**NOMW Capital Company for Financial Consultant**
(Closed Joint Stock Company)
**FINANCIAL STATEMENTS**
**For the year ended 31 December 2024**
**together with the**
**Independent Auditor's Report**

# INDEPENDENT AUDITOR'S REPORT

**TO THE SHAREHOLDERS OF NOMW CAPITAL COMPANY FOR FINANCIAL CONSULTANT
[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 NOMW Capital Company for Financial Consultant (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 Profit and Loss for the year then ended;
- The statement of comprehensive 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

# INDEPENDENT AUDITOR'S REPORT

**TO THE SHAREHOLDERS OF NOMW CAPITAL COMPANY FOR FINANCIAL CONSULTANT [CLOSED JOINT STOCK COMPANY] RIYADH, KINGDOM OF SAUDI ARABIA**



## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS ( CONTINUED )

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 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

# INDEPENDENT AUDITOR'S REPORT

**TO THE SHAREHOLDERS OF NOMW CAPITAL COMPANY FOR FINANCIAL CONSULTANT**
**[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 )

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.

**For PKF Albassam Chartered Accountants**

Ahmad Abdel Majeed Muhandis
Certified Public Accountant
License No. 477
Riyadh, Kingdom of Saudi Arabia
19 Ramadhan 1446H
Corresponding to: 19 March 2025

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

**NOMW CAPITAL COMPANY FOR FINANCIAL CONSULTANT**
**(**Closed Joint Stock Company**)**
**STATEMENT OF FINANCIAL POSITION**
As at 31 December 2024
(Saudi Arabian Riyals)

| | Note | **31 December 2024** | 31 December 2023 |
|---|---|---|---|
| **ASSETS** | | | |
| **NON-CURRENT ASSETS** | | | |
| Investments carried at FVIS | 5 | **13,867,494** | - |
| Investment property | 20 | **-** | 13,189,068 |
| Right of use assets | 12 | **4,212,706** | 188,769 |
| Property and equipment | 10 | **1,436,288** | 743,625 |
| Intangible assets | 11 | **2,674,016** | 523,397 |
| **TOTAL NON-CURRENT ASSETS** | | **22,190,504** | 14,644,859 |
| **CURRENT ASSETS** | | | |
| Cash and cash equivalents | 4 | **33,351,017** | 36,453,011 |
| Accounts Receivable | 7 | **10,077,898** | 5,197,026 |
| Murabaha deposits | 6 | **13,015,744** | - |
| Investments carried at FVTPL | 5 | **1,391,613** | 7,673,039 |
| Prepayments and other current assets | 8 | **1,688,819** | 1,265,813 |
| Due from related parties | 9 | **33,961,878** | 12,632,505 |
| **TOTAL CURRENT ASSETS** | | **93,486,969** | 63,221,394 |
| **TOTAL ASSETS** | | **115,677,473** | 77,866,253 |
| **SHAREHOLDERS' EQUITY AND LIABILITIES** | | | |
| **SHARE HOLDERS' EQUITY** | | | |
| Share Capital | 16 | **50,000,000** | 50,000,000 |
| Other reserves | 17 | **6,384,438** | 6,384,438 |
| Retained earnings | | **44,622,613** | 11,913,715 |
| Actuarial gains and losses reserve | | **(119,494)** | 391,169 |
| **TOTAL SHAREHOLDER'S EQUITY** | | **100,887,557** | 68,689,322 |
| **NON-CURRENT LIABILITIES** | | | |
| Employees' post-employment benefits | 15 | **1,795,768** | 945,769 |
| Lease liabilities – non-current portion | 12 | **2,619,575** | |
| **TOTAL NON-CURRENT LIABILITIES** | | **4,415,343** | 945,769 |
| **CURRENT LIABILITIES** | | | |
| Accrued Zakat | 14 | **2,511,880** | 1,753,905 |
| Accounts payable, accrued expenses and other current liabilities | 13 | **6,443,703** | 6,477,257 |
| Lease liabilities - current portion | 12 | **1,418,990** | - |
| **TOTAL CURRENT LIABILITIES** | | **10,374,573** | 8,231,162 |
| **TOTAL LIABILITIES** | | **14,789,916** | 9,176,931 |
| **TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES** | | **115,677,473** | 77,866,253 |

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

**NOMW CAPITAL COMPANY FOR FINANCIAL CONSULTANT**
**(**Closed Joint Stock Company**)**
**STATEMENT OF PROFITS OR LOSSES**
For the year ended 31 December 2024
(Saudi Arabian Riyals)

| | Note | **31 December 2024** | 31 December 2023 |
|---|---|---|---|
| **INCOME** | | | |
| Asset management fees | | **45,626,281** | 14,650,303 |
| Arrangement fees | | **-** | 154,639 |
| Custody fees | | **13,058,555** | 8,742,439 |
| Income from investments | 18 | **1,050,684** | 11,909,421 |
| **TOTAL OPERATING REVENUE** | | **59,735,520** | 35,456,802 |
| **OPERATING EXPENSES** | | | |
| Employee salaries and benefits | | **(14,563,353)** | (12,716,449) |
| General and administrative expenses | 19 | **(5,586,231)** | (5,647,528) |
| Expected credit losses charge | | **(5,905,186)** | (589,825) |
| **TOTAL OPERATING EXPENSES** | | **(26,054,770)** | (18,953,802) |
| **NET OPERATING PROFIT** | | **33,680,750** | 16,503,000 |
| Finance cost | | **(188,594)** | (3,104) |
| Financing revenues | | **1,553,147** | 758,477 |
| Other revenues | | **187,935** | 1,023,589 |
| **NET INCOME BEFORE ZAKAT** | | **35,233,238** | 18,281,962 |
| Zakat | 14 | **(2,524,340)** | (1,776,921) |
| **NET INCOME FOR THE YEAR** | | **32,708,898** | 16,505,041 |

