



**Corporate Governance Report
2025**

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Executive Summary

Silah Gulf remains committed to upholding the highest standards of corporate governance by ensuring fairness, transparency, and accountability across all operations. During the financial year ended 31 December 2025, the Company adhered to the Corporate Governance Code issued by the Ministry of Industry & Commerce (MOIC) and the Central Bank of Bahrain’s Rulebook (Volume 6).

The Company maintained a stable ownership structure, with Marsat W.L.L. holding 99.001% of shares and Bahrain Investment Holding Company – Istithmar W.L.L. holding 0.999%. The Board of Directors, composed of non-executive members with equal gender representation, demonstrated strong oversight through regular meetings, active committee participation, and a satisfactory performance evaluation.

The governance structure was supported by robust internal controls, a structured induction program for new Directors, and well-defined Board and committee charters. Silah Gulf also ensured full transparency in disclosures, including Board remuneration, management compensation, and external audit independence.

The Company achieved full or partial compliance with all applicable governance principles, with minor areas requiring further enhancement detailed under the “Comply or Explain” section. Silah Gulf will continue strengthening its governance framework to ensure ethical leadership, responsible management, and long-term value creation for its shareholders and stakeholders.

Section 1: Introduction

Corporate governance forms the foundation of Silah Gulf's commitment to responsible and sustainable business practices. It ensures that the Company's strategic objectives are pursued with integrity, transparency, and accountability. Through continuous enhancement of its governance policies, Silah Gulf seeks to align with international best practices and national regulatory requirements, thereby strengthening corporate performance and protecting shareholder interests.

This Corporate Governance Report outlines the Company's governance framework, Board composition and effectiveness, committee activities, executive management structure, internal controls, compliance status, and external audit arrangements for the year ended 31 December 2025. It reflects the Company's ongoing efforts to foster a culture of ethical leadership and to ensure its operations contribute to long-term value creation.

Section 2: Shareholders

Ownership Structure as of 31 December 2025

	Shareholder name	No. of shares	Shareholding	Category
1	Marsat W.L.L.	37,790,500	99.001%	Local Company
2	Bahrain Investment Holding Company – Istithmar W.L.L.	381,500	0.999%	Local Company

