ARTAL CAPITAL COMPANY

(Closed Joint Stock Company)

Financial Statements

For the year ended 31 December2024

Together with

Independent Auditor's Report

INDEX **PAGE**

INDEX	PAGE
INDEPENDENT AUDITOR'S REPORT	1-3
STATEMENT OF FINANCIAL POSITION	4
STATEMENT OF COMPREHENSIVE INCOME	5
STATEMENT OF CHANGES IN EQUITY	6
STATEMENT OF CASH FLOWS	7
NOTES TO THE FINANCIAL STATEMENTS	8 – 30

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF ARTAL CAPITAL COMPANY
[CLOSED JOINT STOCK COMPANY]
RIYADH, KINGDOM OF SAUDI ARABIA

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 Artal capital Company (the "Company") as at 31 December 2024, and its financial performance and its cash flows for year then ended, in accordance with International Financial Reporting Standards ("IFRS ") 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 statements of ccomprehensive income 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 of 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 Company's 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.

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 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.

RIYADH
Tel. +966 11 206 5333 | P.O Box 69658
Fax +966 11 206 5444 | Riyadh 11557

JEDDAH
Tel. +966 12 652 5333 | P.O Box 15651
Fax +966 12 652 2894 | Jeddah 21454

AL KHOBAR
Tel. +966 13 893 3378 | P.O Box 4636
Fax +966 13 893 3349 | Al Khobar 31952

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF ARTAL CAPITAL COMPANY
[CLOSED JOINT STOCK COMPANY]
RIYADH, KINGDOM OF SAUDI ARABIA
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

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 asses 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;
- 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.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF ARTAL CAPITAL COMPANY
[CLOSED JOINT STOCK COMPANY]
RIYADH, KINGDOM OF SAUDI ARABIA
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

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

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.

For PKF Albassam Chartered Accountants

Ahmed Abdulmajeed Mohandis
Certified Public Accountant
License No. 477
Riyadh, Kingdom of Saudi Arabia
26 Ramadhan 1446H
Corresponding to: 26 March 2025

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

ARTAL CAPITAL COMPANY
(Closed Joint Stock Company)
STATEMENT OF FINANCIAL POSITION
As at 31 December 2024
(SAR)

	Note	**31 December 2024**	31 December 2023
ASSETS			
Non-Current Assets			
Property and equipment	6	**538,240**	723,340
Intangible assets	7	**1,248,724**	1,378,162
Right of use asset	8	**-**	540,942
Total Non-Current Assets		**1,786,964**	2,642,444
Current Assets			
Due from related parties	9	**-**	18,750,000
Receivables, prepayments and other assets	10	**11,075,507**	27,119,115
Cash and cash equivalents	11	**2,875,335**	9,446,093
Murabaha deposits	13	**10,513,628**	-
Investments carried at FVTPL	12	**15,736,836**	10,234,394
Total Current Assets		**40,201,306**	65,549,602
TOTAL ASSETS		**41,988,270**	68,192,046
LIABILITIES AND EQUITY			
EQUITY			
Share capital	14	**20,000,000**	20,000,000
General reserve	15	**2,159,457**	2,159,457
Actuarial reserve		**(170,889)**	(95,599)
Retained earnings		**8,886,416**	13,008,741
TOTAL EQUITY		**30,874,984**	35,072,599
LIABILITIES			
Non-Current Liabilities			
Employee benefits obligations	16	**1,564,988**	914,798
Total Non-Current Liabilities		**1,564,988**	914,798
Current Liabilities			
Accrued expenses and other liabilities	17	**8,642,283**	15,578,535
Lease liability - current portion	8	**-**	573,218
Zakat provision	18	**906,015**	1,057,963
Due to related parties	9	**-**	14,994,933
Total Current Liabilities		**9,548,298**	32,204,649
TOTAL LIABILITIES		**11,113,286**	33,119,447
TOTAL EQUITY AND LIABILITIES		**41,988,270**	68,192,046

Chief Financial Officer   Chief Executive Officer   Chairman of Board of Directors

The accompanying notes (1) to (26) form an integral part of these financial statements.

ARTAL CAPITAL COMPANY
(Closed Joint Stock Company)
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December2024
(SAR)

	Note	31 December 2024	31 December 2023
PROFIT OR LOSS			
Revenue	19	**25,848,414**	36,367,257
Cost of revenue	20	**(22,087,221)**	(24,289,967)
Gross Profit		**3,761,193**	12,077,290
General and administrative expenses	21	**(3,624,673)**	(3,381,732)
Net profit for the year from main operations		**136,520**	8,695,558
Realized gain on investments carried at FVTPL		**95,805**	178,678
Unrealized gain on investments carried at FVTPL	12	**406,637**	170,402
Finance income		**562,956**	74,667
Finance cost		**(48,318)**	(46,911)
Other income		**10,680**	**-**
Net Income Before Zakat		**1,164,280**	9,072,394
Zakat		**(405,000)**	(773,171)
Net Income for The Year		**759,280**	8,299,223
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
(Losses)/gain on re-measurement of employee defined benefits plan obligations		**(75,290)**	(37,737)
Net comprehensive income for the year		**683,990**	8,261,486

Chief Financial Officer | Chief Executive Officer | Chairman of Board of Directors

The accompanying notes (1) to (26) form an integral part of these financial statements.

