

Report on Corporate Governance

The company's philosophy on applying the principles of corporate governance:

The company's policy is based on the provisions of the Code of Corporate Governance (CCG) issued by CMA circular # 11/2002 dated 3/6/2002 as amended by CMA circular # 1/2003 issued on 11/1/2003 and CMA circular # 4/2015 dated 22/7/2015 finally approved in December 2016 , implementation of active internal control systems, compliance with the rules and guidelines on disclosure by issuer of securities and insider trading issued by CMA administrative decision # 5/2007 issued on 27/7/2007 and conformity with the directives of the concerned authorities. ONEIC is committed to maintaining the highest standards of corporate governance as a fundamental part of its business operations. The company believes that robust governance practices are essential to achieving long-term sustainability, enhancing shareholder value, and fostering trust among stakeholders. This philosophy is underpinned by a commitment to transparency, accountability, ethical conduct, and sound decision-making processes. The management shares this philosophy with the Board with the objective to maximize long-term value to the shareholders and protect core values of the Company The Board of Directors (BOD) ensures active implementation of the CCG and other relevant directives through Audit Committee, Disclosure Committee and Internal audit Unit.

Salient features of the corporate governance regulations in the company are as under:

Role and responsibilities of the BOD:

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The second and third principles of the CCG issued by CMA in December 2016 have defined the role, responsibility and accountability of the (BOD), whereas the sixth principle has illustrated the responsibilities of the Executive Management in the conduct of the company's financial and commercial affairs. The broad areas of BOD's responsibilities are as under: -

- a) Formulate the future plans & policies.
- b) Supervision of major contracts.
- c) Overseeing business policies implementation
- d) Ensuring compliance with the corporate laws and regulations.
- e) Nurturing proper and ethical behavior.
- f) Transparency and integrity in reporting to shareholders.

- g) Approving and implementing disclosure policy and monitoring its compliance with regulatory requirements
- h) Reviewing material transactions with the related parties, which are not in the ordinary course of business.
- i) Nominating the members of the BOD sub committees, specifying their roles, responsibilities and authorities.
- j) Appointment of CEO, other key executives for managerial level and head of Internal Audit Unit, specifies their roles, responsibilities, powers and remuneration and evaluating the function of sub committees, CEO and key employees.
- k) Approving interim and annual financial statements.
- l) Reporting to the shareholders in annual report about the going concern status of the company.
- m) Ensure the adequacy & efficiency of Internal Control System.
- n) Approval of internal manuals & regulations required for the company's business.
- o) Supervising the AGM and EGM activities.
- p) Approving the financial and commercial policies that help the company to achieve its targets.
- q) Adopting reasonable and prudent policy in delegation of financial and administrative authorities to the Executive Management.
- r) Adhering to the standards of the professional code of conduct.

Role and Responsibilities of the Executive Management:

- a) Rendering assistance in policy formulation to the BOD.
- b) Management is responsible for implementation of laws, regulations and circulars issued by CMA and other regulatory authorities within the Sultanate of Oman.
- c) Management is also responsible for implementation of BOD approved policies by putting in place procedures, internal controls, risks and performance measurement methodologies, management information systems and reports to the Board.
- d) Responsibility for transmitting correct and timely signals to the BOD.
- e) Acting professionally and expertise manifest
- f) Nurturing proper and ethical behavior
- g) Responsibility for complete and authentic reporting to the BOD.

- h) Responsibility for corporate image
- i) Responsibility to refer to the BOD required information to draw & implement the company's policies, minimum information will be the information stipulated by annexure (1) of the code of corporate governance issued in December 2016.
- j) To implement the approved organizational chart and the policies & procedures manual.
- k) Endeavour to protect shareholders interests, develop the company and safeguard all stakeholders' and society interests. It shall spare no effort to ensure sustainability of the company and not to focus only on revenue and profit.
- l) Adhering to the standers of the professional code of conduct approved by the BOD.
The company adheres to the best practices in respect of electing of directors, filling of vacant directors' seats, disclosure of company's affairs, appointment of key executives and fixing their remuneration, ensuring proper written delegation of authorities and operational procedures for the conduct of the company's affairs based on the principles detailed in CMA code of corporate governance and regulations and other regulatory authorities' guidelines.

