Board of Directors acknowledges its responsibility for the Company's internal control system and its review and effectiveness.

### 10-1-4

## INTERNAL AUDIT FUNCTION- PROFILE AND WORKING MECHANISM

The Company's internal audit activities for the year 2023 have been performed by global consulting firm Protiviti as part of the Group Audit plan of International Holding Company, Ultimate Parent Company of ESG.

Protiviti ([www.protiviti.com](http://www.protiviti.com)) is a global consulting firm that delivers deep expertise, objective insights, a tailored approach & unparalleled collaboration to help leaders confidently face the future. Protiviti and our independent and locally owned Member Firms provide clients with consulting and managed solutions in finance, technology, operations, data, analytics, governance, risk and internal audit through our network of more than 85 offices in over 25 countries.

Named to the 2021 Fortune 100 Best Companies to Work For® list, Protiviti has served more than 60 percent of Fortune 1000 and 35 percent of Fortune Global 500 companies. The firm also works with smaller, growing companies, including those looking to go public, as well as with government agencies. Protiviti is a wholly owned subsidiary of Robert Half (NYSE: RHI). Founded in 1948, Robert Half is a member of the S&P 500 index.

The outsourced internal audit function governs itself by adherence to the institute of internal auditors' mandatory guidance including the definition of internal auditing, the code of ethics, and the international standards for the professional practice of internal auditing (Standards).



**10-1-5****NUMBER OF REPORTS ISSUED BY INTERNAL AUDIT**

During the year 2023 three (3) reports were issued by Protiviti within the Group. During the year, no significant operational internal control failures were identified. However, process level improvements were identified & accepted by management for implementation towards the continuous improvement of internal controls of the Group.



## 11-1

### EXTERNAL AUDITOR

#### 11-1-1

#### BRIEF ABOUT THE COMPANY'S EXTERNAL AUDITOR

Ernst & Young (EY) was appointed as the company's external auditor for the fiscal year 2022. Ernst & Young (EY) has people & operations in more than 150 countries, which are organized into three areas – Americas, Asia-Pacific and EMEA – and further divided into regions. It has been in the MENA region for more than 90 years, and in UAE since 1966. All their people work in one of their service lines – Assurance, Advisory, Tax, Transaction Advisory Services (TAS) – or in Core Business Services (CBS) which provides internal operational support such as HR and EY Technology.

Ernst & Young has been appointed since 2019 & Mr. Raed Ahmed is the Engagement Partner

**The scope of the audit for the financial year 2023 is as follows:**

- Provide an audit opinion on the annual consolidated financial statements in accordance with International Financial Reporting Standards.
- Provide an audit opinion on the annual financial statements of all subsidiaries of the company in accordance with International Financial Reporting Standards; and
- Provide a review of quarterly interim condensed consolidated financial statements in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting".

#### 11-1-2

### EXTERNAL AUDIT FEES, SERVICES & COSTS

The external audit services of Ernst & Young for 2023 amounted to AED 1,245,000 these fees are against annual audit and interim review of financial statements of ESG and subsidiaries.





**11-1-3****EXTERNAL AUDITOR'S OPINION ON THE FINANCIAL STATEMENTS**

The Company's external auditor did not have any reservations to any item of the interim and annual financial statements during 2023.

**11-1-4****VIOLATIONS COMMITTED BY THE GROUP DURING THE YEAR 2023**

During the year 2023, the Group was not subject to any material fines or penalties imposed by SCA or any statutory authority on any matter related to capital markets. Additionally, there have been no cases of material non-compliance with any applicable rules and regulations.



