ANB CAPITAL COMPANY
(A Saudi Closed Joint Stock Company)
Financial Statements and
Independent Auditors' Report
31 December 2024

KPMG Professional Services Company
Roshn Front, Airport Road
P.O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No 1010425494

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية
واجهة روشن، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

Independent Auditor's Report

To the Shareholders of ANB Capital Company

Opinion

We have audited the financial statements of ANB Capital Company ("the Company"), which comprise the statement of financial position as at 31 December 2024, the statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, comprising material accounting policies and other explanatory information.

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

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 (including International Independence Standards), that is endorsed in the Kingdom of Saudi Arabia, that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code's 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 IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, the applicable requirements of the Saudi Arabian Companies Law, the Company's By-Laws 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, the Board of Directors, are responsible for overseeing the Company's financial reporting process.

Independent Auditor's Report

To the Shareholders of ANB Capital Company (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 judgement and maintain professional scepticism throughout the audit. We also:

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

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 of ANB Capital Company.

KPMG Professional Services Company

Saleh Mohammed S Mostafa
License No: 524

Riyadh: 20th March 2025
Corresponding to: 20th Ramadan 1446H

كي بي إم جي للاستشارات المهنية
Lic No. 46
C.R. 1010425494
R : 2
KPMG
KPMG Professional Services

ANB CAPITAL COMPANY
(A Saudi Closed Joint Stock Company)
STATEMENT OF FINANCIAL POSITION
As at 31 December 2024 and 2023

	Notes	***31 December 2024 SR***	*31 December 2023 SR*
ASSETS			
Non-current assets			
Property, equipment and right-of-use assets	5	**7,594,361**	7,503,544
Intangible assets	6	**9,411,566**	8,616,122
Investments in associates	9	**285,218,359**	328,488,633
Investments at fair value through profit or loss (FVTPL)	7	**26,336,662**	1,022,488
Investments at fair value through OCI (FVOCI)	8	**2,686,986**	3,348,702
Deferred tax asset	16 (d)	**4,055,927**	2,847,656
Total non-current assets		**335,303,861**	351,827,145
Current assets			
Prepayments and other assets	10	**81,433,887**	73,906,940
Investments at fair value through profit or loss (FVTPL)	7	**73,503,351**	159,532,174
Receivables against margin lending, net	11	**1,213,355,246**	1,122,434,194
Cash and cash equivalents	12	**442,904,513**	262,640,462
Total current assets		**1,811,196,997**	1,618,513,770
Total assets		**2,146,500,858**	1,970,340,915
LIABILITIES AND EQUITY			
Non-current liabilities			
Employees' defined benefit obligation	13	**31,479,940**	26,106,080
Lease liabilities	14	**911,911**	1,849,815
Total non-current liabilities		**32,391,851**	27,955,895
Current liabilities			
Accrued expenses and other liabilities	15	**103,795,749**	70,150,876
Bank overdraft	12	**-**	293,107,874
Zakat and income tax payable	16 (b)	**76,670,647**	40,646,407
Current portion of lease liabilities	14	**1,849,815**	1,953,945
Total current liabilities		**182,316,211**	405,859,102
Total liabilities		**214,708,062**	433,814,997
Equity			
Share capital	18	**1,000,000,000**	1,000,000,000
Statutory reserve	19	**116,089,624**	116,089,624
Other reserves		**(3,787,827)**	1,114,975
Retained earnings		**819,490,999**	419,321,319
Total equity		**1,931,792,796**	1,536,525,918
Total liabilities and equity		**2,146,500,858**	1,970,340,915

Loay H. Alsalman
Chief Financial Officer

Khalid S. Alghamdi
Chief Executive Officer

The accompanying notes 1 through 32 form an integral part of these financial statements.

ANB CAPITAL COMPANY
(A Saudi Closed Joint Stock Company)
STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
For the years ended 31 December 2024 and 2023

	Notes	*31 December 2024 SR*	*31 December 2023 SR*
Operating income			
Brokerage fee income, net	20 (a)	**46,690,232**	36,981,317
Asset management fee income	20 (b)	**126,364,087**	97,203,708
Investment banking and advisory fees	20 (c)	**45,258,319**	32,479,819
Special commission income on margin lending		**88,155,220**	83,045,054
Special commission income on cash deposits	17	**170,599,233**	89,027,575
Net unrealized gain on investments at fair value through profit or loss	7	**1,661,407**	41,488,578
Realized gain on investments at fair value through profit or loss	7	**5,434,972**	3,316,860
Other operating income		**1,965,187**	1,511,170
Total operating income		**486,128,657**	385,054,081
Operating expenses			
Salaries and related benefits	21	**(120,499,881)**	(86,812,641)
Premises related expenses		**(1,161,594)**	(1,248,920)
Shared services cost	17	**(5,987,896)**	(6,422,844)
Depreciation and amortisation	5,6	**(4,767,164)**	(5,306,587)
Software maintenance and support		**(10,761,376)**	(4,541,551)
Subscription fees		**(4,237,771)**	(4,132,268)
Professional and consultancy fees		**(8,494,093)**	(4,059,105)
Other expenses	22	**(15,768,071)**	(10,908,044)
Total operating expenses before impairment charge		**(171,677,846)**	(123,431,960)
Impairment charge on financial asset	11	**(6,000,000)**	(2,500,000)
Total operating expenses after impairment charge		**(177,677,846)**	(125,931,960)
Net operating income		**308,450,811**	259,122,121
Finance costs	14	**(112,216)**	(170,436)
Share in earnings of associates	9	**155,773,012**	11,990,856
Income before zakat and income tax		**464,111,607**	270,942,541
Zakat and income tax	16 (a)	**(63,941,927)**	(50,312,914)
Income for the year		**400,169,680**	220,629,627
Other comprehensive income / (loss) not to be reclassified to profit or loss in subsequent periods:			
Re-measurement (loss) / gain on employees' defined benefit obligation	13	**(4,241,086)**	4,226,708
Fair value loss on investments at OCI	8	**(661,716)**	(236,615)
Other comprehensive (loss) / income		**(4,902,802)**	3,990,093
Total comprehensive income for the year		**395,266,878**	224,619,720
Earnings per share:			
Basic and diluted, income for the year per share	23	**4.00**	2.21