Internal Control Systems and their adequacy:

The Company has implemented various internal control systems in its business & financial operations. Initially, the BOD has set up an Audit Committee of the Board having 3 Directors as its members; all of them are independent and non-executives having vast experience in finance & accounts. This committee supervises the functions of the Internal & External Auditors.

The Internal Audit Unit reports periodically to the Audit Committee of the Board. There are well-defined policies and procedures for all financial and business transactions of the company in line with CMA and MOC directives. Further it is ensured that no transaction in the company is completed by a single person and always it is mandatory that minimum of two persons must conclude any transaction in addition to cases stipulated by the regulations. Similarly, there is sufficient control exercised on IT systems.

The company has adopted accurate system to deal with its documents. It worth mentioning that the company has entrusted a professional firm to review its quarterly accounts to ensure their compliance with the internal controls. The firm forwards its report to Audit Committee (AC) and the AC forwards its recommendations to the BOD to adopt necessary decisions to enhance the company's administrative and financial affairs.

Internal Audit Unit (IAU):

According to the CMA administrative decisions # 6/2002 and 1/2007, and whereas the company’s capital exceeded RO (5) Million, the Board of Director has established the Internal Audit Unit on 1/1/2011 and appointed qualified staff to assist the Audit Committee and Executive Management in strengthening the internal controls and mitigate potential risks. The BOD has appointed qualified auditors to ensure that audit functions were carried out as required.

Board of Directors (BOD):
Classification of Directors:

The BOD consists of 7 elected directors, all of them are non-executives and independent directors .

Classification of BOD:

Director	Designation	Category
Aimen Ahmed Sultan Al Hosni	Chairman	Independent /non-executive/ non-shareholder
Abdullah Sulaiman Hamad AL Harthy	Vice Chairman	Independent /non-executive/ non-shareholder
Hilal Ali Abdullah AL Khalili	Director	Independent /non-executive/ non-shareholder
Talal Mohammed Hamad AL Harthy	Director	Independent /non-executive/ non-shareholder
Qais bin Mahmoud bin Abdullah AL Khonji	Director	Independent /non-executive/ non-shareholder
Ebrahim Kutty Mohamed Ashraf	Director	Independent /non-executive/ non-shareholder
Mohammed Amir Mohammed AL Mitwali Satoor	Director	Independent /non-executive/ non-shareholder

Details of attendance of Board and Committees meetings during the year 2024:

Name	BOD	Date of meeting					
	No. of Meetings	16/02	28/04	28/07	28/10	13/11	08/12
	(6)						
Aimen Al Hosni	6	✓	✓	✓	✓	✓	✓
Abdullah AL Harthy	6	✓	✓	✓	✓	✓	✓
Hilal bin Ali AL Khalili	6	✓	✓	✓	✓	✓	✓
Talal Hamad AL Harthy	6	✓	✓	✓	✓	✓	✓
Qais AL Khonji	6	✓	✓	✓	✓	✓	✓
Ebrahim Kutty Mohamed Ashraf	6	✓	✓	✓	✓	✓	✓
Mohamed Amer Mohamed	5	✓	-	✓	✓	✓	✓

Name	AC	Date of meeting							
	No. of Meetigs	16/02	16/03	28/04	19/06	28/07	21/09	28/10	10/12

	(8)								
Abdullah AL Harthy	8	✓	✓	✓	✓	✓	✓	✓	✓
Talal Hamad AL Harthy	8	✓	✓	✓	✓	✓	✓	✓	✓
Qais AL Khonji	8	✓	✓	✓	✓	✓	✓	✓	✓

Name	EC	Date of meeting			
	No. of Meetings	10/04	27/04	24/07	23/10
	(5)				
Aimen Al Hosni	5	✓	✓	✓	✓
Hilal Ali AL Khalili	5	✓	✓	✓	✓
Ebrahim KuttyMohamed	5	✓	✓	✓	✓
M o h a m e d A m e r Mohamed	5	✓	✓	✓	✓

