GROWTHGATE CAPITAL CORPORATION

CORPORATE GOVERNANCE & COMPLIANCE GUIDELINES

BACKGROUND

Growthgate Capital Corporation BSC (c) ("Growthgate Capital") entered into an Investment Management Agreement ("IMA") with Growthgate Equity Partners (Holding) WLL ("Growthgate Partners" or the "General Manager"). As per the terms of the IMA and the Articles of Association of Growthgate Capital (the "Articles"), Growthgate Partners is appointed as the General Manager of Growthgate entrusted in managing the affairs and investments of Growthgate Capital. In conducting its management duties, Growthgate observes and complies with the terms of the Articles, the IMA and other constitutional documents of Growthgate Capital, the directives and resolutions of the Board of Directors ("BoD"), as well as with applicable laws and regulations in the jurisdictions in which it operates. Growthgate Capital and Growthgate Partners are collectively referred to as "Growthgate".

It is the duty of Growthgate Partners to ensure that Growthgate adopts and applies best practices in the areas of corporate governance, risk management and compliance. This document outlines the process that Growthgate follows in this respect.

CORPORATE GOVERNANCE

Growthgate views corporate governance as the manner in which members of the BoD, shareholders, management and employees of Growthgate are organized and how they operate in practice. Good corporate governance involves keeping business practice above reproach and thus retaining the trust and confidence of all the stakeholders who enable Growthgate to operate, thrive and prosper. Growthgate's corporate governance practices have been structured around the following three principles:

- → Alignment of interests among shareholders and management;
- → Transparency of reporting; and
- → Disciplined decision-making and investment process.

Board of Directors & Committees

Board of Directors

As per the Articles, the BoD of Growthgate consists of no less than 5 members and no more than 11 members, appointed by shareholder resolution. The General Manager has the right to appoint 3 BoD members. The BoD term is three years, subject to renewal by shareholder resolution.

While Growthgate Partners is entrusted with the overall management of Growthgate Capital, the approval and guidance of the BoD is required for material matters, including restructuring, capital raising, capital markets and other financing transactions and risk limits. The BoD's responsibilities include but are not limited to the following:

1. Provide the General Manager with strategic guidance;
2. Advise the General Manager on Growthgate's investment policy and review Growthgate's investment portfolio for consistency with such policy;
3. Provide consultation to the Investment Committee on any investment/divestment in/of any Portfolio Company ("PC") that represents in excess of 25% of Growthgate's total equity under management;
4. Resolve certain issues involving conflicts of interest, including review of the General Manager's valuations of Growthgate's realized investments in PCs that are not marketable securities for purpose of determining write-downs;
5. Add new countries/products in the list of target markets/business lines;
6. Address any potential conflicts of interest or related party issues referred to it by the General

Manager;
7. Consider and/or refer to shareholders amendments or exceptions to the investment policies and restrictions proposed by the General Manager; and
8. Raise with shareholders any material issues.

(see Appendix 1: *BoD Guidelines*)

The BoD has established 2 standing committees: The Audit & Compliance Committee, and The Investment Committee.

BoD's Committees

Committees	Members	Frequency of Meetings
The Audit & Compliance Committee	5 appointed by the shareholders	Semi annually
The Investment Committee	5 (2 members appointed by the shareholders and 3 members representing the General Manager)	ad hoc, depending on investment/divestment decisions

The Investment Committee is responsible for making decisions regarding Growthgate's investments/divestments in/from PCs (which decisions require unanimous voting, and if not procured, a simple majority), and for overseeing the operations of Growthgate Capital, as well as authorizing in any particular PC in excess of 20% of Growthgate Capital's total equity capital (excluding leverage finance, contingent liability under guarantees and indemnities) and for the disposal of any investment that represents more than 25% of Growthgate Capital's total equity capital at the time of such disposal and for authorizing leverage in excess of 100% of the total equity capital of Growthgate Capital. The term of the Investment Committee is 3 years, subject to renewal. (see Appendix 2: *Investment Committee Charter)*