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

**NOMW CAPITAL COMPANY FOR FINANCIAL CONSULTANT**
**(**Closed Joint Stock Company**)**
**STATEMENT OF COMPREHENSIVE INCOME**
For the year ended 31 December 2024
(Saudi Arabian Riyals)

| | Note | **31 December 2024** | 31 December 2023 |
|---|---|---|---|
| **NET INCOME FOR THE YEAR** | | **32,708,898** | 16,505,041 |
| **Items that not will be reclassified subsequently to statement of income:** | | | |
| Loss from investments carried at fair value through other comprehensive income | 17 | **-** | (6,867,755) |
| Re-measurements of Employees post-employment benefit obligations | 15 | **(510,663)** | (337,577) |
| **OTHER COMPREHENSIVE INCOME FOR THE YEAR** | | **(510,663)** | (7,205,332) |
| **TOTAL COMPREHENSIVE INCOME FOR THE YEAR** | | **32,198,235** | 9,299,709 |

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

**NOMW CAPITAL COMPANY FOR FINANCIAL CONSULTANT**
**(**Closed Joint Stock Company**)**
**STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY**
For the year ended 31 December 2024
(Saudi Arabian Riyals)

| | Share Capital | Statutory Reserve | Retained earnings | Investment Fair value reserve | Actuarial gains and losses reserve | Total |
|---|---|---|---|---|---|---|
| Balance at 1 January 2023 | 50,000,000 | 4,733,934 | 6,914,600 | (2,987,667) | 728,746 | 59,389,613 |
| Net income for the year | - | - | 16,505,041 | - | - | 16,505,041 |
| Other comprehensive income | - | - | - | (6,867,755) | (337,577) | (7,205,332) |
| Total comprehensive income for the year | - | - | 16,505,041 | (6,867,755) | (337,577) | 9,299,709 |
| Transferred from investment fair value reserve | - | - | (9,855,422) | 9,855,422 | - | - |
| Transferred to statutory reserve | - | 1,650,504 | (1,650,504) | - | - | - |
| Balance as at 31 December 2023 | 50,000,000 | 6,384,438 | 11,913,715 | - | 391,169 | 68,689,322 |
| **Balance at 1 January 2024** | **50,000,000** | **6,384,438** | **11,913,715** | **-** | **391,169** | **68,689,322** |
| **Net income for the year** | **-** | **-** | **32,708,898** | **-** | **-** | **32,708,898** |
| **Other comprehensive income** | **-** | **-** | **-** | **-** | **(510,663)** | **(510,663)** |
| **Total comprehensive income for the year** | **-** | **-** | **32,708,898** | **-** | **(510,663)** | **32,198,235** |
| **Transferred from investment fair value reserve** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Balance as at 31 December 2024** | **50,000,000** | **6,384,438** | **44,622,613** | **-** | **(119,494)** | **100,887,557** |

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

**NOMW CAPITAL COMPANY FOR FINANCIAL CONSULTANT**
**(**Closed Joint Stock Company**)**
**STATEMENT OF CASH FLOWS**
For the year ended 31 December 2024
(Saudi Arabian Riyals)

| **CASH FLOW FROM OPERATING ACTIVITIES** | Note | **31 December 2024** | 31 December 2023 |
|---|---|---|---|
| Net income before zakat | | **35,233,238** | 18,281,962 |
| **Adjustments to reconcile net income before zakat to net cash from operating activities** | | | |
| Unrealized (gains) on investment carried at FVTPL | 6 | **(1,307,463)** | (4,173,651) |
| Unrealized gains / losses From investment property | 15 | **-** | (5,601,468) |
| Realized gains on investment carried at FVTPL | 6 | **517,190** | - |
| Depreciation | | **2,067,003** | 1,171,516 |
| Accrued profits from Murabaha deposits | | **(15,744)** | - |
| Capital gains from the sale of investment property | | **(142,286)** | - |
| Charged Credit Loss | | **5,905,186** | (433,764) |
| Bad Credit Loss | | **(6,495,011)** | - |
| Gains from sale of property and equipment | | **-** | (60,870) |
| Finance cost on Lease liability | | **188,594** | 3,104 |
| Employee end of service benefits provision | | **367,277** | 250,127 |
| | | **36,317,984** | 9,436,956 |
| **Changes in operating assets and liabilities** | | | |
| Accounts Receivable | | **(4,291,047)** | 18,784,799 |
| Due from related parties | | **(21,329,373)** | (4,590,681) |
| Prepayments and other current assets | | **(423,006)** | (68,345) |
| Accounts payable, accrued expenses and other current liabilities | | **(33,554)** | 893,884 |
| | | **10,241,004** | 24,456,613 |
| Zakat paid | | **(1,766,365)** | (1,474,674) |
| Employees' post-employment benefits paid | 16 | **(27,941)** | (108,229) |
| **Net cash from operating activities** | 17 | **8,446,698** | 22,873,710 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Purchase of property and equipment | | **(1,198,910)** | (750,941) |
| Purchase of intangible assets | 11 | **(2,466,351)** | (188,150) |
| Proceeds from sale of property and equipment | 12 | **-** | 60,870 |
| Proceeds of Investments through OCI | | **-** | 144,578 |
| Purchase of Investments carried at FVTPL | | **(14,210,251)** | (3,254,000) |
| Proceeds from sale of investment property | *20* | **13,331,354** | - |
| Murabaha deposits | | **(13,000,000)** | - |
| Proceeds from Investments carried at FVIS | | **7,414,456** | - |
| **Net cash from investing activities** | | **(10,129,702)** | (3,987,643) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Lease liabilities payments | | **(1,418,990)** | (769,500) |
| **Net cash used in financing activities** | | **(1,418,990)** | (769,500) |
| **Net changes in cash and cash equivalents** | | **(3,101,994)** | 18,116,567 |
| Cash and cash equivalents at beginning of the year | | **36,453,011** | 18,336,444 |
| **Cash and cash equivalents at end of the year** | | **33,351,017** | 36,453,011 |
| **Non-cash transactions** | | | |
| Net change in fair value of investments carried at FVOCI | | **-** | (6,867,755) |
| Realized Loss carried at FVOCI | | **-** | (9,855,422) |
| purchase investment property | | **-** | 7,587,600 |
| Additions to the right of use of assets and lease liabilities | | **5,268,961** | - |

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

## 1. ORGANIZATION AND PRINCIPAL ACTIVITIES

NOMW Capital Company for Financial Consultant (the “Company”) is a Saudi Closed Joint Stock Company established and registered in Riyadh, Kingdom of Saudi Arabia under commercial registration No. 1010404870 on 17 Rabi Thani 1435H (corresponding to 17 February 2014). The Company carries out its activities under authorization license number 13172-37 on 23 Muharram 1435H (corresponding to 26 November 2013) issued by the Capital Market Authority (“CMA”).