Name	NRC	Date of meeting		
	No. of Meetings	06/02	27/05	02/12
	(3)			
Hilal Ali AL Khalili	3	✓	✓	✓
Talal Hamad AL Harthy	3	✓	✓	✓
Qais AL Khonji	3	✓	✓	✓

Strategy workshops:

The BOD held one workshops for the discussion and approval of the company’s five years strategy. The details the directors’ attendance of the strategy workshop

sessions was as follows:

Name	13 NOV 2025
Aimen Al Hosni	✓
Abdullah AL Harthy	✓
Hilal bin Ali AL Khalili	✓
Talal Hamad AL Harthy	✓
Qais AL Khonji	✓
Ebrahim Kutty Mohamed Ashraf	✓
Mohamed Amer Mohamed Elmettwaly Satur	✓

Audit Committee (AC):

S	Name	Designation
1	Abdullah bin Suliman bin Hamad AL Harthy	Chairman
2	Qais bin Mahmoud bin Abdullah AL Khonji	Member
3	Talal Mohammed Hamad AL Harthy	Member

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Ex-Committee (EC):

S	Name	Designation
1	Aimen bin Ahmed bin Sultan AL Hosni	Chairman
2	Hilal bin Ali bin Abdullah AL Khalili	Member
3	Ebrahim Kutty Mohamed Ashraf	Member
4	Mohamed Amer Mohamed Elmettwaly Satur	Member

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Nomination & Remunerations Committee (NRC):

S	Name	Designation
1	Hilal bin Ali bin Abdullah AL Khalili	Chairman
2	Talal Mohammed Hamad AL Harthy	Member
3	Qais bin Mahmoud bin Abdullah AL Khonji	Member

Details of attendance of the Directors to AGM held on 19/3/2025:

s.	Director	AGM
1	Aimen Al Hosni	✓
2	Abdullah AL Harthy	✓
3	Hilal AL Khalili	✓
4	Qais AL Khonji	✓
5	Talal AL Harthy	✓
6	Ebrahim Kutty Mohamed	✓
7	Mohamed Amer Mohamed Elmettwaly Satur	✓

Directorship in Other Boards

	Board Member	No. of other boards holding membership or chairmanship		
		Chairman	Director	Company
1	Aimen Al Hosni	-	1	1. Omantel 2. Sohar international bank
2	Abdullah AL Harthy	2	-	1. National Gas Co. 2. AL Sharqiyah University
3	Hilal Khalili	-	-	-
4	Talal AL Harthy	-	-	-
5	Mohamed Amer Mohammed	2	2	1- Muscat Insurance co 2- Oman Agriculture Development co 3- Areej Vegetables Oil & Derivatives 4- Muscat Finance co
6	Qais AL Khonji	-	1	1- Sharakah
7	Ebrahim Kutty Mohamed Ashraf	-	3	1- Areej Vegetables Oil & Derivatives 2- Oman Fiber Optic co 3- Oman Textile Holding co

The BOD sub- committees:

A. Audit Committee (AC)

AC carries out its functions according to the 10th principle of CCG enforced by CMA in December 2016. AC performs the following functions:

- Ensure that the Executive Management is implementing the operational directives and regulations approved by BOD
- Supervising over internal audit, ensure their adequacy and sufficiency and its compliance with international standards.
- Reviewing internal / external audit reports.
- Guiding the management with respect to the implementation of internal/external audit recommendations.

- Reviewing the results of periodical audit reports related to assets and ensure the adequacy of internal controls on assets including fixed assets, software etc.
- Considering the external auditors fees, terms of engagement, independence and neutrality and recommending to BOD the suitable firm to be approved by AGM.
- Checking financial fraud particularly fictitious and fraudulent portions of the financial statement. Ensure the adopting of suitable internal control measures.
- Oversighting of the internal audit functions and reviewing the scope of the internal audit plan for the year and ensure full access of the auditors to all relevant documents, and periodically review of adequacy & efficiency of internal audit process.
- Ensure the adequacy and efficiency of the internal control systems.
- Oversighting the financial statements & ensure compliance with international standards and disclosure policies issued by CMA.
- Serving as a channel of communication between internal / external auditors and the Board of Directors.
- Reviewing the company's risk management policies and looking into the reasons of default in settling any receivables, if any.
- Reviewing of completed and proposed related parties' transactions, and to recommend to the BOD accordingly.
- Reviewing the doubtful debts and issue suitable recommendations to BOD.