ARTAL CAPITAL COMPANY
(Closed Joint Stock Company)
STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December2024
(SAR)

	Share Capital	**General Reserve**	**Retained Earnings**	**Actuarial Reserve**	**Total**
Balance as at 1 January 2023	5,000,000	1,329,533	5,539,442	(57,862)	11,811,113
Net income for the year	-	-	8,299,223	-	8,299,223
Other Comprehensive income	-	-	-	(37,737)	(37,737)
Total Comprehensive income for the year	-	-	8,299,223	(37,737)	8,261,486
Capital increase	15,000,000	-	-	-	15,000,000
Transferred to statutory reserve	-	829,924	(829,924)	-	-
Balance as at 31 December 2023	20,000,000	2,159,457	13,008,741	(95,599)	35,072,599
Balance as at 1 January 2024	**20,000,000**	**2,159,457**	**13,008,741**	**(95,599)**	**35,072,599**
Net income for the year	**-**	**-**	**759,280**	**-**	**759,280**
Other Comprehensive income	**-**	**-**	**-**	**(75,290)**	**(75,290)**
Total Comprehensive income for the year	**-**	**-**	**759,280**	**(75,290)**	**683,990**
Dividends	**-**	**-**	**(4,881,605)**	**-**	**(4,881,605)**
Balance as at 31 December 2024	**20,000,000**	**2,159,457**	**8,886,416**	**(170,889)**	**30,874,984**

Chief Financial Officer | Chief Executive Officer | Chairman of Board of Directors

The accompanying notes (1) to (26) form an integral part of these financial statements.

ARTAL CAPITAL COMPANY
(Closed Joint Stock Company)
STATEMENT OF CASH FLOWS.
For the year ended 31 December 2024
(SAR)

	31 December 2024	31 December 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the year before zakat	**1,164,280**	9,072,394
Adjustments to reconcile net income for the year before zakat to net cash available from operating activities:		
Depreciation of property, plant and equipment	**213,720**	182,941
Amortization of intangible assets	**551,951**	157,406
Depreciation of the right of use asset	**540,942**	540,940
Unrealized Murabaha profits	**(513,628)**	-
Finance costs	**48,318**	46,911
Employee defined benefits obligations - charged	**629,128**	357,923
	2,634,711	10,358,515
Changes in operating assets and liabilities		
Due from related parties	**18,750,000**	(17,642,860)
Receivables, prepayments and other assets	**16,043,608**	(26,082,909)
Accrued expenses and other liabilities	**(6,936,252)**	12,101,216
Due to related parties	**(14,994,933)**	14,994,933
Employee defined benefits plan obligations - paid	**(95,396)**	(36,417)
Zakat paid	**(556,948)**	(315,208)
Net cash (used in) / generated from operating activities	**14,844,790**	(6,622,730)
CASH FLOW FROM INVESTING ACTIVITIES		
Additions of property and equipment	**(28,620)**	(414,475)
Additions of intangible assets	**(422,513)**	(1,342,521)
Change in Murabaha deposits	**(10,000,000)**	-
Change in Investments carried at FVTPL	**(5,502,442)**	(10,234,394)
Net cash used in investing activities	**(15,953,575)**	(11,991,390)
CASH FLOW FROM FINANCING ACTIVITIES		
Lease liabilities paid	**(580,368)**	(542,786)
Capital increase	**-**	15,000,000
Dividends paid	**(4,881,605)**	-
Net cash generated from / (used in) financing activities	**(5,461,973)**	14,457,214
Net changes in cash and cash equivalents	**(6,570,758)**	(4,156,906)
Cash and cash equivalents at beginning of the year	**9,446,093**	13,602,999
Cash and cash equivalents at the end of the year	**2,875,335**	9,446,093
Non-cash transactions		
Losses on re-measurement of employee defined benefit obligations	**(75,290)**	(37,736)

Chief Financial Officer | Chief Executive Officer | Chairman of Board of Directors

The accompanying notes (1) to (26) form an integral part of these financial statements

1- ORGANIZATION AND PRINCIPAL ACTIVITIES

ARTAL Capital Company ("the Company") is Closed Joint Stock Company registered in Riyadh, under commercial registration No. 1010501601, dated 26 Rabi' al- Thani 1440 (corresponding to 2 January 2020) and licensed by the Capital Market Authority (CMA) under License No. (02-18195), issued on 14 November 2018.

The principal activities of the Company are investment management and fund operation. The Company commenced its operations pursuant to a letter from the Capital Market Authority (LU-23-005128) dated 6 Rabi' al-Awwal 1444H (corresponding to September 21, 2023).

The Company's registered principal office is located at the following address:

ARTAL Capital Company
Riyadh - Abu Bakr Al-Siddiq Road
Postal code: 12444

2- BASIS OF PREPARATION

2-1 Compliance Statement

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

The financial statements have been prepared on a historical cost convention, except for investments measured at fair value through profit or loss FVTPL and the defined benefit obligation is recognised at the present value of future obligation using the unit credit method.

2-2 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary in which the Company operates (the "functional currency"). These financial statements are presented in Saudi Arabian Riyal ("SAR") which is the Company's functional and presentation currency.

Transactions and balances
Foreign currency transactions are translated into SAR using the exchange rates prevailing at the date of transactions. Foreign currency assets and liabilities are translated into SAR using the exchange rates at the date of statement of financial position. Foreign exchange gains and losses arising from translation, if any are included in the statement of profit or loss.

3- CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTION

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Adjustments to accounting estimates are recognized prospectively. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

3- CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTION (CONTINUED)

3-1 Judgments

Going Concern basis

The Company's management has made an assessment of Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt on Company's ability to continue as a going concern. Accordingly, the financial statements were prepared on the basis of the going concern basis.

3-2 Estimation and Unconfirmed Assumptions

Impairment of non-financial assets

The carrying amounts of the non-financial assets are reviewed at the end of each reporting date or more frequently to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset or a cash-generating unit exceeds the recoverable amount. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell.