## 12-1

# SHARE HOLDING AND SHARE PRICE INFORMATION

### 12-1-1

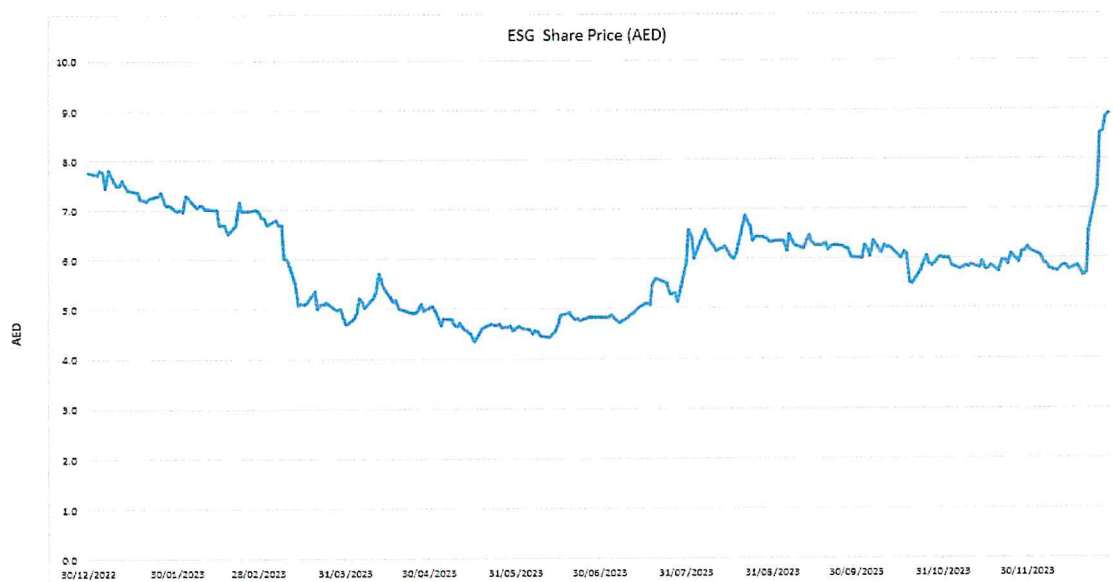
## SHARE PRICE

The following table presents the company's highest and lowest share price at the end of each month during the year 2023 and share performance against market index and sector index as of 31st December 2023:

Month	Share Price (AED)			Share Performance				
	High(AED)	Low (AED)	Closing price (AED)	Market Index	Industrial Index	Absolute	Vs Market Index	Vs Sector Index
January	7.8	7.0	7.0	9,811.6	6,512.3	-9.8%	-5.9%	-7.6%
February	7.3	6.5	7.0	9,844.8	6,927.7	-0.3%	-0.6%	-6.7%
March	6.9	4.7	4.7	9,430.3	6,846.2	-32.7%	-28.5%	-31.5%
April	5.7	4.8	5.0	9,789.2	7,887.1	5.7%	1.9%	-9.5%
May	5.1	4.3	4.6	9,406.6	7,590.0	-7.0%	-3.1%	-3.3%
June	4.9	4.4	4.8	9,550.4	7,715.5	4.3%	2.8%	2.7%
July	5.9	4.7	5.9	9,787.1	8,018.5	22.8%	20.3%	18.9%
August	6.9	6.0	6.3	9,810.2	8,087.1	6.9%	6.7%	6.1%
September	6.5	6.0	6.0	9,785.3	8,766.7	-4.7%	-4.5%	-13.1%
October	6.4	5.5	6.0	9,343.9	7,929.1	-0.5%	4.0%	9.1%
November	6.2	5.7	6.2	9,559.6	8,590.1	3.7%	1.4%	-4.7%
December	8.9	5.6	8.9	9,577.9	8,226.1	43.1%	42.9%	47.3%
Overall Performance During 2023	8.9	4.3	8.9	9,577.9	8,226.1	14.7%	20.9%	-8.8%