B. Executive Committee

- Decide on all purchase proposals beyond management authority.
- Reviewing the business Policy and issue recommendations to Board for diversification of business activities.
- Review the management information analysis.
- Create and follow up implementation of executive management KPIs.
- Follow up execution of projects in coordination with the Executive Management.
- Approve participation in tenders according to the authority's matrix.
- Discuss and recommend to the BOD to approve the annual budgets.

c. Nomination and Remuneration Committee:

- Nominate qualified individuals to be directors in the next BOD.
- Review the succession plan for the executive management.
- Develop succession plan for the BOD.
- Prepare detailed JD including the role and responsibilities of directors.
- Nominate qualified individuals to fill senior management vacancies.
- Prepare the bonus, allowances and incentive policies for the executive management.
- Exert efforts to formulate clear, credible, and accessible policies to inform the shareholders about the directors and executive management remunerations.

Process of Nomination of the Directors:

The company follows the provisions of the Commercial Companies Law and the guidelines stipulated by the CCG issued by CMA in respect of nomination of the members of the Board of Directors.

The election of the Board is governed by the Company's Articles of Association and Corporate Governance. The Company ensures that the election of the Board is held in accordance with the Commercial Companies Law and rules issued by the Financial Services Authority. The current Board of Directors was elected during the Annual General Meeting held on 28 March 2024, for a three-year term.

The Executive Nomination and Remuneration Committee (NRC) plays a pivotal role in the process of recommending and selecting new directors to fill board vacancies. The ENRC carefully reviews applications from prospective candidates, evaluates their qualifications and suitability, and provides recommendations for consideration at the Annual General Meeting.

Board members are regularly briefed and updated on matters relevant to the company's business environment, operations, and key elements of corporate governance. The Board remains committed to continuously enhancing the knowledge and awareness of its members in these areas to ensure effective governance and strategic oversight.

Remuneration:

As per the applicable law, the payable Directors remuneration for the year 2025 is 188k RO.

Sitting fees paid to the Directors in 2025 were as follow:

s	Director	Board	AC	EC	N&R	Total
1	Aimen Al Hosni	3,000	-	2,000	-	5,000
2	Abdullah AL Harthy	3,000	3,200	-	-	6,200
3	Hilal bin Ali AL Khalili	3,000	-	2,000	1,200	6,200
4	Talal Hamad AL Harthy	3,000	3,200	-	1,200	7,400
5	Qais AL Khonji	3,000	3,200	-	1,200	7,400
7	Ebrahim Kutty Mohamed	3,000	-	2,000	-	5,000
8	Mohamed Amer Mohamed	2,500	-	2,000	-	4,500
	Total	20,500	9,600	8,000	3,600	41,700

During the year 2025, the company incurred an annual cost of RO 686,128(six hundred eighty-six thousand one hundred twenty-eigh Omani Riyals) in respect of its top five executive employees, which includes salaries, benefits, allowances and bonuses.

The duration of the standard service contract for expatriate executives is two years. The notice period for executives ranges from one to three months depending on the executive’s contract.

No severance fees are payable to the top executive officers other than the compensation for short notice of termination of services.

Details of non-compliance by the company:

The company has no occasion to attract penalties or restrictions from Muscat Stock Exchange or Muscat Clearing & Depository Company or Capital Market Authority during the past (3) years.

Means of communication with the shareholders and investors:

- Quarterly results of the company are published in two leading newspapers in Arabic and English. Quarterly results in electronic format are also uploaded at MSX website.
- the same are available on the company’s web site www.oneic.com.om

Management discussion and analysis report forms an integral part of the Annual Report.

