AWAED ALOSOOL CAPITAL
(A Saudi Closed Joint Stock Company)
FINANCIAL STATEMENTS
For the year ended 31 December 2024
together with the
Independent Auditor's Report

AWAED ALOSOOL CAPITAL
(A Saudi Closed Joint Stock Company)
Financial Statements together with Independent Auditor's Report
For the year ended 31 December 2024

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PKF Al-Bassam
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF AWAED ALOSOOL CAPITAL COMPANY
(A SAUDI CLOSED JOINT STOCK COMPANY)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Awaed Alosool Capital Company (the "Company") as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by Saudi Organization for Chartered and Professional Accountants (SOCPA).

We have audited the financial statements of the Company, which comprise of the following:

- The statement of financial position as at 31 December 2024;
- The statement of loss for the year then ended;
- The statement of comprehensive loss for the year then ended;
- The statement of changes in equity for the year then ended;
- The statement of cash flows for the year then ended, and;
- The notes to the financial statements, comprising material accounting policy information and other explanatory information.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. 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 from the Company in accordance with the International Code of Ethics for Professional Accountants that are endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MATERIAL UNCERTAINITY RELATED TO GOING CONCERN

We draw attention to Note 1.1 to the accompanying financial statements, which indicates that the Company's losses reached to SR 52.79 million (2023: SR 27.30 million) being 64.38% (2023: 54.6%) of the capital of SR 82 million (2023: SAR 50 million). These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF AWAED ALOSOOL CAPITAL COMPANY
(A SAUDI CLOSED JOINT STOCK COMPANY)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

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 IFRSs that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA and Regulations for Companies and the Company's Article of Association/(Bylaws) 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, i.e. the Board of Directors, 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 misstatements, 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 International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia 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 International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk 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;

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF AWAED ALOSOOL CAPITAL COMPANY
(A SAUDI CLOSED JOINT STOCK COMPANY)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

- 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 by the 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 the material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- 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.

Those charged with governance, i.e. the Board of Directors, are responsible for overseeing the Company's financial reporting process.

For PKF Albassam Chartered Accountants

Ahmed Mohandis
Certified Public Accountant
License No. 477
Riyadh, Kingdom of Saudi Arabia
27 Ramadhan 1446H
Corresponding to: 27 March 2025

شركة بي كي اف البسام
محاسبون ومراجعون قانونيون
C. R. 1010385804
PKF Al Bassam
chartered accountants

AWAED ALOSOOL CAPITAL
(A Saudi Closed Joint Stock Company)
Statement of Financial Position
As at 31 December 2024
(*Amounts in Saudi Arabian Riyals*)

	Notes	As at 31 December 2024	31 December 2023
ASSETS			
Non-current assets			
Property and equipment, net	*9*	**1,133,124**	1,303,385
Intangible assets, net	*7*	**22,330,614**	802,739
Work in progress	*8*	**-**	14,092,997
Right-of-use assets, net	*10*	**1,994,497**	3,340,353
Lease receivable - non-current portion	*10*	**603,904**	-
Total non-current assets		**26,062,139**	19,539,474
Current assets			
Cash and cash equivalents	*4*	**5,225,042**	40,232,940
Trade receivables and other assets	*5*	**6,873,815**	1,796,762
Due from related parties	*6*	**132,930**	693,335
Lease Receivable - current portion	*10*	**129,120**	-
Total current assets		**12,360,907**	42,723,037
TOTAL ASSETS		**38,423,046**	62,262,511
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity			
Share capital	*14*	**82,000,000**	50,000,000
Accumulated losses		**(52,790,134)**	(27,295,701)
Total shareholders' equity		**29,209,866**	22,704,299
LIABILITIES			
Lease liability - non-current portion	*10*	**2,213,772**	3,511,882
Employee defined benefit obligation	*13*	**845,403**	644,124
Non-current liabilities		**3,059,175**	4,156,006
Lease liabilities – current portion	*10*	**459,540**	341,443
Accounts payable		**1,811,539**	1,972,272
Accrued expenses and other payable	*11*	**169,503**	222,169
Due to related parties	*6*	**3,457,008**	32,520,421
Accrued zakat provision	*12*	**256,415**	345,901
Total current liabilities		**6,154,005**	35,402,206
Total liabilities and shareholders' equity		**38,423,046**	62,262,511

The accompanying notes (1) through (22) form an integral part of these financial statements.

AWAED ALOSOOL CAPITAL
(A Saudi Closed Joint Stock Company)
Statement of Loss
For the year ended 31 December 2024
(*Amounts in Saudi Arabian Riyals*)

		For the year ended 31 December	
	Note	**2024**	2023
Income from asset management services		**4,468,223**	**-**
Income from brokerage services		**5,694,126**	**-**
Subscription fees		**-**	1,960,740
Gross operating income		**10,162,349**	1,960,740
Cost of services		**(3,288,117)**	(356,540)
Total operating income		**6,874,232**	1,604,200
Depreciation of property and equipment	*9*	**(423,569)**	(283,930)
Amortization of intangible assets	*7*	**(1,583,341)**	(88,932)
Depreciation of right-of-use assets	*10*	**(386,730)**	(835,088)
Finance costs of lease liability	*10*	**(106,057)**	(250,527)
Advertisement and campaign		**(3,640,945)**	(2,933,869)
General and administrative expenses	*16*	**(30,070,061)**	(20,570,658)
Total operating expenses		**(36,210,703)**	(24,963,004)
Net operating loss		**(29,336,471)**	(23,358,804)
Other revenue	*15*	**3,590,437**	1,903,246
Net loss for the year before zakat		**(25,746,034)**	(21,455,558)
Zakat reversal / (expense)	*12*	**89,486**	(345,901)
Net loss for the year after zakat		**(25,656,548)**	(21,801,459)

The accompanying notes (1) through (22) form an integral part of these financial statements.