The Audit & Compliance Committee is responsible for approving Growthgate Capital's statutory auditors, reviewing with the auditors the plans and results of the audit engagement, approving auditors' professional services, reviewing the independence of the auditors and the adequacy of internal accounting controls, risk controls and compliance procedures. The Audit Committee is also responsible for reviewing the net asset value of Growthgate and each PC and any partial investment therein, prepared at least annually by the General Manager, with the assistance of certified international auditors. Additionally, The Audit Committee is responsible for reviewing, assessing and proposing appropriate changes to the Internal Control and Compliance procedures. The quorum necessary for the Committee meetings shall be a majority of the Committee members. The term of the Audit Committee is 3 years, subject to renewal. (see Appendix 3: *Audit & Compliance Committee Charter)*

<u>Investment Guidelines</u>

Growthgate invests in profitable and well-managed privately-held companies characterized by strong management teams, solid business model that have been successfully launched and tested in key regional markets.

Growthgate targets direct equity investments in companies ranging in value from $50 million to $200 million, and seeks to acquire non-controlling stakes (25% to 50%) therein. This model requires input beyond the initial injection of growth capital, including enhancing margins through operational efficiencies, adopting best practices in corporate governance, installing financial discipline and cost containment measures, optimizing capital structures, and most crucially, conducting value-accretive add-ons to reach commanding heights in terms of market share, brand recognition and sustainable cash flow streams.

Growthgate conducts buy-ins where founders-managers of PCs remain in charge of day-to-day operations and rely upon Growthgate to provide strategic advice, come up with "game-changing" initiatives and add transactional capacity. This allows incumbent managers sufficient space for steering the business on its growth path, broadening the talent pool, and unlocking inherent potential. Prior to investing in a PC, the General Manager ensures that the long-term interests of the PC and its founder-managers are aligned with those of Growthgate, including most importantly the sharing of the highest ethical values in conducting business.

Growthgate's investment horizon for exiting investments consumes usually 5 to 7 years. This mid-term, well-charted path leads to the realization of the equity investments either via a trade sale (i.e., to strategic or financial buyers), or a public offering, at significant premiums, and in certain instances to other specialized Private Equity (PE) firms (secondary sale). Nevertheless, the General Manager does not define a specific deadline for exits from PCs in order to reduce pressure and to optimize results should more time need to be afforded to a particular investment until it reaches the appropriate financial performance/regional scale levels, prior to capitalizing said investments through full or partial sale.

Growthgate invests principally in the companies located and operating in the GCC with some opportunistic investments in other neighboring markets (i.e., in the neighboring Middle Eastern and North African markets).

