

ANNUAL REPORT 2022

For the Fiscal Year Ending
on 30 september 2022

We seek to contribute to strengthening the credit system

Introduction

Throughout its history which extends to over twenty years, Ci-Net has sought to develop and improve its business with a view to providing the financial and banking sector with services that provide an added value which contributes to the quick performance of commercial and financial transactions, ensuring a highly efficient risk management and supporting value in all its business activities. The Company makes all efforts to provide services that provide added value to its subscriber members and form a solid foundation for transactions between the entities that grant credit facilities of all forms and kinds, and provide more efficient services to customers. For this reason the Board of Directors was fully and totally convinced that the sound application of the governance rules and procedures would result in achieving the objectives of the Central Bank of Kuwait guidelines with the objective of transforming it into an integrated and highly sophisticated credit information center that would be the first entity licensed by the regulator according to the provisions of Law no. 9 of 2019 that regulated the exchange of credit information for providing reporting services with regard to credit and credit-classification in the State of Kuwait.

Among its strategic goals, Ci-Net seeks to achieve the elements of sound governance in order to protect the rights of the shareholders and stakeholders in addition to reducing operating risk taking tendency, enhancing performance efficiency and quality in providing added value services within the financial services industries. For this reason, the Board of Directors, before taking the resolution to register the Company in the Register of Credit Information Companies at the Central Bank of Kuwait, found it appropriate to apply the principles of sound government at Ci-Net according to the best corporate governance practices and in line with the instructions and controls laid down by the Central Bank of Kuwait concerning the rules of governance, prudent risk management and the development of relevant systems and control tools.

Ci-Net has adopted deeply rooted work values in all its activities subject to strict control of all its operations by the members of the Board of Directors in order to conform to the governance requirements laid down by the Central Bank of Kuwait. To this end, a number of Board of Directors committees have been created (the Corporate Governance Committee, the Nominations and Remuneration Committee, the Audit Committee and the Risk Committee) in order for the Company to remain able to carry out its functions and activities that it is entrusted follow up and practice as a service provider of credit notification and credit classification according to the provisions of Law No. 9 of 2019 regulating the exchange of credit information and the Executive Regulations thereof. In addition, a package of work regulation policies and procedures have been issued to reflect the requirements and controls laid down by the regulatory authorities in this regard and to exercise continuous follow-up thereof with a view to carry out a periodical, on-going and appropriate update of those policies and procedures and the supplements thereto.

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Company Vision



We seek to provide credit inquiries, credit rating and credit information services in an innovative way and at the highest levels of professionalism and trust to contribute to strengthening the credit system, advancing the credit culture and promoting trust among customers in the credit community.

Company Values



- ➔ Confidence
- ➔ Information security and confidentiality
- ➔ Quality
- ➔ Accuracy and comprehensiveness
- ➔ Commitment

Company Mission



We look forward to pioneering and leading in creating and building a credit information network according to the best international standards with the highest levels of quality in order to provide additional values to shareholders and customers.

Company Goals



- ➔ To help the financial and banking sectors make the right decision when granting credit facilities by using the services provided by Ci-Net.
- ➔ To facilitate financing operations, increase the collection rates of financing granted to the customer, and reduce non-performing financing.
- ➔ To contribute to facilitating individual transactions and reducing credit and financing risks.

Company Profile

Credit Information Network (Ci-Net) was established in 2001 under the provisions of the Companies Law and amendments thereto, and Law No. 2 of 2001 for establishing a system for collecting information and data on consumer loans and credit facilities related to retail sales issued on 14 January 2001, and cancelled under the provisions of Law No. 9 of 2019 regarding the regulation of credit information, exchange issued on 10 February 2019.

Credit Information Network (Ci-Net) is a closed Kuwaiti shareholding company specialized in the business of requesting, collecting, preserving, analyzing and using credit information for preparing credit records, and issuing credit reports and credit classification for individual and corporate clients. The company is also preparing and developing risk tools and standards and its related information and data in accordance with the provisions of Law No. 9 of 2019 regarding the regulation of credit information exchange and its executive regulations. Ci-Net places all its capabilities to provide the financial, banking and commercial sectors with a wide range of services in the field of credit reporting, credit rating and other value-added services.

Company Services

The company shall collect information and data related to consumer loans, housing loans, commercial loans, credit cards and other credit facilities resulting from installment sale of commodities and services and to provide the Central Bank of Kuwait and reporting entities from banks, investment companies, finance companies, commercial companies and establishments regulated by Ministry of Commerce and Industry that grant credit facilities by selling in any form of ownership transfer through installments for goods and services, authorized users and customers of natural or legal persons authorized to inquire and obtain credit information and reports provided by the company and the clients to whom the information and data relate and which have credit records at the company and any other local or foreign bodies approved by the

Central Bank of Kuwait and anyone related to credit and credit information reporting systems in accordance with the provisions of the laws regulating the Company's activity, based on their request, with information and data about all kinds of consumer loans and credit facilities granted to the customers of these entities upon request.

For this purpose, it shall have the right to import electronic devices and computers, information systems and saving devices and related devices.

To design, import sell and operate auto systems and the equipping and management of operations centers for the benefit of the Company only.

Develop a credit database by requesting, collecting, processing, storing, analyzing, classifying, using and circulating credit information. Prepare a credit record, personal and credit data related to the debts of customers of real estate finance companies, insurance companies, all types of leasing and financing companies, vehicles companies, telecommunications companies, in addition to other reporting entities and users of data and information as stipulated in the provisions of the laws regulating the company's activity.

Provide all credit inquiry, credit rating, credit reporting and issue credit information reports for customers and services to natural and legal customers without making any recommendations or opinions from the Company regarding eligibility of granting credit facility or not and develop risk and related tools and criteria.

Invest surplus cash through investing in portfolios managed by fund management organizations and authorize the board to do so; owning real estate and movable properties necessary to conduct its operations as permissible by law; and the Company may also have an interest in or participate in any manner with other entities carrying out similar activities in order to achieve its objectives inside and outside of Kuwait, and to acquire or merge with those entities.

Chairman statement



Nasser Al-Qaisi
Deputy Chairman of the Board of Directors

Board of Directors Report on the Activity and Financial Position of Credit Information Network Company for the Financial Year Ended 30.09.2022

On behalf of the Chairman and members of the Board of Directors, the Executive Management and all the employees of Credit Information Network Company (Ci-Net), I would like to welcome the shareholders at the 23rd annual meeting of the Ordinary General Assembly. I take this opportunity to express our deepest thanks and gratitude for your continuous trust and support that has always been an essential incentive to make the utmost efforts to meet your aspirations and strive to achieve the Company's goals and the new strategy in light of the Law No. 9 of 2019 that organizes the exchange of credit information and its executive regulations as well as the executive rules of the said law as issued by the Central Bank of Kuwait.

Honorable Shareholders,

During the year 2022, Ci-Net witnessed several basic transformations that may rightly be described as historical turning points in its progress. Despite the huge crisis that afflicted all countries of the World as a result of the Corona pandemic, that reached its highest point since the year 2020, the Company managed, with the help of Allah Almighty, to overcome the effects of the crisis in an unprecedented manner and achieve positive results in the years 2020 and 2021. Since the promulgation of the Law No. 9 of 2019 organizing the exchange of credit information, which required the companies operating at the time of issue of the law to regularize their status according the articles and provisions of the said law and the prudent guidelines issued by the Central Bank of Kuwait , that require the drawing of a clear strategic plan with specific

elements designed to benefit from technological and digital advancement in the banking and financial field and understand the best customers' requirements, expectations and needs in order to develop a work model for Ci-Net on the medium term. Thanks to the vision and experience of the members of the former board of directors which brought together a select group of financial professionals with a rich history of past performance full of educational qualifications and professional achievements, a contract was signed with a major specialized consulting company which proceeded to draw a strategic transformation plan that suited the requirements and vision of the Central Bank of Kuwait, and specified the general foundations for the strategic transformation plan that may be summarized in the following basic elements:

To concentrate efforts on increasing revenues from investment operations and on commissions and charges for Ci-Net's services and achieve a sustained increase of revenues.

Improving and enhancing the Company's technological capabilities of all specializations and types, and to expand the provision of new services, focus basically on electronic services and providing those services in an innovated manner that conforms to the best international practices in this regard.

An on-going enhancement and support to the Risks and Internal Audit Department with a view to minimize risks that may result from the works, and continue and develop the requirements required for the business sustainability plans and disaster recovery.

Those elements were the main support for the transformation of Ci-Net, for, on 23 August 2022, the Central Bank of Kuwait approved the presented plan and issued directions

to proceed with its practical phases within the time periods specified for each of them. Those instructions were issued after the Company had regularized its status in line with the provisions of the aforesaid law. Thereupon, the board of directors of the Central Bank of Kuwait issued its resolution No. 12/459/2022 on 23 January 2022 to register Ci-Net as the first company to operate in the field of reporting credit and credit-classification according to the provisions of Law No. 9 of 2019 regulating the exchange of credit information which had become a prominent phase in the progress of the company since its incorporation.

Following the approval of the strategic transformation plan by the supervisory body, the board of directors issued its guidelines to the Executive Management to start the implementation of the first phase of the strategic transformation plan which addressed the aforesaid elements while placing the digital transformation operations at the forefront of its attention upon drawing and implementing the strategic transformation plan. This was achieved by making further improvements to its services and products during the previous financial year through the digitalization of its operations and facilitating procedures for customers and supporters to access its services and products and inspect and benefit from their credit data quite easily round the clock. Ci-Net had the honor to take part in the meetings of the trial supervision environment under the supervision and organization of the Central Bank of Kuwait, all of which seek to reach an understanding and evaluation of the effect of new technologies on the new financial market in Kuwait with the assistance of the financial institutions and financial technology companies in order to test their innovative products according to controls and procedures laid down in this regard, all of which will lead to positive future results for the financial and commercial sectors by improving and facilitating the procedures of the financial and credit transactions.

Chairman statement

Financial Results:

During financial year 2021/2022, Ci-Net achieved a net profit of KD 2,227,248 (Kuwaiti Dinars two million two hundred twenty seven thousand two hundred forty eight) after deduction of the provisions for Zakat and Kuwait Foundation for the Advancement of Science. Total revenues during the financial year ended on 30.09.2022 amounted to KD 4,436,285 (Kuwaiti Dinars four million four hundred thirty six thousand two hundred eighty five). This performance contributed to increasing the shareholders' equity to reach KD 17,625,394 (Kuwaiti Dinars seventeen million six hundred twenty five thousand three hundred ninety four), in the light of which, the board of directors recommends the ordinary general assembly to approve the distribution of cash dividends at the rate of 15% of the Company's paid-up capital, for a total of KD 342,000 (Kuwaiti Dinars three hundred forty two thousand) to the existing shareholders registered in the Company's register of shareholders at the Kuwait Clearing Company until the date of holding the present meeting, after the ordinary general assembly and the relevant competent authorities approved the distribution. The board of directors also proposed the grant of a remuneration to the members of the board of directors in consideration of their efforts during the financial year ended on 30.09.2022, at the rate of 2.20% of the profits after deduction of depreciations, transfers to reserves, the distribution of the dividends to the shareholders at the rate proposed by the board of directors, the provision for the Kuwait Foundation for the Advancement of Science and a provision for the Zakat tax in an amount of KD 49,000 (Kuwaiti Dinars forty nine thousand), after obtaining the approval of the ordinary general assembly and the relevant competent authorities.

These results clearly underline the strengthen of the core elements that uphold the company's performance and the quality of its operations. They form a solid foundation on which the Company builds its growth plan during the coming year. In continuing to make these achievements,

the core enabling element is the contribution made by our employees who enjoy the requisite skills and competence, and whose loyalty and dedication to their duties is the basic strength that makes such growth possible. For this reason we are always extremely keen to enhance the efficiency of our work team and continue to invest in providing the necessary training opportunities and participate in the development of their capabilities and skills. This ensures that they continue to provide an excellent performance of their duties and help achieve good and fruitful results for the Company and its shareholders.

Sustained Efforts to Attract Kuwaiti Nationals:

In continuation of Ci-Net's continuous persevering efforts to attract young Kuwaitis, the Company continues to exert relentless efforts to Kuwaitize positions pursuant to the guidance of the board of directors and according to the strategic plan which calls for giving the utmost attention to the national manpower to form part of its work team. For this reason, Ci-Net is very keen to attract young male and female Kuwaiti new graduates, and national leadership cadres who have both the ambition and motivation to join the Company.

Emphasizing the National Identity in the Commercial Name of Ci-Net

Over the past twenty three years, Ci-Net played an effective role in light of the guidelines of the Central Bank of Kuwait and its solid rules that promote the formation of the progress of the State of Kuwait toward a digital economy and ensuring that its contributions are in line with the national priorities and vision of the State of Kuwait 2035 whose aims include transforming Kuwaiti into a regional and global financial and business center that can attract investment. This was the idea behind the creation of the new identity stems from the solid and excellent reputation achieved by Credit Information Network Company, as the reliable and only company in the field of credit information and credit classification. The Company's wide expansion of

the company in all parts of Kuwait and in all the banking, financial and business sectors underline the fact that Ci-Net influences the way Kuwaitis and expatriates perform their credit transactions. We are sure that, in light of the new commercial name, we will be able to demonstrate our strong commitment to achieving prosperity for the State of Kuwait. Given this fact, the board of directors recommended changing the business name of the company to Kuwait Credit Information Network Company.

Future Outlook year 2023:

At Ci-Net, we have adopted a pro-active approach that can identify the future requirements and needs of the banking and financial sectors, business owners in various scopes and sectors and identify the potential risks and challenges, based on specialized practical studies in order to determine the best mechanisms and systems. This enables us to develop those systems and enhance their effectiveness, identify the role and nature of our operating activities in catering for the strategic needs of the State of Kuwait in light of the trends adopted by the Central Bank of Kuwait and other supervision authorities. In addition, this enables us, in turn, to contribute to the realization of the goals and vision of the State of Kuwait 2035 by providing support to the economic activities and realizing human development, energizing the spirit of competition and increase production efficiency in the presence of a supporting institutional body which promotes national values, preserves the social identity and human development, provides an appropriate infrastructure for an encouraging and well-developed business environment. For this reason, we believe that the coming period calls for maintaining flexibility in order to attain further achievements and obtain the requirements for prospecting the scopes of modern and digital technology, all of which will preserve and support the business of the company and its ability to look for new opportunities. During 2023, Ci-Net will focus all its efforts on its future path to improving the Company's business, from a pioneering and excellent position from which it will seek to diversify its

products and innovations by advance technological means. The company will continue to consider a number of strategic initiatives and services by a full exploitation of the digital capabilities that will be built in an optimum manner. We will enhance our position in the local and foreign markets and seek to seize further rewarding growth opportunities that would enable Ci-Net to provide its services to all customers and sectors by working tirelessly to include other sectors in order to benefit from the available data and information, thereby participating in enhancing the banking and financial sectors in the State of Kuwait in terms of efficiency, productivity and reliability in order to attain the desired goal of increase awareness and the credit culture for all Kuwaitis and expatriates in Kuwait.

In conclusion, for myself and on behalf of my colleagues on the Board of Directors, I present my deepest thanks and appreciation to his excellency the Governor of the Central Bank of Kuwait, Mr. Basel Al-Haroun, her excellency, Sahar Al-Rumaih, Deputy Governor of the Central Bank of Kuwait, Mr. Abdulhamid Al-Awadh, Executive Director for the Supervision Sector, and all the officers of the Central Bank of Kuwait for their continuous support and valuable guidance. I would also like to thank the members of the board of directors, the executive managements and all the employees of the Company for their efforts and dedication to their work, with our best wishes for them to enjoy lasting success. Finally, we do highly appreciate the generous support we receive from our shareholders and members.

May you all achieve a lasting progress and good fortune.

Nasser Al-Qaisi
Deputy Chairman of the Board of Directors

Statement of the Chief Executive Officer



**MR. FAHED MOHAMMED HAMAD
AL-MUNAYES**

The last year witnessed tremendous challenges to business all over the world as a result of the Corona (Covid 19) pandemic which laid its bleak shadow over almost all aspect of life, particularly in the State of Kuwait. This had a deep and negative impact on the banking and financial sector. However, with the grace of Allah Almighty and thanks to the guidelines of the Central Bank of Kuwait and the Board of Directors, we are now enjoying the positive fruits of the decisive and judicious measures taken during 2020 and 2021. Ci-Net has now become the first credit information center accredited and registered at the Central Bank of Kuwait for providing credit and classification services center under the provisions of Law No. 9 of 2019 that regulates the exchange of credit information and its Executive Regulations. Today, the Company enjoys a strong financial position and keeps abreast with the latest development in technology, the launching of new products and services in an innovative manner, with a management team of the highest standard.

Pursuant to the guidelines of the Central Bank of Kuwait for developing the banking and financial sectors designed to achieve further success and excellence, and with a view to ensure sustained financial and monetary stability in the face of challenges brought about by the developments of the global economy, the surge of modern financial technologies and accelerating changes in customers' expectations and needs by confronting those challenges through the adoption of new methods and visions that can be appropriately implemented in the future, as well as the outcome of this transformation in terms of developing and modernizing Ci-Net's digital infrastructure in order to shift from an environment that is partially lacking in flexibility to a highly resilient environment that supports work totally from home or from remote locations while remaining in full observance of the basic internal regulations without any effect on productivity. This transformation has had a remarkably positive effect on our business during 2022 brought about by taking substantial steps to improve the Company's data bases and information. The foregoing constituted the main driver of Ci-Net's transformation particularly after the Central Bank of Kuwait's approval, on 23 august 2022, of the plan to regularize the

status of the Company under Law No. 9 of 2019 that regulates the exchange of credit information, on 23 January 2022 by registering Ci-Net as the first company accredited to provide credit reporting and classification services in the State of Kuwait in accordance with the provisions of the aforesaid law. That development was a major milestone in the history of Ci-Net since its establishment. Pursuant to the guidelines of our Board of Directors, Ci-Net proceeded to implement the transformation strategy plan related to the existing elements of the control system while keeping the position of our digital transformation operations in the forefront of our concern in preparing and implementing the transformation strategy plan through a process of introducing further improvements to our services and products during the past financial year. This was carried out by digitizing our operations and facilitating customers and subscribers procedures to accessing Ci-Net's services and products and providing them with access to and benefit from their credit information round the clock simply and without any obstacles.