The principal activities of the Company are to carry out dealing as principal, underwriting, managing, arranging and acting as custodian in the securities business as per license of the CMA. Further, the Company received the approval of Ministry of Commerce and Industry to start its operations on Thursday 13 Rabi Thani 1435H (corresponding to 13 February 2014).

## 2. SUMMARY OF IMPORTANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

### 2.1 Basis of preparation and statement of compliance

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 basis, except for investments carried at FVTPL and investments carried at FVOCI.

### 2.2 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment 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 prevailing at the statement of financial position date. Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income, if any.

### 2.3 Critical accounting judgments estimates and assumptions

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting period, are described below. The Company based its assumptions and estimates on the available standards when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

## 2. SUMMARY OF IMPORTANT ACCOUNTING POLICIES (CONTINUED):

### 2.3 Critical accounting judgments estimates and assumptions (continued):

#### 2.3.1 Judgements

**Going Concern**

The Company's management has made an assessment of the 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 the Company's ability to continue as a going concern.

#### 2.3.2 Estimates and assumptions

**Impairment of non-financial assets**

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

An impairment 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 discounted future cash flow calculations.

**Impairment of financial assets**

The Company uses a provision model to calculate the expected credit losses of financial assets that originally determine the provision rates based on the previous default rates observed. The Company evaluates historical information to adjust the calculation of historical credit loss with information indicating expected rates in the future. At the date of each financial report, the observed historical default rates are updated and changes in future estimates are analysed. Assessing the correlation between observed historical default rates and expected economic conditions and expected credit losses is a substantial estimate. The amount of expected credit losses is sensitive to changes in expected economic conditions and circumstances. The Company's historical loss calculations and expected economic conditions may not be representative of the actual future default of a customer. The Company defines default as follows:

**A- For funds managed by the company:**
The Fund is considered in a state of complete default when the age of the amounts due exceeds 360 days from the due date, taking into account the collection turnover rates for each age group in the debt aging report, in order to meet credit losses only from the delay in collecting the due balance.

**B- Local client (within the Kingdom):**
A local customer is considered in full default if the debt exceeds 360 days, taking into account the collection turnover rates for each age group in the debt aging report, in order to cover only credit losses from late collection of the due balance.

**C- Foreign client (outside the Kingdom):**
A foreign customer is considered to be in full default if the debt age exceeds 270, and a provision of 100% of the outstanding balance is calculated in that case, taking into account the collection turnover rates for each age group.

## 2. SUMMARY OF IMPORTANT ACCOUNTING POLICIES (CONTINUED):

### 2.3 Critical accounting judgments estimates and assumptions (continued):

#### 2.3.2 estimates and assumptions (continued)

**Actuarial valuation of employees end of service 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 unfunded benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed on an annual basis or more frequently, if required.

### 2.4 Cash and cash equivalents

Cash and cash equivalents include balances held in current accounts 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.

### 2.5 Financial instruments

#### 2.5.1 Measurement methods

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions 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 carried at fair value through income statement, 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 in the income statement. Immediately after initial recognition, an expected credit loss provision (ECL), is recognised for financial assets measured at amortised cost, which results in an accounting loss being recognised in the statement of income when an asset is newly originated.

Equity 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 fair value through income statement (FVIS). The Company subsequently measures all equity investments at fair value through Profits or losses, except where the Management has elected, at initial recognition, Designation of equity investment at fair value through other comprehensive income. The Company irrevocably designates investments in shares as equity investments at fair value through other comprehensive income when those investments are held for purposes other than trading. When this election is used, Losses are recognised in other comprehensive income and are not subsequently reclassified to the income statement, including disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in the statement of income when the Company's right to receive payments is established.

## 2. SUMMARY OF IMPORTANT ACCOUNTING POLICIES (CONTINUED):

### 2.5 Financial instruments (continued)

### 2.5.1 Measurement methods (continued)

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability form the issuer's perspective.

Classification and subsequent measurement of debt instruments depend on:
- The Company's business model for managing the asset; and
- The cash flow characteristics of the asset.

Based on these factors, the Company classifies its debt instruments into amortised cost categories:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI), and that are not designated at FVOCI, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss provision. Income earned from these financial assets is recognised in the statement of income using the effective commission rate method.

### 2.5.2 Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss ("ECL") associated with its financial assets carried at amortised cost. The Company recognises 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; and
- 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.

### 2.5.3 Derecognition

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Company transfers substantially all the risks and rewards of ownership of the financial assets., or (ii) the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial assets and the Company has not retained control.

### 2.5.4 Financial liabilities

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

### 2.6 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 liabilities simultaneously.

## 2. SUMMARY OF IMPORTANT ACCOUNTING POLICIES (CONTINUED):

### 2.7 Employees' post-employment benefits

Employees' post-employment benefits, compensation plans, and other long-term employee related liabilities represent obligations that will be settled in the future and require actuarial valuations to determine these obligations. Management is required to make further assumptions regarding variables such as discount rates, rates of salary increase, longevity, employee turnover and future healthcare costs, if applicable. Periodically, management consults external actuaries regarding these assumptions. Changes in key assumptions can have a significant impact on the expected benefit obligations and employee defined benefit cost.

### 2.8 Accrued expenses and other current liabilities

Accrued expenses and other current liabilities are recognised initially at fair value and subsequently measured at amortised cost using the effective commission rate method.

### 2.9 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.

### 2.10 Zakat

Zakat is provided for the Company in accordance with Saudi Arabian fiscal regulations. The provision is charged to the statement of income. Additional amounts, if any, that may become due on finalization of an assessment are accounted for in the year in which assessment is finalized.