In assessing value in use, the estimated future cash flows are discounted to their present values using the pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

The fair value less cost to sell is based on observable market prices or, if no observable market prices exist, estimated prices for similar assets or if no estimated prices for similar assets are available, then based on future cash flow calculations.

Actuarial valuation of employee benefits liabilities

The cost of the post-employment benefits ("employee benefits") under defined benefit plan is determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, and mortality rates. Due to the complexity of the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed on an annual basis or more frequently, if required.

Taking into consideration the undue costs and the non-materiality of defined obligations (end-of-service benefits), the company did not adhere to the simplified procedures allowed within the framework of International Financial Reporting Standards and did not apply the expected unit credit method to assess defined benefit obligations to avoid unnecessary cost and effort. Consequently, the company calculated end-of-service benefits according to the Saudi labor law, which is allocated in the financial statements based on the length of employee service.

4- MATERIAL ACCOUNTING POLICIES

4-1 Cash and cash equivalents

Cash and cash equivalents comprise cash with banks and other short-term highly liquid investments, if any, with original maturities of three months or less, which are available to the Company without any restrictions.

4-2 Financial instruments

4-2-1 Measurement methods

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual conditions of the instrument.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in the statement of profit or loss Immediately after initial recognition, an expected credit loss allowance (ECL), if material is recognised for financial assets measured at amortised cost, which results in an accounting loss being recognised in the statement of profit or loss when an asset is newly originated.

4-2-2 Classification and measurement of financial assets through profit or loss

Debt instruments

Equity instruments are instruments that meet the definition of equity from the issuer’s perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer’s net assets.

The company classifies its equity instruments at FVTPL. The Fund subsequently measures all equity investments at FVTPL, except where the company Manager has elected, at initial recognition, to irrevocably designate an equity investment at FVOCI. The company’s policy is to designate equity investments as FVOCI when those investments are held for purposes other than to trade.

Losses are recognized in other comprehensive income and are not subsequently reclassified to profit or loss, including disposal. Impairment losses and (reversals of impairment losses) are not reported separately from other changes in fair value. Dividends, when presenting a return on such investments, continue to be recognized in the statement of profit or loss when the Company has the right to receive such payments.

4- MATERIAL ACCOUNTING POLICIES (CONTINUED)

4-2-3 Impairment of financial assets

The company assesses on a forward-looking basis the expected credit loss (“ECL”) associated with its financial assets carried at amortized cost. The company recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of resources;
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

4-2-4 Derecognition

A financial asset or, a part of a financial asset is derecognized where the rights to receive cash flows from the asset have expired, or the company has transferred its rights to receive cash flows from the asset (1) Transferred substantially all of the risks and rewards of ownership of the financial asset or (2) Neither transferred nor retained substantially all the risks and rewards of the financial asset, but has transferred control of the asset.

4-2-5 Financial liabilities

The Company classifies its financial liabilities at amortised cost unless it has designated liabilities at FVTPL. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

4-3 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

4-4 Employees end-of-service benefits

Employees end-of-service benefits are payable to all employees employed under the terms and conditions of the Labour Laws applicable on the Company, on termination of their employment contracts.

The Company’s obligation in respect of defined benefit plan is calculated by estimating the number of future benefits that employees have earned in current and prior periods and discounting that amount to arrive at present value.

Company sets the assumptions used in determining the key elements of the costs of meeting such future obligations. These assumptions are set after consultation with the Company’s actuaries and include those used to determine regular service costs and the financing elements related to the liabilities. The calculation of defined benefit obligation is performed by a qualified actuary using the projected unit credit method.

The revaluation of defined benefit obligation, which comprise of actuarial gains and losses are recognised immediately in the Statement of Other Comprehensive Income. The Company determines interest expense on the defined benefit obligation for the year by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any change in the net defined benefit obligation during the year as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit are recognised in the Statement of Profit or Loss

4- MATERIAL ACCOUNTING POLICIES (CONTINUED)

4-5 Accrued expenses and other payables

Accrued expenses and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective profit rate method.

4-6 Provisions

A provision is recognised when the Company has a present legal or constructive obligation 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. Provision is not recognised for future operating loss.

4-7 Zakat

The Zakat cost is calculated on the basis of the company's net profit for the year before deduction of Zakat or Zakat base, whichever is greater, according to the regulations of the Zakat, Tax and Customs Authority (ZATCA) The provision is charged to the statement of profit or loss. Additional amounts, if any, that may become due on finalization of an assessment are accounted for in the year in which assessment is finalized.

4-8 Property and equipment

Property and equipment are stated at cost net of accumulated depreciation and any impairment in value, if any. Property and equipment acquisition cost include expenditures that are directly attributable to the acquisition. The cost of property and equipment is depreciated and amortised on the straight-line method over the estimated useful lives as follows:

Furniture and fixtures	4 years
Electronic equipment	5 years

Any gain or loss on disposal of an item of Property and Equipment is recognised in the Statement of Profit or Loss.
The assets' residual values, useful lives and impairment indicators are reviewed at each financial year end and adjusted prospectively, if considered necessary.

4-9 Intangible Assets

Intangible assets are measured at cost, less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight-line basis over the estimated useful live 5years.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and amount can be measured reliably.

Intangible assets' residual values, useful lives and impairment indicators are reviewed at each financial year end and adjusted prospectively, if considered necessary

4- MATERIAL ACCOUNTING POLICIES (CONTINUED)

4-10 Right of Use Asset and Lease Liability

The Company has recognised new assets and liabilities for its operating leases of office premises. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to statement of statement of profit or loss over the lease period so as to produce a constant yearly rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis.

1) Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs, and
- Restoration costs.

2) Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in- substance fixed payments), less any lease incentives receivable
- Variable lease payments that are based on an index or a rate
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the incremental borrowing rate, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the Statement of Profit or Loss. Short-term leases are leases with a term of 12 months or less.

Low-value assets comprise small items relating to office equipment.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

4-11 Assets under management

The Company offers asset management services to its customers, which include management of certain investment funds Such assets are held in fiduciary capacity and are not treated as assets of the Company. Accordingly, these are not recognized in the financial statements and are treated as off- statement of financial position items.

4- MATERIAL ACCOUNTING POLICIES (CONTINUED)

4-12 Revenue recognition

The Company recognizes revenue under IFRS 15 using the following five-step model

Step 1: Define the contract with the customer
A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets standards for each contract that must be fulfilled.
Step 2: Determine performance obligations
A performance obligation is a promise in a service contract to a customer.
Step 3: Determine the transaction price
The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for promised services to a customer, excluding amounts collected on behalf of third parties
Step 4: Customize the transaction price
For a contract that contains more than one performance obligation, the Company allocates the transaction price to each performance obligation at an amount that shows the amount of consideration that the Company expects to be entitled in exchange for fulfilling each performance obligation.
Step 5: Revenue recognition
The company recognizes revenue when (or when) it satisfies a performance obligation by transferring the promised service to the customer under a contract.

Revenue from asset management activities

Management fees for investment funds and private portfolios are recognized as revenue in proportion to the provision of services, based on the applicable service contracts. These management fees are included net of discounts and are generally calculated as a percentage of the net assets of the respective funds. The subscription fee is recognized upon subscription.
Performance fees are included after deducting discounts and are calculated as a percentage of the consideration in the fund's net asset value above a specified threshold. Performance fees are earned from some arrangements when contractually agreed levels of performance are exceeded during specified performance measurement periods, usually over one year. Fees are recognized when they can be reliably estimated and/or crystallized.

Revenue from Arrangement Services Activities

Revenue from alternative investments, management advisory and other service fees is recognized on the basis of applicable service contracts, usually on a time-proportionate basis whether at a point in time or over a period.

Dividend income

Dividends are recognized when the right to receive them is established.

Other income

Other income is recorded when earned.

4- MATERIAL ACCOUNTING POLICIES (CONTINUED)

4-13 Fair value measurement

The Company measures financial instruments such as equity instruments at fair value at each statement of financial position date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured on the assumption that market participants would take advantage when pricing the asset or liability and act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities that are measured at fair value or disclosed in the financial statements are categorized within the fair value levels hierarchy mentioned below and on the basis of the input to the lowest level of the fair value measurement as a whole:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: valuation techniques that are the lowest level input that is significant to the fair value measurement, which is directly or indirectly observable.
- Level 3 valuation techniques that are the lowest level input that is significant to the unobservable fair value measurement.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company verifies whether transfers have been made between the fair value hierarchy by recalibrating the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each financial year. The Company determines the policies and procedures for both recurring fair value measurement and non-recurring fair value measurement.

On each reporting date, the company analyses changes in the value of assets and liabilities to be re-measured or re-evaluated in accordance with the company's accounting policies. For the purposes of this analysis, the company verifies the main inputs applied in the latest valuation by matching the information used in calculating the valuation with contracts and other relevant documents. The Company also compares changes in the fair value of each class of assets and liabilities with relevant external sources to determine whether the change is reasonable. For the purpose of disclosing the fair value, the company has determined the classes of assets and liabilities on the basis of the nature, characteristics and risks of the assets and liabilities and the hierarchy of fair value measurement levels mentioned above.

4-14 Expenses

All expenses are classified as general and administrative expenses, except for employee salaries and benefits, which are presented as a separate item in the statement of profit or loss.

5- NEW AND AMENDED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

5-1 NEW AND AMENDED IFRS STANDARDS ISSUED AND EFFECTIVE IN THE YEAR 2024

The following amendments to the Company's relevant standards are effective for annual periods beginning on or after 1 January 2024 (unless otherwise stated). The Company has adopted these standards and/or amendments; however, they have no material impact on the financial statements:

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of amendment
IAS 1	Classification of liabilities as current or non-current	1 January 2024	The amendment has clarified what is meant by a right to defer settlement, that a right to defer must exist at the end of the reporting period, that classification is unaffected by the likelihood that an entity will exercise its deferral right, and that only if an embedded derivative in a convertible liability is itself an equity instrument the terms of liability would not impact its classification.
IFRS 16	Leases on sale and leaseback	1 January 2024	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.
IAS 7 and IFRS 7	Supplier finance arrangements	1 January 2024	These amendments require to add disclosure requirements to enhance transparency of supplier finance arrangements, and ‘signposts’ within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

5- NEW AND AMENDED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) (CONTINUED)

5-2 New standards, amendments IFRS issued but not yet effective

The Company has not applied the following new and amended IFRSs that have been issued but are not yet effective.