Loay H. Alsalman
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Khalid S. Alghamdi
Chief Executive Officer

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ANB CAPITAL COMPANY
(A Saudi Closed Joint Stock Company)
STATEMENT OF CHANGES IN EQUITY
For the years ended 31 December 2024 and 2023

	Share Capital SR	***Statutory reserve*** SR	***Other reserves Employees' end of service benefits*** SR	***Other reserves Fair value reserve*** SR	***Retained earnings*** SR	***Total*** SR
As at 1 January 2023	1,000,000,000	94,026,661	(1,248,099)	(1,627,019)	720,754,655	1,811,906,198
Income for the year	-	-	-	-	220,629,627	220,629,627
Other comprehensive income	-	-	4,226,708	(236,615)	-	3,990,093
Total comprehensive income for the year	-	-	4,226,708	(236,615)	220,629,627	224,619,720
Dividends paid during the year	-	-	-	-	(500,000,000)	(500,000,000)
Transfer to statutory reserve	-	22,062,963	-	-	(22,062,963)	-
Balance at 31 December 2023	1,000,000,000	116,089,624	2,978,609	(1,863,634)	419,321,319	1,536,525,918
As at 1 January 2024	1,000,000,000	116,089,624	2,978,609	(1,863,634)	419,321,319	1,536,525,918
Income for the year	-	-	-	-	400,169,680	400,169,680
Other comprehensive loss	-	-	(4,241,086)	(661,716)	-	(4,902,802)
Total comprehensive income for the year	-	-	(4,241,086)	(661,716)	400,169,680	395,266,878
Transfer to statutory reserve	-	-	-	-	-	-
Balance at 31 December 2024	**1,000,000,000**	**116,089,624**	**(1,262,477)**	**(2,525,350)**	**819,490,999**	**1,931,792,796**

Loay H. Alsalman
Chief Financial Officer

Khalid S. Alghamdi
Chief Executive Officer

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ANB CAPITAL COMPANY
(A Saudi Closed Joint Stock Company)
STATEMENT OF CASH FLOWS
For the years ended 31 December 2024 and 2023

	Notes	*31 December 2024 SR*	*31 December 2023 SR*
Operating activities			
Income before zakat and income tax		**464,111,607**	270,942,541
Non-cash adjustments to reconcile income before zakat and tax to net cash flows:			
Depreciation and amortisation	5,6	**4,767,164**	5,306,587
Finance cost on lease liabilities	14	**112,216**	170,436
Provisions for employees' defined benefit obligation	13	**5,197,757**	4,372,206
Net unrealized gain on investments at fair value through profit or loss	7	**(1,661,407)**	(41,488,578)
Realized gain on investments at fair value through profit or loss	7	**(5,434,972)**	(3,316,860)
Impairment charge on financial asset	11	**6,000,000**	2,500,000
Share of income from investments in associates	9	**(155,773,012)**	(11,990,856)
Operating cash flows before working capital changes		**317,319,353**	226,495,476
Receivables against margin lending	11	**(96,921,052)**	(265,597,684)
Prepayments and other assets	10	**(7,526,947)**	(22,484,551)
Accrued expenses and other liabilities	15	**33,644,873**	24,991,636
Net cash from generated from / (used in) operations		**246,516,227**	(36,595,123)
Finance cost on lease liabilities paid	14	**(112,216)**	(170,436)
Zakat and income tax paid	16 (b)	**(29,125,958)**	(59,847,032)
Employees' defined benefit obligation paid	13	**(4,064,983)**	(561,495)
Net cash generated from / (used in) operating activities		**213,213,070**	(97,174,086)
Investing activities			
Purchase of property, equipment and intangibles	5,6	**(5,653,425)**	(8,700,679)
Purchase of financial assets at fair value through profit or loss, net	7	**(138,409,477)**	(1,102,538)
Proceeds from investments at fair value through profit or loss	7	**206,220,505**	16,875,071
Dividends received from investments in associates	9	**199,043,286**	28,654,239
Net cash generated from investing activities		**261,200,889**	35,726,093
Financing activities			
Payment of lease liabilities	14	**(1,042,034)**	(1,894,748)
Dividend paid	18	**-**	(500,000,000)
Net cash used in financing activities		**(1,042,034)**	(501,894,748)
Net increase / (decrease) in cash and cash equivalents		**473,371,925**	(563,342,741)
Cash and cash equivalents at the beginning of the year		**(30,467,412)**	532,875,329
Cash and cash equivalents at the end of the year	12	**442,904,513**	(30,467,412)
Non-cash transactions:			
Right-of-use assets		**1,443,082**	3,135,754
Lease liabilities		**2,761,726**	3,803,760

Loay H. Alsalman
Chief Financial Officer

Khalid S. Alghamdi
Chief Executive Officer

1 ACTIVITIES

ANB Capital Company (the "Company") is registered in Riyadh, Kingdom of Saudi Arabia, under commercial registration No. 1010239908 and unified ID No. 7001548267 on Shawwal 26, 1428 H (corresponding to 7 November 2007). The Company has taken over the management of the Arab National Bank ("ANB" or the "Bank") investment services and asset management activities related to dealing, managing, arranging, advising and custody of securities, as from the date of commencement of its commercial operations on 12 January 2008. The company has changed its name from Arab National Investment Company to ANB Capital Company on 29 June 2022 and maintained the same commercial registration number.