### 2.11 Property and equipment

Property and equipment are measured at cost, net of accumulated depreciation and any accumulated impairment losses. The cost of property and equipment is depreciated and amortised on the straight-line method over the estimated useful lives of the assets as follows:

| | |
|---|---|
| Leasehold improvements | 3 years or Lease period whichever is less |
| Computers, equipment and software | 3 years |
| Furniture and fixtures | 3 years |
| Motor vehicles | 5 years |

### 2.12 Assets under management

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

## 2. SUMMARY OF IMPORTANT ACCOUNTING POLICIES (CONTINUED):

### 2.13 Revenue recognition

The company recognises revenue from contracts with customers based on a five-step model:

**Step l.** Identify the contract with a customer. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria that must be met.
**Step 2.** Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
**Step 3.** Determine the transaction price: The transaction price is the amount of consideration to which the Fund expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
**Step 4.** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Fund will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Fund expects to be entitled in exchange for satisfying each performance obligation.
**Step 5.** Recognise revenue when (or as) the entity satisfies a performance obligation.

**Asset management fees and advisory fees income**
Fees and commissions are recognized when the service has been provided. Portfolio and management advisory and other service fees are recognized based on the applicable service contracts, usually on a time-proportionate basis. Fees received on asset management, financial planning and custody services are recognized over the period when the service is provided.

**Subscription fee income**
Subscription fee income is recognized when the shares are allocated to the investors.

**Income from Murabaha deposits**
Income from Murabaha deposits for all commission-bearing financial instruments, are recognized in the statement of income on the effective yield basis. The effective yield is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. When calculating the effective yield, the Company estimates future cash flows considering all contractual terms of the financial instrument excluding future credit losses.

**Arrangement fees income**
Arrangement fees are recognised under the agreements when the related transactions are executed and on an accrual basis.

**Dividend income**
Dividend income is recognized when the right to receive dividend is established.

### 2.14 property Investments

Investment properties are non-current assets of the Company that are held either to earn lease income or for capital appreciation or both, but not for sale, use in services or management. Investment properties are measured at cost on initial recognition and subsequently at fair value at each reporting date.

### 2.15 Expenses

All expenses not directly attributable to the earning of income are classified as general and administrative expenses.

## 3. NEW AND AMENDED IFRS STANDARDS ISSUED AND EFFECTIVE IN 2024

### New and amendments standards and interpretations

The following new amendments to standards, enlisted below, are effective from 1 January 2024 but they do not have a material effect on the Company's financial statements.

| Amendments to standards | Description | Effective from accounting period beginning on or after | Summary of Amendments |
|---|---|---|---|
| IAS 1 | Classification of liabilities as current or non-current | January 1, 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 | January 1, 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 | January 1, 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. |

## 3. NEW AND AMENDED IFRS STANDARDS ISSUED AND EFFECTIVE IN 2024 (CONTINUED)

a. New and amended IFRS issued but not yet effective

| **Amendments to standards** | **Description** | **Effective from accounting period beginning on or after** | **Summary of Amendments** |
|---|---|---|---|
| IAS 21 | Lack of Exchangeability | January 1, 2025 | The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.<br>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 | January 1, 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.<br>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.<br>Additionally, these amendments introduce new disclosure requirements and update others. |
| IFRS 18 | Presentation and Disclosure in Financial Statements | January 1, 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.<br>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.<br>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 | January 1, 2027 | IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. |

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.

## 4. CASH AND CASH EQUIVALENTS

### 4.1 cash and cash equivalents

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Cash in hand | **5,000** | 5,049 |
| Bank balances | **9,186,475** | 3,447,962 |
| | **9,191,475** | 3,453,011 |

### 4.2 cash and cash equivalents for cash flows statement purposes

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Cash in hand | **5,000** | 5,049 |
| Bank balances | **9,186,475** | 3,447,962 |
| Murabaha deposits with a maturity of 3 months or less | **24,159,542** | 33,000,000 |
| | **33,351,017** | 36,453,011 |

## 5. INVESTMENTS CARRIED AT FVTPL

| | **31 December 2024** | | 31 December 2023 | |
|---|---|---|---|---|
| | **cost** | **Market value** | cost | Market value |
| funds | **12,709,801** | **14,201,977** | 3,254,000 | 7,425,628 |
| shares | **895,960** | **1,057,130** | 249,555 | 247,411 |
| **Total** | **13,605,761** | **15,259,107** | 3,503,555 | 7,673,039 |

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Book value as at 1 January | **7,673,039** | 245,388 |
| Additions during the year | **14,210,251** | 3,254,000 |
| Disposals during the year | **(7,414,456)** | - |
| Realized losses on sale of investments at FVTPL | **(517,190)** | - |
| Unrealized gains on investments carried at FVTPL | **1,307,463** | 4,173,651 |
| | **15,259,107** | 7,673,039 |

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Current portion | **1,391,613** | 7,673,039 |
| Non-current portion | **13,867,494** | - |
| **Total** | **15,259,107** | 7,673,039 |

## 6. MURABAHA DEPOSITS

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Murabaha deposits | **37,175,286** | - |
| **Total book value** | **37,175,286** | - |
| Expected credit losses (ECL) | **-** | - |
| **Net book value as at the end of the year** | **37,175,286** | - |

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| **Murabaha deposits** | | |
| Alinma Bank | **37,175,286** | - |
| **Total** | **37,175,286** | - |

Murabaha deposits with an original maturity date of more than 3 months, and the return rate on Murabaha deposits is 5.45% annually.

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| **Carrying amount as at 1 January** | **33,000,000** | **-** |
| Additions during the year | **37,000,000** | 33,000,000 |
| Due during the year | **(33,000,000)** | **-** |
| Unrealized gains are Murabaha carried in the statement of profits and losses with a maturity of three months. | **159,542** | **-** |
| Unrealized gains are Murabaha carried in the statement of profits and losses with a maturity of More than three months. | **15,744** | **-** |
| Murabaha profits realized during the year | **1,377,861** | 758,477 |
| Murabaha profits collected during the year | **(1,377,861)** | (758,477) |
| **Total** | **37,175,286** | 33,000,000 |

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

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Murabaha deposits maturing during three months | **24,159,542** | 33,000,000 |
| Murabaha deposits maturity of more than three months | **13,015,744** | - |
| **Total** | **37,175,286** | 33,000,000 |

Murabaha deposits with maturity during three months were classified within the cash balances and cash equivalents.