AWAED ALOSOOL CAPITAL
(A Saudi Closed Joint Stock Company)
Statement of Comprehensive Loss
For the Year Ended 31 December 2024
(*Amounts in Saudi Arabian Riyals*)

		For the year ended 31 December	
	Note	**2024**	2023
Net loss for the year after Zakat		**(25,656,548)**	(21,801,459)
Other comprehensive income / (loss)			
Item that cannot be reclassified subsequently to statement of loss			
Re-measurement of defined benefit obligation	*13*	**162,115**	(12,761)
Other comprehensive income / (loss) for the year		**162,115**	(12,761)
Total comprehensive loss for the year		**(25,494,433)**	(21,814,220)

The accompanying notes (1) through (22) form an integral part of these financial statements.

AWAED ALOSOOL CAPITAL
(A Saudi Closed Joint Stock Company)
Statements of Changes in Shareholders' Equity
For the year ended 31 December 2024
(*Amounts in Saudi Arabian Riyals*)

	Share capital	**Accumulated Loss**	**Total Shareholders' equity**
Transferred from Sanabil Finance Company as of January 3, 2023	400,000	(5,481,481)	(5,081,481)
Increase in capital during the year *(Note 14)*	49,600,000	-	49,600,000
	50,000,000	(5,481,481)	(44,518,519)
Net loss for the year	-	(21,801,459)	(21,801,459)
Loss from re-measurement of employee defined benefits obligations	-	(12,761)	(12,761)
Total comprehensive loss for the year	-	(21,814,220)	(21,814,220)
Balance as at 31 December 2023	50,000,000	(27,295,701)	22,704,299
Balance as at 1 January 2024	**50,000,000**	**(27,295,701)**	**22,704,299**
Increased capital during the year *(Note 14)*	**32,000,000**	**-**	**32,000,000**
Net loss for the year	**-**	**(25,656,548)**	**(25,656,548)**
Loss from re-measurement of employee defined benefits obligations	**-**	**162,115**	**162,115**
Total comprehensive loss for the year	**-**	**(25,494,433)**	**(25,494,433)**
Balance as at 31 December 2024	**82,000,000**	**(52,790,134)**	**29,209,866**

The accompanying notes (1) through (22) form an integral part of these financial statements.

AWAED ALOSOOL CAPITAL
(A Saudi Closed Joint Stock Company)
Statement of Cash Flows
For the Year Ended 31 December 2024
(*Amounts in Saudi Arabian Riyals*)

	Notes	**For the year ended 31 December 2024**	**For the year ended 31 December 2023**
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the year before zakat		**(25,746,034)**	(21,455,558)
Adjustments for:			
Depreciation of property and equipment	*9*	**423,569**	283,930
Amortization of intangible assets	*7*	**1,583,341**	88,932
Depreciation of right-of-use assets	*10*	**386,730**	835,088
Finance costs on lease liability	*10*	**106,057**	250,527
Finance income on lease receivable		**(38,126)**	**-**
End of lease contract		**(512,972)**	**-**
Provision for employee benefit plans obligations	*13*	**547,073**	502,955
		(23,250,362)	(19,494,126)
The changes in operating assets and liabilities:			
Trade receivables and other assets	*5*	**(5,077,053)**	(1,044,098)
Due from related parties	*6*	**560,405**	(693,335)
Accounts payable		**(160,733)**	1,713,729
Accrued expenses and other payable	*11*	**(52,666)**	(615,659)
Due to related parties	*6*	**(29,063,413)**	(31,977,916)
Payment of employee benefit plans obligations		**(183,679)**	-
Net cash used in operating activities		**(57,227,501)**	(52,111,405)
CASH FLOW FROM INVESTING ACTIVITIES			
Work in progress	*8*	**-**	(10,668,619)
Purchase of property and equipment	*9*	**(253,308)**	(1,198,842)
Purchase of intangible assets	*7*	**(9,018,219)**	(188,388)
Net cash used in investing activities		**(9,271,527)**	(12,055,849)
CASH FLOW FROM FINANCING ACTIVITIES			
Increased capital	*14*	**32,000,000**	49,600,000
Lease rental paid	*10*	**(681,030)**	(572,643)
Lease rental received	*10*	**172,160**	-
Net cash generated from financing activities		**31,491,130**	49,027,357
Net changes in cash and cash equivalents		**(35,007,898)**	(15,139,897)
Cash and cash equivalents at beginning of the year		**40,232,940**	55,372,837
Cash and cash equivalents at end of the year	*4*	**5,225,042**	40,232,940
Supplemental non-cash information			
Transfers from work-in-progress to intangibles	*7*	**14,092,997**	**-**

The accompanying notes (1) through (22) form an integral part of these financial statements.

1. ORGANISATION AND PRINCIPAL ACTIVITIES

Awaed Alosool Capital ("the Company") is a Saudi closed joint stock company, registered with the Capital Market Authority under license No (22247-03) dated 30 Shaaban 1443H (corresponding to 1 April 2022). Commencement date for dealing and managing is 21 March 2023 and Custody 2 August 2024.

The Company operates in the Kingdom of Saudi Arabia under commercial registration number 1010734817 dated 9 Muharram 1443H (corresponding to 17 August 2021).

The new Companies Law issued through Royal Decree M/132 on 1/12/1443H (corresponding to 30 June 2022) (hereinafter referred as "the Law") came into force on 26 Jamad-ul-Thani 1444H (corresponding to 19 January 2023). For certain provisions of the Law, full compliance is expected not later than two years from 26 Jamad-ul-Thani 1444H (corresponding to 19 January 2023). In lieu of full compliance of Law, the Company has amended its articles during the year.

The address of the Company's head office is at Auroba road, Riyadh, P.O. Box 7795, Riyadh 12234, Saudi Arabia.

According to the company's articles of incorporation, the company's year begins from the date of its registration in the commercial register until December 31 of the following year.