The Company is a 100% subsidiary of ANB and a Saudi closed joint stock company, which was converted from limited liability company on the directions from Capital Market Authority (CMA) dated Sha'ban 3, 1433 (corresponding to 23 June 2013). Such change was approved according to the Ministerial Resolution No. 317/G dated Muharram 19, 1436 H (corresponding to 12 November 2014), and a revised commercial registration was issued on 17 Rabi Al Awal 1436 H (corresponding to 8 January 2015).

The objective of the Company as approved by the CMA Board of Commissioners on 28 Muharram 1437 H (corresponding to 10 November 2015) through a resolution number S/1/6/14832/15 is to conduct dealing as a principal as well as an agent; underwriting the asset management and investment banking activities, discretionary portfolio management, brokerage, arranging, advising and custody activities in the Kingdom of Saudi Arabia. This includes various investment activities in Islamic and other related investments such as establishment and management of public equity portfolios, direct investments and real estate funds. Based on the directive of CMA through the letter dated 10 Rabi Al Awal 1437 H (corresponding to 21 December 2015), the Company has obtained the margin lending facility from Arab National Bank, effective from 1 April 2017. Therefore, the Company has amended its objectives to include margin lending financing.

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

King Faisal Road, ANB Capital Company Building, Murabbaa District
P.O. Box 220009, Riyadh 11311
Kingdom of Saudi Arabia

The Company was established on 7 November 2007.

2 BASIS OF PREPARATION

(i) Statement of compliance

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

(ii) Basis of measurement

These financial statements have been prepared under the historical cost convention except for investments held at fair value through profit or loss, which are measured at fair value, and employees' end of service benefits which are stated at the present value of their obligation using the projected unit credit method.

(iii) Going concern

The Company's management has assessed its ability to operate as a going concern and is satisfied that the Company has adequate resources to continue its operational existence for the foreseeable future. The Company and the management are unaware of any other material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements are prepared on a going concern basis.

(iv) Functional and presentation currency

These financial statements are presented in Saudi Riyals (SR), which is also the functional currency of the Company.

2 BASIS OF PREPARATION (CONTINUED)

(v) Standard amendments issued and effective

Following are the amendments to standards which are effective for annual periods beginning on or after 1 January 2024. The adoption of these new standards did not have a significant impact on the financial statements of the Company.

- Amendments to IAS 1 - Non-current liabilities with covenants and classification of liabilities as current or non-current
- Amendments to IFRS 16 - Lease liability in a sale and leaseback
- Amendments to IAS 7 and IFRS 7 - Supplier finance arrangements

(vi) Standard amendments issued but not yet effective

The standards applied in these financial statements are those in issue as at the reporting date and are effective for annual periods beginning on or after 1 January 2024.

Following new standards and amendments that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below:

- Amendments to IAS 21 - Lack of exchangeability
- Amendments to IFRS 9 and IFRS 7 - Classification and measurement of financial instruments
- Amendments to IFRS 18 - Presentation and disclosure in financial statements
- IFRS S1 - General requirements for disclosure of sustainability-related financial information
- IFRS S2 - Climate-related disclosures
- Amendments to IFRS 10 and IAS 28 - Sale or contribution of assets between investor and its associate or joint venture

The Company has not early adopted any standards, interpretations, or amendments before their effective date. The management of the Company anticipates that the application of the above new standards and amendments in the future will not have a significant impact on the amounts reported.

3 MATERIAL ACCOUNTING POLICIES

The following are the material accounting policies applied by the company in preparing its financial statements:

3.1 Property, equipment and right-of-use asset

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment loss. Cost includes expenditure that are directly attributable to the acquisition of the asset. Subsequent costs are included in the assets at the carrying amount, or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. Repairs and maintenance costs are charged to the statement of comprehensive income during the period in which they are incurred.

The major categories of property and equipment are depreciated on a straight-line basis as follows:

Asset Categories	**Useful Lives**
Leasehold improvement	Period of lease or 10 years, whichever is shorter
Furniture and fixtures	4 years
Office equipment	4 years
Right-of-use assets	Useful life or term of the lease, whichever is less

The Company allocates the amount initially recognized in respect of an item of property and equipment to its significant parts and depreciates separately each such part. The carrying amount of a replaced part is recognized when replaced. Residual values, method of amortization and useful lives of the assets are reviewed annually and adjusted if appropriate. Impairment losses and gains or losses on disposals of property and equipment are included in statement of comprehensive income.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.2 Intangible assets

Intangible asset comprises of computer software.

Expenditures on internally developed software are recognized as an asset when the company is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits and can reliably measure the costs to complete the development. The capitalized cost of internally developed software includes all costs directly attributable to developing the software and are amortized over its useful life. Internally developed software is stated at capitalized cost less accumulated amortization and impairment, if any.

Amortization is recorded in the statement of comprehensive income on a straight-line basis over the estimated useful life of the software from the date that it is available for use since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life of software is 4 to 10 years.

Amortization method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

Subsequent expenditures on software assets are capitalized only when they increase the future economic benefits embodied in the specific asset to which it relates. All other expenditures are expensed in the statement of comprehensive income as incurred.

The useful life starts at the date that is available for use since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life of software in four years.

Useful lives are reviewed at each financial year end and adjusted if appropriate.

3.3 Financial instruments

Classification of financial assets depends on the Company's business model for managing its financial assets and the contractual terms of the cash flows. The Company classifies its financial assets as:

- financial assets measured at amortised cost, or
- financial assets measured at fair value

Gains or losses of assets measured at fair value will be recognised either through the profit or loss or through other comprehensive income.

Time deposits, due from related parties and other receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest and are measured at amortised cost.

