



Agility Public Warehousing Company

Audit Report 2024

Audit Committee

The Audit Committee is considered one of the main pillars in applying sound Corporate Governance as the committee works to incorporate the culture of accountability inside the company by ensuring the soundness and integrity of financial reporting of the company.

The Board of Directors has established an Audit Committee according to the regulations in Article 5-6 of Chapter 15 of the Corporate Governance bylaws. The Audit Committee consists of three non-executive members, including independent members, all of whom have specialized expertise consistent with the nature of the company's activity. Also, members of the committee possess the qualifications and practical experience in the fields of accounting and finance.

The Board of Directors has approved the committee charter that defines the terms, structure and responsibilities of the committee. The committee did not detect any contradictory views between the committee's recommendations and the Board of Directors' Resolutions. The committee meets four times a year on a quarterly basis.

Audit Committee responsibilities:

The Audit Committee has many regulatory functions in the company such as:

- Review periodic and annual financial statements prior to their submission to the Board of Directors.
- Follow up on the work of the external auditors.
- Evaluate the efficiency of internal audit systems and prepare reports and recommendations.
- Review the results of the internal audit reports.
- Review the outcome of regulatory bodies' reports.
- Verify company's compliance with relevant laws, policies and regulations.

With regard to the external auditor, the Audit Committee works to:

- Recommend to the Board of Directors the appointment, re-appointment or change of the external auditor, as well as specify the appropriate remuneration. Moreover, the Audit Committee should ensure that the auditor is among the approved and licensed auditors by the relevant authorities.
- Verify the independence of the external auditor periodically before his or her appointment or reappointment. The committee should ensure that the external auditor does not perform any additional tasks which may affect the external auditor's independence.

Based on the above, the Audit Committee has recommended to the Board in 2024 the appointment and reappointment of the external auditors: Mr. Bader Al Abdul Jader / Ernst & Young - Aiban, Al Osaimi & Partners and Mr. Nayef Al-Bazei / RSM-Al Bazei and Partners which was later approved by the General Assembly

As for the Internal Control Review, the company has appointed in 2024 an independent Auditor Mazars, to evaluate and review the internal audit systems in place for the year 2023 and prepare a report in this regard (Internal Control Report) to be presented to the Capital Markets Authority. The report was concluded with minor observations, and the Board has delegated the responsible departments to take actions accordingly.

Internal Audit Department

Agility's Internal Audit Department enjoys full technical independency by reporting directly to the Internal Audit Committee. The department should ensure that all policies and procedures are followed properly within all departments and the current systems are capable to evaluate the efficiency of the company's daily operations and its ability to encounter the unforeseen market changes. The department prepares periodic reports on all the work done including their recommendations to be presented to the internal audit committee.