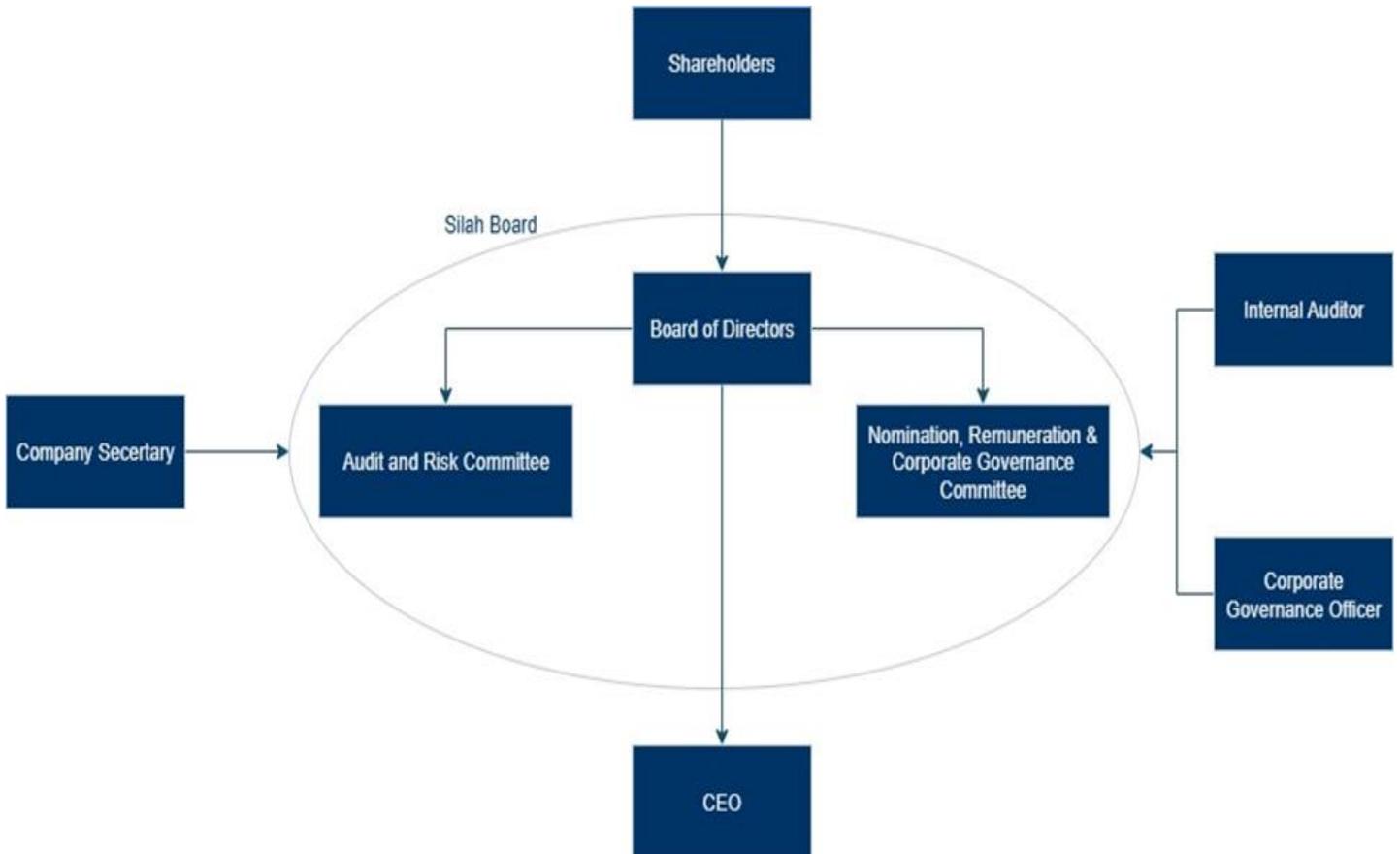
Shareholding Distribution 2025

Category (shares)	No. of shares	No. of shareholders	Shareholding
Less than 1%	381,500	1	0.999%
1% up to less than 5%	-	-	
5% up to less than 10%	-	-	
10% up to less than 30%	-	-	
30% up to less than 50%	-	-	
50% up to less than 75%	-	-	
Above 75%	37,790,500	1	99.001%
Total			100%

Section 3: Governance Structure

Governance Structure as of 31 December 2025

The organizational and governance structure is reviewed by the Board on an annual basis.



Section 4: Board of Directors

Board Charters

The Board of Directors reviewed and approved the Company's Corporate Governance Charters in line with the Corporate Governance Code of the Ministry of Industry and Commerce (MOIC) and Volume 6 of the Central Bank of Bahrain's Rulebook on Capital Markets to ensure compliance and completeness of the governance framework. The Corporate Governance Charters clearly define the terms of reference of the Board and committees.

Board Composition

The Board of Directors was appointed for three-year term and consists of 6 members, none of which is executive. The Board members of Silah Gulf come from diverse disciplines, hence forming an excellent mix which is essential to effective governance. Collectively, the Board members demonstrated independent and objective judgment throughout the year. The status of each Director was reviewed in terms of independence and number of directorships for the year 2025 with no exceptions noted.

As of 31st December 2025, the Board's representation by gender was 50% female and 50% male.

Board Responsibilities

The primary role of the Board of Directors is to provide entrepreneurial leadership to achieve the company's goals through the implementation of strategic initiatives and ultimately maximizing the value of the shareholders. The Corporate Governance Charter define the responsibilities of the Board which mainly fall under; 1) vision and strategy, 2) management oversight, 3) financial and investment matters, 4) governance, risk, and compliance management, 5) communication with stakeholders, and 6) delegation.