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

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

Initial measurement
Financial assets are initially measured at their fair value, plus transaction costs in the case of a financial asset at fair value through statement of comprehensive income. Transaction costs of financial assets carried at fair value through profit or loss are recognised in the statement of comprehensive income.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows meet the requirements as solely payment of principal and interest.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (continued)

Subsequent measurement

Debt instruments

The Company recognizes three classifications to subsequently measure its debt instruments:

- *Amortised cost*
  Financial assets held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI) are measured at amortised cost. A gain or loss on a debt investment subsequently measured at amortised cost and not part of a hedging relationship is recognised in the statement of comprehensive income when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- *Fair Value through Other Comprehensive Income ("FVOCI")*
  Financial assets held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognised in the statement of comprehensive income. When the financial asset is derecognized, the cumulative gain or loss previously recognised in OCI, is reclassified from equity to the statement of comprehensive income and recognised in other gains / losses. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/expense.

- *Fair Value through profit or loss ("FVTPL")*
  Financial assets that do not meet the criteria for subsequent recognition at amortised cost or FVOCI, are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through the profit and loss and which is not part of a hedging relationship is recognised and presented net in the statement of comprehensive income in the period in which it arises.

<u>*Business model assessment*</u>

The Company assesses the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Company's stated objective for managing the financial assets is achieved and how cash flows are realized.

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

Financial assets that are held for trading and whose performance is evaluated on a fair value basis are classified as FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (continued)

Equity instruments
The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other operating income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

De-recognition
A financial asset or a part of a financial asset is de-recognised when:

a) The rights to receive cash flows from the asset have expired, or
b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
   - The Company has transferred substantially all the risks and rewards of the asset, or
   - The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets
The Company assesses all information available, including a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring at the asset as at the reporting date with the risk of default at the date of initial recognition based on all information available, and reasonable and supportive forward-looking information.

The expected loss approach breaks the total loss amount modeling into following parts: probability of default (PD), loss given default (LGD), exposure at default (EAD). These are briefly described below:

Probability of default (PD)
The likelihood of a default over a particular time horizon.

Loss given default (LGD)
This is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from any collateral. It is usually expressed as a percentage of the EAD.

Exposure at default (EAD)
This is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest.

Expected Credit Loss (ECL) Model
The Company uses a point in time (PIT) probability of default model to measure its impairment on financial assets. Point-in-time PD models incorporate information from a current credit cycle and assess risk at a point-in-time. The point-in-time PD term structure can be used to measure credit deterioration and starting PD when performing the allowance calculations. Also, when calculating lifetime expected credit losses, after the inputs are correctly converted, the cash flows are projected and the gross carrying amount, loss allowance, and amortised cost are calculated for the financial instrument.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (continued)

Impairment of financial assets (continued)

Definition of default
In the above context, the Company considers default when:
the customer is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security.

Expected credit loss assessment for receivable against margin lending
The Company uses three categories for receivable against margin lending which reflect their credit risk and how the expected credit loss is determined for each of these categories. These internal credit risk ratings are aligned to external credit rating companies, such as Moody's.

A summary of the assumptions underpinning the Company's expected credit loss model is as follows:

Category	***Company's definition of category***	***Basis of recognition of expected credit loss***
Performing	Borrowers having a low risk of default and a strong capacity to meet contractual cash flows	12 months expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.
Underperforming	Receivables for which there is significant increase in credit risk; as significant increase in credit risk is presumed if profit and / or principal repayments are 30 days past due.	Lifetime expected losses
Non-performing	Profit and / or principal repayments are 60 days past due	Lifetime expected losses

Over the term of the receivables against margin lending, the Company accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Company considers historical loss rates for each borrower and adjusts for forward looking macroeconomic data.

Write-off
The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

Offsetting of financial instruments
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 realize the assets and settle the liability simultaneously.

3.4 Current and non-current classification

The Company presents assets and liabilities in the statement of financial position based on current /non-current classification. An asset is current when:

- It is expected to be realized or intended to be sold or consumed in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.4 Current and non-current classification (continued)

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

3.5 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position include cash in hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less. These deposits are made with reputable banks and financial institutions within the Kingdom of Saudi Arabia.

Cash and cash equivalents in the statement of cash flows include 'cash and cash equivalents in the statement of financial position' and bank overdrafts repayable on demand.

The Company also holds cash in clients' cash accounts with a local Saudi bank to be used for investments on their behalf. Such balances are not included in the financial statements of the Company.

3.6 Margin lending receivables

Margin lending receivables are recognized when the cash is advanced to the customers who trade in the capital markets. The cash advance is collateralized against equity securities purchased by the borrowers using these funds as well as any cash accounts that may be held by the customers. The outstanding receivable will decrease when either the borrowers liquidate their holdings or remit cash to reduce the utilization. Margin lending receivables are financed with initial coverage of at least 200%. This coverage is actively monitored and margin calls and liquidation calls are performed at specific predefined thresholds to ensure that the margin lending is sufficiently collateralised at all times. Customer portfolios can be liquidated to cover the loan amounts if the collateral coverage ratio drops below the liquidation level.

3.7 Investment in associates

The Company's interests in equity-accounted investee comprise interests in associates. Associates are those entities in which the Company has significant influence, but no control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit or loss, and the Company's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognized as a reduction in the carrying amount of the investments.

When the Company's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to nil, and the recognition of further losses is discontinued except to the extent that the Company has a corresponding obligation.

Unrealized gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees is changed where necessary to ensure consistency with the policies adopted by the Company.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.7 Investment in associates (continued)

The carrying amount of equity-accounted investments is tested for impairment. The net investment in an associate is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. Objective evidence that the net investment is impaired includes observable data that comes to the attention of the entity about the following loss events:

- significant financial difficulty of the equity-accounted investee;
- a breach of contract, such as a default or delinquency in payments by the equity-accounted investee;
- the entity, for economic or legal reasons relating to its equity-accounted investee's financial difficulty, granting to the associate or joint venture a concession that the entity would not otherwise consider;
- it becomes probable that the equity-accounted investee will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for the net investment because of financial difficulties of the equity-accounted investee.