The Company's issued and fully paid share capital is SAR 82 million comprising 8.2 million shares of SAR 10 each. As at 31 December 2024 and 2023, the Company is owned by the following major shareholders in the proportion set out below:

Names of shareholders	**No. of shares**	**Value per Share**	**Total**	**% holding**
Sami Mohammad AlHelwah	2,500,000	10	25,000,000	30.49%
Muteb Mukhlef J AlMutairi	2,500,000	10	25,000,000	30.49%
Sanabil Finance Company	3,200,000	10	32,000,000	39.02%
	8,200,000		82,000,000	

Names of shareholders	**No. of shares**	**Value per Share**	**Total**	**% holding**
Sami Mohammad AlHelwah	2,500,000	10	25,000,000	50%
Muteb Mukhlef J AlMutairi	2,500,000	10	25,000,000	50%
	5,000,000		50,000,000	

1.1 Material uncertainty related to going concern

As of 31 December 2024, the Company's losses reached SR 52.79 million (2023: SR 27.30 million) being 64.38% (2023: 54.6%) of the capital of SR 82 million (2023: SAR 50 million). These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. In accordance with Article 132 of the Companies Law, the Company shall convene an Extraordinary General Assembly within 180 days from the date of knowledge of such losses to assess the Company's continuity and determine necessary remedial actions.

Accordingly, an Extraordinary General Meeting was held on 20 March 2025, during which it was resolved to inject additional paid-up share capital amounting to SAR 5 million. As of the date of approval of these financial statements, the Board of Directors confirms that the preparation of these financial statements on a going concern basis remains appropriate.

2. BASIS OF PREPARATION

a) Statement of compliance

These financial statements of the Company have been prepared in accordance with the International Financial Reporting Standard as issued by International Accounting Standards Board and endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") and the bylaws of Companies.

b) Basis of measurement and presentation

These financial statements have been prepared on a going concern basis under historical cost basis, except for the following items:

- Defined benefit obligation which are measured at present value of future obligations using projected unit credit method.

c) Functional and presentation currency

These financial statements are presented in Saudi Arabian Riyals (SAR) which is the functional and presentation currency of the Company. All financial information presented have been rounded off to nearest SAR unless otherwise stated.

d) Critical accounting judgements, estimates and assumptions

The preparation of these financial statements in accordance with IFRS as endorsed in the KSA and in compliance with other standards and pronouncements issued by SOCPA, requires the use of certain critical accounting judgements, estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Such judgements, estimates, and assumptions are continually evaluated and are based on historical experience and other factors, including obtaining professional advices and expectations of future events that are believed to be reasonable under the circumstances.

The significant accounting estimates impacted by these forecasts and associated uncertainties are predominantly related to expected credit losses, fair value measurement, and the assessment of the recoverable amount of non-financial assets. Areas where management has used significant estimates, assumptions and exercised judgements are as follows:

Impairment losses on trade receivables

The Company measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss (ECL). The allowance for ECL on trade receivables is estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Trade accounts receivable are normally assessed collectively unless there is a need to assess a particular debtor on an individual basis.

Useful lives and residual values of property and equipment and intangible assets

An estimate of the useful lives and residual values of property and equipment and intangible assets is made for the purposes of calculating depreciation and amortization respectively. These estimates are made based on expected useful lives of relevant assets. Residual value is determined based on experience and observable data where available.

2. BASIS OF PREPARATION (CONTINUED)

Impairment of non-financial assets

An impairment loss is recognized for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flow management makes assumptions about future operating results. These assumptions are related to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Company's assets within the next financial year.

Recognition and measurement of provisions

By their nature, the measurement of provisions depends upon estimates and assessments whether the criteria for recognition have been met, including estimates of the probability of cash outflows. The Company's estimates related to provisions for environmental matters are based on the nature and seriousness of the contamination, as well as on the technology required for remediation. Provisions for litigation are based on an estimate of costs, considering legal advice and other information available.

Provision for zakat

The calculation of the Company's zakat and income tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits or losses and/or cash flows.

Employees' end of service benefits

The liabilities relating to defined benefit plans are determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting year. This method involves making assumptions about discount rates and future salary increases. Due to the long-term nature of these benefits, such estimates are subject to certain uncertainties. Significant assumptions used to carry out the actuarial valuation have been disclosed in note 12 to these financial statements.

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted priced included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between the levels of the fair value hierarchy at the end of the reporting year during which the change has occurred.

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented.

a) Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, cash at banks in current accounts and other short-term highly liquid placements with banks having original maturities of three months or less from the date of its date of original purchase/acquisition which are available to the Company without any restriction, if any.

b) Property and equipment

Recognition and Measurement

Items of property and equipment are measured at cost, which includes capitalized borrowing costs, if any, less accumulated depreciation and any accumulated impairment losses. If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment. All other repair and maintenance costs are recognized in the statement of income as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

De-recognition

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal of an item of property and equipment is recognized in statement of income as other income or expense.

Depreciation

The estimated useful lives of property and equipment for current and comparative years are as follows:

Asset Category	Useful Life (years)
Computer	25%
Furnitures and fixtures	25%
Tools and equipment’s	25%
Decoration & Installation	25%

c) Leases

The Company establishes the asset (right of use) and lease liability on the start date of the lease contract. The asset (right of use) is initially measured at the cost that consists of the initial amount of the modified lease obligation for any lease payments made on or before the start date. (right to use) or the end of the lease term, whichever is earlier. The estimated useful lives of (right-of-use) assets are determined on the same basis used for property and equipment. In addition, the asset (right to use) is periodically reduced by impairment losses, if any.

The lease commitment is initially measured at the present value of lease payments that were not paid at the commencement date of the lease and discounted using the interest rate implicit in the lease agreement or if that rate is difficult to determine reliably, the Company uses the incremental borrowing rate.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

c) Leases (continued)

Short-term and low-value leases

The Company has chosen not to prove the assets (right to use) and lease obligations for short-term leases of 12 months or less and low-value lease contracts, the Company recognizes the lease payments associated with these contracts as expenses in the statement of profit or loss on a straight-line basis over the lease period.

d) Employees' benefits

Short-term employee benefits

Liabilities for salaries and any other short-term benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits under "accrued and other liabilities" in the statement of financial position.

Post-employment benefits obligation

The Company has end of service benefits which qualify as defined benefit plans. The employees are entitled for benefits based on length of service and last drawn salary, and computed in accordance with the provisions of the Saudi Arabian Labour and Workmen Law and the Company's policy.

The liability for end of service benefits, being an unfunded plan, is determined using projected credit unit method with actuarial valuations being conducted at end of annual reporting years. The related liability recognized in statement of financial position is the present value of the end of service benefits obligation at the end of the reporting year. The discount rate applied in arriving at the present value of the defined benefits obligation represents the yield on government bonds, by applying a single discount rate that approximately reflects the estimated timing and amount of benefit payments.