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of amendment
IAS 21	Lack of Exchangeability	1 January2025	The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments introduce new disclosures to help financial statement users assess the impact of using an estimated exchange rate.
IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026	These amendments clarify financial assets and financial liabilities are recognized and derecognized at settlement date except for regular way purchases or sales of financial assets and financial liabilities meeting conditions for new exception. The new exception permits companies to elect to derecognize certain financial liabilities settled via electronic payment systems earlier than the settlement date. They also provide guidelines to assess contractual cash flow characteristics of financial assets, which apply to all contingent cash flows, including those arising from environmental, social, and governance (ESG)-linked features. Additionally, these amendments introduce new disclosure requirements and update others.
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027	IFRS 18 replaces IAS 1, which sets out presentation and base disclosure requirements for financial statements. The changes, which mostly affect the income statement, include the requirement to classify income and expenses into three new categories – operating, investing and financing – and present subtotals for operating profit or loss and profit or loss before financing and income taxes. Further, operating expenses are presented directly on the face of the income statement – classified either by nature (e.g. employee compensation), by function (e.g. cost of sales) or using a mixed presentation. Expenses presented by function require more detailed disclosures about their nature. IFRS 18 also provides enhanced guidance for aggregation and disaggregation of information in the financial statements, introduces new disclosure requirements for management-defined performance measures (MPMs)* and eliminates classification options for interest and dividends in the statement of cash flows.
IFRS 19	Subsidiaries without Public Accountability	1 January 2027	IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

Management anticipates that these new standards interpretations and amendments will be adopted in the Company's financial statements as and when they are applicable and adoption of these interpretations and amendments may have no material impact on the financial statements of the Company in the period of initial application

6- PROPERTY AND EQUIPMENT

	Furniture and fixtures	**Computers and office equipment**	**Total**
Cost:			
Balance at the beginning of the year	**794,282**	**319,134**	**1,113,416**
Additions during the year	**-**	**28,620**	**28,620**
As at 31 December2024	**794,282**	**347,754**	**1,142,036**
Accumulated Depreciation:			
Balance at the beginning of the year	**(193,358)**	**(196,718)**	**(390,076)**
Charged for the year	**(155,505)**	**(58,215)**	**(213,720)**
As at 31 December2024	**(348,863)**	**(254,933)**	**(603,796)**
Net book value:			
As at 31 December 2024	**445,419**	**92,821**	**538,240**

	Furniture and fixtures	Computers and office equipment	Total
Cost:			
Balance at the beginning of the year	475,248	225,223	700,471
Additions during the year	319,964	94,511	414,475
Disposals	(930)	(600)	(1,530)
As at 31 December2023	794,282	319,134	1,113,416
Accumulated Depreciation:			
Balance at the beginning of the year	(57,027)	(150,358)	(207,385)
Charged for the year	(136,424)	(46,517)	(182,941)
Disposals	93	157	250
As at 31 December2023	(193,358)	(196,718)	(390,076)
Net book value:			
As at 31 December 2023	600,924	122,416	723,340

7- INTANGIBLE ASSETS

	Computer Software	**Brand**	**Website**	**Total**
Cost:				
Balance at the beginning of the year	**1,359,249**	**195,000**	**215,041**	**1,769,290**
Additions during the year	**422,513**	**-**	**-**	**422,513**
As at 31 December2024	**1,781,762**	**195,000**	**215,041**	**2,191,803**
Accumulated amortization:				
Balance at the beginning of the year	**(296,827)**	**(57,590)**	**(36,711)**	**(391,128)**
Charged for the year	**(465,287)**	**(65,119)**	**(21,545)**	**(551,951)**
As at 31 December2024	**(762,114)**	**(122,709)**	**(58,256)**	**(943,079)**
Net book value:	**1,019,648**	**72,291**	**156,785**	**1,248,724**

	Computer Software	Brand	Website	Total 2023
Cost:				
Balance at the beginning of the year	269,010	97,500	60,758	427,268
Additions during the year	1,090,239	97,500	154,783	1,342,522
Disposals	-	-	(500)	(500)
As at 31 December2023	1,359,249	195,000	215,041	1,769,290
Accumulated amortization:				
Balance at the beginning of the year	(208,057)	(5,737)	(20,428)	(234,222)
Charged for the year	(88,770)	(51,853)	(16,783)	(157,406)
Disposals	-	-	(500)	(500)
As at 31 December2023	296,827	57,590	36,711	391,128
Net book value:	1,062,422	137,410	178,330	1,378,162

8- RIGHT OF USE ASSETS AND LEASES LIABILITIES

8-1 Right of use assets

	31 December 2024	31 December 2023
Cost:		
Balance at the beginning of the year	**1,081,881**	685,405
Adjustment	**-**	396,476
Balance as at 31 December	**1,081,881**	1,081,881
Accumulated depreciation:		
Balance at the beginning of the year	**540,939**	228,468
Charged for the year	**540,942**	540,939
Adjustment	**-**	(228,468)
Balance as at 31 December	**1,081,881**	540,939
The book balance as at 31 December	**-**	540,942

8- RIGHT OF USE ASSETS AND LEASES LIABILITIES (CONTINUED)

8-2 Lease liabilities

Lease liabilities movement	**31 December 2024**	31 December 2023
Balance at the beginning of the year	**573,218**	468,123
Additions during the year	**-**	-
Adjustment	**-**	334,739
Paid during the year	**(580,368)**	(252,602)
Finance Cost	**7,150**	22,958
Balance as at December 31	**-**	573,218

Lease liabilities as at the year ended are as follows:	**31 December 2024**	31 December 2023
Lease liability- non-current portion	**-**	-
Lease liability- Current portion	**-**	573,218
	-	573,218

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

	31 December 2024	31 December 2023
Finance cost	**7,150**	22,958
Depreciation of the right of use assets	**540,942**	540,939

The following are the amounts recognized in the statement of cash flows

	31 December 2024	31 December 2023
Lease liability payments	**580,368**	252,602

9- RELATED PARTY TRANSACTIONS

Related parties of the Company include the Board of Directors and their relatives, senior executives, committees derived from the Board of Directors, and investment funds managed by the Company.