Material Transactions that Require Board Approval

The following material items require the Board of Directors' review, evaluation, and approval:

- 1) Setting the Company's general policies and overseeing their implementation.
- 2) Appointing members of the executive management, determining their powers, monitoring all of them, and determining their responsibilities and remuneration.
- 3) Borrowing and approving credit facilities, provided that loans or financing exceeding BHD 500,000 (five hundred thousand Bahraini Dinars) require the approval of the general assembly.
- 4) Approving the Company's annual business plan and any amendments thereto.
- 5) Buying and selling lands and properties, and all related rights, privileges, concessions, movables, and real estate, as well as leasing and renting.
- 6) Investing the Company's funds, managing and disposing of the Company's assets and revenues in the manner it deems appropriate and in line with the Company's objectives and purpose.
- 7) Representing the company and defending its interests before the judiciary as plaintiff or defendant; issuing settlements; choosing arbitration; and waiving litigation rights.
- 8) Waiving privileges and concessions, whether for compensation or otherwise.
- 9) Determining how the Company's funds are invested.
- 10) Authorizing one or more Board members to undertake specific tasks or business.

Independence of Directors

An Independent Director, as defined in the Corporate Governance Code, is a Non-Executive Director who is fully independent in their position and decisions, and none of the independence invalidity cases mentioned in paragraph (3) of Annex 1 of the MOIC Corporate Governance Code is applicable. The Directors have disclosed their interests for the year ended 31 December 2025. The independence of the Directors has also been reviewed for independent members and they met all independence requirements.

Board Term and Appointment

Bahrain Commercial Companies Law and Silah’s Articles of Association outline the formal process for electing and appointing directors. Upon appointment, Directors sign a formal appointment letter that outlines their authorities, responsibilities, and the terms and conditions of their directorship. Members of the existing Board of directors were appointed for a three-year term subject to renewal.

Non-executive Board Members

31 December 2025

Mr. Mohammed Al Qaed – Chairman	
Qualifications and Experience	Qualifications: <ul style="list-style-type: none"> Master’s degree in Advance Systems Engineering. Bachelor’s degree in Computer Science. Experience: Over 30 years of experience.
Appointment and Term of Directorship	Appointed since 24 September 2009.
Directorship and Positions in Other Companies	<u>Board Membership:</u> <ul style="list-style-type: none"> Government Service Centers Evaluation Committee (Taqqeem) – Chairman ICT Governance Committee – Chairman Supreme Council for the Development of Education and Training – Member Government Services Development Committee – Member
Position in Any Key Regulatory, Government or Commercial Entities	Chief Executive Officer at Information & eGovernment Authority (iGA).

Mr. Hazem Al-Mubarak - Director	
Qualifications and Experience	<p><u>Qualifications:</u></p> <ul style="list-style-type: none"> • Bachelor's Degree in Mechanical Engineering. • CMA Certification <p><u>Experience:</u> Over 28 years of experience.</p>
Appointment and Term of Directorship	Appointed since 23 October 2022.
Directorship and Positions in Other Companies	<p><u>Board Membership:</u></p> <ul style="list-style-type: none"> • United Electronics Company (eXtra) – Member • STC Group – Member • Al-Qaryan Group – Member • Blominvest – Member <p>Saudi Tourism Authority – Member</p>
Position in Any Key Regulatory, Government or Commercial Entities	Managing Partner of Horton International Middle East based in Bahrain.
Mr. Mohamed Sadiq Al Rahma - Director	
Qualifications and Experience	<p><u>Qualifications:</u></p> <ul style="list-style-type: none"> • Master's in Accounting and Finance • Bachelor's in Business Management <p><u>Experience:</u> Over 10 years of experience.</p>
Appointment and Term of Directorship	Appointed since 15 May 2023.
Directorship and Positions in Other Companies	<p><u>Board Membership:</u></p> <ul style="list-style-type: none"> • Bahrain Food Holding Company (Ghitha) • General Poultry Company • SAFA W.L.L. • Bahrain Agriculture Development Company
Position in Any Key Regulatory, Government or Commercial Entities	Director of Strategic Investments at Mumtalakat.