End of service benefits are categorized as follows:

- Current service cost (increase in the present value of obligation resulting from employee service in the current year).
- Finance cost (calculated by applying the discount rate at the beginning of the year to the end of service benefits liability); and
- Re-measurement.

Current service cost and the finance cost arising on the end of service benefits liability are included in the same line items in the statement of income as the related compensation cost.

Re-measurement, comprising actuarial gains and losses, is recognized in full in the year in which they occur, in statement of other comprehensive income without recycling to the statement of income in subsequent year. Amounts recognized in other comprehensive income are recognized immediately in retained earnings.

e) Zakat

The Company's Saudi shareholders are subject to zakat in accordance with the regulations of the Zakat, Tax and Customs Authority ("ZATCA") as applicable in the Kingdom of Saudi Arabia. The zakat charge is computed on the zakat base.

The Company's foreign shareholders are subject to income tax in accordance with the regulations of ZATCA as applicable in the Kingdom of Saudi Arabia. Income tax is computed on adjusted net income.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

e) Zakat (continued)

An estimate of zakat and income tax provisions are charged to statement of income. Additional zakat and income tax liabilities, if any, related to prior years' assessments arising from ZATCA are accounted for in the year in which the final assessments are finalized.

f) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that a non-financial asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units ("CGU") fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

g) Impairment of non-financial assets

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of income.

h) Foreign currency transactions

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year-end exchange rates are recognized in statement of income.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

i) Expenses

Expenses are measured and recognized as a year cost at the time when they are incurred. Expenses related to more than one financial year are allocated over such years proportionately. All expenses, excluding direct costs are classified as general and administration expenses.

j) Assets held under fiduciary capacity

The Company offers assets management services to its customers, which include management of certain mutual funds. Such assets are not treated as assets of the Company and accordingly are not included in these financial statements.

k) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made of the amount of obligation.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

l) Revenue

The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company. The revenue is recognised when the Company transfers the services to customers at an amount that the Company expects to be entitled to in exchange for those services.

The Company assesses its revenue arrangements against specific criteria to determine if it is acting as a principal or as an agent. The Company has concluded that it is acting as a principal in its revenue arrangements since it has exposure to the significant risks and rewards.

The details of the Company's revenues and the method of their recognition in accordance with IFRS 15 are as follows:

Asset management fee income

Asset management fees are recognised based on a fixed percentage of net assets under management ("asset-based"), or a percentage of returns from net assets ("return-based") subject to applicable terms and conditions and service contracts with customers and funds. The Company attributes the revenue from management fees to the services provided during the year, because the fee relates specifically to the Company's efforts to transfer the services for that year. As asset management fees are not subject to clawbacks, the management does not expect any significant reversal of revenue previously recognised.

Brokerage Income

Brokerage income is recognized upon the execution of trade orders on behalf of clients, as this represents the point at which the performance obligation is satisfied. The revenue is typically based on a fixed percentage of the transaction value or a fixed fee per trade, in accordance with contractual terms with clients. Since brokerage commissions are earned upon trade execution and are not subject to significant reversals or clawbacks, the Company recognizes revenue at the point of transaction completion.

Subscription Fee Income

Subscription fees are recognized over the period in which the Company provides access to its services, as this represents the fulfilment of its performance obligation. The revenue is typically based on fixed periodic charges as per contractual agreements with customers. Since subscription fees are earned for providing continuous access to services and are not subject to significant reversals, the Company recognizes revenue on a straight-line basis over the subscription period.

Income from platform fee

Platform fee is recognized over the period in which the Company provides access to its marketing services on their platforms to third parties. The revenue is based on fixed periodic charges as per contractual agreements with customers. Since platform fee is earned for providing continuous access to services and are not subject to significant reversals, the Company recognizes revenue on a straight-line basis over the contractual period.

Income from Murabaha Investments

Income from Muraqaba deposits is recognized over the period in which the Company earns returns on these deposits, as this represents the fulfilment of its performance obligation. The revenue is typically based on a pre-agreed profit-sharing arrangement in accordance with contractual terms. Since the income is earned over time and is not subject to significant reversals, the Company recognizes revenue on a systematic basis as the profit accrues.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

m) Financial Instruments

i) Financial assets

IFRS 9 requires all financial assets to be classified and subsequently measured at either amortised cost or fair value. The classification depends on the business model for managing the financial asset and the contractual cash flow characteristics of financial asset, determined at the time of initial recognition.

Financial assets are classified into the following specified categories under IFRS 9:

- Debt instruments at amortised cost;
- Debt instruments at fair value through other comprehensive income ("FVOCI"), with gains or losses recycled to statement of income on derecognition;
- Equity instruments at FVOCI, with no recycling of gains or losses to profit or loss on derecognition; and
- Financial assets at fair value through profit or loss ("FVTPL").

Classification and initial measurement

The Company classifies its financial assets into one of the categories described below, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss (FVTPL)

Financial assets fair valued through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of income. These are initially recognized at fair value and transaction costs are charged to expenses in profit and loss account.

Fair value through other comprehensive income (FVTOCI)

Financial assets fair valued through other comprehensive income are carried at fair value with changes in fair value recognized in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal any balance within fair value through other comprehensive income reserve is reclassified directly to retained earnings / (accumulated losses) and is not reclassified to statement of income. Dividends are recognized in profit or loss unless the dividend represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount.

Amortized cost

These assets arise principally from the provision of services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortized cost using the effective profit rate method, less provision for impairment, if any. Impairment provisions for trade receivables are recognized based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision. The Company's financial assets measured at amortized cost comprise trade receivables and cash and cash equivalents in the statement of financial position.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

m) Financial instruments (Continued)

(i) Financial asset (Continued)

Subsequent measurement of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

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

Debt instruments that meet the following conditions are measured subsequently at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Presentation of impairment

Loss allowances for financial assets measured at amortized cost and FVTOCI are deducted from the gross carrying amount of the assets.

Impairment losses related to trade receivables and other assets are presented separately in the statement of income and other comprehensive income.

De-recognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

ii) Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability is acquired.