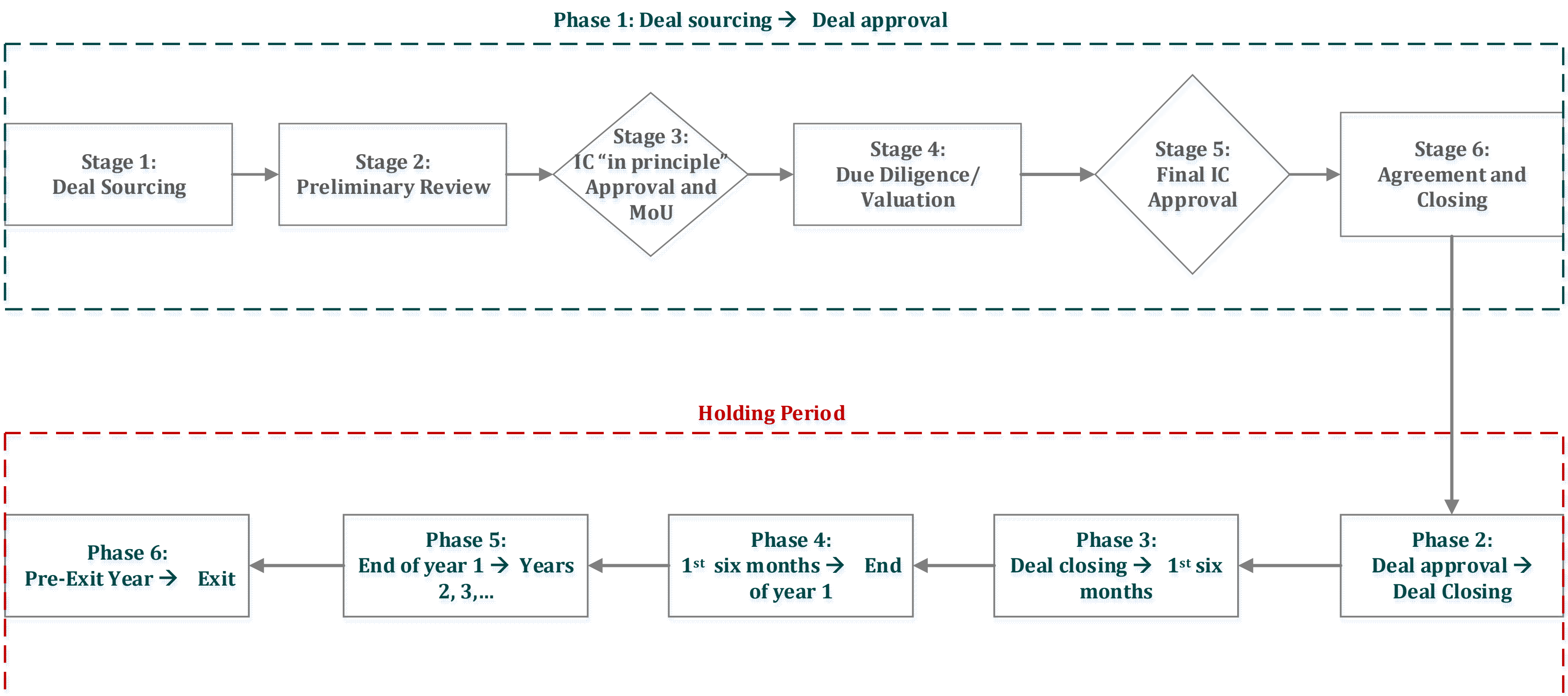
Growthgate seeks to diversify its investments in PCs and does not invest more than 20% of its total equity in a single PC (excluding contingent liability under guarantees and indemnities) without the approval of the Investment Committee ("IC") and the BoD. In the event an investment exceeds the limitations set above, and subject to the approval of the IC and the BoD, Growthgate Capital's shareholders have the right to co-invest in the identified opportunity, by contributing, on a pro rata basis, the balance required.

Leverage Guidelines

Growthgate is required to maintain a liquidity of a minimum of 10% of its equity capital and may borrow money up to 200% thereof for investment purposes. Any leverage in excess of 100% of Growthgate Capital's total equity capital requires the approval of the IC and the BoD.

Investment Process

Growthgate adopts a set of processes related to its PE investment activity for (1) sourcing and closing new investment opportunities, to (2) managing, monitoring and exiting the investee companies. While the sourcing and closing of new investment opportunities, and the dealings with each investee company may differ from one investment to another, depending on the nature of the business/sector, the geographical presence, the dynamics and composition of the management and the value drivers, the framework below presents a standardized process that could be adopted across all investments, touching on those common areas in sourcing, closing, monitoring, value accretion/extraction and exiting. The following framework reflect Growthgate's disciplined approach in its sourcing and closing of new investment opportunities and monitoring of, and contribution to the value creation in the investee companies from acquisition to exit. The investment process framework - *from sourcing to exit* - is structured into six distinct phases.