Mrs. Donia Sarhan - Director	
Qualifications and Experience	<p><u>Qualifications:</u></p> <ul style="list-style-type: none"> • Master’s in Information Technology Management • Bachelor’s in Information Technology (eCommerce & Internet Technology) • Certified Process Director • TOGAF • ISO 9001 Internal Quality Auditor • Project Management Professional (PMP) • Enterprise Business Process Analysis • Mapping and Modeling Certification <p><u>Experience:</u> Over 19 years of experience.</p>
Appointment and Term of Directorship	Appointed since 14 March 2022.
Directorship and Positions in Other Companies	<p><u>Board Membership:</u></p> <ul style="list-style-type: none"> • Equal Opportunity Committee at the Ministry – Chair • The Housing Committee – Vice Chair • Government Services Development Committee –Member • Social Insurance Organization (SIO) Board– Member
Position in Any Key Regulatory, Government or Commercial Entities	Assistant Undersecretary for Resources and Information at the Ministry of Housing and Urban Planning.
Mrs. Nada AlQassab - Director	
Qualification and Experience	<p><u>Qualification:</u></p> <ul style="list-style-type: none"> • Master’s in human resources • Bachelor’s in business information systems • Harvard Manage Mentor • Project Management Professional (PMP) • CIAC Contact Center Operations Manager (CCOM) <p><u>Experience:</u> Over 20 years of experience.</p>
Appointment and Term of Directorship	Appointed Since 14 March 2022.
Directorship and positions in other companies	<p><u>Board Membership:</u></p> <ul style="list-style-type: none"> • Bahrain’s Government Service Centre Evaluation Committee (Taqqeem) – Member
Position in any key regulatory, government or commercial entities	Contracted consultant with the Ministry of Justice, Islamic Affairs and Waqf; a lecturer at the Institute of Public Administration; and a Vocational Qualification Evaluator at the Education and Training Quality Authority.

Mrs. Hayam Al-Awadhi - Director	
Qualifications and Experience	<p><u>Qualifications:</u></p> <ul style="list-style-type: none"> • Bachelor's degree in Business Administration • CPA <p><u>Experience:</u> Over 20 years of experience.</p>
Appointment and Term of Directorship	Appointed since 2022.
Directorship and Positions in Other Companies	<p><u>Board Membership:</u></p> <ul style="list-style-type: none"> • The Tax Appeal and Reconsideration Committee under the National Bureau of Revenue – Chairwoman
Position in Any Key Regulatory, Government or Commercial Entities	Currently holds the position of Chairwoman of the Tax Appeal and Reconsideration Committee under the National Bureau of Revenue.

Board Induction, and Training

Silah Gulf has a formal induction and training process that is designed for new Directors. The induction process includes providing/organizing 1) meetings with senior management 2) visits to the Company's offices and other facilities; 3) presentations regarding strategic plans; 4) brief on significant financial, accounting, governance and risk management issues as well risk and compliance programmes; 5) introduction to external and internal auditors; and 6) background information on their roles, fiduciary duties, committee assignments, and restrictions on outside interests, along with background information on the Company, its operations, and shareholder matters.

Board of Directors Meetings and Attendance

According to the company's Corporate Governance Charters, 1) individual Board members can only be absolved from their actions in a given financial year if they attend 75% of the Board meetings, which was the case during the year 2025, 2) the Board may convene using any means of teleconferencing, 3) a quorum of at least 50% is required for the meeting to be valid, 4) resolutions shall be passed by a simple majority of present members, 5) circular resolutions, except for the approval of the financial statements, may be adopted and shall only be valid with a unanimous vote.