A Market Price Data during 2025:

Month	High	Low	No. of transactions
January	0.12	0.12	56
February	0.12	0.12	48
March	0.12	0.11	53
April	0.12	0.12	80

May	0.12	0.12	57
June	0.12	0.12	37
July	0.12	0.12	37
August	0.12	0.12	95
September	0.13	0.13	72
October	0.14	0.13	136
November	0.14	0.13	101
December	0.15	0.15	71

- **Performance of ONEIC share against MSX 30 index:**
The performance of ONEIC share trading against MSX 30 index and Service sector index during 2025 was as follows:

C. Distribution of shareholding

MAJOR SHAREHOLDERS (5% & ABOVE)
AS ON 31.12.2025

SR.	NAME	NATIONALITY	CLASS OF EQUITY	NO. OF SHARES	%
1	Zawawi Trading Co.	Omani	Ordinary	22,499,356	15.00
2	AL Sharqia Investment Holding Company	Omani	Ordinary	17,184,386	11.45
3	Saud Ali Abdullah Al Khalili Heirs of Saud Al Khalili	Omani	Ordinary	15,967,251	10.64
4	Al Taher Enterprises	Omani	Ordinary	14,999,974	10.00
5	Social Protection Fund	Omani	Ordinary	10,828,551	7.21
6	Mohammed Hamad Mohammed AL Harthy	Omani	Ordinary	9,551,200	6.36

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Distribution schedule of each class of equity security with number of holders and percentage in the following categories as at 31.12.2025

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SR.	NAME	NATIONALITY	CLASS OF EQUITY	NO. OF SHARES	%
1	Zawawi Trading Co.	Omani	Ordinary	22,499,356	15

2	AL Sharqia Investment Holding Company	Omani	Ordinary	17,184,386	11.45
3	Saud Ali Abdullah Al Khalili Heirs of Saud Al Khalili	Omani	Ordinary	15,967,251	10.64
4	Al Taher Enterprises	Omani	Ordinary	14,999,974	10
5	Social Protection Fund	Omani	Ordinary	10,828,551	7.21
6	Mohammed Hamad Mohammed AL Harthy	Omani	Ordinary	9,551,200	6.36

- **CSR:**
- The “Basmat KHeer” continued its diversified CSR efforts including support of charity organizations, people with special needs, visiting hospitals, productive families, and other activities.

Professional profile of the statutory auditor:

Crowe Oman, the statutory auditors of the Company, Crowe Oman is one of the leading accounting and advisory firms in the Sultanate of Oman. Crowe Oman is a member firm of Crowe Global, which has a history of 100+ years. Crowe Global is one of the top 10 accounting networks worldwide, operating with more than 800 offices in 140 countries, and employing more than 40,000 staff. Crowe practitioners help multinational organizations reduce uncertainty in measuring and reporting the implications of transactions in and across diverse jurisdictions. Crowe provides audit & assurance, tax advisory, management consultancy, risk advisory, business advisory and cybersecurity services to numerous SAOG, SAOC and other prestigious privately owned companies/groups in the Sultanate of Oman. Our clients can rely on extensive knowledge in specialized areas and personal delivery from the professionals they work with. Our clientele industries include Banking & NBFCs, Mutual Funds, Money Exchanges, Manufacturing, Hospitality, Contracting, Trading, Retail, Professional Firms and many more. Crowe Oman is accredited by the Capital Market Authority (CMA) to audit joint stock companies (SAOG's)

Crowe Oman is accredited by the Capital Market Authority to audit publicly listed joint stock companies (SAOGs) in Oman.

Crowe Oman billed an amount of RO 15,000 towards professional services rendered to the Company for the year 2025, without vat.

*** Acknowledgment:**

The Board of Directors confirms that:

- 1. It is responsible for preparation of the financial statements in accordance with the applicable standards and rules.
- 2. It is responsible for review of the efficiency and adequacy of the internal control systems of the company and that it complies with internal rules and regulations.
- 3. The Board of Directors confirms that there is no material issue that may affect the continuation of the company or its ability to continue its production operations during the next fiscal year.
- 4. The Board of Directors acknowledges its commitment to comply with the Code of Corporate Governance and its principles, safeguarding stakeholders' interests, and maintaining transparency and accountability.

Rashid Mohamed AL Ghailani
CEO

Aimen Ahmed Sultan AL Hosni
Chairman