With regard to our financial results, I am pleased to confirm that the financial year ended on 30.09.2022 was quite successful in achieving tangible results in line with the Company's strategic objects. Ci-Net achieved a net profit of KD 2,227,248/- (Kuwaiti Dinars two million two hundred twenty seven thousand two hundred forty eight), with an increase of 40% over the profits for the financial year ended on 30.09.2021. Ci-Net's total revenues for the financial year ended on 30.09.2022 amounted to KD 4,436,285/- (Kuwaiti Dinars four million four hundred thirty six thousand two hundred eighty five), with an increase of 34% over the financial year ended on 30.09.2021.

In this regard, we would like to point to the fact that one of the key elements of Ci-Net's success was the contribution made by our highly skilled and efficient employees whose loyalty and dedication to the business was the basic and biggest driver behind the Company's growth. We are proud of the immense support our employees have provided, as much as we are proud of their contribution to our success. Another positive item has been the positive result of our efforts to achieve a gradual fulfillment of

the Kuwaiti national manpower rates. We have thus covered considerable ground in this regard prompted by our keen desire to attract competent and experienced young Kuwaitis, provide them with employment support and opportunities to progress and develop. It is worth mentioning that the aspirations of our Board of Directors encompasses the creation of a new identity for Ci-Net now that the Company has a history of twenty three years of professional business and achievements in the field of credit reporting and classification. Through its new identity, the Company seeks to crystalize its experience in the field of credit information as a pioneering national company that recognizes its own responsibility and commitment toward its customers and subscribers. Given these considerations, Ci-Net has been keen to build its new identity in line with the best practices followed by credit information centers and companies in various countries worldwide. At the same time, the Board of Directors emphasizes its determination to achieve its objectives to have an effective participation in the country's development and the objectives of Kuwait 2035 Vision. To this end, the Board of Directors found it appropriate to include the name of our beloved country as part of the commercial name of the company to become: Kuwait Credit Information Network Company.

In conclusion, I would like to thank the Chairman and members of our Board of Directors for their generous support in starting the implementation of the Company's strategy over the coming five years. The new strategy will certainly contribute to raise Ci-Net's standard and enable it to achieve further development and success. It will also pave the way toward achieving further positive results. I am also pleased to express my thanks to the Company's employees for their determined efforts and dedication to their duties with a view to achieving success during the past financial year. Finally, I would like to express my thanks and appreciation to our honorable shareholders, the Central Bank of Kuwait and all related parties for their fruitful trust and cooperation. I do pray to Allah Almighty to grant a lasting progress and success to all.

With best wishes ,,,

Board of Directors



Mr. Anwar Bader Mohammed Al-Ghaith
Chairman of the Board of Directors (non-executive)
Representing the Central Bank of Kuwait



Mr. Nasser Mohammed Yousef Al-Qaisi
Vice Chairman of the Board of Directors (non-executive)
Representing Burgan Bank



Mr. Abdulaziz Saleh Al-Zaabi
Member of the Board of Directors (non-executive)
Representing Commercial Bank of Kuwait



Mr. Mohammed Habib Al-Baloushi
Member of the Board of Directors (non-executive)
Representing Ahli Bank of Kuwait



Mr. Fahed Othman Al-Bader
Member of the Board of Directors (non-executive)
Representing Kuwait International Bank



Mr. Khaled Abdullah Abdulrahman Al-Ali
Member of the Board of Directors (non-executive)
Representing the Commercial Facilities Company



Mr. Yasser Mohammed Abdullah Al-Saad,
Member of the Board of Directors (non-executive)
Representing the Bank of Bahrain and Kuwait.

Achievements

Operating Achievements

During the Financial Year
Ended on 30.09.2022

1. Registration of Ci-Net as the first company that provides credit and credit-classification reporting services in the Credit Information Companies Register under the provisions of Law No. 9 of 2019 regulating the exchange of credit information.
2. Launching the strategic transformation plan for the three years 2023/2024, 2024/2025, 2025/2026. This step complements the progress of the achievements made by the Company and the members of its board of directors upon the Company's conformation with the provisions of Law No. 9 of 2019 with a view to fulfilling the requirements of the forthcoming phase of effectively keeping abreast with the local and international changes and trends in line with the guidelines laid down by the Central Bank of Kuwait, thereby developing Ci-Net's role as a center for credit information with a view to benefit all the relevant parties – policymakers, supervisory bodies, banking institutions, nationals and expatriates.
3. Continuing to improve and develop the Data Center systems at the Disaster Recovery Site to attain the standard and level of an active – active environment data center within the process of implementing the Business Continuity Module.
4. Upgrading subscriptions to the web portal services, the website and the smart phone application Ci-Net for all classes of customers – individuals and companies – through linkage and integrating with the "Huwiyati" application.
5. Launching the text messages service for the credit information report, thereby giving the customer a direct notice in the event of an enquiry about them by entities that grant credit or installment sale of goods and services facilities.
6. Upgrading and developing the Interactive Module for the commercial credit facilities portfolio by providing a new set of analytical reports in an innovative manner as well as multiple analytical filters that help subscribers to measure the performance indicators of their respective sectors.
7. With a view to enhance credit culture and raise the awareness of the various segments of society, and within the framework of intensifying Ci-Net's efforts in support of the banking awareness campaigns "Let's Be Aware" launched by the Central Bank of Kuwait, Ci-Net built up its publicity campaigns with materials and brochures through all its pages on social media in order to increase public awareness of the importance of their credit information and credit classifications and keeping them informed of the various risks to which they may be exposed as a result of the existence of negative information or a decline of their credit classification in the credit information report.
8. On-going updating and development of the safe communication networks between Ci-Net and subscriber members, customers, data and information providers at government entities and subsidiary bodies, and improving the security levels related to the infrastructure of the internal network and adding security and protection systems in order to strengthen the security of the internal communication network.
9. Finalizing the preparation and setting up of the Telco Commitments Portfolio in Ci-Net's computer system especially created for suppliers and operators of telecommunication and Internet services in the State of Kuwait. The purpose is to enable them to enquire about customers and assess their ability to meet future payment obligations based on the patterns and data related to past payments with regard to communications services only. This should help limit the risks to which communication services providers and operators are exposed, noting that the communications obligations portfolio will not include any customer credit data or information other than the credit classification indicator (digital evaluation).
10. Within the framework of the Company's plan to regularize Ci-Net's status under the articles and provisions of Law No. 9 of 2019, in addition to the Central Bank of Kuwait guidelines related to the protection of individual customers' rights, an electronic software has been launched to handle customer complaints in order to enable customers to lodge complaints related to the credit notification services and the mechanism for settling them according to the rules and time periods laid down in this regard in accordance with the provisions of the aforesaid law and its executive regulations.
11. On-going testing of the electronic linkage with credit information centers and companies in the Gulf Cooperation Council countries within a testing environment before going live. This action is taken pursuant to the resolution of the Higher Council of the Gulf Cooperation Council taken at the Council's meeting during its 37th Session held in the Kingdom of Bahrain, to the effect of approving the exchange of credit information among the Gulf Cooperation Council Countries, with a view to link the GCC credit information centers according to the short term work plan and the comprehensive framework for the mechanism of facilitating the exchange of credit information among the Gulf Cooperation Council Countries in order to link the credit information centers in these countries for the purposes of the electronic exchange of credit data and information. This is sought to be achieved by providing highly secure and confidential electronic channels within the scope of information security and technology and apply the best practices in the field of cyber security technology.
12. National Manpower (Kuwaitization) represent 43% of Ci-Net's employees, in line with the Company's mission to attract and increase the number of Kuwaiti national cadres.

Business Volume Development Statistics

during the Fiscal Year Ended
on 30.09.2022

First: General Statistics

| # | Statement | Comparative overall statistic as in | | |
|---|---|--|--|------------------|
| | | during the Fiscal Year Ended on 30.09.2021 | during the Fiscal Year Ended on 30.09.2022 | Rate of change % |
| 1 | Total number of subscribers | 77 Subscribers | 78 Subscribers | - |
| 2 | Ci-Net Automated System total number of users | 3151 Subscribers | 3157 Subscribers | 0.2 |

(*) The commercial credit facilities portfolio was added and the system was transferred to the actual production environment on March 29, 2020

Second: Consumer and Housing Loans Portfolio and Credit Cards "Individuals"

| # | Statement | Comparative overall statistic as in | | |
|---|---|--|--|------------------|
| | | during the Fiscal Year Ended on 30.09.2021 | during the Fiscal Year Ended on 30.09.2022 | Rate of change % |
| 1 | Number of consumer and housing loan and credit cards "individuals" portfolio accounts | 9,949,338 Accounts | 10,573,041 queries | 6.3 |
| 2 | Number of automatic inquiries about individual customers in the consumer and housing loans and credit cards portfolio | 817,919 queries | 963,985 queries | 17.9 |
| 3 | Number of credit information reports for individual customers (customers' inquiry about themselves) | 5852 individual credit report | 42,478 individual credit report | 626 |
| 4 | Total number of consumer and housing loans accounts and new credit cards for individuals | 398,173 Accounts | 589,837 Accounts | 48.1 |
| 5 | Total number of individual data for individual customers in the portfolio of consumer loans, housing loans and credit cards | 1,566,553 individuals | 1,619,647 individuals | 3.4 |
| 6 | Total monetary value granted to "individual" customers' credit accounts | KD 4,725,715,882/- | KD 5,966,322,863/- | 26.3 |

Third: Portfolio of commercial credit facilities

| # | Statement | Comparative overall statistic as in | | |
|---|--|--|--|------------------|
| | | during the Fiscal Year Ended on 30.09.2021 | during the Fiscal Year Ended on 30.09.2022 | Rate of change % |
| 1 | Total number of accounts for the commercial credit facilities portfolio | 452,588 Accounts | 679,027 Accounts | 50 |
| 2 | Number of automated inquiries about customers of the commercial credit facilities portfolio | 16,452 queries | 17,743 queries | 7.9 |
| 3 | Total number of credit information reports for customers of commercial credit facilities portfolio (customer queries about themselves) | 335 Commercial credit report | 289 Commercial credit report | -13.7 |
| 4 | Number of commercial credit portfolio customers | 52,767 Borrowers | 67,788 Borrowers | 28.5 |
| 5 | Total value of cash credit facilities granted for commercial purposes (for open accounts only). | KD 32,799,263,043/- | KD 36,994,904,178/- | 12.8 |

(*) The commercial credit facilities portfolio was added and the system was transferred to the actual production environment on March 29, 2020

Fourth: Financial Results During The Fiscal Year Ending 30/09/2022

| # | Statement | Comparative overall statistic as in | | |
|---|-----------------------------|--|--|------------------|
| | | during the Fiscal Year Ended on 30.09.2021 | during the Fiscal Year Ended on 30.09.2022 | Rate of change % |
| 1 | Total Assets of the Company | KD 16,879,832/- Sixteen million eight hundred and seventy-nine thousand eight hundred and thirty-two Kuwaiti dinars | KD 18,940,785/- Eighteen million, nine hundred and forty thousand, seven hundred and eighty-five Kuwaiti dinars | 12.2 |
| 2 | Total Revenue | KD 3,313,153/- Three million, three hundred and thirteen thousand, one hundred and fifty-three Kuwaiti dinars | KD 4,436,285/- Four million, four hundred and thirty-six thousand, two hundred and eighty-five Kuwaiti dinars | 33.9 |
| 3 | Total Profits | KD 1,606,329/- One million six hundred and six thousand three hundred and twenty nine Kuwaiti dinars | KD 2,227,248/- Two million, two hundred and twenty-seven thousand, two hundred and forty-eight Kuwaiti dinars | 38.7 |
| 4 | Total shareholder equity | KD 15,789,146/- Fifteen million, seven hundred and eighty-nine thousand, one hundred and forty-six Kuwaiti dinars | KD 17,625,394/- Seventeen million, six hundred and twenty-five thousand, three hundred and ninety-four Kuwaiti dinars | 11.6 |

Fifth: Growth rates during the previous five years

| # | Statement | Fiscal years | | | | |
|---|--------------------------|--------------|---------|---------|---------|---------|
| | | 2018 % | 2019 % | 2020 % | 2021 % | 2022 % |
| 1 | Rate of return on assets | 10.9 | 11.3 | 6.2 | 9.6 | 12.3 |
| 2 | Rate of return on equity | 11.3 | 11.6 | 6.5 | 10.2 | 13 |
| 3 | Dividend | 10 fils | 10 fils | 10 fils | 15 fils | 15 fils |

Sixth: Customer complaints statistics

| # | Statement | Comparative overall statistic as in | | |
|---|--|--|--|------------------|
| | | during the Fiscal Year Ended on 30.09.2021 | during the Fiscal Year Ended on 30.09.2022 | Rate of change % |
| 1 | Total number of customer complaints submitted to cinet | 19 complaint | 17 complaint | -10.5 |
| 2 | Resolve complaints from customers | 100% | 100% | - |
| 3 | The total number of customer complaints related to the processing and operation of data and information | 0 | 0 | - |
| 4 | The total number of customer complaints related to an error in the data and information contained in their credit report | 19 complaint | 14 complaint | -26.3 |

Statistics Comparison Volume Developments Business

During the ending fiscal year
on September 30, 2022

| # | Statement | during the Fiscal Year Ended on 30.09.2021 | during the Fiscal Year Ended on 30.09.2022 | Rate of change % |
|----|--|---|---|---------------------|
| 1 | Total number of subscribers | 77 Subscribers | 78 Subscribers | - |
| 2 | Ci-Net Automated System total number of users | 3151 Users | 3157 Users | 0.2 |
| 3 | Number of consumer and housing loan and credit cards "individuals" portfolio accounts | 9,949,338 Accounts | 10,573,041 Accounts | 6.3 |
| 4 | Number of automatic inquiries about individual customers in the consumer and housing loans and credit cards portfolio | 817,919 queries | 963,985 queries | 17.9 |
| 5 | Number of credit information reports for individual customers (customers' inquiry about themselves) | 5,852 individual credit report | 42,478 individual credit report | 626 |
| 6 | Total number of consumer and housing loans accounts and new credit cards for individuals | 398,173 Accounts | 589,837 Accounts | 48.1 |
| 7 | Total number of individual data for individual customers in the portfolio of consumer loans, housing loans and credit cards | 1,566,553 individuals | 1,619,647 individuals | 3.4 |
| 8 | Total monetary value granted to "individual" customers' credit accounts | KD 4,725,715,882/- | KD 5,966,322,863/- | 26.3 |
| 9 | Total number of accounts for the commercial credit facilities portfolio | 452,588 Accounts | 679,027 Accounts | 50 |
| 10 | Number of automated inquiries about customers of the commercial credit facilities portfolio | 16,452 queries | 17,743 queries | 7.9 |
| 11 | Total number of credit information reports for customers of commercial credit facilities portfolio (customer queries about themselves) | 335 Commercial credit report | 289 Commercial credit report | -13.7 |
| 12 | Number of commercial credit portfolio customers | 52,767 Borrowers | 67,788 Borrowers | 28.5 |
| 13 | Total value of cash credit facilities granted for commercial purposes (for open accounts only). | KD 32,799,263,043/- | KD 36,994,904,178/- | 12.8 |
| 14 | Total Assets of the Company | KD 16,879,832/- | KD 18,940,785/- | 12.2 |
| 15 | Total Revenue | KD 3,313,153/- | KD 4,436,285/- | 33.9 |
| 16 | Total Profits | KD 1,606,329/- | KD 2,227,248/- | 38.7 |
| 17 | Total shareholder equity | KD 15,789,146/- | KD 17,625,394/- | 11.6 |

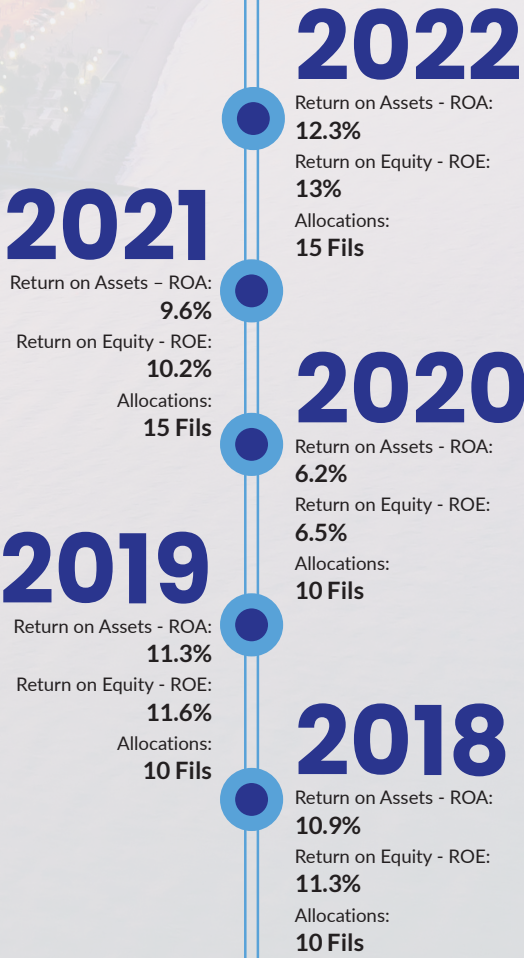
Financial Results

During the ending fiscal year
on September 30, 2022

| # | Statement | during the Fiscal Year Ended on 30.09.2021 | during the Fiscal Year Ended on 30.09.2022 |
|---|-----------------------------|---|---|
| 1 | Total Assets of the Company | KD 16,879,832/- | KD 18,940,785/- |
| 2 | Total Revenue | KD 3,313,153/- | KD 4,436,285/- |
| 3 | Total Profits | KD 1,606,329/- | KD 2,227,248/- |
| 4 | Total shareholder equity | KD 15,789,146/- | KD 17,625,394/- |

Ci-Net asserts its insistence for reaching the highest possible levels for its clients of financial and non-financial institutions, which led to achieving a strong growth of net profits over the past seven years. This growth assisted the development of the Ci-Net strategy for the diversification of the sources of income by offering new products and services which contribute in achieving the objectives of shareholders. Among the most significant priorities of Ci-Net is that it is keen to keep abreast of the latest technologies which emerge in the financial transactions markets, and therefore the clients may be served in a better manner. Through this process, Ci-Net constantly work to develop its services for the objective of continuing the provision of value-added services to its financial and non-financial institutions clients.