Fair value through profit or loss

Financial liabilities fair valued through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of income. The Company does not have any liabilities held for trading nor has it optionally designated any financial liabilities at fair value through profit or loss.

Other financial liabilities

Interest bearing liabilities are initially recognized at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortized cost using the effective interest rate method, which ensures that any interest expense over the year to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

m) Financial instruments (Continued)

(ii) Financial liabilities (Continued)

De-recognition

When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of income.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(iii) Intangible assets

An intangible asset is initially recognized at cost which is equal to the fair value of consideration paid at the time of acquisition of the asset.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in statement of income when the asset is derecognized.

The intangible assets recognized by the Company, their useful economic lives are as follows:

Intangible assets	***Useful life (years)***
Software	10

(iv) General and administrative expenses

Expenses are measured and recognized as a year cost at the time when they are incurred. Expenses related to more than one financial year are allocated over such years proportionately. All expenses, excluding direct costs are classified as general and administration expenses.

(v) Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past event, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but is not probable that an outflow of the resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

New standards, interpretations and amendments adopted by the Company

Following standard, interpretation or amendment are effective from the annual reporting year beginning on 1 January 2024 and are adopted by the Company, however, these does not have any impact on the financial statements of the year unless otherwise stated below:

Standard/ interpretation	Description	Effective from years beginning on or after
Amendment to IFRS 16 – Leases on sale and leaseback	These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.	1 January 2024
Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements	These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.	1 January 2024
Amendment to IAS 1 – Non-current liabilities with covenants and Classification of liabilities as current or non-current	These amendments clarify how conditions with which an entity must comply within twelve months after the reporting year affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.	1 January 2024

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

New standards not yet effective

The accounting standards, amendments and revisions which have been published and are mandatory for compliance for the Company's accounting year beginning on or after 1 January 2024 are listed below.

The Company has opted not to early adopt these pronouncements and do not expect these to have significant impact on the financial statements.

Standard/ interpretation	**Description**	**Effective from years beginning on or after**
Amendment to IFRS 21 – Lack of exchangeability	IASB amended IAS 21 to add requirements to help in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not exchangeable. Amendment set out a framework under which the spot exchange rate at the measurement date could be determined using an observable exchange rate without adjustment or another estimation technique.	1 January 2025
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.	1 January 2026.
IFRS 18, Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences.	1 January 2027
IFRS 19, Subsidiaries without Public Accountability: Disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date it does not have public accountability and its parent produces consolidated financial statements under IFRS Accounting Standards.	1 January 2027

4. CASH AND CASH EQUIVALENTS

	Note	**31 December 2024**	31 December 2023
Cash at the bank		**2,418,380**	4,395,513
Murabaha deposits	*4.1*	**1,990,663**	35,727,923
Petty cash		**815,999**	109,504
		5,225,042	40,232,940

4.1 As at 31 December 2024 and 2023, the Murabaha placements are with original maturity of less than three months and carry profit rate of between range of 5.40% - 6.50% per annum (31 December 2023: 5.25% - 6.50% per annum).

5. TRADE RECEIVABLES AND OTHER ASSETS

	31 December 2024	31 December 2023
Accounts receivables	**2,303,309**	-
VAT receivables	**2,291,946**	896,555
Accrued income	**1,592,997**	-
Prepaid expenses	**576,663**	586,797
Others	**108,900**	313,410
	6,873,815	1,796,762

6. RELATED PARTY TRANSACTIONS AND THEIR BALANCES

Related parties represent subsidiaries, stockholders in the Company, key management personnel and jointly controlled or managed entities or on which significant influence is exercised by those parties and other affiliated parties of the Company. Pricing policies and terms of these transactions are approved by the management of the Company.

The following are the details of transactions and balances with related parties during the year:

Related Parties	**Nature of relationship**	**Nature of transaction**	**31 December 2024**	**31 December 2023**
Sanabil Finance Company	Sister company	Finance	**2,300,000**	17,625,082
		Reimbursement of expenses	**132,930**	120,635
Key management personnel		Salaries and other benefits	**5,224,142**	5,812,142

6. RELATED PARTY TRANSACTIONS AND THEIR BALANCES (CONTINUED)

Balances due from related parties are as follows:

	31 December 2024	31 December 2023
Sanabil Finance Company	**132,930**	693,335

Balances due to related parties are as follows:

	31 December 2024	31 December 2023
Sanabil Finance Company	**2,784,778**	32,484,778
Scene Company	**172,230**	-
Mutaib Mukhlif Al-Mutairi	**-**	35,643
Adel Al Ateeq	**500,000**	-
	3,457,008	32,520,421

7. INTANGIBLE ASSETS, NET

Intangible assets are computer softwares and licenses. The movement in intangible assets during the year is as follows:

	31 December 2024	31 December 2023
Cost		
Balance at the beginning of the year	**969,814**	-
Transferred from Sanabil Finance Company	-	781,425
Transferred from work in progress	**14,092,997**	-
Additions during the year	**9,018,219**	188,389
Balance at the end of the year	**24,081,030**	969,814

	31 December 2024	31 December 2023
Accumulated amortization		
Balance at the beginning of the year	**167,075**	-
Transferred from Sanabil Finance Company	**-**	78,143
Charged during the year	**1,583,341**	88,932
Balance at the end of the year	**1,750,416**	167,075
Net book value as of 31 December	**22,330,614**	802,739

8. WORK IN PROGRESS

	31 December 2024	31 December 2023
Balance at the beginning of the year	**14,092,997**	-
Transferred from Sanabil Finance Company	-	3,424,378
Additions during the year	-	10,668,619
Transfer to intangible assets	**(14,092,997)**	-
Balance as of 31 December	-	14,092,997

9. PROPERTY AND EQUIPMENT, NET

	Computers	**Furnitures and fixtures**	**Tools and equipment**	**Decoration & Installation**	**Total**
Cost					
Balance at the beginning	**690,419**	**109,622**	**45,315**	**786,235**	**1,631,591**
Additions during the year	**173,554**	**-**	**-**	**79,754**	**253,308**
Balance as at 31 December 2024	**863,973**	**109,622**	**45,315**	**865,989**	**1,884,899**
Accumulated depreciation					
Balance at the beginning	**184,195**	**19,812**	**13,305**	**110,894**	**328,206**
Charged for the year	**193,575**	**22,105**	**11,329**	**196,560**	**423,569**
Balance as at 31 December 2024	**377,770**	**41,917**	**24,634**	**307,454**	**751,775**
Net book value					
Balance as at 31 December 2024	**486,203**	**67,705**	**20,681**	**558,535**	**1,133,124**