## 7. ACCOUNTS RECEIVABLE

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Accounts receivable | **9,285,770** | 4,830,245 |
| Other service fees receivables | **792,128** | 467,006 |
| **Total accounts receivable** | **10,077,898** | 5,297,251 |
| Expected credit loss | **-** | (100,225) |
| **Net accounts receivable** | **10,077,898** | 5,197,026 |

Accounts receivable include an amount of 1,907,448 SAR as accrued revenues. The following is an analysis of the aging of accounts receivable:

| | **Total** | **Less than 30 days** | **Between 30 to 60 days** | **Between 60 to 90 days** | **Between 91 to 120 days** | **More than 120 days** |
|---|---|---|---|---|---|---|
| | **SAR** | **SAR** | **SAR** | **SAR** | **SAR** | **SAR** |
| **31 December 2024** | **10,077,898** | **9,327,730** | **252,911** | **145,086** | **64,228** | **287,943** |
| 31 December 2023 | 5,297,251 | 4,796,665 | 48,408 | 7,590 | 31,050 | 413,538 |

**The movement in expected credit losses during the year is as follows:**

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Opening Balance | **589,825** | **-** |
| Charge during the year | **5,905,186** | 589,825 |
| Bad debts | **(6,495,011)** | **-** |
| Ending Balance | - | 589,825 |

## 8. PREPAYMENTS AND OTHER CURRENT ASSETS

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Prepaid expenses | **807,011** | 249,010 |
| Prepaid insurance | **432,348** | 526,484 |
| Employees advances | **63,764** | 334,307 |
| Prepayments for funds establishment activities | **385,696** | 156,012 |
| | **1,688,819** | 1,265,813 |

## 9. RELATED PARTIES' TRANSACTIONS AND BALANCES

Related parties represent, funds managed by the Company, shareholders, key management personnel of the Company and entities controlled, jointly controlled or significantly influenced by such parties. During the year, the Company entered into transactions in the ordinary course of business with its related parties. These transactions were entered into on terms and prices mutually agreed among the respective parties. The following are the major related parties' transactions of the Company that occurred during the year

| | Nature of transactions | Amounts of transactions | |
|---|---|---|---|
| | | **31 December 2024** | 31 December 2023 |
| Nomw Private Equity Fund | Management fee | **397,307** | 1,100,000 |
| Nomw RE Investment Fund 2 | Management fee | **2,073,778** | - |
| Salam Investment Fund | Management fee | **3,101,918** | - |
| Nomw RE Investment Fund 3 | Management fee | **2,038,805** | - |
| Nomw Opportunities Investment Fund | Management fee | **1,358,904** | - |
| Jeddah Hospitality Fund | Management fee | **-** | 1,872,199 |
| Sisban Hospitality Fund 1 | Management fee | **-** | 515,462 |
| Nomw AlAjlan Rivera Fund 1 | Management fee | **1,931,091** | 2,187,712 |
| Nomw Al Ahsa Real Estate Fund | Management fee | **3,038,123** | 2,821,502 |
| Nomw Residential Fund 1 | Management fee | **1,468,493** | 2,005,479 |
| Nomw Jareed RE Fund | Management fee | **199,000** | 190,822 |
| Nomw Education Fund | Management fee | **8,342,014** | 1,057,534 |
| Nomw Alrakah RE Fund | Management fee | **8,044,498** | 856,438 |
| Nomw RE Investment Fund 1 | Management fee | **4,952,825** | 558,904 |
| Nomw Kaden Invesmtment fund 1 | Management fee | **2,901,918** | 200,548 |
| Board of directors | Remunerations | **1,380,000** | 250,000 |
| Key management personnel | Remunerations | **3,127,798** | 3,653,870 |
| | Employees' post-employment benefits | **345,544** | 342,165 |

**Amounts due from related parties are as follows:**

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Nomw Education Fund | **9,667,209** | 1,057,534 |
| Nomw RE Investment Fund 2 | **4,577,459** | - |
| Nomw Alrakah RE Fund | **3,924,900** | 906,873 |
| Salam Investment Fund | **3,567,205** | - |
| Nomw RE Investment Fund 1 | **2,195,553** | 675,609 |
| Nomw RE Investment Fund 3 | **2,140,739** | - |
| Nomw Al Ahsa Real Estate Fund | **1,756,392** | 1,444,006 |
| Nomw Kaden Invesmtment fund 1 | **1,739,178** | 200,548 |
| Nomw Opportunities Fund 2 | **1,411,507** | |
| Nomw Residential Fund 1 | **1,293,248** | 1,040,344 |
| Nomw AlAjlan Rivera Fund 1 | **983,334** | 1,108,047 |
| Jeddah Hospitality Fund | **396,500** | 937,983 |
| Nomw Jareed RE Fund | **228,850** | 190,822 |
| Nomu Opportunities Investment Fund 3 | **79,804** | - |
| Nomw Private Equity Fund | **-** | 5,528,500 |
| Nomw Kaden Invesmtment fund 2 | **-** | 31,839 |
| | **33,961,878** | 13,122,105 |
| Expected credit losses(ECL) | **-** | (489,600) |
| | **33,961,878** | 12,632,505 |

## 10. PROPERTY AND EQUIPMENT

| | Leasehold improvement | Hardware, Equipment | Furniture and fixtures | Motor vehicles | Total 2024 |
|---|---|---|---|---|---|
| **Cost:** | | | | | |
| Balance at the beginning of the year | **97,859** | **995,844** | **64,278** | **165,600** | **1,323,581** |
| Additions during the year | **917,673** | **156,199** | **125,038** | **-** | **1,198,910** |
| **Balance At the end of the year** | **1,015,532** | **1,152,043** | **189,316** | **165,600** | **2,522,491** |
| **Accumulated depreciation:** | | | | | |
| Balance at the beginning of the year | **87,310** | **427,300** | **61,534** | **3,811** | **579,955** |
| Depreciation charge for the year | **187,400** | **257,285** | **28,357** | **33,206** | **506,248** |
| **Balance At the end of the year** | **274,710** | **684,585** | **89,891** | **37,017** | **1,086,203** |
| **Net book value:** | | | | | |
| **At 31 December 2024** | **740,822** | **467,458** | **99,425** | **128,583** | **1,436,288** |