Growth Rates Over the Past Five Years



We Are Unique in What We Present

Over the past years, Ci-Net has solved all the problems related to the customers' data and reducing credit risks by issuing a comprehensive credit report to the customer which comprises individual details according to the computer system of the Public Authority for Civil Information. The report also comprises all the customer's current and past financial liabilities and illustrate their negative status, whether he/she is in default or not. Further, Ci-Net is keen to train subscribers in the system periodically to provide and read information in the computer system to ensure the quality of the credit report.

In the near future, Ci-Net will present the credit data inquiry services for companies and offer the credit rating product in the credit reports to keep abreast of the international systems in the credit inquiry and credit classification field.

Information Safety and Confidentiality Criteria

The Credit Information Network Company (Ci-Net) offers to the confidentiality of information in general and the clients' information in particular utmost attention and a constant follow up, by providing one of the most significant databases to clients in the State of Kuwait, which comprises their credit history, mechanisms and patterns of payment. Therefore, it is significant that such information and data remain confidential, preventing any person or entity whose work is not connected with granting or taking credit decision for clients from accessing the data.

The Credit Information Network Company has clearly identified a number of clauses, terms and conditions which ensure respecting

the privacy and confidentiality of the data and information of clients, which apply on all levels by laying down systems of international standards in connection with the confidentiality of information. To promote such criteria, it was necessary to lay down clear and specific conditions for the security and confidentiality of information to safeguard the interests of clients and credit donors, which include most significantly the following:

- Ci-Net is firmly committed to maintaining confidentiality and privacy standards by applying the highest protection standards in this regard and which can be provided and developed continuously in accordance with the Company's capabilities within the applicable legal frameworks.
- The obligation not to share customer credit information with any third party that is not authorized or permitted to access them.
- Ci-Net does not publish customer's private information or allow any unauthorized party or person to access its automated system to view such data.
- Ci-Net takes all necessary technical measures and procedures to protect the security and confidentiality of information with the aim of preventing any breach or misuse of any private information stored with it. However, it is widely known that the protection of electronic information security is marred by many loopholes and vulnerabilities that have been created or through which many violators and criminals have violated the privacy of many people across the world. Therefore, we are committed to providing the maximum possible protection and control with seriousness, diligence and full commitment.

Partners training and qualification

Training of the personnel working in the banking system and financial institutions and enhancing their capabilities in relation to the credit information system and banking risks is one of the most important goals adopted by Ci-Net. The focus was not on training according to its traditional concept in terms of organizing training courses and awarding certificates. Rather, it has become a strategic choice in our system as each successful organization must find training and development that has the greatest importance. In light of the challenges facing the banking system and financial institutions, we had to contribute to overcoming the challenges and obstacles facing our partner banks and financial institutions in the credit information system. In view of our belief that the beginning of change and the direction towards better performance only comes with changing the performance of personnel towards the best and raising their capabilities and qualifications in a manner which motivate them to build and develop in the banking business field in general and in the credit information field in particular.

Under the framework deeply establishing credit information concepts in order to keep abreast of the constant development and change in this field, the Company concluded numerous training courses and workshops to keep in line with the development and professionalism in the credit information field by providing the opportunity for training our partner banks and financial institutions, by implementing comprehensive training in order to increase experiences, learning and development, whereby training courses have been organized according to the nature of work of the users, represented in the following training courses:

- Training courses for the entry of new subscribers in the credit information network (free)
- Training courses on the method of inquiry and reading credit reports
- Courses and workshops on the improvements entered in the Ci-Net computer system
- Workshops on the establishment of credit database to the commercial loans portfolio in the CI-Net computer system
- Training courses according to the demand of banks and financial institutions
- Courses for solving problems which emerge in the computerized system work mechanism of the Ci-Net

Training courses for familiarization with the credit reports issued by the automated system of Ci-Net. Ci-Net will continue to exert all its efforts for advancing the credit work and prepare new qualified personnel to work in the credit information field in the coming years.

Financial Statements

- Financial Statement (Full)
- Statement of financial position
- Statement of profit or loss & other comprehensive income
- Statement of changes in equity
- Statement of cash flow
- Notes of financial statement

Credit Information Network Company K.S.C. (Closed)



Independent auditor’s report and financial statements
for the year ended 30 September 2022



Credit Information Network Company K.S.C. (Closed)
State of Kuwait

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Independent auditor's report

The Shareholders
Credit Information Network Company K.S.C. (Closed)
State of Kuwait

Opinion

We have audited the financial statements of Credit Information Network Company K.S.C. (Closed) (the "Company"), which comprise of the statement of financial position as at 30 September 2022, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 September 2022, and its financial performance and its cash flows for the year then ended are in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report is the Board of Directors report included in the Company's annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

KPMG Al-Qenae & Partners, a Kuwaiti Public Accountant and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Report on Other Legal and Regulatory Requirements

We further report that we have obtained the information and explanations that we required for the purpose of our audit and the financial statements include the information required by the Companies Law No. 1 of 2016, as amended, and its Executive Regulations and the Company's Memorandum of Incorporation and Articles of Association, as amended. In our opinion, proper books of account have been kept by the Company and the accounting information given in the Board of Directors' report agrees with the books of accounts of the Company. We have not become aware of any violations of the provisions of the Companies Law No. 1 of 2016, as amended, and its Executive Regulations, or of the Company's Memorandum of Incorporation and Articles of Association, as amended during the year ended 30 September 2022 that might have had a material effect on the business of the Company or on its financial position.



Safi A. Al-Mutawa
License No 138
of KPMG Al Qenae & Partners
Member firm of KPMG International

Kuwait: 26 March 2023

Credit Information Network Company K.S.C. (Closed) State of Kuwait



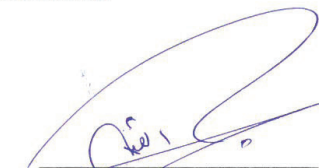
Statement of financial position as at 30 September 2022

| | Note | 2022 KD | 2021 KD |
|--|------|-------------------|-------------------|
| Assets | | | |
| Equipment and work in progress | 4 | 467,332 | 551,302 |
| Intangible assets | 5 | 420,329 | 459,270 |
| Right-of-use assets | 6 | 95,399 | 190,799 |
| Non-current assets | | <u>983,060</u> | <u>1,201,371</u> |
| Trade and other receivables | 7 | 1,133,630 | 719,789 |
| Cash and bank balances | 8 | 16,824,095 | 14,958,672 |
| Current assets | | <u>17,957,725</u> | <u>15,678,461</u> |
| Total assets | | <u>18,940,785</u> | <u>16,879,832</u> |
| Equity | | | |
| Share capital | 9 | 2,280,000 | 2,280,000 |
| Statutory reserve | 9 | 1,140,000 | 1,140,000 |
| Voluntary reserve | 9 | 2,178,136 | 1,950,815 |
| Retained earnings | | 12,027,258 | 10,418,331 |
| Total equity | | <u>17,625,394</u> | <u>15,789,146</u> |
| Liabilities | | | |
| Provision for employees' end of service benefits | 10 | 294,127 | 244,660 |
| Lease liabilities | 6 | - | 100,546 |
| Non-current liabilities | | <u>294,127</u> | <u>345,206</u> |
| Trade and other payables | 11 | 920,718 | 649,333 |
| Lease liabilities | 6 | 100,546 | 96,147 |
| Current liabilities | | <u>1,021,264</u> | <u>745,480</u> |
| Total liabilities | | <u>1,315,391</u> | <u>1,090,686</u> |
| Total equity and liabilities | | <u>18,940,785</u> | <u>16,879,832</u> |

The accompanying notes form an integral part of these financial statements.



Fahad Mohammad Al Menayes
Chief Executive Officer



Naser Mohammad Yosef Al-Qaisi
Vice-Chairman

Credit Information Network Company K.S.C. (Closed)
State of Kuwait

Statement of profit or loss and other comprehensive income
for the year ended 30 September 2022

| | Note | 2022 KD | 2021 KD |
|---|-------|--------------------|--------------------|
| Revenue | | | |
| Service charges | 14 | 4,076,476 | 3,025,571 |
| Murabaha income | | 359,809 | 287,582 |
| | | <u>4,436,285</u> | <u>3,313,153</u> |
| Expenses | | | |
| Staff costs | | (1,083,827) | (901,500) |
| Reversal of allowance for expected credit losses | 7 | - | 10,000 |
| Communication and IT expenditure | | (107,590) | (65,427) |
| External database access charges | | (6,582) | (6,323) |
| Consultancy and professional fees | | (74,794) | (79,750) |
| Depreciation and amortisation | 4,5&6 | (446,552) | (290,359) |
| Support and license fee | | (352,954) | (263,041) |
| Other administrative expenses | | (90,779) | (77,337) |
| | | <u>(2,163,078)</u> | <u>(1,673,737)</u> |
| Profit before contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS"), Zakat and Board of Directors' remuneration | | 2,273,207 | 1,639,416 |
| Contribution to KFAS | | (22,732) | (16,394) |
| Zakat | | (23,227) | (16,693) |
| Board of Directors' remuneration | 12 | (49,000) | (49,000) |
| Profit for the year | | <u>2,178,248</u> | <u>1,557,329</u> |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | <u>2,178,248</u> | <u>1,557,329</u> |

The accompanying notes form an integral part of these financial statements.

Credit Information Network Company K.S.C. (Closed)
State of Kuwait
Statement of changes in equity
for the year ended 30 September 2022


| | Share capital KD | Statutory reserve KD | Voluntary reserve KD | Retained earnings KD | Total equity KD |
|--|---------------------|-------------------------|-------------------------|-------------------------|--------------------|
| Balance at 1 October 2020 | 2,280,000 | 1,140,000 | 1,786,873 | 9,252,944 | 14,459,817 |
| Profit and total comprehensive income for the year | - | - | - | 1,557,329 | 1,557,329 |
| Dividend (note 13) | - | - | - | (228,000) | (228,000) |
| Transfer to reserve (note 9) | - | - | 163,942 | (163,942) | - |
| Balance at 30 September 2021 | <u>2,280,000</u> | <u>1,140,000</u> | <u>1,950,815</u> | <u>10,418,331</u> | <u>15,789,146</u> |
| Balance at 1 October 2021 | 2,280,000 | 1,140,000 | 1,950,815 | 10,418,331 | 15,789,146 |
| Profit and total comprehensive income for the year | - | - | - | 2,178,248 | 2,178,248 |
| Dividend (note 13) | - | - | - | (342,000) | (342,000) |
| Transfer to reserve (note 9) | - | - | 227,321 | (227,321) | - |
| Balance at 30 September 2022 | <u>2,280,000</u> | <u>1,140,000</u> | <u>2,178,136</u> | <u>12,027,258</u> | <u>17,625,394</u> |

The accompanying notes form an integral part of these financial statements.

Credit Information Network Company K.S.C. (Closed)
State of Kuwait

Statement of cash flows
for the year ended 30 September 2022

| | Note | 2022 KD | 2021 KD |
|--|------|--------------------|--------------------|
| Cash flows from operating activities | | | |
| Profit for the year | | 2,178,248 | 1,557,329 |
| <i>Adjustments for:</i> | | | |
| Depreciation of equipment and work in progress | 4 | 157,450 | 48,896 |
| Amortisation of intangible assets | 5 | 193,704 | 146,063 |
| Depreciation of right-of-use assets | 6 | 95,400 | 95,400 |
| Loss on disposal of equipment and work in progress | | 131 | 24 |
| Reversal of allowance for expected credit losses | 7 | - | (10,000) |
| Finance cost on lease liabilities | 6 | 6,093 | 10,301 |
| Provision for KFAS and Zakat | | 45,959 | 33,087 |
| Provision for employees' end of service benefits | 10 | 64,076 | 71,907 |
| | | <u>2,741,061</u> | <u>1,953,007</u> |
| <i>Changes in operating assets and liabilities:</i> | | | |
| - Trade and other receivables | | (413,841) | (71,099) |
| - Trade and other payables | | <u>225,426</u> | <u>260,437</u> |
| <i>Cash flows generated from operations</i> | | <u>2,552,646</u> | <u>2,142,345</u> |
| Restricted balances with Boubyan Bank | | - | (3,750) |
| Payment of employees' end of service benefits | 10 | <u>(14,609)</u> | <u>(32,071)</u> |
| <i>Net cash flows generated from operating activities</i> | | <u>2,538,037</u> | <u>2,106,524</u> |
| Cash flows from investing activities | | | |
| Murabaha placements with original maturities of more than three months | | (1,900,000) | (6,100,000) |
| Additions to equipment and work in progress | 4 | (101,564) | (383,127) |
| Additions to intangible assets | 5 | (126,885) | (393,639) |
| Proceeds from disposal of equipment and work in progress | | 75 | 14 |
| <i>Net cash flows used in investing activities</i> | | <u>(2,128,374)</u> | <u>(6,876,752)</u> |
| Cash flows from financing activities | | | |
| Dividend paid | 13 | (342,000) | (228,000) |
| Payment of lease liabilities | 6 | <u>(102,240)</u> | <u>(93,720)</u> |
| <i>Net cash flows used in financing activities</i> | | <u>(444,240)</u> | <u>(321,720)</u> |
| Net change in cash and cash equivalents | | <u>(34,577)</u> | <u>(5,091,948)</u> |
| Cash and cash equivalents at beginning of the year | | 353,697 | 5,445,645 |
| Cash and cash equivalents at end of the year | 8 | <u>319,120</u> | <u>353,697</u> |

The accompanying notes form an integral part of these financial statements.

Credit Information Network Company K.S.C. (Closed)
State of Kuwait

Notes to the financial statements
for the year ended 30 September 2022
1. Reporting entity

Credit Information Network Company K.S.C. (Closed) ("the Company" or "Ci-Net") under the Memorandum of Association and Articles of Association of the Company incorporated on 4 June 2001 and registered in Commercial Register No. (85063) dated June 18, 2001, and commenced its operations on April 24, 2003 after Obtaining the approval of the Ministry of Commerce and Industry ("Ministry") No. 14441 dated April 25, 2001, as it was registered in the Credit Information Companies registry at the Central Bank of Kuwait under No. (1) pursuant to Resolution No. (12/459/2022) dated January 23, 2022 Pursuant to the provisions of Law No. (9) of 2019 regulating the exchange of credit information and its executive regulations for the practice of credit information exchange activities, as well as credit reporting and credit rating services.

("Ci-Net") carries out its activities and conducts its business in compliance with Islamic Sharia rules (in accordance with the text of Article (4) of the Memorandum of Association and Article (5) of the Company's Articles of Association).

The purposes for which the Credit Information Network Company K.S.C. (closed) was established are to do the following:

- The company shall collect information and data related to consumer loans, housing loans, commercial loans, credit cards and other credit facilities resulting from installment sale of commodities and services and to provide the Central Bank of Kuwait and reporting entities from banks, investment companies, finance companies, commercial companies and establishments regulated by Ministry of Commerce and Industry that grant credit facilities by selling in any form of ownership transfer through installments for goods and services, authorized users and customers of natural or legal persons authorized to inquire and obtain credit information and reports provided by the company and the clients to whom the information and data relate and which have credit records at the company and any other local or foreign bodies approved by the Central Bank of Kuwait and anyone related to credit and credit information reporting systems in accordance with the provisions of the laws regulating the Company's activity, based on their request, with information and data about all kinds of consumer loans and credit facilities granted to the customers of these entities upon request.
- For this purpose, it shall have the right to import electronic devices and computers, information systems and saving devices and related devices;
- To design, import sell and operate auto systems and the equipping and management of operations centers for the benefit of the Company only;
- Develop a credit database by requesting, collecting, processing, storing, analyzing, classifying, using and circulating credit information. Prepare a credit record, personal and credit data related to the debts of customers of real estate finance companies, insurance companies, all types of leasing and financing companies, vehicles companies, telecommunications companies, in addition to other reporting entities and users of data and information as stipulated in the provisions of the laws regulating the company's activity;
- Provide all credit inquiry, credit rating, credit reporting and issue credit information reports for customers and services to natural and legal customers without making any recommendations or opinions from the Company regarding eligibility of granting credit facility or not and develop risk and related tools and criteria;
- Invest surplus cash through investing in portfolios managed by fund management organizations and authorize the board to do so;
- Owning real estate and movable properties necessary to conduct its operations as permissible by law; and

Credit Information Network Company K.S.C. (Closed)
State of Kuwait

Notes to the financial statements
for the year ended 30 September 2022

- The Company may also have an interest in or participate in any manner with other entities carrying out similar activities in order to achieve its objectives inside and outside of Kuwait, and to acquire or merge with those entities.

The address of the company is located in Al-Qibla - Ali Al-Salem Street - Building 1 - postal address registered office is P. O. Box 20134, Safat 13062, State of Kuwait.