There are transactions that took place during the year with related parties within the company’s normal business and with the approval of management. Management believes that the terms of these transactions are not materially different from any other transactions carried out by management with any third party

a. The balance due from a related party is:

	31 December 2024	31 December 2023
Artal Growth Opportunities Fund	**-**	18,750,000
	-	18,750,000

9- RELATED PARTY TRANSACTIONS (CONTINUED)

b. The balance due to a related party is:

	31 December 2024	31 December 2023
Fawaz Suleiman Alrajhi	**-**	14,994,933
	-	14,994,933

c. The following are the major related parties' transactions of the Company that occurred:

Related party	**Nature of relationship**	**Nature of transaction**	**During the year ended in 31December 2024**	During the year ended in 31December 2023
Fawaz Suleiman Alrajhi	Shareholder	Finance (Finance paid)	**(14,994,933)**	18,749,933
Artal Growth Opportunities Fund	Funds managed by the Company	Finance	**987,085**	18,750,000
Value Capital Partners Company	Affiliated	Revenues	**-**	7,879,561
Raj Real Estate Company	Affiliated	Rent	**580,368**	542,785
Artal MENA Investment Fund	Funds managed by the Company	Management and performance fees	**447,908**	611,701
Artal Special Situations Fund I	Funds managed by the Company	Management fees	**969,823**	318,376
Artal Murabaha Fund	Funds managed by the Company	Management fees	**145,991**	40,916
Artal Growth Opportunities Fund	Funds managed by the Company	Management fees	**2,358,272**	-
Board members	Board of Directors	Allowance	**210,000**	-
Committees	Sub committees	Remunerations	**186,000**	136,500
Senior Staff	Employees	Salaries	**8,080,650**	5,592,673

- The balances of the funds managed by Artal Company have been classified under the item "Receivables, Prepaid Expenses, and Other Assets."

10- RECEIVABLES, PREPAYMENTS AND OTHER ASSETS

	31 December 2024	31 December 2023
Receivables	**10,143,567**	26,623,690
Other	**351,724**	331,003
Prepaid Expenses	**555,329**	139,535
Recovered Insurance	**24,887**	24,887
	11,075,507	27,119,115

The company has assessed the expected credit losses (ECL) for receivables and other assets. After considering the nature of these balances and the payment default (PD) history, it was determined that no ECL provision is necessary. This is because, in its capacity as an asset manager, the company holds the primary right to recover the outstanding balances from the funds invested with it under its management, specifically regarding the management fees payable

11- CASH AND CASH EQUIVALENTS

	31 December 2024	31 December 2023
Cash at banks	**2,875,335**	1,371,421
	2,875,335	1,371,421

-The company maintains cash with local banks that have a good credit rating and do not bear any interest.

11.1 Cash and Cash Equivalents for the Purpose of the Cash Flow Statement:

	31 December 2024	31 December 2023
Cash at bank	**2,875,335**	1,371,421
Murabaha deposits with a maturity of 3 months or less	**-**	8,074,672
	2,875,335	9,446,093

12- INVESTMENTS CARRIED AT FVTPL

31 December 2024	**Number of Units**	**Cost**	**Market value**
Artal Murabaha Fund	**505,990**	**5,330,197**	**5,639,460**
Al Rajhi Returns Fund	**4,776,005**	**5,000,000**	**5,061,133**
Alpha Murabaha Fund	**414,346**	**5,000,000**	**5,036,243**
Total		**15,330,197**	**15,736,836**

31 December 2023	Number of Units	Cost	Market value
Artal Murabaha Fund	971,539	10,000,000	10,234,394
Total		10,000,000	10,234,394

12- INVESTMENTS CARRIED FVTPL (CONTINUED)

The following is a summary of the movement on investments during the year:

	31 December 2024	31 December 2023
Balance at the beginning of the year	**10,234,394**	-
Additions during the year	**10,000,000**	20,000,000
Disposals during the year	**(5,000,000)**	(10,000,000)
Unrealized gains	**406,637**	170,402
Realized gains	**95,805**	63,992
Balance at the end of the year	**15,736,836**	10,234,394

13. MURABAHA DEPOSITS

	31 December 2024	31 December 2023
Murabaha Deposits	**10,513,628**	-
Total Book Value	**10,513,628**	-
Expected Credit Losses	**-**	-
Net Book Value as at the end of the year	**10,513,628**	-

	31 December 2024	31 December 2023
Murabaha Deposits		
Banque Saudi Fransi	**10,513,628**	-
Total	**10,513,628**	-

Murabaha deposits with an original maturity of more than 3 months, with a Murabaha deposit yield rate of 5.91% per annum.

	31 December 2024	31 December 2023
Book value as at January 1	**8,074,672**	-
Additions during the year	**10,000,000**	8,000,000
Due during the year	**(8,000,000)**	-
Unrealized Murabaha profits at the Statement of Profit or Loss with a maturity of more than three months	**513,623**	-
Realized Murabaha profits during the year	**49,333**	74,672
Murabaha profits received during the year	**(124,000)**	-
Total	**10,513,628**	8,074,672

The table below represents the maturity statement based on the contractual maturity of the instruments

	31 December 2024	31 December 2023
Murabaha deposits maturing within three months	**-**	8,074,672
Murabaha deposits maturing in more than three months	**10,513,628**	-
Total	**10,513,628**	8,074,672

Murabaha deposits with a maturity of three months have been classified under cash and cash equivalents.

14. SHARE CAPITAL

The paid-up capital of the company as at 31 December 2024, and 31 December 2023, amounts to SAR 20 million, divided into 2,000,000 shares of equal value, each valued at 10 SAR.