## 10. PROPERTY AND EQUIPMENT (CONTINUED)

| | Leasehold improvement | Hardware, Equipment | Furniture and fixtures | Motor vehicles | Capital work in progress | Total 2023 |
|---|---|---|---|---|---|---|
| Cost: | | | | | | |
| Balance at the beginning of the year | 97,859 | 439,603 | 64,278 | 174,900 | - | 776,640 |
| Additions during the year | - | 73,101 | - | 165,600 | 512,240 | 750,941 |
| Transfer | - | 512,240 | - | - | (512,240) | - |
| Disposals | - | (29,100) | - | (174,900) | - | (204,000) |
| Balance At the end of the year | 97,859 | 995,844 | 64,278 | 165,600 | - | 1,323,581 |
| Accumulated depreciation: | | | | | | |
| Balance at the beginning of the year | 54,691 | 320,367 | 51,387 | 174,900 | - | 601,345 |
| Depreciation charge for the year | 32,620 | 136,033 | 10,147 | 3,811 | - | 182,611 |
| Disposals | - | (29,100) | - | (174,900) | - | (204,000) |
| Balance At the end of the year | 87,311 | 427,300 | 61,534 | 3,811 | - | 579,956 |
| Net book value: | | | | | | |
| At 31 December 2023 | 10,548 | 568,544 | 2,744 | 161,789 | - | 743,625 |

## 11. INTANGIBLE ASSETS

| **31 December 2024** | **Software** | **Works In Progress** | **Total** |
|---|---|---|---|
| **Cost:** | | | |
| Balance at the beginning of the year | **939,079** | **-** | **939,079** |
| Additions during the year | **792,332** | **1,674,019** | **2,466,351** |
| **Balance At the end of the year** | **1,731,411** | **1,674,019** | **3,405,430** |
| **Accumulated Amortization:** | | | |
| Balance at the beginning of the year | **415,682** | **-** | **415,682** |
| Amortization charge for the year | **315,732** | **-** | **315,732** |
| **Balance At the end of the year** | **731,414** | **-** | **731,414** |
| **Net book value:** | | | |
| **At 31 December 2024** | **999,997** | **1,674,019** | **2,674,016** |

| 31 December 2023 | Software | Works In Progress | Total |
|---|---|---|---|
| Cost: | | | |
| Balance at the beginning of the year | 701,929 | 49,000 | 750,929 |
| Additions during the year | 59,625 | 128,525 | 188,150 |
| Transfer | 177,525 | (177,525) | - |
| Balance At the end of the year | 939,079 | - | 939,079 |
| Accumulated Amortization: | | | |
| Balance at the beginning of the year | 183,928 | - | 183,928 |
| Amortization charge for the year | 231,754 | - | 231,754 |
| Balance At the end of the year | 415,682 | - | 415,682 |
| Net book value: | | | |
| At 31 December 2023 | 523,397 | - | 523,397 |

## 12. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The movement in right-of-use assets during the year is as follows:

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| **Cost** | | |
| As at 1 January | **2,271,452** | 2,271,452 |
| Additions | **5,268,961** | - |
| As at 31 December | **7,540,413** | 2,271,452 |
| **Accumulated Depreciation** | | |
| As at 1 January | **2,082,683** | 1,325,532 |
| Charge for the year | **1,245,024** | 757,151 |
| As at 31 December | **3,327,707** | 2,082,683 |
| **Net Book Value** | **4,212,706** | 188,769 |

The additions during the period include renewing the contract for the company's headquarters, Office 16, from 1 April 2024 until 26 March 2028. The annual rental value of the contract amounted to 838,350 Saudi riyals, paid semi-annually, and the contract for the company's headquarters, Office 18, from 1 February 2024 until 26 March 2028. The annual rental value of the contract amounted to 558,900 Saudi riyals, paid semi-annually, and the company's warehouse contract is from 20 May 2024 until 26 March 2028, and the annual rental value of the contract amounted to 21,740 Saudi riyals, paid annually.

The movement on lease liabilities is as follows:

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Opening Balance | **-** | 766,396 |
| Additions during the year | **5,268,961** | - |
| Paid during the year | **(1,418,990)** | (769,500) |
| Financing costs | **188,594** | 3,104 |
| Balance as of December 31 | **4,038,565** | - |

Lease liabilities due at the end of the year are as follows:

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Current lease liability | **1,418,990** | **-** |
| Non – Current lease liability | **2,619,575** | **-** |
| | **4,038,565** | **-** |

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

| | **For the year ended 31 December 2024** | For the year ended 31 December 2023 |
|---|---|---|
| Interests on lease liabilities | **188,594** | 3,104 |
| Right-of-use assets depreciation | **1,245,024** | 757,151 |

The amounts recognized in the statement of cash flows are as follows:

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Lease liabilities Payments | **1,418,990** | 769,500 |

## 13. ACCOUNTS PAYABLE AND ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Accounts payable | **3,056,431** | 1,449,400 |
| Value added tax payable | **1,817,917** | 254,135 |
| accrued expenses | **1,569,355** | 4,773,722 |
| | **6,443,703** | 6,477,257 |

## 14. ACCRUED ZAKAT

**The principal elements of the zakat base are as follows:**

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Shareholders' equity | **103,833,824** | 56,914,600 |
| Opening balance of provisions and other adjustments | **1,670,127** | 6,244,038 |
| Book value of long-term assets | **(8,323,009)** | (14,644,859) |
| | **97,180,942** | 48,513,779 |
| Net Adjusted profit for the year | **32,962,334** | 19,136,214 |
| Zakat base | **97,180,942** | 67,649,993 |
| Zakat due | **2,511,880** | 1,728,937 |

| Movement of the zakat due is as follows: | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Balance at the beginning of the year | **1,753,905** | 1,451,658 |
| Charge for the year | **2,511,880** | 1,728,937 |
| Adjustment to prior years zakat | **12,460** | 47,984 |
| Payments during the year | **(1,766,365)** | (1,474,674) |
| Balance at the end of the year | **2,511,880** | 1,753,905 |

**Zakat status**

- Zakat returns for all fiscal years up to 31 December 2023 have been submitted to the Zakat, Tax and Customs Authority. The company's management is in the process of submitting its return for the year 2024.
- The Authority is currently examining the zakat declaration for the year 2022 and has not yet issued the zakat assessment.
- The Authority has not yet issued the zakat assessment for the year 2023.