These financial statements were authorised for issue by the Company's Board of Directors on 31 October 2022. The shareholders of the Company have the power to amend these financial statements after issue at the Annual General Meeting.

2. Basis of preparation
a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), the relevant provisions of the Companies Law No. 1 of 2016, as amended and its Executive Regulations, the Company's Articles of Association, as amended and Ministerial Order No. 18 of 1990.

b) Basis of measurement

The financial statements have been prepared on historical cost basis.

c) Functional and presentation currency

These financial statements are presented in Kuwaiti Dinars ("KD"), which is the functional currency of the Company.

d) Use of estimates and judgments
Impairment of financial assets

With respect to the trade receivables, the Company has applied the simplified approach and has calculated expected credit losses ("ECL") based on lifetime expected credit losses as the simplified approach does not require the changes in credit risk to be tracked. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the receivables and the Company's economic environment.

The management considers a financial asset in default when the contractual payments are 90 days past due. However, in certain cases, the management may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written-off when there is no reasonable expectation of recovering the contractual cash flows.

The Company does not recognise ECL on cash at bank (excluding the balances held in investment accounts) as these are considered to be of low risk and the Company does not expect to incur any credit losses on these instruments.

Credit Information Network Company K.S.C. (Closed)
State of Kuwait

Notes to the financial statements
for the year ended 30 September 2022
e) Changes in accounting policy -

A number of amendments to standards and interpretations are effective for annual periods beginning on 1 October 2021 as below, but they do not have material effect on the Company's financial statements:

COVID-19-Related Rent Concessions (Amendment to IFRS 16); and
Interest Rate Benchmark Reform-Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7 IFRS 4 and IFRS 16).

f) Standards and interpretations issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 October 2022 with earlier application permitted, however, the Company has not early adopted any new or amended standards in preparing these financial statements:

- COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16).
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37);
- Annual Improvements to IFRS Standards 2018-2020.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Reference to the Conceptual Framework (Amendments to IFRS 3).
- Classification of liabilities as current or non-current (Amendments to IAS 1).
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2).
- Definition of Accounting Estimates (Amendments to IAS 8); and
- Deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12).

The new standards and amendments are not expected to have a material impact on the financial statements of the Company in the period of initial application.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a) Equipment and work in progress
i. Recognition and measurement

Items of equipment and work in progress are measured at cost, less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Any gain or loss on disposal of an item of equipment and work in progress is determined by comparing the proceeds from disposal with the carrying amount of equipment and work in progress and are recognized in the statement of profit or loss and other comprehensive income.

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ii. Subsequent expenditure

Subsequent expenditure is recognised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

iii. Depreciation

Items of equipment and work in progress are depreciated from the date they are ready for use. Depreciation is calculated to amortise the cost of items of equipment and work in progress less their estimated residual values using a straight-line basis over their estimated useful lives.

Depreciation is recognized in the statement of profit or loss and other comprehensive income. The estimated useful lives of equipment and work in progress are as follows:

| | |
|------------------------|-------------|
| Computers | 3 – 5 years |
| Furniture and fixtures | 5 years |

Depreciation methods, useful lives and residual values are reviewed and adjusted, if appropriate, at each reporting date to ensure that the period of depreciation is consistent with the expected pattern of economic benefits from items of equipment and work in progress. A change in the estimated useful life of equipment and work in progress is applied at the beginning of the period of change with no retrospective effect.

Work in progress represent the amounts that are incurred for the purpose of constructing or purchasing an asset until it is ready to be used in the operation. Following completion, work in progress is transferred to the respective equipment and work in progress category. Work in progress is not depreciated.

b) Intangible assets

Intangible assets consisting of computer software and credit bureau system are measured at cost, less accumulated amortisation and any accumulated impairment losses. Amortisation is charged on a straight-line basis over a period ranging from 3 to 5 years. The estimated useful life and amortisation method are reviewed at each reporting date and adjusted, if appropriate.

c) Impairment of non-financial assets

The carrying amount of the Company's non-financial assets are reviewed at each reporting date to determine whether there is objective evidence of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit ("CGU") exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

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Impairment losses are recognised in the statement of profit or loss and other comprehensive income. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

d) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applies a single recognition and measurement approach for all leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises a right-of-use asset at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and estimated life of the asset. Right-of-use assets are also subject to impairment losses, if any.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the profit rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of finance cost and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low-value (i.e., below KD 1,500).

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Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term. As at the reporting date, the Company does not have any leases categorised as short-term leases or leases of low-value assets.

e) **Financial instruments**

Financial assets and financial liabilities are initially recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit or loss and other comprehensive income. Financial assets and financial liabilities not at fair value through profit or loss are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Classification and measurement

Financial assets based on the business model for managing the assets and the asset's contractual terms, are measured at either:

- Financial assets carried at amortised cost; or
- Financial assets carried at fair value through other comprehensive income ("FVOCI"); or
- Financial assets carried at fair value through profit or loss ("FVTPL")

As at the reporting date, the Company does not have any financial assets carried at FVOCI or financial assets carried at FVTPL.

Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding.

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis but at a higher level of aggregated portfolios and is based on a number of observable factors. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity.

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The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Assessment of whether contractual cash flows are solely payments of principal and profit ("the SPPP test")

For the purpose of this assessment, Principal is defined as the fair value of the financial asset at initial recognition. Profit is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and profit, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contain a contractual term that could change in the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Company considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable rate features;
- Prepayment and extension features; and
- Terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and profit criterion if the prepayment amount substantially represents unpaid amounts of principal and profit on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual profit (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets include trade and other receivables and Cash and Bank Balances.

Trade receivables

Trade receivables arising from the activities of the Company are recognised at amortised cost as these are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest.

The subsequent measurement of trade receivables will be at undiscounted original contacted amounts less any expected credit losses. Any gain or loss upon derecognition is recognised in the statement of profit or loss and other comprehensive income.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and bank balances.

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Reclassification of financial assets

The Company does not reclassify its financial assets subsequent to their initial recognition apart in the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line.

Financial liabilities

All financial liabilities are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective profit rate method. The Company does not hold any derivative financial liabilities.

The Company's financial liabilities comprises lease liabilities and trade and other payables.

Trade and other payables

Trade and other payables are recognised at amounts to be paid in the future for services rendered, whether billed by the supplier or not.

Derecognition
Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the statement profit or loss and other comprehensive income.

Offsetting

Financial assets and financial liabilities are offset and the net amounts reported in the statement of financial position only when, there is a legally enforceable right to set off the recognised amounts and the Company intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Impairment of financial assets

The Company has applied general approach under IFRS 9 for determination of ECL on financial assets. Under the general approach, the ECLs are recognised in three stages.

Stage 1: 12 months ECL

For credit exposures where there has not been a significant increase in credit risk since initial recognition, the portion of the lifetime ECL associated with the probability of default events occurring within next 12 months is recognised.

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Stage 2: Lifetime ECL – not credit impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised.

Stage 3: Lifetime ECL – credit impaired

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. Lifetime ECL is recorded on financial assets that are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer.
- a breach of contract such as a default or past due event.
- the restructuring of loans and advances by the Company on terms that the Company would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company considers key economic variables that are expected to have an impact on the credit risk and the ECL in order to incorporate forward looking adjustments into the determined ECL. These primarily reflect reasonable and supportable forecasts of the future macro-economic conditions. The management reviews these forecasts and estimates on a regular basis.

The Company does not recognise ECL on other receivables as these are considered to be of low risk and the Company does not expect to incur any significant credit losses on these instruments.

f) Provision for employees' end of service benefits

All employees are entitled to an end of service benefits under the Kuwait Labor Law based on the employees' accumulated periods of service and latest entitlements of salaries and allowances.

Pensions and other social benefits for Kuwaiti employees are covered by the Public Institution for Social Security (PIFSS) scheme, to which employees and employers contribute monthly on a fixed-percentage-of-salaries basis. The Company's share of contributions to this scheme, which is a defined contribution scheme, is charged to the statement of profit or loss and other comprehensive income in the year to which they relate.

g) Provisions

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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h) Revenue recognition

Service charges

Fees relating to the usage of the Ci-Net system (service charges) is recognized at a point in time when control of the services are transferred to the customer. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts and rebates required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements since it typically control the services before transferring it to the customer.

Performance obligations satisfied at a point in time

Revenue is recognised at point of time when customers obtain control of the promised assets. Indicators that control has transferred to the customers include the following:

- The customer has a present obligation to pay.
- The customer has legal title.
- The customer has physical obligation.
- The customer has risk and rewards of ownership.
- The customer has accepted the asset.

Performance obligations satisfied over time; Revenue is recognized over time if either:

- Customer simultaneously receives and consumes the benefits as the entity performs.
- The customers control the asset as the entity creates or enhances it;
- The entity's performance does not create an asset with an alternate use and there is a right to payment for performance to date.

Certain services are provided whose control is transferred over the period to the customers and hence the revenue is recognized over the period of time.

Murabaha income

Murabaha income is recognised in statement of profit or loss and other comprehensive income on a time proportionate basis using the effective profit rate method.

i) Foreign currency transactions

Foreign currency transactions are recorded in Kuwaiti Dinars at the rate of exchange prevailing at the date of transactions. All monetary assets and liabilities denominated in foreign currencies are translated into Kuwaiti Dinars at the rates of exchange prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currency, which are stated at historical cost, are recorded at the exchange rate prevailing at the date of transaction. Differences resulting from gains or losses on exchange are recorded in the statement of profit or loss and other comprehensive income.

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j) Contribution to Kuwait Foundation for the Advancement of Sciences ("KFAS") and Zakat

The Company is legally required to contribute to the KFAS and Zakat. The Company's contributions to KFAS and Zakat are recognised as an expense in the period during which the Company's contribution is legally required.

4. Equipment and work in progress

| | Computers KD | Furniture and fixtures KD | Work in progress KD | Total KD |
|--|-----------------|---------------------------------|---------------------------|-------------|
| Cost | | | | |
| Balance at 1 October 2020 | 575,665 | 86,500 | 271,909 | 934,074 |
| Additions | 312,609 | 5,828 | 64,690 | 383,127 |
| Transfers from work in progress | 140,799 | 1,518 | (142,317) | - |
| Transfer to intangible assets (note 5) | - | - | (111,972) | (111,972) |
| Write off | - | (791) | - | (791) |
| Balance at 30 September 2021 | 1,029,073 | 93,055 | 82,310 | 1,204,438 |
| Additions | 60,166 | 1,216 | 40,182 | 101,564 |
| Transfers from work in progress | 54,403 | - | (54,403) | - |
| Transfer to intangible assets (note 5) | - | - | (27,907) | (27,907) |
| Disposals | (225,282) | (10,412) | - | (235,694) |
| Balance at 30 September 2022 | 918,360 | 83,859 | 40,182 | 1,042,401 |
| Accumulated depreciation | | | | |
| Balance at 01 October 2020 | 537,881 | 67,112 | - | 604,993 |
| Charge for the year | 42,167 | 6,729 | - | 48,896 |
| Relating to disposals | - | (753) | - | (753) |
| Balance at 30 September 2021 | 580,048 | 73,088 | - | 653,136 |
| Charge for the year | 150,314 | 7,136 | - | 157,450 |
| Relating to disposals | (225,136) | (10,381) | - | (235,517) |
| Balance at 30 September 2022 | 505,226 | 69,843 | - | 575,069 |
| Carrying amount | | | | |
| Balance at 30 September 2021 | 449,025 | 19,967 | 82,310 | 551,302 |
| Balance at 30 September 2022 | 413,134 | 14,016 | 40,182 | 467,332 |

5. Intangible assets

| | 2022 KD | 2021 KD |
|--|------------|------------|
| Cost | | |
| Balance at 1 October | 2,399,336 | 1,893,725 |
| Additions | 126,885 | 393,639 |
| Transfers from work in progress (note 4) | 27,907 | 111,972 |
| Disposal | (28,391) | - |
| Balance at 30 September | 2,525,737 | 2,399,336 |

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Accumulated amortisation

| | | |
|-------------------------|-----------------------|-----------------------|
| Balance at 1 October | 1,940,066 | 1,794,003 |
| Charge for the year | 193,704 | 146,063 |
| Disposal | (28,362) | - |
| Balance at 30 September | <u>2,105,408</u> | <u>1,940,066</u> |
| Carrying amount | <u>420,329</u> | <u>459,270</u> |

6. Leases

Set out below are the carrying amounts of right-of-use assets and lease liabilities and the movements during the year:

| | Right-of-use assets | |
|-------------------------------------|----------------------------|-----------------------|
| | 2022 | 2021 |
| | KD | KD |
| As at 1 October | 190,799 | 97,929 |
| Additions during the year | - | 188,270 |
| Depreciation of right-of-use assets | <u>(95,400)</u> | <u>(95,400)</u> |
| As at 30 September | <u>95,399</u> | <u>190,799</u> |

| | Lease liabilities | |
|-----------------------------------|--------------------------|-----------------------|
| | 2022 | 2021 |
| | KD | KD |
| As at 1 October | 196,693 | 91,842 |
| Additions during the year | - | 188,270 |
| Finance cost on lease liabilities | 6,093 | 10,301 |
| Payment of lease liabilities | <u>(102,240)</u> | <u>(93,720)</u> |
| Rent concessions | - | - |
| As at 30 September | <u>100,546</u> | <u>196,693</u> |

The Company has discounted its future lease obligations using its incremental borrowing rate which is determined at 4.5% (30 September 2021: 4.5%) at the reporting date.

The current and non-current portion of lease liabilities is set of below:

| | 2022 | 2021 |
|-------------|-----------------------|-----------------------|
| | KD | KD |
| Non-current | - | 100,546 |
| Current | <u>100,546</u> | <u>96,147</u> |
| | <u>100,546</u> | <u>196,693</u> |

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The following are the amounts recognised in profit or loss and other comprehensive income:

| | 2022 | 2021 |
|---|-------------|-------------|
| | KD | KD |
| Depreciation of right-of-use assets | (95,400) | (95,400) |
| Finance cost on lease liabilities | (6,093) | (10,301) |
| Rent concessions included in other income | - | - |

The Company has not recognised rent expense from short-term leases and leases of low-value assets during the year.

7. Trade and other receivables

| | 2022 | 2021 |
|--|-------------------------|-----------------------|
| | KD | KD |
| Trade receivables | 770,731 | 459,413 |
| Allowance for expected credit losses | <u>(20,000)</u> | <u>(20,000)</u> |
| | <u>750,731</u> | <u>439,413</u> |
| Profit receivable on Murabaha placements | 285,982 | 208,683 |
| Prepayments and other receivables | <u>96,917</u> | <u>71,693</u> |
| | <u>1,133,630</u> | <u>719,789</u> |

The average credit period on rendering of services is 15 days. No profit is charged on the overdue trade receivable balances.

Set out below is the movement in the allowance for expected credit losses of trade receivables:

| | 2022 | 2021 |
|--|----------------------|----------------------|
| | KD | KD |
| As at 1 October | 20,000 | 30,000 |
| Reversal of allowance for expected credit losses | - | (10,000) |
| As at 30 September | <u>20,000</u> | <u>20,000</u> |

Information about the credit exposures is disclosed in note 15.

All the trade receivables are denominated in KD and are located in the State of Kuwait.

8. Cash and bank balances

| | 2022 | 2021 |
|--|-----------------------|-----------------------|
| | KD | KD |
| Cash on hand | 263 | 262 |
| Bank balances | 323,832 | 358,410 |
| Murabaha placements with Islamic banks | <u>16,500,000</u> | <u>14,600,000</u> |
| Cash and bank balances | <u>16,824,095</u> | <u>14,958,672</u> |
| Restricted balances with Boubyan Bank | (4,975) | (4,975) |
| Murabaha placements with original maturities of more than three months | <u>(16,500,000)</u> | <u>(14,600,000)</u> |
| Cash and cash equivalents in the statement of cash flows | <u>319,120</u> | <u>353,697</u> |

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Murabaha placements with Islamic banks carry profit rates ranging from 2.260% to 4.250% (30 September 2021: from 1.750% to 2.326%) per annum.

9. Equity
Share capital

The Company's authorised, issued and paid up share capital comprises 22,800,000 shares of 100 fils each (2021: 22,800,000 shares of 100 fils each), fully paid in cash.

The Board of Directors, at a meeting held on 29 January 2020, proposed to increase the authorised share capital of the Company from KD 2,280,000 to KD 25,000,000 which was approved at the AGM held on 19 February 2020. The Company is currently in the process of implementation for the same.

Statutory reserve

In accordance with the Companies Law No. 1 of 2016, as amended, and its Executive Regulations and the Company's Articles of Association, as amended, 10% of the profit for the year before KFAS, Zakat and Board of Directors' remuneration to be transferred to a statutory reserve until the reserve reaches a minimum of 50% of the paid up share capital.

This reserve is not available for distribution except for the amount in excess of 50% of share capital or payment of a dividend of 5% of the paid up share capital in the years when the retained earnings are not sufficient for the payment of such dividend.

The Company has ceased to transfer its profit to statutory reserve since the statutory reserve has reached 50% of the paid up share capital.

Voluntary reserve

As required by the Company's Articles of Association, 10% of the profit for the year before KFAS, Zakat and Board of Directors' remuneration is transferred to the voluntary reserve. Such annual transfers can be discontinued by shareholders through a resolution in the Annual General Assembly meeting upon recommendation by the Board of Directors. There are no restrictions on the distribution of this reserve.