	Computers	Furnitures and fixtures	Tools and equipment	Decoration & Installation	Total
Cost					
Transferred from Sanabil Finance Company as of January 3, 2023	368,852	25,510	38,389	-	432,751
Additions during the year	321,567	84,112	6,926	786,235	1,198,840
Balance as at 31 December 2023	690,419	109,622	45,315	786,235	1,631,591
Accumulated depreciation					
Transferred from Sanabil Finance Company as of January 3, 2023	40,329	1,310	2,637	-	44,276
Charged for the year	143,866	18,502	10,668	110,894	283,930
Balance as at 31 December 2023	184,195	19,812	13,305	110,894	328,206
Net book value					
Balance as at 31 December 2023	506,224	89,810	32,010	675,341	1,303,385

10. RIGHT OF USE ASSETS, NET AND LEASE RECEIVABLES AND LEASE LIABILITIES

	31 December 2024	31 December 2023
Movement on the right to use assets:		
As at 1 January	**4,175,441**	-
Disposal	**(4,175,441)**	
Additions	**3,248,285**	4,175,441
Lease receivable (note 10.1)	**(867,058)**	-
As at 31 December	**2,381,227**	4,175,441

	31 December 2024	31 December 2023
Accumulated Amortization		
As at 1 January	**835,088**	-
Disposal	**(835,088)**	-
Charged for the year	**386,730**	835,088
As at 31 December	**386,730**	835,088
Net book Value	**1,994,497**	3,340,353

	31 December 2024	31 December 2023
Movement in lease receivables is as follows:		
As at 1 January	-	-
Additions during the year	**867,058**	-
Finance income during the year	**38,126**	-
Rental received during the year	**(172,160)**	-
As at 31 December	**733,024**	-

The maturity of the lease liabilities at the end of the year is as follows:	**31 December 2024**	31 December 2023
Lease receivable - current portion	**129,120**	**-**
Lease receivable - non-current portion	**603,904**	**-**
	733,024	**-**

	31 December 2024	31 December 2023
Movement in lease liabilities is as follows:		
As at 1 January	**3,853,325**	-
Disposal	**(3,853,325)**	-
Additions during the year	**3,248,285**	4,175,441
Finance cost during the year	**106,057**	250,527
Rental paid during the year	**(681,030)**	(572,643)
As at 31 December	**2,673,312**	3,853,325

10. RIGHT OF USE ASSETS, NET AND LEASE RECEIVABLES AND LIABILITIES (CONT.)

The maturity of the lease liabilities at the end of the year is as follows:

	31 December 2024	31 December 2023
Leases liabilities - non-current portion	**2,213,772**	3,511,882
Leases liabilities - current portion	**459,540**	341,443
	2,673,312	3,853,325

The following amounts recognized in the statement of profit or loss:

	31 December 2024	31 December 2023
Finance cost on lease liabilities	**106,056**	250,527
Finance income on lease receivable	**38,126**	-
Amortization expense	**386,730**	835,088

10.1 The Company has sub leased the portion of its office no. 33 to Scene Company.

11. ACCRUED EXPENSE AND OTHER PAYABLE

	31 December 2024	31 December 2023
Expenses due to the Zakat Authority - withholding tax	**55,503**	120,169
Accrued Professional fees	**114,000**	102,000
	169,503	222,169

12. ACCRUED ZAKAT PROVISION

The Company’s Saudi shareholders are subject to zakat in accordance with the regulations of Zakat, Tax and Customs Authority (“ZATCA”) as applicable in the Kingdom of Saudi Arabia. The provision of Zakat amounting to SAR 89,486 is reversed during the year due to excess provision recorded in the previous year. The Zakat expense recorded in previous year was SAR 345,901.

Movement in provision for zakat

	31 December 2024	31 December 2023
Balance at beginning of the year	**345,901**	-
Zakat (reversal) / charged during the year	**(89,486)**	345,901
Payments made during the year	**-**	-
Balance at end of the year	**256,415**	345,901

13. EMPLOYEES' END OF SERVICE BENEFITS LIABILITY

During the year, the actuarial valuations of the defined benefit obligation were carried out under the Projected Unit Credit Method.

13.1 The amounts recognised in the statement of financial position and movement in the obligation during the year based on its present value are as follows:

	31 December 2024	31 December 2023
Present value of the defined benefit obligation opening balance	**644,124**	128,407
Statement of income		
Current service cost	**520,299**	496,022
Past service cost	**-**	-
Finance cost on defined benefit obligation	**26,774**	6,934
Cash movement		
Benefits paid during the year	**(183,679)**	-
Other comprehensive income / (loss)		
Actuarial loss / (gain)	**(162,115)**	12,761
Present value of defined benefit obligation closing balance	**845,403**	644,124

13.2 Principal actuarial assumptions:

	31 December 2024	31 December 2023
Discount rate (% per annum)	**5.85%**	5.40%
Rate of change in salary (% per annum)	**4.00%**	4.00%

Assumptions regarding future mortality are set based on actuarial advice in accordance with the published statistics and experience in the region. Attrition rates have been determined using benchmarks and adjusted for Company's own experience.

13.3 Sensitivity of actuarial assumptions

The table below illustrates the sensitivity of the defined benefit obligation valuation as at 31 December 2024 and 31 December 2023 to the key assumptions mentioned in 13.2 above.