Board of Directors Attendance 2025

	Name	Role	27 Jan	28 Apr	28 Jul	28 Sept	26 Oct
1	Mr Mohamed Al Qaed	Chairman	✓	✓	✓	✓	✓
2	Mr Hazem Al-Mubarak	Board Member	✓	✓	-	✓	✓
3	Mr Mohamed Sadiq Al Rahma	Board Member	✓	✓	✓	✓	✓
4	Mrs Donia Sarhan	Board Member	✓	✓	✓	✓	✓
5	Mrs Nada AlQassab	Board Member	✓	✓	✓	✓	✓
6	Mrs Hayam Al-Awadhi	Board Member	✓	✓	✓	✓	✓

All meetings were held physically & virtually.

As per the Board Charter, a minimum of 4 meetings are to be held annually.

Board of Directors Compensation

In addition to the sitting fees paid to the Board members for attending the Board and committee meetings, directors' remuneration is paid in accordance with Article 188 of Bahrain Commercial Companies Law, Ministry of Industry & Commerce and was subject to the shareholders' approval at the Annual General Meeting. The amount paid for the year 2024 was BHD 51,750. Details of the proposed amounts for the year 2025 are outlined in the table below.

Name	Fixed remuneration					Variable remuneration					End-of-service award	Aggregate amount (Does not include expense allowance)	Expense allowance	
	Remuneration of the Chairperson and BOD	Total Allowances for Board and Committee meetings	Salaries	Other	Total	Remuneration of the Chairperson and BOD	Bonus	Incentive plans	Other	Total				
Non-executive Directors														
1	Mr. Mohamed Al Qaed (Chairman)	9,500	2,000	-	-	11,500	-	-	-	-	-	-	11,500	-
2	Mr. Hazem Al-Mubarak (Director)	7,500	2,400	-	-	9,900	-	-	-	-	-	-	9,900	-
3	Mr. Mohamed Sadiq Al Rahma (Director)	7,500	2,750	-	-	10,250	-	-	-	-	-	-	10,250	-
4	Mrs. Donia Sarhan (Director)	7,500	2,750	-	-	10,250	-	-	-	-	-	-	10,250	-
5	Mrs. Nada AlQassab (Director)	7,500	2,750	-	-	10,250	-	-	-	-	-	-	10,250	-
6	Mrs. Hayam Al-Awadhi (Director)	7,500	3,750	-	-	11,250	-	-	-	-	-	-	11,250	-

(a) Fixed remunerations for the year ended 31 December 2025 relating to allowances for attending Board and committee meetings were paid during the year.

(b) The proposed variable remuneration for the year ended 31 December 2025 will be paid during 2026 subject to the approval of the shareholders in the Annual General Meeting.

Section 5: Board Committees

Consistent with MOIC’s Corporate Governance Code and best practice, Silah's Board of Directors has two committees and one advisory committee with clear terms of reference set out in separate charters in the company’s approved Corporate Governance Charters. The main role of the committees is to assist the Board in looking at specific matters that require specialized areas of expertise and accordingly provide recommendations to the Board of Directors for approval. The general rules, according to the Corporate Governance Charters, 1) committees must consist of a minimum of three members, 2) committees shall have four meetings at a minimum during the financial year, 3) participation in committee meetings via virtual means of communication is allowed.

Audit & Risk Committee

The role of the Audit & Risk Committee is focused on the financial reporting process, the system of internal controls, the external and internal audit processes, monitoring of compliance and risk mitigation with the company’s policies, code of conduct and the applicable laws and regulations.

Audit & Risk Committee Attendance 2025

	Name	Role	19 Jan	7 Apr	8 Jul	16 Oct
1	Mrs. Heyam Mohamed Ismaeel Alawadhi	Chairman	✓	✓	✓	✓
2	Mr. Mohamed Sadiq Eid Husain Al Rahma	Committee Member	✓	✓	✓	✓
3	Mrs. Nada Abdul Majeed AlQassab	Committee Member	✓	✓	✓	✓

All meetings were held physically & virtually.

As per the Committee Charter, a minimum of 4 meetings are to be held annually.