15. GENERAL RESERVE

According to the Company's By-Laws, the Ordinary General Assembly may decide to create reserves to the extent that serves the Company's interest or ensures the distribution of stable dividends to shareholders. The Assembly has not made any decisions regarding the creation of reserves for this year; therefore, no reserves have been created.

16. EMPLOYEE DEFINED BENEFIT OBLIGATIONS

a. The company determines the present value of specific employee benefit obligations by conducting an actuarial evaluation using the estimated incremental unit method after taking into account the following set of assumptions**:**

	2024	2023
Discount rate	**4.90%**	5.5%
Benefit increase rate	**3%**	3%
Employee turnover	**20%**	15%

b. The measurement movement for employee defined benefit plan obligations is as follows:

	31 December 2024	31 December 2023
Benefits expenses (recognized in the statement of profit or loss)		
Balance at the beginning of the year	**914,798**	531,633
Paid during the year	**(95,396)**	(36,417)
Listed in the profit and loss statement		
Service cost	**629,128**	357,922
Interest cost	**41,168**	23,923
listed in the statement of other comprehensive income		
losses on remeasurement of employee benefit plan obligations determined by changing the interest	**75,290**	37,737
Balance at the end of the year	**1,564,988**	914,798

17. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	31 December 2024	31 December 2023
Employees' Payables	**6,539,758**	11,309,332
Vat	**1,714,143**	3,758,831
Professional and consulting fees payable	**258,225**	217,500
Social Insurance payable	**116,259**	111,333
Other	**13,898**	181,539
	8,642,283	15,578,535

18. ZAKAT PROVISION

a) Zakat Base Components	31 December 2024	31 December 2023
Equity	**30,874,984**	10,481,580
positive elements of the base	**-**	13,009,527
Adjusted profit for the year	**-**	9,430,318
Negative elements of the base	**-**	(2,642,444)
Net Zakat base	**30,874,984**	30,278,981
Zakat	**798,040**	773,171
Zakat differences	**-**	-
Charged for the year	**798,040**	773,171

b) The movement of the zakat provision during the year

	31 December 2024	31 December 2023
Balance at the beginning of the year	**1,057,963**	600,000
Charged for the year	**798,040**	773,171
Adjustments	**(393,040)**	-
Payments during the year	**(556,948)**	(315,208)
	906,015	1,057,963

Zakat status

- The company submitted its zakat declaration to the Zakat, Tax and Customs Authority(“ZATCA”) for the year ending on 31 December, 2023, and the due zakat amounting to 556,948 Saudi riyals was paid

19. REVENUE

	31 December 2024	31 December 2023
Management fees	**19,689,301**	13,799,717
Performance fees	**6,159,113**	22,567,540
	25,848,414	36,367,257

2024	**Management fees**	**Performance fees**
Nature and timing of revenue recognition:		
over a period	**19,689,301**	**-**
time point	**-**	**6,159,113**
	19,689,301	**6,159,113**

2023		
Nature and timing of revenue recognition:		
over a period	13,799,717	-
time point	-	22,567,540
	13,799,717	22,567,540

20. COST OF REVENUE

	31 December 2024	31 December 2023
Employee salaries and benefits	**16,489,041**	11,718,814
Remuneration	**3,273,535**	11,309,332
Professional and consulting fee	**818,300**	648,934
Subscriptions and license fees	**1,501,370**	528,737
Other	**4,975**	84,150
	22,087,221	24,289,967

21. GENERAL AND ADMINISTRATIVE EXPENSES

	31 December 2024	31 December 2023
Professional and consulting fees	**1,236,002**	1,428,564
Subscriptions	**633,030**	513,928
Amortization of intangible assets	**551,951**	157,406
Depreciation of the right to use assets	**540,942**	540,917
Employee salaries and benefits	**216,240**	-
Depreciation of plant and equipment	**213,720**	182,690
Withholding tax	**179,850**	75,296
Other	**148,602**	410,219
Governmental fees	**64,946**	26,339
Insurance	**44,991**	41,360
Stationery and publications	**10,639**	5,013
	3,624,673	3,381,732

22. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

22-1 Financial risk factors

The Company's objective when managing risk is to create and protect shareholder value. Risks are an inherent part of the company's activities and are managed through a process of determining their nature, measurement and continuous monitoring, according to risk limits and other control elements. The risk management process is material to the continued profitability of the company.

The members of the Company's Board of Directors have overall responsibility for setting and overseeing the Company's risk management framework. The company's risk management policies are designed to identify and analyse the risks faced by the company, to set appropriate limits and controls, and to monitor them while adhering to those 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

22- FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

22-1 Financial risk factors (continued)

The company is exposed to the following risks arising from financial instruments:
a) credit risk
b) Liquidity risk
c) capital management risks

(a) Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk for its Murabaha deposits cash and cash equivalent and receivables. Bank balances are deposited in Albilad Bank and Saudi National Bank which is Bank with good financial rating

The following table shows the company's maximum exposure to credit risk for components of the statement of financial position:

	31 December 2024	31 December 2023
Receivables and other current assets	**10,143,567**	26,623,690
Due from related parties	**-**	18,750,000
Murabaha deposits	**10,513,628**	-
Cash and cash equivalent	**2,875,335**	9,446,093
	23,532,530	54,819,783

The company seeks to monitor credit risks by monitoring credit exposure, in addition to identifying and analysing risks, setting appropriate control limits, 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.

On the date of each financial report, the bank balances are evaluated as to whether they contain low credit risks as they are kept with reputable financial institutions with a high local bank credit rating, and there is no default history for any of the bank balances. Therefore, the probability of default is based on future factors and any losses resulting from default are negligible.