The entire carrying amount is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount.

3.8 Employees' defined benefit obligation

The Company operates a defined benefit scheme for its employees in accordance with labour regulations applicable in the Kingdom of Saudi Arabia. The cost of providing the benefits under the defined benefits plan is determined using the projected unit credit method. Actuarial gains and losses are recognized in full in the period in which they occur in other comprehensive income. Such actuarial gains and losses are also immediately recognized in the retained earnings and are not reclassified to profit or loss in subsequent periods. Re-measurements are not reclassified to profit or loss in subsequent periods.

Interest expense is calculated by applying the discount rate to the net defined benefit liability. The Company recognises the following changes in the net defined benefit obligation under 'general and administration expenses' in the statement of comprehensive income.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

3.9 Employee defined benefit liability

The defined benefit asset or liability comprises the present value of the defined benefit obligation, less past service costs and less the fair value of plan assets out of which the obligations are to be settled. However, currently the plan is unfunded and has no assets.

3.10 Accrued expenses and other payables

Accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method. Provisions for restructuring costs, warranties and legal claims are recognized in other liabilities when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period, and are discounted where the effect is material.

3.11 Zakat and income tax payables and value added tax

Zakat

Zakat is provided for in accordance with the Saudi Arabian regulations. The liability is charged to the statement of comprehensive income. This is adjusted, if applicable, upon receiving the final zakat assessment.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.11 Zakat and income tax payables and value added tax (continued)

Income tax

Income tax assets and liabilities for the year are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted at the reporting date in the Kingdom of Saudi Arabia where the Company operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation, and it establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Value Added Tax (VAT)

Expenses, and assets are recognized net of the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and/or
- When receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

3.12 Revenue from contracts with customers

IFRS 15 Revenue from contracts with customers has established a five-step model to account for revenue arising from contracts with customers. The five-step model is as follows:

a) Identify the contract
b) Identify performance obligation
c) Determine the transaction price
d) Allocation of the transaction price
e) Recognize revenue

The Company generates the following revenue streams that are covered:
a) Brokerage fees
b) Special commission income on margin lending
c) Asset management fees
d) Corporate finance and advisory fees

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.12 Revenue from contracts with customers (continued)

3.12.1 Brokerage fees
Brokerage income is recognized when the related transactions are executed on behalf of the customers at the price agreed in the contract with the customers and is recorded net of The Saudi Stock Exchange Company (Tadawul) fees, Capital Market Authority (CMA) fees and discounts. The performance obligation of the Company is satisfied when the Company carries out the transaction, which triggers immediate recognition of the revenue, as the Company will have no further commitments.

3.12.2 Special commission income on margin lending
Margin lending is an overdraft facility provided to customers to trade in the capital market. Interest income from margin lending is accrued daily on the outstanding balance on an effective yield basis. Margin lending fees are recognised based on customer utilization of the margin lending facility at the applicable rates agreed in the contract with the customer.

3.12.3 Management and administration fees from investment funds
Management and administration fee income is recognized on a periodic basis (annual % pro-rated for daily accruals) with reference to the Net Asset Value ('NAV') computation. The Company's practice for recognition of management fees is aligned with IFRS since the management fee is recognized on an accrual basis against the rendering of the asset management services that the Company is providing on an on-going basis.

3.12.4 Corporate finance and advisory fees
Corporate finance and advisory fees are recognized based on services rendered under the applicable service contracts using the five-step approach to revenue recognition above.

3.13 Other operating income

3.13.1 Net gain or loss on financial assets at fair value through profit or loss
Net gains or losses on financial assets at fair value through profit or loss are changes in the fair value of financial assets held for trading or designated upon initial recognition as at fair value through profit or loss and exclude interest and dividend income and expenses.

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of the prior period's unrealised gains and losses on the disposal of financial instruments which were realised in the reporting period. Realised gains and losses on the disposal of financial instruments classified as at fair value through profit or loss are calculated using the weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount, or cash payments or receipts made on financial instruments classified as at fair value through profit or loss (excluding payments or receipts on collateral margin accounts for such instruments).

3.13.2 Dividend income
Dividend income is recognised on the date when the Company's right to receive the payment is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the date on which the shareholders approve the payment of a dividend. Dividend income from equity securities designated as at FVOCI is recognised in the statement of comprehensive income in a separate line item.

3.13.3 Special commission income and expense
Special commission income and expense for all commission-bearing financial instruments is recognised in the statement of comprehensive income on an effective yield basis. The effective commission rate 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 commission rate, the Company estimates future cash flows considering all contractual terms of the financial instrument but not future credit losses.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.14 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. All operating segments' operating results are reviewed by the Company's Chief Operating decision maker (Chief Executive Officer - CEO) to make decision about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Company's Chief Operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

3.15 Leases

The Company assess whether a contract contains a lease, at inception of the contract. For all such lease arrangements the Company recognize right of use assets and lease liabilities except for the short-term leases and leases of low value assets as follows:

Right-of-use assets

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

Lease liabilities

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

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

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, 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 the asset or liability affected in future periods. The Company based its assumptions and estimates on parameters available 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.

4 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key estimates made regarding 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 financial year, are described below.

4.1 Measurement of the net employment defined benefit liabilities

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, and mortality rates.

4.2 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

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

The Company invests in redeemable units of unlisted mutual funds, which are also managed by the Company. The funds are open for subscriptions / redemptions on a periodic basis as mentioned in the terms and conditions. The value of the net assets of the funds for the purpose of the subscription/redemption of units is determined by dividing the net assets attributable to unitholders of the funds (fair value of the funds' assets minus the liabilities) by the total number of the funds' units outstanding on the relevant valuation day.