Sitting fees paid for attendance of the Audit & Risk Committee BHD 3,000.

Nomination, Remuneration and Corporate Governance Committee

The role of the Nomination, Remuneration and Corporate Governance Committee is to develop and recommend the framework for the nomination of Board membership and recommends selection of executive directors, periodically review the Board size and composition, review the organizational structure, review the Board induction and evaluation processes, develop and review the remuneration policies of the Board of directors and senior management and improve and monitor the implementation of the corporate governance framework.

NRCG Committee Attendance 2025

	Name	Role	7 Jan	1 Feb	10 Apr	22 Oct
1	Mr. Hazem Al Shaikh Mubarak	Chairman	✓	✓	✓	✓
2	Mrs. Donia Faisal Isa Sarhan	Committee Member	✓	✓	✓	✓
3	Mrs. Heyam Mohamed Ismaeel Alawadhi	Committee Member	✓	✓	✓	✓

All meetings were held physically & virtually.

As per the Committee Charter, a minimum of 4 meetings are to be held annually.

Sitting fees paid for attendance of the NRCG Committee BHD 3,000.

Section 6: Executive Management

The Chief Executive Officer of Silah Gulf with the senior management leads the day-to-day operations and collaborates with the rest of the team to achieve the objectives and goals set out by the Board of directors.

	Name	Position	Joining date	Shareholding as of 31 December 2025
1	Mr. Feras Ahmed	Chief Executive Officer (CEO)	1 March 2019	-
2	Mr. Bimalendu Shanker	Chief Financial Officer (CFO)	17 July 2011	-
3	Mr. Abdulrahman Benshams	General Manager	1 February 2010	-
4	Mr. Isa Ishaq	Director of Operations	24 July 2011	-
5	Mrs. Noor Bubshait	Director of Business Development and Marketing	15 November 2020	-
6	Mr. Hussain Al Fardan	Director of Operations	6 December 2009	-
7	Mrs. Dheya Al Shakar	Director of Human Resources	2 December 2024	-

Management Compensation

Remuneration of the top 7 executives, including CEO, CFO, General Manager, Director of Operations, Director of Business Development and Marketing, Director of Operations, and Director of Human Resources:

Total Paid Salaries and Allowances in BHD	Total Paid Remuneration (Bonus)	Any Other Cash/in-kind Remuneration for 2025 in BHD	Aggregate Amount in BHD
186,768	43,174	12,120	242,062

Section 7: Internal Controls, Policies and Procedures

Conflict of Interest and Related Party Transactions

With regards to conflict of interest, directors should notify the Board in writing as soon as they become aware of any potential conflict of interest. Also, they are given the opportunity at each Board of directors or committees meeting to disclose new or amended conflicts of interest.

During the Company's last four (4) financial years, ending 31 December 2022, 2023, 2024, and 2025 Silah Gulf has not engaged in any transactions, loans, or financial dealings with key management personnel, including Directors, senior management, or close family members of such individuals. In addition, there are no related party transactions or currently proposed transactions that are material to the Company or its related parties. There are no transactions that are unusual in their nature or conditions, involving goods, services, or tangible or intangible assets to which the Company, or any of its subsidiaries was a party.

Code of Conduct

This code sets out the minimum standards of behavior that are expected across the company from all Board management, and employees. It contains provisions in relation to confidentiality; honesty and integrity; professionalism and reliability; decision making; human rights and workplace practices; environment, health, and safety; protection and use of company assets; gifts and entertainment; media and communication and bribery as well as other items.

Whistleblowing Policy

The purpose of this policy is to encourage a culture of compliance, and the Code of Conduct and the company's policies are respected and adhered to. In the event where employees are faced with or become aware of any actions or behaviors that would qualify as misconduct, they are encouraged to report these incidents to the Chairman of the Audit & Risk Committee or in exceptional circumstances, the Chairman of the Board of Directors.