## 12-1-2

### COMPANY'S SHARE PRICE PERFORMANCE DURING THE YEAR 2023

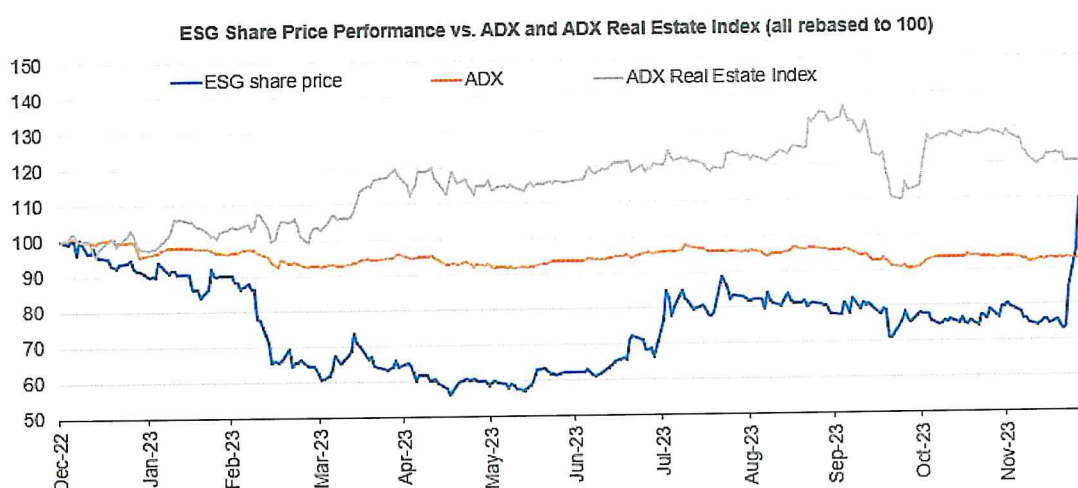




## 12-1-3

### PERFORMANCE OF THE COMPANY'S SHARES, COMPARED WITH THE ADX INDEX AND ADX REAL ESTATE INDEX DURING THE YEAR 2023

ESG Share Price Performance vs. ADX and ADX Real Estate Index(all  
rebased to 100)



## 12-1-4

### DISTRIBUTION OF SHAREHOLDERS' OWNERSHIP

Description	Individuals	Companies	Governments	Total
UAE	18,622,350	213,129,385	-	231,751,735
Arab Countries	9,807,253	7,966	-	9,815,219
GCC	1,101	20	-	1,121
Foreign	6,723,769	1,708,156	-	8,431,925
Total	35,154,473	214,845,527	-	250,000,000
percentage	14.06%	85.94%	-	100%

## 12-1-4

### STATEMENT OF SHAREHOLDERS OWNERSHIP 5% OR MORE

Name of Shareholders	Shareholders Share %
IHC Real Estate Holding LLC	85%
Matar Suhaill Ali Al Yabhouni Aldhaheeri	5%
<b>Total</b>	<b>90%</b>



## 13-1

### INVESTOR RELATIONS AFFAIRS

The company has established a department specialized in managing the affairs of the shareholders. The Investor Relations Officer has been appointed and holds the following qualifications:

- Holds a degree suitable for work.
- Has experience in managing the affairs of shareholders.
- Aware of the relevant legal and legislative requirements.
- Has full knowledge of the company's activities and opportunities.
- Has the ability to use different channels of communication and has the skills to communicate with investors in securities.

A special investor relations page has been created on the Company's website to be constantly updated and maintained in line with international standards, including Investor Relations Department data and contact information such as, a dedicated phone number & e-mail, providing all reports on financial results whether recorded or published, Financial year data, including the dates of publication of financial results data, minutes of meetings of the General Assemblies, & any other important events.

#### Contact details for Investor Relations Officer

**MRS. AMAL MOHAMMAD AL SATL**

**ESG'S INVESTOR RELATION OFFICER**

**BOARD SECRETARY**



#### Address:

5th Floor | The Royal Group Building  
PO Box 3194 | Abu Dhabi, United Arab Emirates

T +971 2 811 1550

E Amal.Mohammad@esguae.com | www.esguae.com





## 14-1

### SPECIAL RESOLUTIONS PRESENTED TO THE GENERAL ASSEMBLY HELD DURING 2023

SrNo	Meeting Date	Items / Special Resolutions	Action Taken
1	30/03/2023	<ul style="list-style-type: none"> <li>- Approve sale of 5000 shares of one of the Company's subsidiaries in Aleskan Aljamae LLC ("Aleskan") representing 50% of Aleskan's capital to Kizad Communities Development &amp; Services Company LLC ("Kizad") for a consideration of 23,91% shareholding in Kizad's Capital.</li> <li>- Approve delegating Mr. Kayed Khorma, holder of UAE resident identity card number 784-1960-6809079-2, the powers to complete the sale procedures and to execute all the sale agreements and all required documents to conclude the transaction mentioned above as per the laws and regulations in force in the United Arab Emirates.</li> </ul>	Completed
2	13/04/2023	<ul style="list-style-type: none"> <li>- Approve selling the entire share of one of the Group's subsidiaries in WFC Holding L.L.C. (the "Company") representing 70% of the Company's capital to Reach Global Services Holding 1 SPV Limited and one of its subsidiaries for consideration of AED 314.58 million.</li> <li>- Approve delegating Mr. Kayed Khorma, holder of UAE resident identity card number 784-1960-6809079-2, the powers to complete the sale procedures and to execute all the sale agreements and all required documents to conclude the transaction mentioned above as per</li> </ul>	Completed