The following is a statement of the ages of receivables:

	31 December 2024	
Aging Bucket	**Total receivables**	**Provision**
0 – 90 days	**11,075,507**	**-**
90 – 180 days	**-**	**-**
180 -270 days	**-**	**-**
270 – 360 days	**-**	**-**
360 – 450 days	**-**	**-**
Total Balance	**11,075,507**	**-**

22- FINANCIAL INSTRUMENTS AND RISK MANAGEMENT(CONTINUED)

22-1 Financial risk factors (continued)

a) Credit risk (continued)

The company conducted an assessment of the expected credit losses due from related parties and receivables, and after considering the nature of these balances, it became clear to the company that it does not require making an allowance for expected credit losses because, as an asset manager, the company has the first right to recover the balance due from the funds and portfolios invested in under Company management in relation to management fees payable. As at the date of the financial statements, the concerned entities have a positive net asset value, and according to management's estimate, the expected credit losses, if any, will not be significant.

Credit concentration

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 determined that significant concentrations of credit risk were in the funds managed by the company.

b) Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with the financial instruments. Liquidity risk may result from the inability to sell a financial asset quickly at an amount close to its fair value. Financial assets of the Company as at period-end mainly included balances with bank and investments measure at FVTPL which can be utilized to meet changing liquidity requirements. Management monitors forecasted cash flow on a regular basis and ensures that positive cash flows from operating activities are maintained to fund the Company's future commitments.

The table below summarizes the maturity profile of significant liabilities of the company based on expected maturities:

	31 December 2024		
	Less than 1 year	**Unlimited time**	**Total**
Accrued expenses and other current liabilities	**8,642,283**	**-**	**8,642,283**
Zakat provision	**906,015**	**-**	**906,015**
TOTAL LIABILITIES	**9,548,298**	**-**	**9,548,298**

	31 December 2023		
	Less than 1 year	Unlimited time	Total
Accrued expenses and other current liabilities	15,578,535	-	15,578,535
Due to related parties	14,994,933	-	14,994,933
Zakat provision	1,057,963	-	1,057,963
Lease Liabilities	573,218	-	573,218
TOTAL LIABILITIES	32,204,649	-	32,204,649

22- FINANCIAL INSTRUMENTS AND RISK MANAGEMENT(CONTINUED)

22-1 Financial risk factors (continued)

c) Capital management risks

The Board of Directors' policy is to maintain an adequate and strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital employed and the level of dividends paid to common shareholders and monitors the capital base using the ratio of net debt to equity.

d) Fair value estimation

The fair value for financial instruments traded in active markets is based on quoted market prices at the close of trading on the financial reporting date. Instruments for which no sales were reported on the valuation day are valued at the most recent bid price.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The carrying value less impairment provision of financial instruments carried at amortised cost are assumed to approximate their fair values.

The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 inputs are unobservable inputs for the asset or liability.

22-2-1 Financial instruments by category

31 December 2024	**Amortized cost**	**Fair value through profit and loss**
Assets as at the statement of financial position		
Cash and Cash Equivalents	**2,875,335**	**-**
Due from a related party	**-**	**-**
Murabaha deposits	**10,513,628**	**-**
Receivables, prepayments and other assets	**10,143,567**	**-**
Investments carried at FVTPL	**-**	**15,736,836**
Total	**23,532,530**	**15,736,836**

31 December 2023	amortized cost	Fair value through profit and loss
Assets as at the statement of financial position		
Cash and Cash Equivalents	9,446,093	-
Due from a related party	18,750,000	-
Receivables, prepayments and other assets	26,623,690	-
Investments carried at FVTPL	-	10,234,394
Total	55,315,208	10,234,394

All financial liabilities as at 31 December 2024, (31 December 2023) are classified as financial liabilities measured at amortized cost.

All financial liabilities as at 31 December 2024, (31 December 2023) are classified as financial liabilities measured at amortized cost.

22- FINANCIAL INSTRUMENTS AND RISK MANAGEMENT(CONTINUED)

22-2-2 Fair value

The table below displays financial instruments at their fair value as at 31 December 2024, based on the fair value hierarchy:

	31 December 2024			
	Level 1	**Level 2**	**Level 3**	**Total**
	SAR	**SAR**	**SAR**	**SAR**
Investment funds	**-**	**15,736,836**	**-**	**15,736,836**
TOTAL	**-**	**15,736,836**	**-**	**15,736,836**

Financial assets at fair value through profit or loss classified as Level 2 include investments in investment funds whose fair values are determined based on the last recorded net asset value as at the reporting date or an available fair value.

The table below displays financial instruments at their fair value as of 31 December 2023, based on the fair value hierarchy:

	31 December 2023			
	Level 1	Level 2	Level 3	Total
	SAR	SAR	SAR	SAR
Investment funds	-	10,234,394	-	10,234,394
TOTAL	-	10,234,394	-	10,234,394

23. DIVIDENDS

It was approved at the Extraordinary General Assembly on 30June 2024, to distribute dividends amounting to 4,881,605 SAR.

24. ASSETS UNDER MANAGEMENT

These represent the investment assets being managed by the Company as at 31 December 2024 amounting to 2,766,986,000 SAR (31 December 2023: 2,224,026,949 SAR).

According to the regulations of the Capital Market Authority for authorized persons, and in line with the company's accounting policy, such balances are not included in the Company's financial statements.

25. SUBSEQUENT EVENTS

There are no subsequent events that have a material impact on the financial statements until the date of approval of the financial statements.

26. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved by the Board of Directors on 20 Ramadan 1446H (Corresponding to 20 March 2025 G).