5 PROPERTY, EQUIPMENT AND RIGHT-OF-USE-ASSETS

Reconciliation of carrying amount:

	Leasehold improvements SR	*Furniture and fixtures SR*	*Office equipment SR*	*Right-of-use-assets SR*	*Total SR*
Cost					
Balance as at 1 January 2024	19,354,443	2,057,888	7,249,956	12,776,297	41,438,584
Additions during the year	2,120,234	-	1,133,831	-	3,254,065
Balance as at 31 December 2024	**21,474,677**	**2,057,888**	**8,383,787**	**12,776,297**	**44,692,649**
Accumulated depreciation					
Balance as at 1 January 2024	15,985,191	1,180,604	7,128,702	9,640,543	33,935,040
Charge for the year	1,068,379	274,769	127,428	1,692,672	3,163,248
Balance as at 31 December 2024	**17,053,570**	**1,455,373**	**7,256,130**	**11,333,215**	**37,098,288**
Net book value					
At 31 December 2024	**4,421,107**	**602,515**	**1,127,657**	**1,443,082**	**7,594,361**

5 PROPERTY, EQUIPMENT AND RIGHT-OF-USE ASSETS (CONTINUED)

Reconciliation of carrying amount:

	Leasehold improvements SR	*Furniture and fixtures SR*	*Office equipment SR*	*Right-of-use assets SR*	*Total SR*
Cost					
Balance as at 1 January 2023	18,510,551	1,048,325	7,166,235	12,776,297	39,501,408
Additions during the year	843,892	1,009,563	83,721	-	1,937,176
Balance as at 31 December 2023	19,354,443	2,057,888	7,249,956	12,776,297	41,438,584
Accumulated depreciation					
Balance as at 1 January 2023	15,116,038	986,274	7,044,847	7,714,583	30,861,742
Charge for the year	869,153	194,330	83,855	1,925,960	3,073,298
Balance as at 31 December 2023	15,985,191	1,180,604	7,128,702	9,640,543	33,935,040
Net book value					
At 31 December 2023	3,369,252	877,284	121,254	3,135,754	7,503,544

6 INTANGIBLE ASSETS

Intangible assets comprise of software that are amortized on a straight-line basis over an estimated useful life of 4 to 10 years.

Reconciliation of carrying amount:

	2024 ***SR***	*2023* *SR*
Cost		
Balance as at 1 January	**33,193,862**	26,430,359
Additions during the year	**2,399,360**	6,763,503
Balance as at 31 December (note 6.1)	**35,593,222**	33,193,862
Accumulated amortization		
Balance as at 1 January	**24,577,740**	22,344,451
Charge during the year	**1,603,916**	2,233,289
Balance as at 31 December	**26,181,656**	24,577,740
Net book value		
At 31 December	**9,411,566**	8,616,122

6.1 Intangible assets include capital work in progress related to the upgrade of the brokerage services system of the Company of SR 6,848,375 (2023: SR 5,973,640).

7 INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

Investments at fair value through profit and loss consist of investments in local money market funds, listed equities, real estate investments funds, private equity funds and private placements. The movements are set out below:

	31 December 2024			
	Cost	***Addition / (disposal), net***	***Realized/ Unrealized gain (loss)***	***Fair value***
	SR	***SR***	***SR***	***SR***
Non-current investments:				
Investments in Hp Oryx Tech Fund 1 (note 7.6)	1,022,488	223,601	90,573	1,336,662
Investments in private placement (note 7.7)	-	25,000,000	-	25,000,000
Total non-current investments	**1,022,488**	**25,223,601**	**90,573**	**26,336,662**
Current Investments:				
anb capital SAR Trade Fund (Shariah) (note 7.8)	100,100,000	(100,984,516)	884,516	-
AlMubarak Real Estate Income Fund (note 7.1)	4,000,000	-	(2,415,440)	1,584,560
Al Dar Investment Fund 2 (note 7.2)	30,000,000	(19,500,000)	2,310,000	12,810,000
Alarabi Alargan Real Estate Development Fund 1 (note 7.3)	44,500,000	(80,100,000)	35,600,000	-
Local equities listed on Tadawul (note 7.4)	13,617,536	7,460,876	6,270,379	27,348,791
Alarabi Real Estate Opportunities Fund III (note 7.5)	25,000,000	-	6,760,000	31,760,000
anb capital USD Trade Fund (Shariah) (note 7.9)	5,625,000	(5,635,989)	10,989	-
Total current investments	**222,842,536**	**(198,759,629)**	**49,420,444**	**73,503,351**
Total investments at FVTPL	**223,865,024**	**(173,536,028)**	**49,511,017**	**99,840,013**

	31 December 2023			
	Cost	*Addition (disposal), net*	*Realized/ Unrealized gain (loss)*	*Fair Value*
	SR	*SR*	*SR*	*SR*
Non-current Investments:				
Investments in Hp Oryx Tech Fund 1 (note 7.6)	-	1,022,488	-	1,022,488
Current Investments:				
AlMubarak SAR Trade Fund	9,524,701	(16,875,071)	7,350,370	-
AlMubarak Real Estate Income Fund (note 7.1)	4,000,000	-	(2,579,440)	1,420,560
Al Dar Investment Fund 2 (note 7.2)	30,000,000	-	(1,590,000)	28,410,000
Alarabi Alargan Real Estate Development Fund 1 (note 7.3)	44,500,000	-	35,034,309	79,534,309
Local equities listed on Tadawul (note 7.4)	13,537,486	80,050	8,157,019	21,774,555
Alarabi Real Estate Opportunities Fund III (note 7.5)	25,000,000	-	3,392,750	28,392,750
Total current investments	126,562,187	(16,795,021)	49,765,008	159,532,174
Total investments at FVTPL	126,562,187	(15,772,533)	49,765,008	160,554,662

7 INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (CONTINUED)

7.1 Investments in AlMubarak Real Estate Income Fund represent 4,000 units (31 December 2023: 4,000 units). The fund is unlisted and is managed by the Company.