		the laws and regulations in force in the United Arab Emirates.	
3	27/07/2023	<ul style="list-style-type: none"> <li>- Approve the adjusted selling price of the entire share of one of the Group's subsidiaries in WFC Holding LLC (the "Company") representing 70% of the Company's capital to Reach Global Services Holding 1 SPV Limited and one of its subsidiaries previously approved.</li> <li>- Approve and ratify the acts of the authorised signatory Mr. Kayed Ali Khorma, holder of UAE resident identity card number 784-1960-6809079-2, to complete the sale procedures and to execute all the sale agreements and all required documents to conclude the transaction mentioned above as per the laws and regulations in force in the United Arab Emirates.</li> </ul>	Completed

## 15-1

### EMIRATIZATION PERCENTAGE IN THE COMPANY AS OF 2023

Year	Emiratis Citizens	Non-Emiratis Citizen	Total
2023	6.09%	93.91%	100%
2022	5.6%	94.4%	100%
2021	1.36%	98.64%	100%



## 16-1

### SIGNIFICANT EVENTS DURING 2023

#### February 2023

- Acquiring 100% of the capital of Tri Star Investment L.L.C., representing 50% of 'Al Eskin Al Jamae'.

#### April 2023

- Selling the entire share of one of the Group's subsidiaries in WFC Holding L.L.C. (the "Company") representing 70% of the Company's capital to Reach Global Services Holding 1 SPV Limited and one of its subsidiaries.

#### June 2023

- Launching a joint venture with "Q Holding", the leading developer in Abu Dhabi, under the name "Century Village", staff accommodation project worth AED 320 million on Al Reem Island in Abu Dhabi.

#### October 2023

- Launching of "ESG Hospitality" the Groups' hospitality business arm.

#### November 2023

- Partnering with Hilton to Develop Mallside Residence and Hotel, Curio Collection by Hilton, at Dubai Hills Estate

#### December 2023

- Acquiring majority stake in United International Group (UIG),
- Acquiring 60% majority stake in AFKAR Investments





## 17-1

### INITIATIVES AND INNOVATIONS DURING 2023

#### **Sponsoring First Star Sports Academy football team for the season 2023 -2024**

Emirates Stallions Group announced its Initiative of sponsoring the under 14 children's football team at **The First Star Sports Academy** for the season 2023 -2024.

With this sponsorship, ESG aims to inspire, nurture & promote the spirit of sportsmanship and competitiveness within the younger generation.

#### **Participation in The International Afforestation Week 2023**

Gulf Dunes, the Group's arm in landscaping field has participated in The International Afforestation Week 2023, an initiative launched to promote environmental sustainability by spreading awareness.

#### **Participation in Future Hospitality Summit**

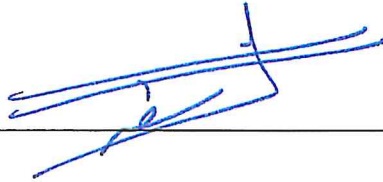
Royal Development Company, has participated in the Future Hospitality Summit 2023 that was held in Abu Dhabi from 25th-27th September 2023. Where we connected with industry peers, exchanged valuable insights, and highlighted our dedication to innovation and sustainability.

#### **Participation in Cop28**


ESG has participated in the Climate Change Conference held in Dubai November 2023. During this event, we showcased our commitment to sustainability by highlighting the positive impact of our products and services. Additionally, we emphasized our ongoing projects dedicated to addressing the challenges posed by climate change. This participation allowed us to share valuable insights and foster collaboration towards a more sustainable and environmentally conscious future.



The Report was approved by the Board of Directors on 12 February 2024



**Mr. Matar Suhail Ali Al Yabhouni Aldhaheeri**  
Chairman, Board of Directors



**Mr. Ali Saeed Abdulla Sulayem Alfalasi**  
Chairman – Audit Committee



**Mr. Abdulla Rashed Mohammad  
Rashed Al Rashdi**  
Chairman - Nomination & Remuneration  
Committee