10. Provision for employees' end of service benefits

| | 2022 KD | 2021 KD |
|---------------------------|----------------|----------------|
| As at 1 October | 244,660 | 204,824 |
| Provision during the year | 64,076 | 71,907 |
| Payments during the year | (14,609) | (32,071) |
| As at 30 September | 294,127 | 244,660 |

11. Trade and other payables

| | 2022 KD | 2021 KD |
|-------------------------|----------------|----------------|
| Trade payables | 67,968 | 164,773 |
| Accruals and provisions | 491,341 | 426,931 |
| Deferred income | 361,409 | 57,629 |
| | 920,718 | 649,333 |

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The carrying amounts of the Company's trade and other payables are denominated in the following currencies:

| | 2022 KD | 2021 KD |
|----------------|----------------|----------------|
| Kuwaiti Dinar | 908,187 | 636,393 |
| US Dollar | 8,721 | 8,468 |
| Pound Sterling | 3,810 | 4,472 |
| | 920,718 | 649,333 |

12. Related party balances and transactions

Parties are considered to be related if one party, directly or indirectly through one or more intermediaries, has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The definition includes relationships involving common control and joint control.

Related parties primarily comprise of major shareholders of the Company, its directors, key management personnel and entities over which they control, jointly control and exercise significant influence.

Transactions with related parties are conducted in the normal course of business and are on terms and conditions approved by the Company's management and the Board of Directors.

Significant related party transactions and balances are as follows:

| | 2022 KD | 2021 KD |
|--|------------|------------|
| Related party transactions | | |
| <i>Transactions with shareholders of the Company</i> | | |
| Service charges | 3,532,347 | 2,557,921 |
| Murabaha income | 288,945 | 102,494 |

Key management remuneration

| | | |
|----------------------------------|---------|---------|
| Salaries and short term benefits | 470,287 | 307,651 |
| End of service benefits | 21,751 | 19,829 |
| Board of Directors' remuneration | 49,000 | 49,000 |

| | 2022 KD | 2021 KD |
|--|------------|------------|
|--|------------|------------|

Related party balances
Balances with shareholders of the Company

| | | |
|--|------------|-----------|
| Trade receivables | 687,497 | 384,443 |
| Profit receivable on Murabaha placements | 258,188 | 42,554 |
| Murabaha placements | 14,400,000 | 3,600,000 |
| Bank balances | 318,896 | 347,118 |
| Deferred income | 355,383 | 57,629 |

Credit Information Network Company K.S.C. (Closed)
State of Kuwait

Notes to the financial statements
for the year ended 30 September 2022
13. Annual General Meeting

At the Annual General Meeting (“AGM”), held on 20 April 2022, the shareholders approved the Board of Director’s recommendation to distribute cash dividend of 15 fils per share (2020: 10 fils per share) amounting to KD 342,000 (2020: KD 228,000) for the year 2021 to shareholders registered in the register of shareholders as of the date of the AGM.

The AGM also approved the annual audited financial statements of the Company for the year ended 30 September 2021.

14. Revenue

| | 2022 KD | 2021 KD |
|---|------------------|------------------|
| Services transferred at a point in time | 3,884,360 | 3,003,700 |
| Services transferred over time | 192,116 | 21,871 |
| | <u>4,076,476</u> | <u>3,025,571</u> |

15. Financial risk management
Overview

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company’s exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk.

Risk management framework

The management has overall responsibility for the establishment and oversight of the Company’s risk management framework. The management identifies and evaluates financial risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Company’s Board of Directors provides principles for overall risk management, as well as, policies covering specific areas such as foreign exchange risk, profit rate risk and credit risk.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from bank balances, Murabaha placements and trade and other receivables.

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State of Kuwait

Notes to the financial statements
for the year ended 30 September 2022

The carrying amount of financial assets represents the maximum credit exposure. At the reporting date, the maximum exposure to credit risk is as follows:

| | 2022 KD | 2021 KD |
|--|-------------------|-------------------|
| Bank balances | 323,832 | 358,410 |
| Murabaha placements | 16,500,000 | 14,600,000 |
| Trade receivables | 750,731 | 439,413 |
| Refundable deposits | 8,520 | 8,520 |
| Profit receivable on Murabaha placements | 285,982 | 208,683 |
| | <u>17,869,065</u> | <u>15,615,026</u> |

Cash and bank balances

Credit risk from balances with banks and financial institutions is limited because the counterparties are reputable financial institutions with appropriate credit-ratings assigned by international credit-rating agencies. Further, the principal amounts of deposits in local banks (including Murabaha placements and current accounts) are guaranteed by the Central Bank of Kuwait in accordance with Law No. 30 of 2008 Concerning Guarantee of Deposits at Local Banks in the State of Kuwait which came into effect on 3 November 2008. Accordingly, the Company has assessed the ECL on deposits of the Company to be immaterial to the overall financial statements of the Company.

Trade receivables

The Company’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 15 days for its customers. Outstanding customer receivables are regularly monitored. The Company does not hold collateral as security against its receivable balances.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

| | <0-30 days KD | 31-149 days KD | 150-360 days KD | >360 days KD | Total KD |
|--|---------------------|----------------------|-----------------------|--------------------|----------------|
| As at September 2022 | | | | | |
| Expected credit loss rate | 1.05% | 1.05% | 0.00% | 100.0% | 2.59% |
| Total gross carrying amount at default | <u>426,940</u> | <u>331,854</u> | <u>-</u> | <u>12,000</u> | <u>770,794</u> |
| Expected credit loss | <u>4,500</u> | <u>3,500</u> | <u>-</u> | <u>12,000</u> | <u>20,000</u> |

Credit Information Network Company K.S.C. (Closed)
State of Kuwait

Notes to the financial statements
for the year ended 30 September 2022

| | <0-30 days KD | 31-149 days KD | 150-360 days KD | >360 days KD | Total KD |
|--|---------------------|----------------------|-----------------------|--------------------|-------------|
| As at September 2021 | | | | | |
| Expected credit loss rate | 1.69% | 1.01% | 63.76% | 100.00% | 4.35% |
| Total gross carrying amount at default | 277,942 | 165,192 | 7,279 | 9,000 | 459,413 |
| Expected credit loss | 4,689 | 1,670 | 4,641 | 9,000 | 20,000 |

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate cash reserves, funding lines and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company holds sufficient amount of cash and cash equivalents.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

| | Less than 3 months KD | 3 to 12 months KD | 1 to 5 years KD | Total KD |
|--------------------------------|-----------------------------|-------------------------|-----------------------|-------------|
| At 30 September 2022 | | | | |
| Lease liabilities | 25,560 | 76,680 | - | 102,240 |
| Accounts payable and accruals* | 256,985 | - | - | 256,985 |
| Total liabilities | 282,545 | 76,680 | - | 359,225 |
| At 30 September 2021 | | | | |
| Lease liabilities | 25,560 | 76,680 | 102,240 | 204,480 |
| Accounts payable and accruals* | 314,235 | - | - | 314,235 |
| Total liabilities | 339,795 | 76,680 | 102,240 | 518,715 |

* excluding deferred income and provisions

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Notes to the financial statements
for the year ended 30 September 2022
c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, profit rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return.

i) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rate.

Foreign exchange risk of the Company arises from trade and other payables denominated in foreign currencies. As of 30 September 2022, the Company's major exposure relates to US Dollar and Pound Sterling amounting to KD 12,531 (2021: KD 12,940).

The Company manages this risk by setting limits on exposures to currency and transacting business in major currencies with counterparties of repute.

Sensitivity analysis

A 5% strengthening and weakening of the KD against the US Dollar and Pound Sterling at 30 September 2022 would not have a significant impact on the profit for the year of the Company.

ii) Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of Company's financial instrument will fluctuate because of changes in market profit rates.

At reporting date, the Company is not significantly exposed to any profit rate fluctuation risk as Murabaha placements carry a fixed profit rate.

iii) Equity price risk

This is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, caused by factors specific to the instrument or its issuer or factors affecting all instruments traded in the market.

The Company is not exposed to equity price risk as it does not have any equity instruments.

iv) Operational risk

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When control fails to perform operational risk can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but through a control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment process.

Credit Information Network Company K.S.C. (Closed)
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Notes to the financial statements
for the year ended 30 September 2022

16. Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as going concern in order to provide returns for the shareholders. Management of capital generally focuses on the management of excess liquid assets in such a manner as to meet its current obligations as well as providing returns to its shareholders.

The Company is not subject to externally imposed capital requirements, except the requirement of the Companies Law No. 1 of 2016, as amended and its Executive Regulations.

17. Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Financial instruments comprise financial assets and financial liabilities.

The Company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

- **Level 1:** quoted (unadjusted) prices in an active market for identical assets and liabilities;
- **Level 2:** other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- **Level 3:** other techniques which use inputs which have a significant effect on the recorded fair value are not based on observable market data.

Fair values of remaining financial assets and liabilities carried at amortised cost are estimated using valuation techniques incorporating a range of input assumptions that are appropriate in the circumstances. Carrying value of financial assets and liabilities that are carried at amortised cost are not materially different from their fair values as most of these assets and liabilities are of short term maturities or are repriced immediately based on market movement in profit rates.

18. Contingent liabilities and commitments

The Company is committed to incur capital expenditure of KD 65,486 relating to purchase of Software licenses and development of enhancements in Core system and E-credit portal website (2021: KD 94,445 relating to purchase of document management system, robotic system for checking consent forms, infrastructure upgrade, software upgrades and licenses, E-credit portal expenditure and furniture and equipment).

There are no contingent liabilities for the year ended 30 September 2022 (2021: nil).

19. Sharia compliance

There are no violations of provisions of Islamic Sharia principles, as determined by the Company's External Shariah audit office.

20. Subsequent events

On 31 October 2022, the Board of Directors proposed a cash dividend of 15 fils (2021: 15 fils) per share amounting to KD 342,000 for the year ended 30 September 2022 which is subject to the approval of shareholders at the Annual General Meeting.

Sharia Supervisory Committee Report



Date: April 5, 2023

**Final report of the Sharia Supervisory Committee
For the financial period of 01/10/2021 to 30/09/2022**

To the Shareholders of Ci-Net company

Allah's peace, mercy and blessings be upon you

In accordance with the powers delegated to us by the members of the General Assembly of Ci-Net the Company's Articles of Association and the relevant regulatory directives, the Sharia Supervisory Committee submits its final report for the period from 01/10/2021 to 30/09/2022 It includes four items as follows:

First: The work of the Sharia Supervisory Committee

The Sharia Supervisory Committee carried out its work, which included examining the investment structures, contract forms, products, policies and procedures either directly or in coordination with the internal Sharia audit department in order to obtain all the information and explanations that it considered necessary to provide sufficient evidence and give reasonable assurance that the company did not violate the provisions of Islamic law in the light of the resolutions of the Sharia Supervisory Committee and the Sharia standards adopted by the Company and the decisions of the relevant regulatory bodies.

Second: Decisions of the Sharia Supervisory Committee

The Sharia Supervisory Committee of the Company responded to all the company's inquiries and issued 15 decisions.



Third: Decisions of the Sharia Supervisory Committee

The Sharia Supervisory Board of the company approved policies and procedures for company products and activities on 26/05/2021.

Fourth: The final opinion:

In our opinion, after examining all the clarifications and assurances we have obtained, we confirm that:

1. The contracts, operations and transactions concluded by the Company during the period from 01/10/2021 to 30/09/2022 were made entirely in accordance with the provisions of the Islamic Sharia.
2. The responsibility to pay zakat falls on the shareholders.

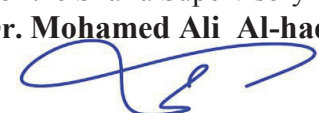
Head of the Sharia
Supervisory Committee
Dr. Abdullateef H. S. Al-Awadhi



Member of the Sharia Supervisory Committee
Prof. Mohamed Khaled Mansour



Member of the Sharia Supervisory Committee
Dr. Mohamed Ali Al-hadia



Corporate Governance Report

For the Financial Year
Ended 30.09.2022

Credit Information Network Company is committed to applying the corporate governance standards according to the best practices and standards used globally in this field. The purpose is to enhance integrity and transparency in the conduct of its business, maintain the security and confidentiality of customer data and the highest level of ethical behavior in all its transactions and activities according to the laws that regulate this conduct.

First - Introduction

Throughout its history which extends to over twenty years, Ci-Net has sought to develop and improve its business with a view to providing the financial and banking sector with services that provide an added value which contributes to the quick performance of commercial and financial transactions, ensuring a highly efficient risk management and supporting value in all its business activities. The Company makes all efforts to provide services that provide added value to its subscriber members and form a solid foundation for transactions between the entities that grant credit facilities of all forms and kinds, and provide more efficient services to customers. For this reason the Board of Directors was fully and totally convinced that the sound application of the governance rules and procedures would result in achieving the objectives of the Central Bank of Kuwait guidelines with the objective of transforming it into an integrated and highly sophisticated credit information center that would be the first entity licensed by the regulator according to the provisions of Law no. 9 of 2019 that regulated the exchange of credit information for providing reporting services with regard to credit and credit-classification in the State of Kuwait.

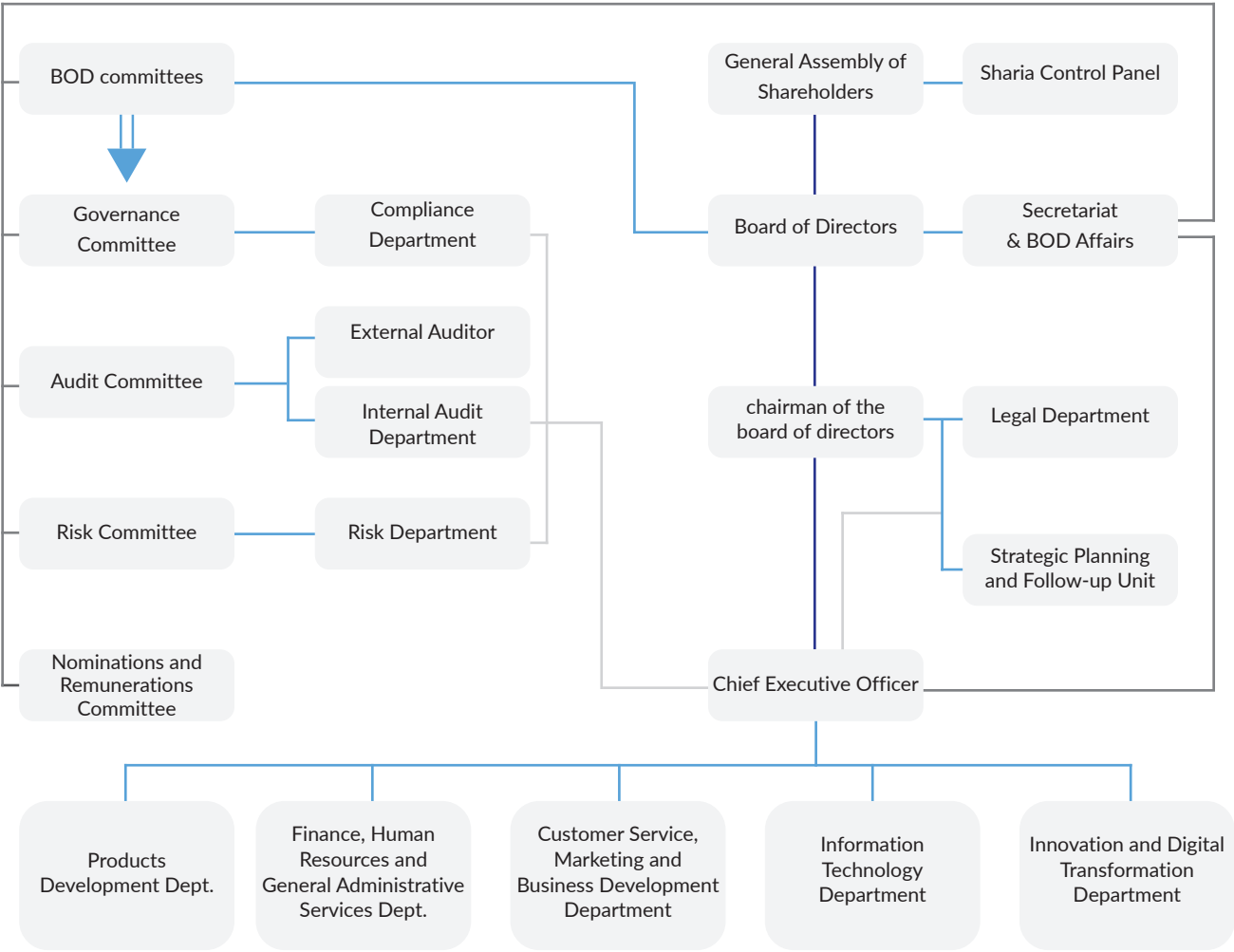
Among its strategic goals, Ci-Net seeks to achieve the elements of sound governance in order to protect the rights of the shareholders and stakeholders in addition to reducing operating risk taking tendency, enhancing performance efficiency and quality in providing added value services within the financial services industries. For this reason, the Board of Directors, before taking the resolution to register the Company in the Register of Credit Information Companies at the Central Bank of Kuwait, found it appropriate to apply the principles of sound government at Ci-Net according to the best corporate governance practices and in line with the instructions and controls laid down by the Central Bank of Kuwait concerning the rules of governance, prudent risk management and the development of relevant systems and control tools.

Ci-Net has adopted deeply rooted work values in all its activities subject to strict control of all its operations by the members of the Board of Directors in order to conform to the governance requirements laid down by the Central Bank of Kuwait. To this end, a number of Board of Directors committees have been created (the Corporate Governance Committee, the Nominations and Remuneration Committee, the Audit Committee and the Risk Committee) in order for the Company to remain able to carry out its functions and activities that it is entrusted follow up and practice as a service provider of credit notification and credit classification according to the provisions of Law No. 9 of 2019 regulating the exchange of credit information and the Executive Regulations thereof. In addition, a package of work regulation policies and procedures have been issued to reflect the requirements and controls laid down by the regulatory authorities in this regard and to exercise continuous follow-up thereof with a view to carry out a periodical, on-going and appropriate update of those policies and procedures and the supplements thereto.