Phase 1: Deal sourcing → Deal approval
Stage 1: Deal Sourcing
Stage 2: Preliminary Review
Stage 3: IC "in principle" Approval and MoU
Stage 4: Due Diligence/ Valuation
Stage 5: Final IC Approval
Stage 6: Agreement and Closing
Holding Period
Phase 2: Deal approval → Deal Closing
Phase 3: Deal closing → 1st six months
Phase 4: 1st six months → End of year 1
Phase 5: End of year 1 → Years 2, 3,...
Phase 6: Pre-Exit Year → Exit

Phase 1: Deal sourcing ➔ Deal approval

Phase 1 begins with the screening process which starts with internal review and deliberations and gradually progresses to communication with and approval by the IC and then to a due diligence (financial, legal and sometime commercial) and valuation by independent third party advisors. The vetting and screening process ends when the acquisition is inked. During due diligence, the objective is to verify financial data (quality of earnings analysis), understand the business model of the target including its drivers, strengths and weaknesses and analyze the target's outlook and exit prospects. The entire process is structured into 6 stages and can take anywhere between 6 months to one year. Growthgate aims to adopt a standard policy across all PCs, although certain particulars in the investment process might vary from one PC to another, depending on the level of maturity of the business, and the depth and sophistication of management.

Stage 1: Deal Sourcing	After identifying the target but before engaging in further reviews, this stage must gather any and all intelligence Growthgate can get on the target and owners including from banks, auditors, lawyers, acquaintances, market sources. Also all that can be gathered about the industry/country or market/service offered or the product sold, by asking all those with relevant knowledge. The internal review should look out for 'early warning signals' surrounding the "3M" criteria (Management, Model & Market). The result of this stage will be a preliminary report that covers at minimum the areas highlighted above. This report will be updated regularly by any information that can be mustered from the founders-owners or the market.
Stage 2: Preliminary Review	As soon as an NDA is executed with the target, a review is conducted on each critical area to identify any deficiencies or any activities that may pose potential risks to the financial condition of the target (red flags) including, inter alia, the following: → Quality of the audited financial statements → Levels of indebtedness as compared to the total paid up capital of the target or its volume of revenues/nature of operations, and misallocated indebtedness → Lack of assets base → Severe discrepancy in the cash cycle → Absence of legal documentation → Concentration risk on one client/market → Below average margins → Previous default on banking loans or breach of covenants → Litigation and dispute history with employees as well as external parties → Adequate capitalization The result of this stage shall be a Preliminary Investment Analysis (PIA) that covers all the areas highlighted above.
Stage 3: IC "in principle" approval and MoU	The PIA is shared with the IC for the latter to formulate an "in principle" approval (internal deliberation) to proceed with further diligence and discussion with the target. The result of this stage will be a Memorandum of Understanding (MoU) to be signed by both parties (Growthgate and the target) which covers the following deal terms: → Proposed purchase price (often a preliminary value range, rather than a specified amount) → Reserved matters → Key preliminary issues

	→ Exit strategy/ plan → A proposed capital structure post-acquisition → Deployment of funds → Approximate timing needed to submit an offer
Stage 4: Due Diligence/ Valuation	At this stage, Growthgate seeks the assistance of external, independent advisors to conduct a thorough due diligence (typically financial and legal) on the target. The advisors are usually appointed through a competitive bidding process, where proposals are assessed based on the fee structure and the depth of knowledge such advisors have about the industry/sector, the structure of the transaction and the markets where the target operates. The advisory team is typically comprised of financial advisors (typically a Big 4 Audit Firm) and legal counsel, and in certain instances (when not covered by the financial advisors), industry experts to assist in the commercial review of the target. The review of the target by the advisors and their findings will be encapsulated into due diligence reports which are reviewed by the General Manager and shared with the target for review and comments.
Stage 5: Final IC Approval	The due diligence reports produced by the advisors, together with a note from the General Manager including the recommendations on the way forward, are shared with the IC, for the latter to formulate a final and definitive decision and approval on the investment opportunity.
Stage 6: Agreement & Closing	Transaction agreements (the nature of which might vary depending on the deal structure, e.g., shareholders' agreement, subscription, sale & purchase agreement) are drafted with the assistance of advisors, mainly the legal counsel. The agreements reflect the terms of the MoU and include typical clauses on reps and warranties, post-closing conditions, reserved rights, deployment of funds and others. The shareholders' agreement typically includes minority rights protection clauses such as mandatory approval of Growthgate on critical/reserved matters such as Capital increases, sale of the PC's assets, transfers/drag along/tag along, excessive indebtedness, exit through IPO/trade sale. Once the valuation and consideration are agreed with the target, Growthgate proceeds to the closing of the transaction.