## 15. EMPLOYEES' POST EMPLOYMENT BENEFIT

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Present value of employees' post-employment benefits | **1,795,768** | 945,769 |

The major financial assumptions used to calculate the employees' post-employment benefits liabilities are as follows:

Important actuarial assumptions

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Discount rate | **5.3%** | 4.65% |
| Annual salary increases | **7.3%** | 6.65% |

The movements in employees' post-employment benefits recognized in the statement of financial position are as follows:

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Net liabilities at the beginning of the year | **945,769** | 466,294 |
| Current service and interest cost | **367,277** | 250,127 |
| Benefits paid during the year | **(27,941)** | (108,229) |
| Actuarial gains losses through OCI | **510,663** | 337,577 |
| Net liabilities at the end of the year | **1,795,768** | 945,769 |

The amounts recognized in the statement of income in respect of employees' post-employment benefits are as follows:

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Current Cost of Service and Related Interest | **367,277** | 250,127 |

The sensitivity of the employees' post-employment benefit to changes in the weighted principal assumptions is:

| | **Change in assumptions** | **Increase / (decrease) in present value of employees' post-employment benefit** | |
|---|---|---|---|
| | | **Amount** | **percentage %** |
| **31 December 2024** | | | |
| **Discount rate** | **+5%** | **70,436** | **3.92%** |
| | **-5%** | **(65,762)** | **-3.66%** |
| **Salary increase rate** | **+5%** | **64,417** | **3.59%** |
| | **-5%** | **(60,822)** | **-3.39%** |
| As at 31 December 2023 | | | |
| Discount rate | +5% | (36,068) | -3.81% |
| | -5% | 38,622 | 4.08% |
| Salary increase rate | +5% | 31,191 | 3.30% |
| | -5% | (29,516) | -3.12% |

## 16. SHARE CAPITAL

As at 31 December 2024 and 2023, the Company's paid-up capital of SAR 50 million was divided into 5 million parts of SAR 10 per share.

## 17. OTHER RESERVES

According to the company's articles of association, the ordinary general assembly may decide to form reserves, to the extent that it achieves the interest of the company or ensures the distribution of fixed profits to shareholders, and the assembly did not take any decisions regarding the formation of reserves for this year, so no reserves were formed.

## 18. INCOME FROM INVESTMENTS

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Unrealized gains on investments carried at FVTPL | **1,307,463** | 4,173,651 |
| Capital gains from the sale of property investment | **142,286** | - |
| Dividends received | **118,125** | 2,134,302 |
| (Losses) realized from investments carried at FVTPL | **(517,190)** | - |
| Unrealized gains from property investment | **-** | 5,601,468 |
| | **1,050,684** | 11,909,421 |

## 19. GENERAL AND ADMINISTRATIVE EXPENSES

| | **For the year ended 31 December 2024** | For the year ended 31 December 2023 |
|---|---|---|
| Professional fees | **821,031** | 2,955,753 |
| Depreciations | **2,066,990** | 1,171,516 |
| Board of Directors | **1,450,000** | 380,000 |
| Licensing and subscription fees | **321,994** | 348,541 |
| Utilities and office | **327,969** | 206,150 |
| Travel Expenses | **61,094** | 203,412 |
| Marketing and advertising | **229,104** | 103,779 |
| Others | **179,886** | 169,225 |
| Insurance | **82,116** | 85,283 |
| Rents | **12,000** | 12,000 |
| printing and stationary | **34,047** | 11,869 |
| | **5,586,231** | 5,647,528 |

## 20. PROPERTY INVESTMENTS

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Book value as at January 1 | **13,189,068** | **-** |
| Additions during the year | - | 7,587,600 |
| Disposals during the year | **(13,189,068)** | **-** |
| Unrealized profits from revaluation of investment property | - | 5,601,468 |
| | - | 13,189,068 |

## 21. ASSETS HELD UNDER FIDUCIARY CAPACITY

Pursuant to CMA's Authorized Persons Regulations requiring Client money segregation, the Company holds clients' money in Omnibus accounts at a local bank to carry out its dealing, managing and custody activities. As at 31 December 2024, the clients' cash accounts held by the Company amounted to SR 153.47 million (31 December 2023: SR 4.02 million). Consistent with the Company's accounting policy, such balances are not included in the Company's financial statements as these are held by the Company as a trust or deposit.

## 22. FINANCIAL INSTRUMENTS AND RISKS MANAGEMENT

### 22.1 Financial risk factors

The objective of the Company is to maintain the Company's ability to continue as a going concern so that it can continue to provide optimum returns to its shareholder and to ensure reasonable safety to the Shareholder.

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company Manager is responsible for identifying and controlling risks. The Company Board supervises the Company Manager and is ultimately responsible for the overall management of the Company.

Monitoring risk is primarily set up to be performed based on the limits established by the Company Board.

The Company uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

**(a) Market risk**

(i) Foreign exchange risk

Foreign exchange risk is the risk that the value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates and arises from financial instruments denominated in foreign currency.

The financial instruments of the Company are measured in SAR and United States Dollar (USD). The SAR is pegged against USD. The Company's transactions are principally in SAR and exposures in foreign currencies are not significant.

(ii) Commission rate risk

Commission rate risk is the risk that the value of the future cash flows of a financial instrument or fair values of fixed-interest financial instruments will fluctuate due to changes in market commission rates.

The Company is not exposed to cash flow commission rate risk, as it does not have any financial instruments bearing variable commission rates.

The Company is not exposed to fair value commission rate risk as the financial instruments of the Company are measured at amortised cost.

## 22. FINANCIAL INSTRUMENTS AND RISKS MANAGEMENT (CONTINUED)

### 22.1 Financial risk factors (Continued)

### (a) Market risk (Continued)

(iii) Price risk

Price risk is the risk that the value of the Company's financial instruments will fluctuate as a result of changes in market prices caused by factors other than foreign currency and commission rate movements.