Second - List of the Main Shareholders:

| # | Shareholder's Name | Number of Shares | Percentage % |
|-------|--|------------------|--------------|
| 1 | Central Bank of Kuwait | 22,800,000 | 12.28% |
| 2 | National Bank of Kuwait | 1,972,000 | 8.65% |
| 3 | Boubyan Bank | 1,628,000 | 7.14% |
| 4 | Ahli Bank of Kuwait | 1,400,000 | 6.14% |
| 5 | Ahli United Bank | 1,400,000 | 6.14% |
| 6 | Commercial Bank of Kuwait | 1,400,000 | 6.14% |
| 7 | Bank of Bahrain & Kuwait | 1,400,000 | 6.14% |
| 8 | Gulf Bank | 1,400,000 | 6.14% |
| 9 | Kuwait International Bank | 1,400,000 | 6.14% |
| 10 | Burgan Bank | 1,400,000 | 6.14% |
| 11 | Kuwait Finance House | 1,400,000 | 6.14% |
| 12 | Commercial Facilities Co. | 1,400,000 | 6.14% |
| 13 | Arzan Financial Co. for Financing and Investment | 1,400,000 | 6.14% |
| 14 | Usool Investment Co. | 800,000 | 3.51% |
| 15 | Aayan Leading & Investment Co. | 800,000 | 3.51% |
| 16 | Yas Installments Facilities Co. | 300,000 | 1.32% |
| 17 | Al-Amanah International General Trading Co. | 250,000 | 1.01% |
| 18 | Yousef Ahmed Alghanim & Sons Co. | 250,000 | 1.01% |
| Total | | 22,800,000 | 100% |

Third – The Organization Structure of the Company



Fourth - The Basic Axes of the Governance Framework

Basic Axes of the Governance Framework



First Axis - the Board of Directors

The First Axis The Board Of Directors

First - Constitution of the Board of Directors

- The Board of Directors of Ci-Net consists of seven members elected by the general assembly. At the ordinary general assembly held on 12 August 2021, the Board of Directors consisting of shareholding members was elected and the election was approved by the general assembly and the competent authorities.
- Pursuant to the Central Bank of Kuwait resolution No. 90-b/439/2019 concerning the rules and controls required under Article 9 of Law No. 9 of 2019 that regulates the exchange of credit information related to the experience of candidates for membership of the Ci-Net Board of Directors, the Board Nominations and Remunerations Committee studied the documents of the candidates for elected membership on their behalf for the new term 2020/2023. The Committee verified that all candidates satisfied the requirements contained in the Central Bank of Kuwait resolution referred to in the preceding item.
- The Ci-Net Board members possess professional experience and educational qualifications reflecting their work in the banking and financial structure as well as the business and financing sector. The Board members possess a wide experience and knowledge in the fields of information technology, risk management, cyber security, governance, finance, strategy, control and audit (both internal and external), in addition to their diverse experience in the business environment relevant to Ci-Net's activities and objects conducted by the Company according to the provisions of Law No. 9 of 2019 that regulates the exchange of credit information and its Executive Regulations as well as the instructions of the Central Bank of Kuwait and the provisions of its memorandum and articles of association.

The balanced structure of the Ci-Net Board of Directors continuously contributes to developing work mechanisms in light of the guidelines of the Central Bank of Kuwait that seek to enhance the credit work system in the State of Kuwait and develop Ci-Net's work model with a view to transform the company into a center for credit information that is integrated, sophisticated, capable of generating a real added value to the business sectors in the State of Kuwait including the semi-government business sectors, through a process of on-going innovation, the application of the best global practices used in providing credit reporting and credit classification services, using state-of-the-art technologies in order to maximize data and information quality levels that reflect the output of data and information found in the customer credit reports and generated by Ci-Net's system in line with customers' expectations, requirements and needs.

Second – Members of the Board of Directors

Mr. Anwar Bader Mohammed Al-Ghaith

Chairman of the Board of Directors (non-executive)

Representing the Central Bank of Kuwait

Mr. Anwar Al-Ghaith holds a Bachelor Degree in Accounting from Kuwait University and has an experience of more than 23 years in the government and private sectors. His career started in 1997 as tax inspector at the Ministry of Finance before joining Kuwait Finance House in 2001 where he achieved several promotions until was appointed Head of the Local Real Estate Operations. In 2005, he was appointed as manager of the Operations Department and finally he was promoted in 2011 to the position of Head of Operations which he held until 2014, including the Operations, Information Technology Sector and the Human Resources and Services Sector. He served as acting Chief Executive Officer for Organization and Management in 2014, in year 2015 followed by the position of executive manager of the Information Technology and Banking, as well as the position of acting manager of Foreign Operations. Mr. Al-Ghaith joint Warba Bank in 2020 in the position of Acting Deputy Chief Executive Officer for Auxiliary Services and Treasury. He successfully completed several programs including the Leadership Skills Development Program from Harvard Business School in 2007, and obtained many professional certificates including the Islamic Banker Certificate which is recognized by the Accounting and Audit Authority of Islamic Financial Institutions in 2012, and Auditor certificate licensed by the Ministry of Commerce and Industry in the State of Kuwait.

Mr. Nasser Mohammed Yousef Al-Qaisi

Vice Chairman of the Board of Directors (non-executive)

Representing Burgan Bank

Mr. Nasser Al-Qaisi holds a Master Degree in Asiatic Studies specializing in Economic Studies and Research from Zagaziq University in the Arab Republic of Egypt. He has a wide experience in banking and finance, having occupied numerous positions in this field, starting with the position of Branch Senior Manager at Gulf Bank . He then joined Investment Dar Company where he occupied the positions of Deputy Head of Wealth Management. He then occupied the position of Deputy Chief Executive Manager and Manager of International and Local Assets Department at International Financial Consultancy Holding Company. Finally, he jointed Burgan Bank in the position of Senior Regional Manager. This was followed by several promotions to Head of Branches, then Chief Banking Services Manager of Burgan Bank. He became a member of the Board of Directors of K-Net Company in 2023.

Mr. Abdulaziz Saleh Al-Zaabi

Member of the Board of Directors (non-executive)

Representing Commercial Bank of Kuwait

Mr. Abdulaziz Al-Zaabi hold a Bachelor Degree in Finance from the USA in 2005. He has a wide experience in the banking and financial field, having started his career in banking, specifically at Commercial Bank of Kuwait in 2006 where he was promoted to the position of Regional Manager in 2017 then to the position of Manager of the Banking Services Sector for Individuals and finally to the position of acting General Manager of the Banking Services Sector.

Mr. Mohammed Habib Al-Baloushi

Member of the Board of Directors (non-executive)

Representing Ahli Bank of Kuwait

Mr. Mohammed Al-Baloushi holds a Bachelor Degree in Business Administration and Information Systems from California State University, Fullerton, USA. He has gained experience in the fields of technology, finance and banking, having served in several positions at the National Bank of Kuwait, first as programmer then as systems developer from 1993 to 2005, before moving to hold the position of manager of Central Operations in the Operations Group until he became Deputy General Manager of the Operations and Technology Group. In 2021, he was appointed General Manager of the Operations and Technology Group at Ahli Bank of Kuwait.

Mr. Fahed Othman Al-Bader*Member of the Board of Directors (non-executive)*

Representing Kuwait International Bank

He holds a Bachelor Degree in Accounting from the Modern Academy for Computer Sciences and Management Technology - Arab Republic of Egypt – in 2008. He also holds a Master Degree in Business Administration from Gulf University for Science and Technology – State of Kuwait in 2015. He joined the Banking Services for Individuals at Ahli Bank of Kuwait in 2003. He was subsequently appointed as manager of the Banking Services for Individuals Branch from 2008 to 2012. He occupied the position of Manager of Banking Operations at Boubyan Bank in 2015 and, through several promotions became executive manager for the Banking Operations Group in 2019. He was finally appointed in the position of General Manager – Operations Department at Kuwait International Bank.

Mr. Khaled Abdullah Abdulrahman Al-Ali*Member of the Board of Directors (non-executive)*

Representing the Commercial Facilities Company

Mr. Khaled Abdullah Abdulrahman Al-Ali holds a Bachelor Degree in Industrial Engineering from Miami University, USA in 1988. He joined the banking and investment sector first at Commercial Bank of Kuwait, then Kuwait International Investment Company, National Investments Company and finally Coast Investment and Development Company. He held several positions in the field of investment. In 2002, he joined Commercial Facilities Company and was appointed in the position of Deputy Chief Executive Officer in Commercial Facilities Company.

Mr. Yasser Mohammed Abdullah Al-Saad,*Member of the Board of Directors (non-executive)*

Representing the Bank of Bahrain and Kuwait.

Mr. Yasser Al-Saad holds a Bachelor Degree in Business Administration from the University of Bahrain, Kingdom of Bahrain, in 2003. He also holds a Master Degree in Business Administration from the New York Institute of Technology, USA, in 2005. He joined the banking sector in 2004 where he held the position of Head of Capital Markets at United Gulf Bank in the Kingdom of Bahrain. He then joined the Bank of Bahrain & Kuwait in 2012 in the position of Head of the Capital Market. Thereafter he was appointed vice president and Treasury manager at United Gulf Bank in the Kingdom of Bahrain from 2013 to 2017 when he joined Bank of Bahrain & Kuwait once again in the position of assistant general manager and head of Treasury. He continues to hold this position since 2017 until the present time. He has been acting chief executive officer at Bank of Bahrain & Kuwait since October 2021.

Third – General Duties and Responsibilities of the Board of Directors

In fulfillment of the provision of Article 184 of Law No. 1 of 2016 issuing the Companies Law and Article 26 of the Articles of Association* of Ci-Net The Board of Directors has the widest powers and authority to perform all actions required for the management of the Company according to its objects. This power is limited only by the provisions of the law or the articles of association, or the resolutions of the general assembly. This is in addition to appointing the head and members of the executive management of the Company whether they are Board members or otherwise satisfy the conditions laid down by the Central Bank of Kuwait in this regard. The Board of Directors of the Company continues to perform its responsibilities provided for in the memorandum and articles of association, the governance rules and regulations at Kuwaiti banks as issued by the Central Bank of Kuwait on 20 June 2012, as amended by the Central Bank of Kuwait's resolution of 10 September 2019. Within the observance by Ci-Net of the governance instructions, the Board of Directors has approved all policies related to the government instructions and standards and follows up its periodical updating whenever the need to do so arises. The Board of Directors holds the primary responsibility for reviewing and approving the Company's strategic plan and budget and for comparing it with the actual balance sheet and specifying the business priorities. The Board of Directors supervises the implementation of those strategies, approves the relevant policies, controls and monitors risks within the company in order to ensure that appropriate management structure are in place, internal audit, review of the adequacy and existence of systems in line with all business policies and procedures in force at the Company, emphasizing that all the relevant policies are in place to ensure the work progress with obstacles. These are periodically reviewed with a view to updating or perfecting them, along with a review of the control policies and controls including internal control and compliance functions on a regular basis with the executive management particularly in order to ensure the independence of the work of the supervisory functions for performing the duties assigned to them according to the rules and policies laid down in this regard.

Fourth – Meetings of the Board of Directors

- The Board of Directors meets regularly pursuant to a written notice from the Board Chairman, at least six times in every year, provided at that least one meeting is held every three months.
- Minutes of every Board meeting are taken and all other Board resolutions are recorded and kept in the Company's permanent registers.
- No meeting of the Board of Directors is valid unless attended by at least one half of the number of its members.
- The meetings are chaired by the Chairman of the Board of Directors. The Deputy Chairman shall act in his place in the event of his absence.
- The resolutions of the Board of Directors are passed by a majority of the votes of the attending Board members, and every member has one vote.
- In the event of tie votes when voting on a resolution or subject being discussed by the Board, the Chairman (or his deputy in the event of the Chairman's absence) shall have the last decisive votes. The Board of Directors usually seeks to issue its resolutions unanimously in the decision taking process.

The following is a summary of the Board meetings held during the financial year ended 30.09.2022:

| Meeting Number | Type of Meeting | Date of the Meeting |
|-----------------|-----------------|---------------------|
| 2022 / 2021 -1 | Ordinary | 2021/10/06 |
| 2022 / 2021 -2 | Ordinary | 2021/11/17 |
| 2022 / 2021 - 3 | Ordinary | 2021/12/19 |
| 2022 / 2021 -4 | Ordinary | 2022/01/29 |
| 2022 / 2021 -5 | Ordinary | 2022/02/20 |
| 2022 / 2021 -6 | Ordinary | 2022/04/12 |
| 2022 / 2021 -7 | Ordinary | 2022/05/31 |
| 2022 / 2021 -8 | Ordinary | 2022/07/26 |
| 2022 / 2021 -9 | Ordinary | 2022/08/22 |
| 2022 / 2021 -10 | Ordinary | 2022/08/30 |
| 2022 / 2021 -11 | Ordinary | 2022/09/05 |
| 2022 / 2021 -12 | Ordinary | 2022/09/15 |

Fifth - Summary of the Method of Applying the Requirements for Registration, Coordination, and Keeping the Meetings of Meetings of the Board of Directors

- Ci-Net applies the requirements of registration, coordination and keeping the minutes of the Board meetings. Meetings are held upon an invitation from the chairman of the board of directors. In the event where emergency meetings are requested, such request should be made in writing and presented by two Board members. The invitation to attend the meeting, accompanied by the agenda and all the documents related to the items on the agenda, are sent to all the members not later than three days before the date of the meeting. The Board secretary registers the matters that will be considered and the resolutions that are taken in minutes of the meetings, taking into consideration any reservations made by the members or any conflicts of interest or different opinions raised during the meetings. The minutes of the meeting are recorded and kept in serial numbers for the year, showing the place and date of the meeting as well as the start and end time thereof. The minutes are signed by all the members who attended the meeting and are kept in a separate register that is easily accessible, and the documents presented and discussed at the meeting are attached to the minutes.

Sixth - Outline of the method by which the Company determines the functions, responsibilities and duties of the Board members and the Executive Management as well as the powers and authorities vested in the Executive Management:

- In its articles of association, Ci-Net specified the functions and responsibilities of the Board of Directors. A charter and work regulations are laid down for the Board of Directors, specifying the responsibility of the Board toward the Company's shareholders and others, including the duties of the members, the role of the Chairman of the Board of Directors and the Executive Management. In addition to the periodical review of the approved financial and administrative powers that have been laid down in detail, the Board of Directors reviews the powers of the Board and the Executive Management in administrative, financial and operations transactions related to the Company's operations and activities.

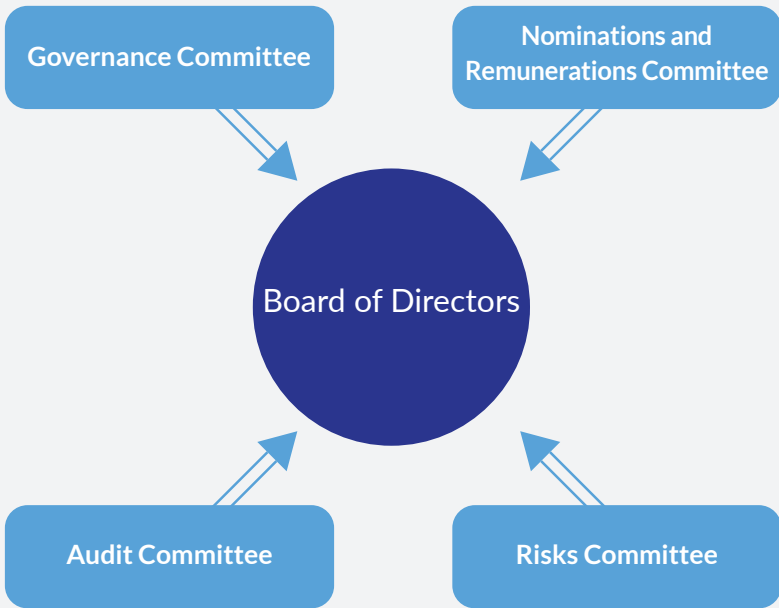
Seventh - The key functions and responsibilities of the Board members during the financial year 2021/2022 ended on 30.09.2022

- ✓ Approval of the interim and final financial statements of the company.
- ✓ Approval of the framework of risks and cyber security (risk propensity).
- ✓ Review of the risk and internal audit reports presented by the concerned board committees.
- ✓ Quarterly monitoring the compliance with the Company's strategic plan.
- ✓ Approval of the budget for the fiscal year ended on 30.09.2022.
- ✓ Review of the quarterly performance through reports prepared by the Executive Management .
- ✓ Review of the reports of the Customer Complaints Unit.
- ✓ Review of the Nominations and Remunerations policy.
- ✓ Review of the reports of the Internal Audit and Control Compliance.
- ✓ Review of the Company's policies in order to ensure that they conform to the Law No. 9 of 2019 organizing the exchange of credit information and its Executive Regulations and the instructions of the Central Bank of Kuwait,
- ✓ Approval of the report of the Sharia Control Panel for the financial year ended on 30.09.2022.
- ✓ Approval of the recommendations of the Nominations and Remunerations Committee concerning the remuneration granted to the Executive Management and its employees.
- ✓ Approval of the recommendations proposed to amend the regulations of the Board and the board committee so that they remain in line with the relevant governance instructions.
- ✓ Issuing the governance report for the financial year ended on 30.09.2022.