	SAR		
31 December 2024	**Impact on defined benefit obligation – Increase / (Decrease)**		
Base scenario	**Change in assumption**	**Increase in assumption**	**Decrease in assumption**
Discount rate	**1%**	**760,492**	**945,628**
Expected rate of salary increase	**1%**	**946,511**	**758,330**

	SAR		
31 December 2023	Impact on defined benefit obligation – Increase / (Decrease)		
Base scenario	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	567,626	736,619
Expected rate of salary increase	1%	737,007	566,006

13. EMPLOYEES' END OF SERVICE BENEFITS LIABILITY (CONTINUED)

13.4 Expected maturity

Expected maturity analysis of undiscounted defined benefit obligation for the end of service plan is as follows in SAR:

31 December 2024	1 year	2 to 5 years	6 to 10 years	Total
5,316	**10,466**	**415,397**	**2,735,562**	**3,166,741**

31 December 2023	1 year	2 to 5 years	6 to 10 years	Total
4,534	19,121	395,552	2,477,162	2,896,369

The weighted average duration of the defined benefit obligation is 14.9 years on 31 December 2024, and 13.8 years on 31 December 2023.

14. SHARE CAPITAL

The Company's issued and fully paid up capital is SAR 82 million comprising 8.2 million shares of SR 10 each at 31 December 2024 and 31 December 2023 SAR 50 million comprising 5 million shares of SR 10 each. Refer to Note 1 of these financial statements for shareholders' details and their respective shareholding.

15. OTHER REVENUE

	31 December 2024	31 December 2023
Income from murabaha deposits	**2,125,818**	1,246,996
Income from platform fee	**1,464,619**	656,250
	3,590,437	1,903,246

16. GENERAL AND ADMINISTRATIVE EXPENSES

	31 December 2024	31 December 2023
Employees benefit expense	**12,698,300**	11,257,712
Subscriptions and governmental fees	**10,370,040**	2,931,547
Professional and advisory services	**1,847,654**	2,139,495
Foreign exchange loss	**884,859**	-
Withholding tax	**834,859**	836,969
Investor data verification services	**686,714**	-
End of services	**547,073**	502,956
Technical support and consulting for the platform	**320,498**	517,648
General utilities	**313,578**	268,051
Transportation expenses	**228,515**	376,948
License fees	**175,877**	222,123
Training Expenses	**12,860**	222,909
Repair and maintenance expenses	**8,085**	167,319
Rent expenses	**-**	419,707
Others	**1,141,149**	707,274
	30,070,061	20,570,658

*Others mainly include office supplies, entertainments and bank charges.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's objective in managing risk is the creation and protection of shareholder value. Risk management is an ongoing process which requires continuous identification, analysis, mitigation and monitoring of risks and controls.

The Company's Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. These risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Company has dedicated Risk and Compliance function. Day-to-day risk management activities are managed within each respective business unit. The Board of Directors meets on a quarterly basis and is updated on all relevant aspects of the business, including risk management matters.

The Company is exposed through its operations to the following financial risks:

- Foreign exchange risk
- Interest rate risk
- Market price risk
- Credit risk, and
- Liquidity risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in this note.

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

- Cash and cash equivalents
- Trade receivables
- Short term deposits
- Financial assets at fair value through other comprehensive income
- Other liabilities

General objectives, policies and processes

The Board has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority to the management for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility.

The most significant financial risks to which the Company is exposed are described below.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Fair value

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. Fair value definition includes the assumption that the Company will continue its operations where there is no intention or condition to physically limit the volume of its operations or conduct a transaction with negative terms.
Fair values are categorized into different levels in the fair value hierarchy based on the inputs used in the valuation methods as follows:

Level 1: Quoted (unadjusted) prices in an active financial market for identical assets and liabilities that can be accessed on the measurement date.
Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, directly (prices) or indirectly (derived from prices).
Level 3: Asset or liability inputs that are not based on observable market data (unobservable inputs).

The following table shows the fair value of financial assets, including their levels in the fair value hierarchy. There were no transfers between levels during the year.

31 December 2024	**Carrying amount**	**Level 1**	**Level 2**	**Level 3**	**Total**
Lease receivable	**733,024**	**-**	**-**	**733,024**	**733,024**
Trade receivables and other assets	**6,873,815**	**-**	**-**	**6,873,815**	**6,873,815**
Due from related parties	**132,930**	**-**	**-**	**132,930**	**132,930**
Cash and cash equivalents	**5,225,042**	**-**	**-**	**5,225,042**	**5,225,042**
Total	**12,964,811**	**-**	**-**	**12,964,811**	**12,964,811**

31 December 2023	Carrying amount	Level 1	Level 2	Level 3	Total
Lease receivable	-	-	-	-	-
Trade receivables and other assets	1,796,762	-	-	1,796,762	1,796,762
Due from related parties	693,335	-	-	693,335	693,335
Cash and cash equivalents	40,232,940	-	-	40,232,940	40,232,940
Total	42,723,037	-	-	42,723,037	42,723,037

Financial risk management

The activities of the Company may be exposed mainly to financial risks resulting from the following:

Foreign currency risk

The Company is not exposed to significant risks related to exchange prices, as the Company's main transactions are in Saudi riyals and US dollars. Therefore, no need to manage such exposure effectively.

Interest rate risk management

Special interest rate risk arises from the possibility that changes in future cash flows or in the fair values of financial instruments will affect at the reporting date. The Company was not exposed to interest rate risk since the interest on deposits is fixed.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Market price risk

The company is exposed to market price risk as a result of changes in the fair value of financial assets held at fair value as a result of changes in the level of market indicators.

Cash flow and fair value commission rate risk

Cash flow and fair value commission rate risk is the exposure to various risks associated with the effect of fluctuations in the prevailing commission rates on the Company's financial positions and cash flows.

Exposure

The Company's commission rate risks arise mainly from its bank balances and short-term murabaha financing. The Company on a regular basis monitors changes in the commission rates and acts accordingly.

The Company's fixed rate receivable (receivable against murabaha contracts) is carried at amortised cost and is therefore not subject to commission rate risk as defined in IFRS 7, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market commission rates. The difference of 100 basis points in SIBOR rate will not have a significant impact on the income from commission bearing financial instruments.