7.2 Investments in Al Dar Investment Fund 2 represent 1,440,0000 units (31 December 2023: 3,000,0000 units). The fund is unlisted and is managed by fund managers, other than the Company, licensed by the Capital Market Authority of Saudi Arabia.

7.3 Investments in Alarabi Alargan Real Estate Development Fund 1 has been disposed of during the year (31 December 2023: 44,500 units). The fund is unlisted and is managed by the Company.

7.4 Investments in local equities listed on Tadawul represent portfolios managed by the Company.

7.5 Investments in Alarabi Real Estate Opportunities Fund III represent 25,000 units (31 December 2023: 25,000 units). The fund is unlisted and is managed by the Company.

7.6 Investments in feeder private equity fund managed by the Company.

7.7 Investment in private placement represents a direct investment in a closed Saudi joint stock company.

7.8 The Company has purchased 4,150,145 units of anb capital SAR Trade Fund (Shariah) and disposed of all units during the year. The fund is unlisted and is managed by the Company.

7.9 The Company has purchased and disposed of 69,617 units of anb capital USD Trade Fund (Shariah) during the period (31 December 2023: nil units).

	31 December 2024 SR	*31 December 2023 SR*
Fair value as at the beginning of the year	**160,554,662**	131,521,757
Additions during the year, net	**138,409,477**	1,102,538
Disposals during the year	**(206,220,505)**	(16,875,071)
Net unrealised gain at FVTPL	**1,661,407**	41,488,578
Net realised gain at FVTPL	**5,434,972**	3,316,860
Fair value as at the end of year	**99,840,013**	160,554,662

8 INVESTMENTS AT FAIR VALUE THROUGH OCI (FVOCI)

Investments at fair value through other comprehensive income consist of investments in equity for which Company elected to present the changes in the fair value in the OCI. The election was made because the investments are expected to be held for the long term for strategic purposes. The movements are set out below:

	31 December 2024			
	Cost SR	***Addition SR***	***Unrealized gain (loss) SR***	***Fair value SR***
Investment in Saudi Basic Industries (SABIC)	**5,212,336**	**-**	**(2,525,350)**	**2,686,986**

	31 December 2023			
	Cost SR	***Addition SR***	***Unrealized gain (loss) SR***	***Fair value SR***
Investment in Saudi Basic Industries (SABIC)	5,212,336	-	(1,863,634)	3,348,702

8 INVESTMENTS AT FAIR VALUE THROUGH OCI (FVOCI) (CONTINUED)

8.1 There was no disposal of the strategic investment during the year ended 31 December 2024 (2023: nil) and there was no transfer of any cumulative gain or loss within equity relating to these investments (2023: nil). The change in fair value on these investments was SR 0.66 million for the year ended 31 December 2024 (2023: SR 0.24 million).

9 INVESTMENTS IN ASSOCIATES

Investments in associates consist of investments in private real estate funds. The details of the Company's associates at the end of the reporting period are as follows:

Name of Associates	***31 December 2024***	*31 December 2023*	***31 December 2024 SR***	*31 December 2023 SR*
	% of ownership			
ANBC Business Gate Fund (9.1)	**12.75%**	12.75%	**-**	31,091,389
Sara Second Real Estate Fund (9.2)	**23.76%**	23.76%	**285,218,359**	297,397,244
			285,218,359	328,488,633

9.1 The Company owns 12.75% (31 December 2023: 12.75%) of ANBC Business Gate Fund (the Fund), which is a closed-ended private placement real estate investment fund launched on 25 August 2014 for a period of 5 years starting from the date of closure of the first offering on 11 January 2015. Since its launch, the fund was extended a number of times. The last being 14 December 2020, when the unitholders approved an extension to 31 December 2025.

The Company continues to:

- Participate in policy making decisions, including a veto right over the sale of assets;
- Provide the majority of the funding through parent of the Company; and
- Act as the Fund manager.

Accordingly, the Company continues to classify its investment in the fund as an associate.

During the year, the Fund sold the underlying assets and the gain of the transaction has been recognized as share in earnings in the Company statement of income, the Fund is in the process of closure.

Summarized financial information of the associate is set out below. The summarized financial information below represents amounts shown in ANBC Business Gate Fund 's financial statements.

	31 December 2024 SR (Unaudited)	*31 December 2023 SR (Audited)*
Current assets	**37,500**	49,775,421
Non-current assets	**8,750,642**	1,403,227,913
Total assets	**8,788,142**	1,453,003,334
Current liabilities	**267,279**	75,009,885
Non-current liabilities	**-**	1,131,209,634
Net assets	**8,520,863**	246,783,815
Revenue	**220,008,737**	280,542,439
Gain from sale of underlying assets	**1,154,728,891**	-
Total comprehensive income	**1,197,591,532**	25,319,934
Distribution during the year	**(1,435,900,000)**	(100,000,000)

9. INVESTMENTS IN ASSOCIATES (CONTINUED)

The movement in ANBC Business Gate Fund is as follows:

	31 December 2024 SR	*31 December 2023 SR*
At the beginning of the year	**31,091,389**	40,652,984
Share in results	**151,796,926**	3,175,247
Share of dividends paid	**(182,888,315)**	(12,736,842)
At the end of the year	**-**	31,091,389

9.2 On 21 May 2020, the Company subscribed to 23.76% of the units of the Sara Second Real Estate Fund ("the Fund") at an amount of SR 325 million. It is a closed-ended private placement real estate investment fund launched on 21 May 2020 for a period of 12 years starting from date of closure of first offering. However, the fund may be terminated and liquidated early based on the fund manager's decision and the approval of the fund's board of directors and / or in accordance with the relevant provisions of the fund's terms and conditions.