The price risk arises primarily from uncertainty about the future prices of financial instruments that the Company holds. The Company diversifies the investment portfolio and closely monitors the price movement of its investments in financial instruments. As at the statement of financial position date, the Company has equity investments in Investee funds.

| | **31 December 2024** | | 31 December 2023 | |
|---|---|---|---|---|
| | **Potential reasonable change %** | **Effect on equity** | Potential reasonable change % | Effect on equity |
| Funds | **1%** | **142,020** | 1% | 74,256 |
| Listed equity shares | **1%** | **10,571** | 1% | 2,474 |

### (b) Credit risk

The Company is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk as follows:

| | **31 December 2024** | | 31 December 2023 | |
|---|---|---|---|---|
| | **Exposure** | **Expected credit losses** | Exposure | Expected credit losses |
| Cash at bank | **33,351,017** | **-** | 36,453,011 | - |
| Accounts receivable | **10,077,898** | **-** | 5,197,026 | (100,255) |
| Murabaha deposits | **13,015,744** | **-** | - | - |
| Due from related parties | **33,961,878** | **-** | 12,632,505 | (489,825) |
| | **90,406,537** | **-** | 54,282,542 | (590,080) |

## 22. FINANCIAL INSTRUMENTS AND RISKS MANAGEMENT (CONTINUED)

### 22.1 Financial risk factors (Continued)

### (b) Credit risk (Continued)

The carrying amount of financial assets represents the maximum credit exposure. Credit risk is limited on due from related parties, accounts receivable and Cash and cash equivalents as outlined below:

- Cash and cash equivalents, is held with banks with good credit ratings from BBB- and above.
- Accounts receivable and due from related parties

| **31 December 2024** | **Amortized cost** | **FVTPL** |
|---|---|---|
| **Assets as at the statement of financial position** | | |
| Investments carried at FVTPL | **-** | **15,259,107** |
| Accounts receivable | **10,077,898** | **-** |
| Due from related parties | **33,961,878** | **-** |
| Prepayments and other current assets | **1,864,105** | **-** |
| Cash at banks | **33,191,475** | **-** |
| Murabaha deposits | **13,000,000** | |
| **Total** | **92,095,356** | **15,259,107** |

| **31 December 2023** | Amortized cost | FVTPL |
|---|---|---|
| **Assets as at the statement of financial position** | | |
| Investments carried at FVTPL | - | 7,673,039 |
| Accounts receivable | 5,197,026 | - |
| Due from related parties | 12,632,505 | - |
| Prepayments and other current assets | 1,265,813 | - |
| Cash at banks | 36,453,011 | - |
| **Total** | 55,548,355 | 7,673,039 |

The company seeks to monitor credit risk by tracking 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 individually at the end of the financial period in order to ensure that an adequate loss allowance is allocated for the non-recoverable amounts.

## 22. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

### 22.1 Financial risk factors (Continued)

#### (c) Liquidity risk

Liquidity risk is the inability to provide the necessary financing to meet its obligations to the financial instrument. Liquidity risk may result from the inability to sell an asset quickly and in an amount close to its fair value. Financial assets as at the end of the year include bank balances, accrued income, lending and investments at fair value through profit or loss that can be used to meet changing liquidity requirements. The Company regularly monitors projected cash flows to ensure that positive cash flows are available from operating activities to finance the Company's future liabilities.

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

| | **31 December 2024** | | | |
|---|---|---|---|---|
| | **Carrying amount** | **Less than 1 year** | **More than one year** | **Unspecified maturity date** |
| Lease liabilities | **4,038,565** | **1,418,990** | **2,619,575** | **-** |
| Accounts payable | **6,443,703** | **6,443,703** | **-** | **-** |
| Employees' retirement benefits | **1,795,768** | **-** | **-** | **1,795,768** |
| **Total** | **12,278,036** | **7,862,693** | **2,619,575** | **1,795,768** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Carrying amount | Less than 1 year | More than one year | Unspecified maturity date |
| Accounts payable | 6,477,257 | 6,477,257 | - | - |
| Lease Liabilities | - | - | - | - |
| Employees' retirement benefits | 945,769 | - | - | 945,769 |
| Total | 7,423,026 | 6,477,257 | - | 945,769 |

### 22.2 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.

## 22. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

### 22.2 Fair value estimation (continued)

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 other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable for the asset or liability.

The table below presents the financial instruments at their fair values as at 31 December based on the fair value hierarchy:

| | **31 December 2024** | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Funds managed by the Company | **-** | - | **14,201,977** | **14,201,977** |
| Listed equity shares | **1,057,130** | - | **-** | **1,057,130** |
| **Total** | **1,057,130** | - | **14,201,977** | **15,259,107** |

| | 31 December 2023 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Funds managed by the Company | - | - | 7,425,628 | 7,425,628 |
| Listed equity shares | 247,411 | - | - | 247,411 |
| Total | 247,411 | - | 7,425,628 | 7,673,039 |

Financial assets at fair value through profit or loss included level 3 investments in equity instruments at cost and investment in an unlisted investment fund, the fair value of which is determined on the basis of the net asset value obtained from the last available financial statements of the unlisted investment fund.

## 23. REGULATORY REQUIREMENTS AND CAPITAL ADEQUACY RATIO

The Capital Market Authority (the “CMA”) has issued Prudential Rules (the “Rules”) on 30 December 2012 (corresponding to 17 Safar 1434 H) As amended by CMA Board Resolution No. 1-129-2022 on 28 December 2022 (corresponding to 4 Jumada Akher 1444H). According to the Rules, the CMA has prescribed the framework Guidance on regulatory requirements for minimum capital and its calculation methodology as prescribed in these rules.

## 23. REGULATORY REQUIREMENTS AND CAPITAL ADEQUACY RATIO (CONTINUED)

In accordance with this methodology, the Company has calculated its capital adequacy ratios as follows:

| **(Amounts in SAR '000)** | **31 December 2024** | 31 December 2023 |
|---|---|---|
| **Capital Base:** | | |
| Tier 1 | **100,888** | 68,166 |
| Tier 2 | **-** | - |
| **Total Capital Base** | **100,888** | 68,166 |
| **Risk Weighted Asset:** | | |
| Credit risk | **202,153** | 140,802 |
| Operational risk | **1,639** | 20 |
| Market risk | **82,011** | 59,240 |
| **Total Risk Weighted Asset** | **285,573** | 200,062 |
| **Capital Adequacy Ratio:** | | |
| Capital Ratio | **%35.30** | 34.07% |
| **Surplus capital** | **78,023** | 52,161 |

## 24. SUBSEQUENT EVENTS

There have been no important subsequent events since the year end that would require additional disclosures or adjustments in these financial statements.

## 25. COMPARATIVE INFORMATION

Certain amounts in the prior period have been reclassified in order to conform to the presentation for the current year.

## 26. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved by the Board of Directors on 10 Ramadan 1446H (corresponding to 10 March 2025).