Corporate Governance Officer

The Corporate Governance Officer is responsible for carrying out the tasks related to ensuring and verifying the company's compliance with the corporate governance laws, regulations, and resolutions issued by the regulatory bodies. The CEO currently holds the position of Acting Corporate Governance Officer.

Section 8: Annual General Meeting and Means of Communication.

It is the responsibility of the Board of Directors to communicate and report to the shareholders on the following matters for their approval during the Annual General Meeting:

- Board of Directors' report on the company's business and activities.
- Audited financial statements.
- Board of Directors recommendation in relation to the allocation of net profit.
- Board of Directors recommended remuneration.
- Company's Corporate Governance Report.
- Related party transactions & balances.

Section 9: Appointment and Remuneration of the External Auditor

The appointment of the external auditor is recommended by the Audit & Risk Committee to the Board which then requests shareholders' approval at the Annual General Meeting.

The Board of directors recommended the re-appointment of Ernst & Young - Middle East as the company's external auditor for the year 2026, subject to the shareholders' approval at the upcoming Constituent General Meeting (CGM). Fees and charges for the audit or services provided by the external auditor during the year 2025, in addition to a description of the auditor's years of services as the Company's external auditor. According to the following:

Name of the Audit	Ernst & Young- Middle East
Years of service as the Company's external auditor	Since 2009, 16 years
Name of the partner in charge of the Company's audit	Nader Rahimi
The partner's year of service as the partner in charge of the Company's audit	1 year
Total audit fees for the financial year 2025	BHD 10,750
Other fees for non-audit services other than auditing the financial statements for the year 2025	BHD 5,870

Section 10: Compliance

Through the Comply or Explain Approach

The company has been continuously improving its governance charters, policies and practices to achieve full compliance with the Corporate Governance Code. The implementation of the code is based on the comply or explain approach, where the company in the case of non-compliance should provide a valid justification.

Compliance with the Principles of the Corporate Governance Code

Principles of the Corporate Governance Code	Non-compliant	Partially Compliant	Fully Compliant	Explanation
Principle 1: The Company shall be headed by an effective, collegial and expert Board.			✓	
Principle 2: The Directors and executive management shall have full loyalty to the company.			✓	
Principle 3: The Board shall have rigorous controls for financial audit and reporting, internal control, and compliance with the law.			✓	
Principle 4: The Company shall have effective procedures for appointment, training, and evaluation of the Directors.		✓		Note 1
Principle 5: The Company shall remunerate directors and senior officers fairly and responsibly.			✓	
Principle 6: The Board shall establish a clear and efficient management structure for the company and define the job titles, powers, roles and responsibilities.			✓	
Principle 7: The Company shall communicate with shareholders, encourage their participation, and respect their rights.			✓	
Principle 8: The Company shall disclose its corporate governance.			✓	
Principle 9: Companies which offer Islamic services shall adhere to the principles of Islamic Shari'a.			N/A	
Principle 10: The Board shall ensure the integrity of the financial statements submitted to shareholders through appointment of external auditors.			✓	
Principle 11: The Company shall seek through social responsibility to exercise its role as a good citizen.		✓		Note 2

Explanation of Non-Compliance Items

Note #	Principles of the Corporate Governance Code	Explanation
Note 1	Principle 4: The Company shall have effective procedures for appointment, training, and evaluation of the Directors.	The Company has a policy in place for the appointment, training, and evaluation of Directors. However, following the recent transition from a W.L.L. to a shareholding company, a new Board of Directors is in the process of being formed. As part of this transition, the company will implement the established procedures for the appointment, training, and evaluation of Directors. These procedures will be fully operational once the new board is in place, in alignment with the corporate governance code.
Note 2	Principle 11: The Company shall seek through social responsibility to exercise its role as a good citizen.	The Company did not fully comply with Principle 11 during the reporting period, as the CSR Policy, although formally established, has not yet been fully implemented due to the Company's transition from a W.L.L. to a B.S.C. The Company is in the process of implementing the CSR framework, including annual planning, budgeting, and reporting requirements, which will be fully operational in the next financial year.