Credit risk management

Credit risk is the risk that one party may fail to discharge an obligation and will cause the other party to incur a financial loss. The Company is exposed to credit risk on its balances as follows:

	31 December 2024	
	Exposure	**Expected credit losses**
Cash and cash equivalents	**5,225,042**	**-**
Trade receivables and other assets	**6,297,151**	
Lease receivable	**733,024**	**-**
Due from related parties	**132,930**	**-**
	12,388,147	**-**

	31 December 2023	
	Exposure	Expected credit losses
Cash and cash equivalents	40,232,940	-
Trade receivables and other assets	1,209,965	
Lease receivable	-	-
Due from related parties	693,335	-
	42,136,240	-

The company seeks to monitor credit risks by monitoring credit exposure, in addition to identifying and analyzing risks, setting appropriate limits and controls, monitoring risks and adhering to limits through reliable management information data in a timely manner. The company also takes the necessary measures to recover overdue debts. Moreover, it The company reviews the recoverable amount of all receivables and other assets on an individual basis at the end of the financial period in order to ensure that an adequate loss allowance is set aside for the non-recoverable amounts.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Credit risk management (continued)

The company uses the simplified approach so that it measures the loss allowance for receivables and other assets at an amount equal to expected credit losses over the lifetime. The company records a loss allowance of 100% against all receivables and other debit balances that exceed more than 365 days from their due date. As of 31 December 2024, no expected credit loss has been recognized as all the balances remain current and not past due.

The company conducted an assessment of the expected credit losses due from related parties and other assets, and after examining the nature of these balances and the date of default, the company found that it does not require a provision for expected credit losses, because in its capacity as an asset manager, the company has the first right to recover the due balance from the invested funds. Under the management of the company in respect of management fees payable. As at the date of the financial statements, the concerned entities have a positive net asset value, and according to the management's estimate, the expected credit losses, if any, will not be significant.

As for cash and cash equivalents, the credit risks are low, as they are kept with financial institutions with a good credit rating of BBB+ for the rating of Standard & Poor's, and there is no default history for any of these balances.

Credit focus

Concentrations of credit risk arise when a number of counterparties are engaged in similar activities, or activities within the same geographic region, or have similar economic characteristics due to changes in economic policies or other conditions.

At the statement of financial position date, management has not identified any significant concentrations of credit risk. The table below shows the maximum exposure to credit risk for the components of the statement of financial position.

	Note	**31 December 2024**	31 December 2023
Rated at least BBB+			
Cash at bank		**5,225,042**	40,232,940
Unrated			
Lease receivable		**733,024**	
Trade receivables and other assets		**6,297,151**	1,209,965
Due from related parties		**132,930**	693,335

Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may also result from the inability to sell a financial asset quickly at an amount close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available to meet any current and future financial commitments as and when they fall due. The table below shows an analysis of financial assets and liabilities analyzed according to when they are expected to be recovered or settled.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Liquidity risk (Continued)

2024	**Within 3 months**	**3-12 months**	**1-5 Years**	**Over 5 years**	**No fixed maturity**	**Total**
Assets						
Cash and cash equivalents	**5,225,042**	-	-	-	-	**5,225,042**
Trade receivables and other asset	-	**6,297,151**	-	-	-	**6,297,151**
Lease Receivable	-	**129,120**	**603,904**	-	-	**733,024**
Due from related parties	-	**132,930**	-	-	-	**132,930**
Total assets	**5,225,042**	**6,559,201**	**603,904**	-	-	**12,388,147**

2024	**Within 3 Months**	**3-12 months**	**1-5 Years**	**Over 5 years**	**No fixed maturity**	**Total**
Liabilities						
Accounts Payable	**-**	**1,811,539**	-	-	-	**1,811,539**
Accrued expenses and other payable	**169,503**	-	-	-	-	**169,503**
Due to related parties	-	**3,457,008**	-	-	-	**3,457,008**
Lease liability	-	**459,540**	**2,213,772**	-	-	**2,673,312**
Total Liabilities	**169,503**	**5,728,087**	**2,213,772**	-	-	**8,111,362**
Liquidity gap arising from financial instruments	**5,055,539**	**831,114**	**(1,609,868)**	-	-	**4,276,785**

2023	Within 3 months	3-12 Months	1-5 Years	Over 5 years	No fixed maturity	Total
Assets						
Cash and cash equivalents	40,232,940	-	-	-	-	40,232,940
Trade receivables and other asset	-	1,796,762	-	-	-	1,796,762
Due from related parties	-	693,335	-	-	-	693,335
Total assets	40,232,940	2,490,097	-	-	-	4,273,037

2023	Within 3 Months	3-12 Months	1-5 Years	Over 5 years	No fixed maturity	Total
Liabilities						
Accounts Payable	1,972,272	-	-	-	-	1,972,272
Accrued expenses and other payable	222,169	-	-	-	-	222,169
Due to related parties	-	32,520,421	-	-	-	32,520,421
Lease liability	-	-	-	3,853,325	-	3,853,325
Total Liabilities	2,194,441	32,520,421	-	3,853,325	-	38,658,187
Liquidity gap arising from financial instruments	38,038,499	(30,030,324)	-	(3,853,325)	-	4,154,850

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Operational risk

Operational risk is the risk of direct or indirect loss arising from a variety of causes associated with the processes, technology and infrastructure supporting the Company's activities either internally or externally at the Company's service provider and from external factors other than credit, liquidity, currency and market risks such as those arising from the legal and regulatory requirements. The Company manages within acceptable levels through sound operational risk management practices that are part of the day-to-day responsibilities of management at all levels.

18. ASSETS HELD UNDER MANAGEMENT

These represent the net assets of mutual funds managed by the Company, which amounts to SAR 2,350,757,167 as at 31 December 2024 (31 December 2023: Nil). Consistent with the Company's accounting policy, such balances are not included in the Company's financial statements

19. CONTINGENCIES AND COMMITMENTS

There were no contingent liabilities and commitments of the Company as at 31 December 2024 (31 December 2023: SR nil) except for outstanding zakat assessment explained in note 14 to the financial statements.

20. SUBSEQUENT EVENTS

On 20 March 2025, the shareholders decided to approve increasing the Company's current issued capital from SAR 82 million to SAR 87 million.

21. RECLASSIFICATION OF PRIOR YEAR FIGURES

Certain comparative information has been reclassified to conform to the current year presentation.

22. BOARD OF DIRECTORS' APPROVAL

The financial statements were approved by the Board of Directors on 26 Ramadan 1446H, corresponding to 26 March 2025.