Eighth - The Board Committees – Membership and Functions :

Ci-Net has four Board committees the purpose of which is to provide support to the Board in performing its role and discharging its control and supervision responsibilities. The committees report to the Board of Directors on the latest developments and submit periodical reports on its activities to the Board. The following figure illustrates the Board committees:

7-1 - Names of the members of the Board Committee and their positions within the committees for the year ended 30.09.2022.



| Board Committees | Names of the Committee Members | Members Positions Within the Committee |
|---|--|--|
| Governance Committee | Mr. Anwar Mohammed Bader Al-ghaith | Committee Chairman |
| | Mr. Khaled Abdullah Abdulrahman Al-Ali | Committee Deputy Chairman |
| | Mr. Yasser Mohammed Abdullah Al-Saad | Committee Member |
| Nominations and Remunerations Committee | Mr. Nasser Mohammed Yousef Al-Qaysi | Committee Chairman |
| | Mr. Fahed Othman Abdulkarim Al-Badr | Committee Deputy Chairman |
| | Mr. Abdulaziz Saleh Al-Zaabi | Committee Member |
| Audit Committee | Mr. Khaled Abdullah Abdulrahman Al-Ali | Committee Chairman |
| | Mr. Mohammed Habib Ali Al-Baloushi | Committee Deputy Chairman |
| | Mr. Abdulaziz Saleh Al-Zaabi | Committee Member |

| | | |
|-----------------|-------------------------------------|---------------------------|
| Risks Committee | Mr. Fahed Othman Abdulkarim Al-Badr | Committee Chairman |
| | Mr. Abdulaziz Saleh Al-Zaabi | Committee Deputy Chairman |
| | Mr. Nasser Mohammed Yousef Al-Qaisi | Committee Member |
| | Mr. Mohammed Habib Ali Al-Baloushi | Committee Member |

The resignation of the chairman of the board of directors, Mr. Anwar Mohammed Al-Ghaith, representative of the Central Bank of Kuwait was accepted on 16 August 2022,

7-2 – Schedule of the Meetings of the Board Committees during the financial year ended on 30.09.2022:

| Board Committees | Meeting Number & Type | Meeting Date |
|---|----------------------------|--------------|
| Governance Committee | (1 – 2021 / 2022) Ordinary | 06/10/2021 |
| | (2– 2021 / 2022) Ordinary | 20/02/2022 |
| Nominations and Remunerations Committee | (1- 2021 / 2022) Ordinary | 29/11/2021 |
| | (2- 2021 / 2022) Ordinary | 28/12/2021 |
| | (3 - 2021 / 2022) Ordinary | 05/01/2022 |
| | (4 - 2021 / 2022) Ordinary | 29/03/2022 |
| | (5- 2021 / 2022) Ordinary | 28/04/2022 |
| | (6– 2021 / 2022) Ordinary | 10/08/2022 |
| | (7– 2021 / 2022) Ordinary | 22/08/2022 |
| | (8– 2021 / 2022) Ordinary | 22/09/2022 |
| Audit Committee | (1 – 2021 / 2022) Ordinary | 09/11/2021 |
| | (2 – 2021 / 2022) Ordinary | 22/02/2022 |
| | (3 – 2021 / 2022) Ordinary | 22/06/2022 |
| | (4– 2021 / 2022) Ordinary | 04/07/2021 |
| | (5– 2021 / 2022) Ordinary | 12/09/2022 |
| Risks Committee | (1 – 2021 / 2022) Ordinary | 11/11/2021 |
| | (2 – 2021 / 2022) Ordinary | 17/11/2021 |
| | (3 – 2021 / 2022) Ordinary | 28/12/2022 |
| | (4– 2021 / 2022) Ordinary | 29/06/2022 |
| | (5– 2021 / 2022) Ordinary | 04/09/2022 |

Ninth: Governance Committee:

1- The main role of the Governance Committee

The basic role of the Governance Committee is to provide continuous support and assistance to the Board of Directors in performing its responsibilities and control and supervision functions related to the implementation of the governance framework, ensuring the application and diffusion of the governance culture in all the companies units and departments, controlling the implementation of the governance policies effectively and independently, providing support and recommendation concerning sound governance practices and developing the governance guidelines and policies in addition to monitoring compliance with regard to the application thereof as well as ensuring compliance with the governance policies and procedures by the board of directors, the board committees and the executive management.

2- Functions of the Governance Committee

The functions of the Governance Committee may be summarized as follows, without limitation:

- To develop a governance comprehensive framework and manual, provide suggestions for its upgrading and changing to suit new circumstances.
- To review the adequacy of the Company's policies, procedures and practices with regard to the Governance standards.
- To review and evaluate the efficiency of the rules of professional conduct, the ethical work rules, and other policies approved within the Company.
- Prepare a governance report for submission to the general assembly within the annual report of the company.
- To carry out an annual self-evaluation of the Committee's performance and duties and conduct an annual review of the powers and responsibilities thereof.

3- Statement of any areas of conflict between the governance committee's recommendations and the resolutions of the Board of Directors

The governance committee performed its duties during the financial year ended on 30.09.2022 and no events of conflict were registered between the recommendations of the Committee and the resolutions of the Board of Directors.

Tenth – Nominations and Remunerations Committee

1- The main role of the Nominations and Remunerations Committee:

The main role of the Nominations and Remunerations Committee is to assist the Board of Directors to perform its obligations related to identifying the persons who are qualified for membership of the Board of Directors on behalf of their representatives who are shareholder board members, and the executive management and evaluate the performance of the Board of Directors and the Board committees in addition to assisting the Board of Directors in supervising the management of the remuneration systems as they apply to the executive management and the Company's employees.

2- Functions of the Nominations and Remunerations Committee:

The functions of the Nominations and Remunerations Committee are the following, without limitation:

- To review the nominations and appointments to leadership and executive positions during the financial year ended on 30.09.2022.
- To review the remunerations of the Board members.
- To review the policy of granting remunerations within the company and the relevant mechanisms.
- To make recommendations to the Board of Directors concerning the rates of remuneration and ensuring the expenses are covered in line with the relevant budget.
- To review the analysis of the annual evaluation of the Board of Directors including individual self-evaluation and the comprehensive performance of the Board of Directors and the Board committees, and to provide the relevant results to the Board of Directors for information.
- To review the promotions proposed by the executive management and express an opinion with regard thereto; to follow up the training and development plans within the company.

3- To state any events of conflict between the recommendations of the Nominations and Remunerations Committee and the resolutions of the board of directors.

The Nominations and Remunerations Committee performed its functions during the financial year ended on 30.09.2022 and no events of conflict was recorded between the recommendations of the Committee and the resolutions of the board of directors.

Eleven – The Audit Committee

1- The main role of the Audit Committee:

The main role of the Audit Committee is to assist the Board of Directors to perform its supervisory responsibilities related to the financial and accounting operations within the Company and ensuring the financial control adequacy and internal audit controls, in addition to the functions of managing the financial reports with the Finance Department and the external and internal auditors.

2- The Functions of the Audit Committee:

The functions of the Audit Committee may be summarized in the following, without limitation:

- To review the charter and manual of the internal audit group and accounting policies.
- To evaluate and make recommendations for the appointment of external auditors.
- To review the annual and quarterly financial statements.
- To discuss the internal and external sharia audit reports.
- To approve the internal audit plan and discuss the internal audit reports and to follow up the correction steps on a quarterly basis.
- To provide support to the internal audit group in order to ensure that they have carried out their functions effectively and independently.

3- Statement of any events of conflict between the recommendations of the Audit Committee and the resolutions of the Board of Directors:

The Audit Committee performed its functions during the financial year ended on 30.09.2022 and no events of conflict between the recommendations of the Committee and the resolutions of Board of Directors were registered.

Twelfth – The Risks Committee:

1- The main role of the Risks Committee:

The main role of the Audit Committee is to assist the Board of Directors in the performance of the Board's supervision in general over the current risk profile and risk strategy particular the propensity of the Company to accept risks related to the information secrecy and cyber security as well as the policies and procedures related to the Risks department and its sections and units.

2- Functions of the Risks Department Committee:

- To evaluate the risk management standards in the company, the extent of the risk propensity, the risks strategy and other standards related thereto and to made recommendations to the Board of Directors with regard thereto.
- To review and discuss the quarterly risk management reports.
- To provide support to the risk management function in order to ensure the full achievement of the work frame in an effective and independent manner.
- To approve the appointment and / or resignation of the Manager of the Risk Department and evaluate his annual performance.
- To review and discuss the risks of cyber security and the measures taken to cover them by the Information Technology Department in light of the supervision instructions issued with regard thereto.
- To review the work charter, policies and procedures of the Risk Department and its units and to development on an on-going basis.

3- Statement of any events of conflict between the recommendations of the Risks Committee and the resolutions of Board of Directors:

The Risks Committee performed its functions during the financial year ended on 30.09.2022 and no event of conflict between the Committee's recommendations and the Board's resolutions was registered.

Thirteen – The General Framework for Evaluating the Members of the Board of Directors

The process of evaluating the Ci-Net Board of Directors according to the rules of governance is based on an internal mechanism approved for evaluating and measuring the level of the Board of Directors and its members periodically every year. For this purpose, the Nominations and Remunerations Committee conducts effective annual reviews of the activities of the Board members through a process of self-evaluation which is reviewed and studied in detail in order to identify the strengths and weaknesses that determine the evaluation of the board members and the board committees. The necessary recommendations are issued with regard thereto and presented to the Board of Directors with a view to enhance the capabilities of the Board and its members in the fields related to their work and the required development and training thereof. During the financial year ended on 30.09.2022, the results of the positive evaluation reflected the extend of the board members' observance of the functions entrusted to them in order to achieve the goals and objectives of the company for which it was established. The elements of the general framework of evaluation the Board members may be summarized in the following:

- Qualifications of the Board members and the mechanism of forming the Board of Directors.
- Adequacy of the meetings, resolutions and minutes issued by the Board of Directors.
- Attendance and effective participation of the Board of Directors and the committees.
- Mechanisms of communication and ease of access to information and data.
- The control and supervisory role of the Board of Directors and its committees.

Fourteenth – The Sharia Control Panel

The Sharia Control Panel is an integral part of the internal control system given the fact that it ensures the adequacy and effectiveness of the Sharia Control System in the Company, ensuring that the Company's management has performed its duties toward the application of the provisions, principles and standards of the Islamic Sharia, verifying that, in all its transactions, activities, contracts and forms used, the Company complies with the provisions and principles of the Islamic Sharia, thereby adding a measure of trust among those who deal with the company and the shareholders in ways that conform to the provisions and principles of the Islamic Sharia. The Islamic Control Panel is responsible for the following:

- To express a Sharia based opinion on any contracts, dealings, activities or projects of Ci-Net and its actions.
- To verify that Ci-Net observes the provisions of the Islamic Sharia through a review of the documents related to the study of the conditions, contracts and agreements related to the deals before concluding them by the Company, in order to ensure that their conditions are in agreement with the rules and principles of the Islamic Sharia.
- To make recommendations to approve nor disapprove of any deal, contract, dealings or documents that do not conform to the principles of the Islamic Sharia and the suggestions to modify them in line with the principles of the Islamic Sharia.
- To study any other issues that may be referred by the Legal Department at Ci-Net or by the Board of Directors within the scope of its competence.
- To submit an annual report to the Ci-Net general assembly that contains its opinion of the extent to which the business and activities of the company conforms to the provisions of the Islamic Sharia, the extent to which the management of the Company observe the opinions of the Sharia Control Panel and any remarks it may have about the business of the company. This report is presented within the annual report of the Company, and the opinion is formulated according to the majority of the votes within the panel members. In the event where a majority cannot be achieved and in the event where there is a different of opinion among the members of the Panel.

At the meeting of the general assembly of the company held on 12.08.2021 a resolution was taken to appoint Dar Al-Mashoura and Al-Rayah For Islamic Finance to provide Sharia control services as members of the Sharia Control Panel for the business of the Company for the financial year ended on 30.09.2022. The Panel consists of three members, and it issues Sharia fatwas and decisions and verifies the company and its operations and contracts conform to the Islamic Sharia principles. During the financial year ended on 30.09.2022 the Sharia Control Panel issued 15 resolutions and approved policies and procedures for the work of the Company on

26.5.2021. The Panel concluded by emphasizing that the contracts and operations carried out by the Company during the financial year so ended were carried out according to the provisions of the Islamic Sharia.

Members of the Sharia Control Panel:

- 1- Dr. Abdullatif Haji Al-Awadhi, Chairman of the Sharia Control Panel.
- 2- Dr. Mohammed Ali Al-Hadiyyah, member of the Sharia Control Panel.
- 3- Dr. Mohammed Khaled Mansour, member of the Sharia Control Panel.

First - Functions of the Senior Executive Management

- ✓ The executive management team is responsible for managing the Credit Information Network Company (Ci-Net) business as entrusted to it by the Board of Directors. The Chief Executive Officer is the head of the senior executive management which consists of the Legal Department and Compliance, Finance Department, the Information Technology Department, The Risks Department, the Product Development Department, Customer Service Department, Marketing and Business Development, Human Resources and the General Administrative Services.
- ✓ The executive management formed the following administrative committees and teams: 1) The Executive Committee MEXCO, 2) Modern Technologies Empowerment Team (FINTECH). These committees and teams derive their powers from the chief executive officer according to the powers and controls approved by the chairman and members of the board of directors in this regard.
- ✓ The Executive Management applies effective policies and control means approved by the board of directors within the framework of Ci-Net's strategy and goals laid down and approved by the board of directors in order to ensure business continuity without obstacles or violations. .
- ✓ The executive management undertakes the following functions without limitation:
 - Determine Ci-Net's strategic future goals, trends and aspirations (short-term and long-term).
 - Lay down the annual budget and business plan for Ci-Net during the financial year.
 - Ensure the existence and execution of related to all the operations and activities of Ci-Net.
 - Lay down and manage the risk goals and targeted revenues within the framework of the policy as allowed without prejudice to the provisions of the Company's articles of association.
 - Determine the general standards for evaluating performance based on the specified risk level.
 - Review, develop and enhance the performance rates for all departments of Ci-Net and take appropriate actions with regard thereto.
 - Ensure that the Company carries on all its activities and objects according to the highest ethical standards and observes the letter and spirit of the laws as well as the controls and rules of professional conduct.

- ✓ It is worth mentioning that the functions mentioned above are in addition to the functional levels specified for the executive management team and the strategic targets specified therefor according to the Company's policies manual as determined in this regard.

Second – An outline about the chief executive officer of Ci-Net

Mr. Fahed Mohammed Hamad Al-Munayes,

Chief Executive Officer

Mr. Fahed Mohammed Hamad Al-Munayes enjoys a rich and diversified experience in the field of information technology. He has a wide experience in commercial and banking business related to the Company's activity. He has a remarkable track record of achievements through his work as chief executive officer of the information technology sector at Burgan Bank during the period from 2013 to 2017. He occupied the position of executive manager of the Information Technology Department at Ahli Bank of Kuwait from 2004 to 2012. He also occupied the position of the Internet Services Department Manager at Quality Net Company from 2000 to 2001. Mr. Al-Munayes holds a Bachelor Degree in Computer Science from Monmouth University, New Jersey, USA in 1994, and a Master Degree in Software Engineering from Harvard University, USA. In October 2017, Mr. Fahed Al-Munayes joined Ci-Net in the position of Chief Executive Officer and continues to hold this position.

First – Wages and Remuneration Policy

- ✓ The wages and remuneration policy at Ci-Net is in line with the strategies and goals laid down by the board of directors in conformity with the provisions of the Kuwaiti Law of Labor in the Private Sector No. 1 of 2010 and subsequent amendments thereto, as well as the rules and requirements of corporate governance issued by the Central Bank of Kuwait in addition to the recommendations of the Nominations and Remunerations Committee of the Board of Directors. This policy is in agreement with the practices in force in a balanced manner in the application procedures thereof and in accordance with the most modern standards with a view to attract and keep efficient employees and motivate them. The main motivation behind the Companies variable remuneration is a culture based on the level of performance evaluation which achieves a perfect balance between the interests of the employees and those of the Company's shareholders. These elements contribute to the achievement of specified goals through achieving a balance between the offer remunerations against achieving results on the short term and a sustained performance on the long run. This strategy was laid down in order to share the Company's successes and achieve a balance between the risk framework and employee remuneration. The employees efficiency and commitment on the long term are basic factors for the success of the Company. For this reason, Ci-Net seeks to attract the best talents and cadres who are committed to continue to work with the Company, and provide them with the right motivations for the benefit of the shareholders on the long run.
- ✓ A strong and effective governance framework at Ci-Net ensures that the Company works according a clear strategy and wage and remuneration policy, for all matters related to wages, remuneration and full commitment to the control requirements under the supervision of the nominations and remuneration committee of the board of directors. The wages and remuneration policy at Ci-Net takes into consideration the role of every employee, and determines the guidelines on the basis of the employee's ability to bear the risks or the employee whose appoints requires a prior approval of the Central Bank of Kuwait because of the importance of his role in the Company, or the compliance or technical support positions, where the Company's employee is deemed to bear substantial risks if he heads an important department, and any employee within his department who has a substantial effect on the extent of the risk undertaken by the Company.
- ✓ The Nominations and Remunerations Committee supervises all the policies related to the remuneration given to the employees of Ci-Net, for the Committee is the body which supervises and organizes the work policies and procedures related thereto. The company is responsible for laying down the variable remunerations policy and for the review thereof. It issues recommendations with regard thereto and refers those recommendations to the Disciplinary Board for approval. The Committee is also responsible for laying down the governance policies and framework for all decisions related

to wages and compensations. The Committee guarantees that all deserving persons receive their fair remunerations in a responsible manner. The remunerations policy is reviewed periodically in order to reflect the changes in market practices, business plan and the extent of the risk to which the Company is exposed.

- ✓ Employee remunerations includes fixed and variable elements which include the basic salary, allowances and annual remuneration. The basic salary is the employee's monthly salary determine according to the job evaluation standards according to the ladder of position grades. Allowances are financial amounts that are paid monthly in addition to the basic salary. They are granted based on the employee's nature of work. The annual remunerations are rewards that are paid to the employee at the end of the year based on an evaluation of the employee's performance as well as the Company's performance. Incentives are programs designed to motivate the employees to increase production and improve performance.