Phase 2: Deal approval ➔ Closing

This phase marks the start of the involvement of Growthgate with the target and its business. The objective in this phase is to capture and build on the knowledge developed about the new investment in Phase 1 in order to quickly pivot into engagement mode once the deal is closed. The activities comprised in Phase 2 are thus focused on detailing a structured approach for the terms of engagement with the PC.

Phase 3: Deal closing ➔ 1st six months

At the start of Phase 3, Growthgate and the PC's CEO need to meet to discuss objectives of the PC for the first six months and beyond addressing particularly: post-closing conditions and deal issues, infrastructure (human and systems) requirements, strategic initiatives, and relationship with and reporting to Growthgate. Said meeting is followed by a broader workshop between Growthgate and the PC's management team to produce the blueprint of activities and business plan post acquisition which shall be discussed and approved by the PC's first Executive Committee/ Board meeting. The workshop shall result in a list of financial and operational KPIs used as a basis for monitoring the PC's performance as well as a treasury document indicating measures to optimize the use of injected capital.

Phase 4: 1st six months ➔ End of year 1
The objective in Phase 4 is to continue to drive momentum and ensure all elements of the infrastructure required to successfully grow the business and exit are in place – including people, systems and procedures. During this period, other strategic initiatives (e.g. expanding the geographic footprint and/or service offering) should also be launched. Having developed a clearly articulated action plan in Phase 3, it is important to continue to drive actionable points from the plan whilst periodically re-assessing it in light of developments.

Phase 5: End of year 1➔ Years 2, 3,…
In Phase 5, i.e. from year two of the investment in a PC onwards, it is increasingly important to continually assess exit opportunities while addressing any outstanding issues regarding the infrastructure of the portfolio company (people, systems and business procedures) and conducting the planned initiatives needed to sustain growth.

Phase 6: Pre-Exit Year ➔ Exit
Once a decision has been taken to exit an investment, Growthgate needs to prepare a detailed information pack about the PC. Regardless of whether the exit route chosen is an IPO or sale (trade or secondary) Growthgate needs to coordinate with management to produce a detailed report highlighting the PC's equity story. Moreover, Growthgate needs to coordinate with management to undertake a fresh, detailed strategic review of the company, to identify, quantify and prioritize growth opportunities for the next 3-5 years. The output from this exercise needs to be a comprehensive business plan and a forward looking financial model. Until exit takes place, Growthgate continues regular monitoring of the PC's performance.

(see Appendix 4: *Investment Process)*

RISK MANAGEMENT & INTERNAL CONTROLS

Growthgate faces various types of risks arising from its transactions with various parties, both internal and external, which may affect the achievement of its strategic objectives and, in turn, its financial performance. Such risks primarily include financial risk, regulatory and compliance risk, liquidity risk and human capital risk.

Approach to risk management
The BoD is responsible for setting the overall strategic direction of Growthgate. As part of the strategic decision making process, the General Manager seeks to achieve an appropriate balance between taking risk and generating returns for the shareholders. The evaluation of strategic choices and new opportunities requires a detailed risk assessment (as discussed above) which takes into account Growthgate’s overall risk appetite. Growthgate’s risk management framework is designed to support the delivery of the strategic objectives determined by the BoD. This framework includes the periodic assessment of changes and developments which potentially impact Growthgate’s overall risk profile, as well as the identification and assessment of key risks and the review of the effectiveness of the risk mitigation plans which have been put in place.

