

**Audit Committee Report
To the General Assembly of Shareholders
For the Fiscal Year Ended 31 December 2025**

Date: 12 April 2026

Dear Shareholders of AlKhaleej Training and Education Company,

Peace, mercy, and blessings of Allah be upon you,

The Audit Committee is pleased to present to the esteemed shareholders its annual report for the fiscal year ended 31 December 2025. This report provides an overview of the Committee's activities and the duties it performed during the year, within the scope of its responsibilities and authorities as stipulated under the Company's Law, the relevant Corporate Governance Regulations, and in accordance with the Audit Committee Charter.

Throughout the fiscal year 2025, the Committee diligently carried out its oversight role to support the effectiveness of the internal control framework, enhance principles of transparency and disclosure, and monitor the integrity of the financial statements and reports. In addition, the Committee supervised both internal and external audit activities and followed up on the Company's compliance with applicable laws and regulations.

I. Audit Committee Composition

The Audit Committee is comprised of the following members:

- 1- Dr. Abdullah bin Sagheer Mohammed Al-Hussaini - Chairman of the Audit Committee
- 2- Dr. Abdulkarim bin Hamad Al-Nujaidi*** - Member of the Audit Committee
- 3- Mr. Nabeel Ali Hassan Shoaib - Member of the Audit Committee
- 4- Mr. Khalid Mohammed Al-Eid - Member of the Audit Committee

**** Resigned from the Board of Directors and the Audit Committee on 15/02/2026*

During the fiscal year 2025, the Committee held total of **(15) meetings**, which were attended by its members, representatives of executive management, the external auditor, and the Head of Internal Audit based on the meeting agenda.

II. Audit Committee Responsibilities

The Audit Committee undertakes range of oversight duties and responsibilities, the most notable of which include:

1. Reviewing and recommending the Company's interim and annual financial statements to the Board
2. Overseeing the internal audit function and ensuring its independence and effectiveness.
3. Recommending to the Board of Directors the appointment of external auditor, determining its fees, and monitoring its performance and independence.
4. Reviewing the adequacy and effectiveness of the Company's internal control systems and risk management framework.
5. Reviewing contracts with related parties entered into by the Company during the fiscal year.
6. Monitoring the Company's compliance with applicable laws, regulations, and instructions.
7. Reviewing any matters of financial or control significance referred by the Board of Directors.

III. Review of Financial Statements

The Audit Committee reviewed and discussed the Company's interim and annual financial statements for the year 2025 with the external auditor and senior management, submitted its related recommendations to the Board of Directors, and further discussed the applied accounting policies, significant accounting estimates, and any matters that may have a material impact on the financial statements; it also received a presentation from the external auditor on the audit results, and based on its review, did not identify any material observations that would affect the fairness of the presentation of the Company's financial statements.

IV. External Auditor

The Committee reviewed the technical and financial proposals submitted by approved external audit firms and evaluated enabling to select the most suitable firm, and also monitored the work of the external auditor, discussing with it the scope and results of the audit, while further assessing the auditor's independence and objectivity and ensuring that no circumstances existed that could impair its impartiality; in addition, the Committee discussed with the external auditor the annual audit plan, significant accounting estimates, and the observations included in the management letter.

V. Internal Audit

The Committee reviewed the Internal Audit Department's work plan and its periodic reports, followed up on the results of audit activities including the observations and recommendations raised, and monitored the corrective actions taken by executive management to address such observations; the Committee is of the view that the Internal Audit function operates with an appropriate level of independence and effectively fulfills its role in evaluating the effectiveness of the internal control system and enhancing the efficiency of the Company's control environment.

VI. Compliance and Governance

The Audit Committee monitored the Company's compliance with applicable laws, regulations, and instructions, including corporate governance and disclosure requirements, and reviewed and updated several policies and procedures during 2025 in line with applicable practices, recommending for its approval by the relevant authorities; in addition, the Committee reviewed related party transactions entered into by the Company during the fiscal year ended 2025 based on the information presented to it, and did not identify any indications of preferential terms, undue advantages, or transactions that were not conducted on an arm's length basis.

VII. Audit Committee's Opinion on the Adequacy of the Internal Control System

Given the importance of an effective internal control framework, the Audit Committee assesses its effectiveness and efficiency on an annual basis through its comprehensive review, which includes evaluating the adequacy and effectiveness of all policies, practices, and procedures across the Company's departments, as well as the effectiveness of governance, risk management, and internal controls, thereby enabling the Company to achieve its objectives and safeguard its assets; the Committee also considers matters related to the effectiveness of internal controls through its review of the external auditor's work and the Internal Audit Department's activities, deriving relevant recommendations for improvement and submitting them periodically to the Board of Directors to ensure the overall efficiency and effectiveness of the internal control system, and based on its annual review, confirms that there are no material findings or significant issues that require disclosure with respect to the integrity of the financial and accounting systems, internal controls, or matters related to financial reporting.

The Audit Committee is of the view, based on annual confirmations and disclosures from executive management, the Audit Committee believes that the current internal control, finance, and risk management systems operate with acceptable effectiveness. However, some areas require improvement. It is important to note that no internal control system, regardless of its design and application, can provide absolute assurance.

The Committee affirms that it performs its duties and responsibilities with full independence and continues its efforts to enhance the effectiveness of the internal control and risk management framework, thereby supporting sound governance practices and reinforcing the principles of transparency, integrity, and the overall efficiency of internal control systems.

In conclusion, the Audit Committee extends its appreciation to the Board of Directors, executive management, the external auditor, and the Internal Audit Department for their cooperation with the Committee during the fiscal year 2025.

Chairman of the Audit Committee

Dr. Abdullah bin Sagheer Mohammed Al-Hussaini