Second – Disclosures of Wages and Remunerations

1) Total Remuneration Package for the Members of the Board of Directors

- ✓ No remuneration was paid to the members of the Board committees for the financial year ended on 30.09.2022. According to current practice, committee members do not receive any fees or allowances for attending committee meetings, nor do they receive any material benefits in kind. No committee member has the right to receive any fixed salaries or fees.

2) Total Package of Remunerations of the Executive Management and all the Company's employees according to their respective position categories or grades:

- ✓ The total annual remunerations paid to the executive management and all the employees of the Company for performing their work during the financial year ended on 30.09.2022 amounted to KD 96,785 (Kuwaiti Dinars ninety six thousand seven hundred and eighty five). It is worth mentioning that only the element of the basic salary is used to calculate the remunerations of the executive management and employees according to the policies and procedures adopted in this regard.

First – Conduct Values

- ✓ The Board of Directors of Credit Information Network Company (Ci-Net), through the Manual of the Governance Policies and Practices is keen to specify the Governance Sound Practices in all its activities, including the existence of means that emphasize following up those practices and further emphasizes the need to review them regularly in order to improve them.
- ✓ The Governance Sound Practices have been reviewed according to standards that ensure the existence of appropriate means for professional conduct by all individual in charge of the company. This is achieved by laying down a Charter for Professional Conduct and Work Ethics that include a clear definition of conflicts of interest. The Charter, along with the policy governing the reporting of violations is made available to all the Company's employees and members of the Board of Directors who must sign in acknowledgement of receipt.
- ✓ Credit Information Network Company (Ci-Net) is continuously keen to provide adequate support to the control and organizational positions in order to ensure the effectiveness of its operations by adopting a clear definition of all functions and responsibility associated with those positions and their reporting relationships within the organization structure. Equally, the Company verify the efficiency of the internal control systems related to operations with related parties, thereby ensuring that all operations conform to the policies adopted by the Company.
- ✓ The Board of Directors of Credit Information Network Company (Ci-Net) conducts an annual review of the policies and procedures applicable within the professional framework, which consist of the following:
 - Professional Conduct Charter
 - Conflict of Interest Policy
 - Related Parties Policy
 - Information Security and Secrecy Policy
 - Violations Reporting Policy
 - Bribe and Corruption Combating Policy
- ✓ The persons concerned with the affairs of the Company are keen to apply the rules of professional conduct in order to ensure that no inside information about the Company are exploited in order to achieve any personal benefits. This applies to the members of the board of directors, executive management and all employees. To this end, the Company always seeks to protect the interests of customers and lays down appropriate mechanisms, policies and procedures for handling customer complaints in accordance with the instructions of the Central Bank of Kuwait related to customer protection.

Second – Conflict of Interests:

- ✓ Credit Information Network Company (Ci-Net) always seeks to apply the conflict of interests' policy adopted by the board of directors. The Governance Committee and the Board of Directors review this policy periodically in line with the nature of the Company's business and the legislative and control development. In addition, they have adopted a set of procedures, forms and registers that regulate the disclosure of events of conflicts of interest and the mechanism of dealing with them subject to the provisions of the Islamic Sharia.
- ✓ The setting up of this policy seeks to provide a general framework for conflicts of interest that may arise from transactions conducted with Credit Information Network Company (Ci-Net) whether such conflicts exist between members of the Board of Directors and the Company or among members of the executive management and the Company. This is achieved by defining conflicts of interest and giving examples of events of conflicts of interest, the responsibilities of the concerned member and the method and steps of disclosing such conflicts of interest and dealing with them, as well other matters in the manner set forth in this policy.
- ✓ The policy of conflicts of interest includes such rules and controls as are necessary to avoid events of conflicts of interest toward Credit Information Network Company (Ci-Net) with a view to ensure further transparency to the decision making process.

- ✓ Disclosure has been defined as the process of disclosing financial and other information of interest to prospective shareholders, investors and the public and help them to take timely investment decisions. Disclosure may be made periodically (specific periods of time) or instantly upon the occurrence of completion of the information. The purpose is to ensure that the information is made available at the same time to all the concerned parties so that no party may benefit from the information before or without the knowledge of the other parties.
- ✓ Credit Information Network Company (Ci-Net) has a clear framework that supports the principle of disclosure and transparency and ensures justice and equality in the information reaching stakeholders in a timely manner according to the requirements of the regulator, the Central Bank of Kuwait, and in line with the best global practices followed in this regard.
- ✓ With a view to establishing a transparent work environment the Central Bank of Kuwait has defined "material information" as that information that affects the value of the Company's shares or any information that may, if not disclosed, affect the economic decisions taken by the users of such information.
- ✓ The Board of Directors of Credit Information Network Company (Ci-Net), according to the rules of sound Governance, and in addition to its observance of the instructions and controls laid down by the Central Bank of Kuwait, has adopted a specific policy for disclosure and transparency, covering all the information related to disclosure and the policies that regulate such disclosure in accordance with the relevant instructions. The preparation of this policy seeks to provide a disclosure workframe within the Company, where necessary, laying the required rules and controls therefor, thereby contributing to achieving justice and transparency, preventing conflicts of interest and the exploitation of inside information, strengthening a culture of commitment of disclosure by all the competent employees, thereby ensuring a successful application of the policy. The Company strongly believes that the quality of the disclosed information is a substantial and vital matter that the Company seeks to achieve at all times.

First – Protecting the Rights of Shareholders:

The work regulations, systems and practices at Credit Information Network Company (Ci-Net) reflect the provisions of the laws, regulations and instructions issued by the controlling authorities concerning the protection of shareholder rights and dealing them in an equal manner, particularly with regard to the following:

- ✓ Protecting the basic rights of shareholders related to the registration and transfer of ownership, participation and voting at shareholders' meetings, participation in the profits, and obtaining regular information about the Company.
- ✓ Emphasizing the shareholders' right to inspect and participate in the resolutions related to amendments to the memorandum and articles of association of the company, including amendments to the capital through the offering of new shares to the shareholders or the offering of shares under the system of shares options for the employees or re-purchases of the shares, as well as the resolutions relating to any unusual transaction that may affect the future of the company of its activity such as acquisitions or mergers or the sale of a substantial part of its assets.
- ✓ Encouraging effective participation in the meetings of the general assembly and keeping them aware of the procedures and rules of voting, including notifying them of the times and agendas of general assembly meetings a sufficient time before the date of the meeting, and ensuring publishing the place and time of the meeting publicly according to the provisions of the law and the instructions issued in this regard.
- ✓ Every shareholder has the right, during the ordinary general assembly meeting to address questions to the auditor and ask for clarifications from him about the contents of the auditor's report.
- ✓ Emphasizing the importance of disclosure of the capital structure or any arrangements that may lead to control by several shareholders.
- ✓ Emphasizing the importance of dealing with all shareholders equally, including "small shareholders" and allowing them the opportunity to address questions to the Board of Directors and insist on remedying any infringements against their rights, providing information to the shareholders in a time manner, thereby allowing them to exercise their rights fully, provided that such information should be complete and accurate, without any discrimination among the shareholders with regard to the provision of information.
- ✓ Enabling the shareholders to inspect the minutes of the general assembly meetings, in addition to preparing a statement of the financial and other penalties that were imposed upon the Company during the year, and these should be read by the Chairman of the Board of Directors at the meeting of the annual general assembly in the manner set forth in the instructions issued by the Central Bank of Kuwait in this regard.

- ✓ Credit Information Network Company (Ci-Net) seeks to safeguard and protect the rights of the shareholders and stakeholders by applying policies and procedures that guarantee a fair treatment to all shareholders including the minority shareholders. In this regard, the shareholders of Credit Information Network Company (Ci-Net) enjoy equal rights, without discrimination. They have the right to attend all ordinary and extraordinary meetings and vote on all the items thereof. They further have the right to select the members of the Board of Directors and the right to obtain the profits as well as the right to receive information and data related to the activities and objects of the company and all the rights to which they are entitled in accordance with the provisions of the memorandum and articles of association and the instructions issued by the regulators.

Second – Protecting the Rights of Stakeholders:

- ✓ The term "stakeholders" is defined at any person or entity that has a relation with the Company, such as the shareholders, employees of the company, subscribers, customers, vendors and society. The Company's work regulations, policies and practices emphasize respect for the rights of stakeholders as specified by the laws, regulations and instructions issued in this regard and that emphasize the rights of stakeholders to remedy and infringements upon their rights as provided for by law.
- ✓ Protecting the rights of stakeholders represents an important aspects of sound governance, and the ultimate success of the company is only a result of the joint work carried out with other parties that have dealing relations with the Company. It is worth mentioning that the Law No. 32 of 1968 concerning Money, the Central Bank of Kuwait and Regulating the Banking Profession and the group of rules and instructions to the entities that subject thereto concerning the conduct of their activities include the controls and bases that provide the necessary protection of stakeholder's rights.
- ✓ In observance of its obligation to protect the rights of stakeholders, Credit Information Network Company (Ci-Net) has prepared a policy for protecting the rights of stakeholders. This policy was designed to ensure respect and protection of the rights of stakeholders in accordance with the laws and the instructions issued by the regulators in this regard, for the purpose and goal of this policy is to ensure, respect and protect stakeholders' rights in accordance with the relevant laws and regulations by the Company, by providing stability and sustainability through a good financial performance. The parties that are regarded as stakeholders in the company. Guideline rules and principles have been developed about the method of protecting those rights.

First – Risk Management:

- ✓ Credit Information Network Company (Ci-Net) is especially keen to look after risk management and governance requirements. The Board of Directors has the ability to understand and analyze the nature and size of the risks to the Company's activities. The Company seeks to minimize those risks through a procedure for addressing such risks. To this end, the Board of Directors develops methods for addressing those risks through a strategy and set of policies designed for managing its propensity for risk taking.
- ✓ The executive management had taken important and effective steps to update the risk measurement systems and follow up, as well as systems for the issue of reports and follow up. Exposures to risk are followed up, analyzed and forwarded to the Risks Committee for making their recommendation to the Board of Directors and the executive management. This has led to positive results for the Company as reflected in its final financial statements specifically.
- ✓ Credit Information Network Company (Ci-Net) has created several positions under the umbrella of non-financial risks, in line with the Company's risk management strategy and workframes. Which include operational risks, managing work sustainability, managing technological risks and managing cyber security risks.
- ✓ Risk management focuses on a continuous strengthening of the capabilities of business sustainability frameworks which include business recovery, drawing plans for crisis management and business resilience programs in order to ensure the ability to respond effectively to breakdowns of services and in order to protect the Company and its subscribers, customers and shareholders.
- ✓ Given the increasing importance of information security in banking and finance, and in light of the challenges arising from the risks of rapid development of modern technologies used in the credit and banking business, and in accordance with the instructions of the Central Bank of Kuwait issued on 10 September 2019 concerning the rules and systems of Governance at the Kuwaiti banks, the concerned department undertakes on-going monitoring the external security threats related to the technological network and systems and seeks to forecast those threats and lay down the means of protecting its internal and external data. To this end, several strong policies, procedures and standards have been introduced to prevent accidents, infringements and unauthorized entry to the databases and ensure rapid recovery in the event of any infringement upon the cyber security.
- ✓ The Board of Directors, through the Board Risks Committee, is responsible for the general supervision of the risks at Credit Information Network Company (Ci-Net) including review and approval of policies related to risk management, the risk taking propensity, exposure to risks and limits of such exposure, while ensuring the existence of the infrastructure and resources necessary therefor. The Risks Department seeks to strengthen the framework of Risks governance and supporting comprehensive policies that limit the roles and responsibility of the relevant persons, in addition to diffusing the culture of risks management on an on-going basis by providing guidance to all the Company's employees as

well as advice to the executive management, Board of Directors and board committees concerning the position and performance of the Company within approved risk standards and issuing recommendations to re-set the acceptable risk limits at the Company.

Second – Internal Control:

- ✓ The Board of Directors has approved an organization structure that suits the nature, acceptance and size of the Company and that is transparent and clear.
- ✓ The adequacy and effectiveness of the required internal control is verified at least once every year.
- ✓ The Board of Directors verifies the independence and qualifications of the Internal Audit Department.
- ✓ Credit Information Network Company (Ci-Net) is keen upon transparency and integrity in its operations. For this reason the annual report of the Company contains a report about the adequacy of the systems of internal control.

Third – Observance of the Laws and Regulations

- ✓ The Compliance framework that has been approved by the Board of Directors reflects the principles of enhancing sound compliance practices and high professional standards. For this reason, the functions of the Compliance Department include assisting the executive management to ensure that all activities of the company and its employees comply with the laws and instructions of the control authorities. For this reason they are carried out according to the best professional standards and sound practices in general related to those activities. The Compliance Manager may refer to the Board of Directors through the Audit Committee and the Corporate Governance Committee whenever necessary.
- ✓ The compliance risks are the legal or organizational risks. They cover material losses or damages to the reputation of the Company as a result of failure to observe the requirements of the relevant laws and the applicable rules and regulations as well as the standards and rules of professional contract. The compliance policy sets forth the procedure that the company follows in managing the compliance risks, for this policy sets forth the requirements of the Company's compliance program and defines the role and responsibilities of the Board of Directors, executive management, employees and internal audit as well as the third lines of defense with regard to managing the compliance risks. These requirements work together to provide a comprehensive approach to risks with a view to defining compliance risks, and the subsequent management and passing as a pre-action in all parts of the Company. The Company's compliance policy further specifies the reporting the compliance risks to the executive management and the Board of Directors or board committees. The Board of Directors monitors the compliance risks mainly through the Audit Committee, Governance Committee and the Nominations and Remunerations Committee.

List of major shareholders of the company

List of the company's shareholders

| Shareholder | Number of shares | Shareholding % |
|--|------------------|----------------|
| Central Bank of Kuwait | 2,800,000 | 12.28 |
| National Bank of Kuwait | 1,972,000 | 8.65 |
| Boubyan Bank | 1,628,000 | 7.14 |
| Al Ahli Bank of Kuwait | 1,400,000 | 6.14 |
| Ahli United Bank | 1,400,000 | 6.14 |
| Commercial Bank of Kuwait | 1,400,000 | 6.14 |
| Bank of Bahrain and Kuwait | 1,400,000 | 6.14 |
| Gulf Bank | 1,400,000 | 6.14 |
| Kuwait International Bank | 1,400,000 | 6.14 |
| Burgan Bank | 1,400,000 | 6.14 |
| Kuwait Finance House | 1,400,000 | 6.14 |
| Commercial Facilities Company | 1,400,000 | 6.14 |
| Arzan Financial Group for Financing & Investment | 1,400,000 | 6.14 |
| Osoul Leasing and Finance Company | 800,000 | 3.51 |
| A'ayan Leasing & Investment Company | 800,000 | 3.51 |
| YAAS Installments Company | 300,000 | 1.32 |
| Yusuf Ahmed Al Ghanim & Sons | 250,000 | 1.01 |
| Total | 22,800,000 | %100 |

List of Subscribers with Ci-Net

Conventional, Islamic and Foreign Banks

- National Bank of Kuwait
- Kuwait Finance House
- Al Ahli Bank of Kuwait
- Commercial Bank of Kuwait
- Kuwait International Bank
- Industrial Bank of Kuwait
- Ahli United Bank
- Bank of Bahrain & Kuwait
- Qatar National Bank
- First Abu Dhabi Bank
- Gulf Bank of Kuwait
- Burgan Bank
- Boubayan Bank
- Warba Bank
- Bank Muscat
- Doha Bank
- Mashreq Bank
- Al Rajhi Bank
- Citibank N.A
- BNP Paribas Bank
- Industrial and Commercial Bank of China Limited
- HSBC Bank Middle East Limited

Investment & Financing Companies Under the Supervision of the CBK

- Commercial Facilities Company
- Al Manar Financing & Leasing Co. K.S.C.C
- Arzan Financial Group for Financing & Investment
- Kuwait Finance and Investment Company
- Al Mulla International Finance Co. KSCC
- UniCap Investment and Finance Company
- AlSoor Financing and Leasing Co.
- Kuwait Financial Centre "Markaz"
- Noor Financial Investment Company
- Arab Investment Company
- KAMCO Investment Company
- Asiya Capital Investments Company
- Kuwait & Middle East Financial Investment Company
- Al Madar Finance & Investment Company
- Al Riyadh Finance & Investment Co. K.S.C
- Al Safat Investment Company
- Aref Investment Group
- Dimah Capital Investment Company
- First Investment Company
- Kuwait Investment Company

- Kuwait Pillars for Financial Investment Company
- Securities Group Company
- Massaleh Investments Company
- Aayan Leasing and Investment Company
- Amar Finance & Leasing Company
- Osoul Investment Company
- Wared Lease & Finance Company
- Rasameel Investment Company
- National Leasing and Financing Company
- Al Imtiaz Investment Group Company
- Wafra International Investment Company
- AlMasar leasing and Investment Company
- Hayat Investment Company
- National Investments Company
- KFIC For Financing Services Company

Commercial Companies Under the Supervision of the MOCI

- Yusuf Ahmed Alghanim & Sons WLL
- Yaas Installments Credit Facilities Company
- Alamana Finance Company K.S.C Closed
- Al Andalus Trading Company
- Tashelat Al Duwaliya Company

- Eureka Trading Co
- Easa Husain Al Yousifi & Sons General Trading & Contracting Company
- Al Zayani Trading Company
- Al Adan Real Estate Company
- Dakheel Al Jassar Electrical Industries Company
- Kuwait Automotive Imports Co. W.L.L.
- Electron Electronics Company
- Abyat Megastore
- Al Masila United Group for Car Rental
- Al Babtain Turnkey Solutions
- Abdulmohsen Abdulaziz Al Babtain Company
- Al Sayer Facilities General Trading & Contracting Company
- KGL Car Rental Company W.L.L.
- Blink Gaming Gadgets Electronics Company
- First Equilease for Equipment & Transportation Company

Semi-Governmental Institutions

- The National Fund for Small & Medium Enterprise Development