As part of risk management, Growthgate strives to identify, assess, pre-empt and regularly monitor risks, by informing and training staff, communicating clear guidance on risk issues, nurturing a culture of openness, and by advising on and reporting these risks to the BoD.

Risk management framework and governance structure

Growthgate's risk management framework and associated governance structure are designed to ensure that there is an effective process and a clear organisational structure with well-defined responsibilities to identify, assess, manage and monitor risk and operate at a number of levels throughout the organization.

The BoD is responsible for overall risk management, which includes Growthgate's risk governance or oversight structure, and for maintaining an appropriate internal control framework. Responsibility for oversight of risk management is delegated to the General Manager led by the Managing Partner. The General Manager maintains a risk review, summarising the principal risks and associated mitigating actions. The Audit Committee is updated by the General Manager on the outputs/ updates of the latest risk assessment and reviews and has the opportunity to contribute views or raise questions.
The outputs of the latest risk assessment and reviews are also considered by the BoD as a whole, with a particular focus on the potential impact on the setting and execution of Growthgate's strategy. Its reporting cycle and dates of key meetings are coordinated to ensure that appropriate risk and strategic reviews are performed in alignment with the scheduled BoD and Audit Committee meetings. Risk is assessed and reviewed on a regular basis, throughout the investment cycle. In addition to the above, the IC contributes to Growthgate's overall risk governance structure; the IC meets as required to consider risk in relation to the acquisition, management and disposal of investments.

Principal Risks

The risk management guidelines in Growthgate are developed to cover:

→ ***Risk identification*:** establishing procedures for regular risk identification.

→ ***Risk measurement***: assessing risks as to their potential severity of loss and to the probability of occurrence.

→ ***Risk mitigation*:** devising methods to reduce the severity of the loss or the likelihood of the loss from occurring.

→ ***Risk assessment*:** monitoring risks on regular intervals, assessing potential severity of loss and the probability of occurrence.

→ ***Management action plan*:** drawing up a risk management action plan, outlining the risks faced and the mitigation procedures.to be reviewed periodically.

The potential risks that Growthgate may face, and the strategy that can be adopted to mitigate each such risk are described below:

Risk type	Risk description	Mitigation strategy
Governance risk	▪ Governance risk is the risk of inadequate oversight over business lines and control functions	▪ Clear ownership/organization structure ▪ Clear reporting lines/segregation of duties ▪ Distribution of power/decision making autonomy ▪ Hiring of experienced staff in the respective positions ▪ Background/reference checks
Compliance risk	▪ Regulatory requirements are not adhered to, resulting in possible violations to applicable rules/laws	▪ Implementation of strong compliance culture in organization ▪ Monitoring of regulatory updates and ensuring continual compliance with regulators ▪ Robust systems and internal controls
Operational risk	▪ Operational risk is the risk of loss resulting from inadequate or failed internal processes and systems, or from people related events	▪ Minimize manual operations and interference in processes ▪ Design robust electronic processes
Investment risk	▪ The probability or likelihood or occurrence of losses relative to the expected return on any particular investment	▪ Rigorous investment process is overseen by the IC ▪ Detailed due diligence undertaken prior to any investment.
Investment monitoring risk	▪ Risk that the underlying investment might fall short of its targets or the value could be lost.	▪ Continuous monitoring of investments and periodic (monthly/quarterly) reports on PCs
Leverage risk	▪ The use of various financial instruments or borrowed capital such as margin, to increase the potential return on investment.	▪ Growthgate has a policy in place for leveraging investments which is imbedded in its constitutional documents and approved by the Board.
Liquidity risk	▪ Liquidity risk is the risk of being unable to meet cash requirement without having to raise funds or sell assets on a forced basis.	▪ Prudent liquidity controls are implemented to ensure access to liquidity without unexpected cost effects. Liquidity projections based on both normal and stressed scenarios are performed regularly.

Risk type	Risk description	Mitigation strategy
Counterparty risk	▪ The risk to each party of a contract that the counterparty will not live up to its contractual obligations	▪ The most common means of mitigating counterparty risk is through the use of deliverable sign offs and structured payment schedules
Legal risk	▪ Legal risk is defined as the risk of loss primarily caused by legal unenforceability, legal liability or failure to take legal steps to protect assets ▪ It is caused by jurisdictional and other cross-border factors, inadequate documentation, the behaviour of financial institutions, lack of internal controls, or the inherent uncertainty of the law	▪ Agreements with third parties (e.g., PCs) are drafted by competent legal counsel and advisors, to protect Growthgate's rights. Typical risks in these contracts are mostly those relating to breach of reps and warranties, which might be the case in SPAs upon the sale of an investment. Growthgate follows a very prudent approach in limiting these reps and warranties to only those matters it is in control of, or where counter assurances are provided by the management of the PC subject of a divestment. ▪ Legal opinions are sought from reputed legal firms, wherever required, to interpret applicable laws and regulatory requirements.
Macroeconomic risk	▪ Growthgate's performance might be affected by the general economic climate which in turn will affect sentiment and appetite for investments.	▪ Growthgate primarily targets investments in the GCC with opportunistic investments in the MENA region, particularly Morocco. ▪ Risk management includes monitoring of transactions to limit exposures to a specific country, region or counterparty within acceptable levels. ▪ Growthgate performs a proper due diligence on counterparties prior to entering into any transactions irrespective of any adverse changes in the economy.
Cost of capital, inflation and foreign exchange rate risk	▪ Interest rate fluctuations, inflationary cycles and changes in currency exchange rates might influence the cost of capital market-wide and may also influence the cost of business operations. ▪ Growthgate may also be exposed to foreign exchange rate fluctuations.	▪ Growthgate adopts prudent and efficient financial and cash management to mitigate the risks posed. ▪ In most cases Growthgate's costs and revenues are denominated in United States Dollars (USD). ▪ Expected inflation and counter cyclical changes in profit rates are considered into the pricing of transactions with targets.

COMPLIANCE

Growthgate has in place compliance policies and procedures to ensure conformance with legal and regulatory requirements. The compliance procedures are designed to make sure that Growthgate and its staff carry on their business in compliance with the rules to which they are subject.

The guidelines of the Compliance function in Growthgate is developed to cover:

- → ***Monitoring business conduct*****:** ensuring that Growthgate abides by the applicable laws and regulations in the markets and jurisdictions where it operates, and that they are applied to all activities of Growthgate. In particular, it carries out formal periodic reviews of Growthgate's compliance records and procedures and tests a sample of transactions and escalates issues immediately.
- → ***Authorizing procedures***: ensuring that all of Growthgate's business policies, guidelines, and procedures adhere to applicable laws; compliance function to be made aware of and approve all suggested procedural changes, and also enforce a change in procedures if required.
- → ***Reporting***: the Compliance function ensuring that prudential reports and notifications are produced accurately and in a timely manner, and presenting a bi-annual report of compliance issues to the BoD.
- → ***Training***: ensuring that all Growthgate employees are aware of their compliance obligations, and Compliance function seeking to ensure that the compliance manual is kept up to date in light of any changes in applicable laws or internal policies.
- → ***Advices and guidance*****:** to staff and management on compliance with the laws, rules, and standards, including key management information of developments in the relevant areas.

CODE OF CONDUCT AND ETHICS

Growthgate has developed a Code of Conduct and Ethics including a set of policies that relate to the legal and ethical standards of conduct that the BoD, executive officers and employees of Growthgate are expected to comply with while carrying out their duties and responsibilities on behalf of the Company. This Code is intended to focus the Board and the General Manager on areas of ethical risk, provide guidance to personnel to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct, and help to foster a culture of honesty and accountability. *(*see Appendix 5: *Code of Conduct and Ethics)*