Summarized financial information of the associate is set out below. The summarized financial information below represents amounts shown in Sara Second Real Estate Fund 's financial statements.

	31 December 2024 SR (Unaudited)	*31 December 2023 SR (Audited)*
Total assets	**1,757,962,528**	1,815,132,000
Total liabilities	**559,523,869**	563,143,000
Net assets	**1,198,438,659**	1,254,125,000
Revenue	**161,803,535**	190,833,584
Total comprehensive income	**67,385,658**	9,579,000
Dividends paid during the year	**(68,000,000)**	(66,992,412)

The movement in Sara Second Real Estate Investment Fund is as follows:

	31 December 2024 SR	***31 December 2023 SR***
At the beginning of the year	**297,397,244**	304,499,032
Share in results	**3,976,086**	8,815,609
Share of dividend paid	**(16,154,971)**	(15,917,397)
At the end of the year	**285,218,359**	297,397,244

The Funds have been accounted for using equity method in these financial statements as set out in the Company's accounting policies in note 3.7.

Dividends received from associates represent the actual amounts attributable to the Company and hence received by the Company. The other summary information that precedes the reconciliation to the Company's carrying amount represents amounts included in the financial statements of the associates, not the entity's share of these amounts, although they are adjusted to reflect fair value adjustments upon acquisition or accounting policy alignments.

9 INVESTMENTS IN ASSOCIATES (CONTINUED)

The movement of total investments in associates is as follow:

	31 December 2024 SR	*31 December 2023 SR*
At the beginning of the year	**328,488,633**	345,152,016
Share in results	**155,773,012**	11,990,856
Dividends received during the year	**(199,043,286)**	(28,654,239)
At the end of the year	**285,218,359**	328,488,633

10 PREPAYMENTS AND OTHER ASSETS

	31 December 2024 SR	*31 December 2023 SR*
Accrued asset management fees	**65,086,593**	65,829,602
Accrued advisory and corporate finance fees	**6,532,813**	578,803
Prepaid expenses	**5,449,268**	5,415,254
Accrued special commission income on deposits (note 17)	**869,266**	140,907
Others	**3,495,947**	1,942,374
	81,433,887	73,906,940

11 RECEIVABLES AGAINST MARGIN LENDING, NET

The Company extends the margin-financing facilities to its customers to invest in the Saudi stock exchange (Tadawul) who wish to actively trade on a leveraged basis, secured by the tradable securities. The term of the facilities given to customers are for 12 months.

	31 December 2024 SR	*31 December 2023 SR*
Receivables against margin lending	**1,215,274,692**	1,120,310,361
Accrued special commission income	**7,754,234**	5,797,513
	1,223,028,926	1,126,107,874
Expected credit loss allowance	**(9,673,680)**	(3,673,680)
Receivables against margin lending, net	**1,213,355,246**	1,122,434,194

The Company has the option to liquidate the client's investment portfolio to ensure repayment of the lending amount in case of default. Outstanding amounts are subsequently settled within the tenure of the facilities. Margin lending receivables are financed with initial coverage of at least 200% collateral. The Company is continuously monitoring the market value of the collateral of each customer and the Company has stop loss measure in case if its value falls by 25% of the original value of the portfolio, then the Company liquidate the investment up to the amount lent. If the proceeds from the disposal of the investment are below the carrying value, the borrower is followed up to recover the difference. During the year ended 31 December 2024, the Company has performed an impairment assessment for the outstanding balances and recorded the expected credit loss allowance charged of SR 6,000,000 (31 December 2023: SR 2,500,000).

12 CASH AND CASH EQUIVALENTS

	31 December 2024 SR	*31 December 2023 SR*
Cash in hand	**55,000**	40,000
Cash at bank - current accounts (note 17)	**442,849,513**	262,600,462
Cash and cash equivalents in the statement of financial position	**442,904,513**	262,640,462
Bank overdraft repayable on demand (note 12.1)	**-**	(293,107,874)
Cash and cash equivalents in the statement of cash flows	**442,904,513**	(30,467,412)

12.1 The Company had obtained an overdraft facility from Arab National Bank to facilitate margin lending, carrying a commission rate of 6.0% per annum (2023: 5.8%).

13 EMPLOYEES' DEFINED BENEFIT OBLIGATION

The movement in employees defined benefit obligation for the year ended as follows:

	31 December 2024 SR	*31 December 2023 SR*
Balance at beginning of the year	**26,106,080**	26,522,077
Current service cost	**3,796,766**	3,130,411
Past service cost	**-**	-
Interest cost	**1,400,991**	1,241,795
Amount recognized in profit or loss account (Note 21)	**5,197,757**	4,372,206
Re-measurement loss / (gain) on employee defined benefit obligation	**4,241,086**	(4,226,708)
Amount recognized in OCI	**4,241,086**	(4,226,708)
Benefits paid during the year	**(4,064,983)**	(561,495)
Balance at the end of the year	**31,479,940**	26,106,080

The Company carried out an employee benefits actuarial valuation of its liability, using the projected unit credit method, as at 31 December 2024 arising from the end of service benefits to qualifying in-service employees.

Key actuarial assumptions
The following were the principal actuarial assumptions:

	31 December 2024	*31 December 2023*
Financial assumptions		
Discount rate used	**5.55%**	5.75%
Salary growth rate	**4.00%**	4.50%
Demographic assumptions		
Retirement age	**60 years**	60 years
Post Retirement Mortality	**13 years**	13 years

13 EMPLOYEES' DEFINED BENEFIT OBLIGATION (CONTINUED)

Sensitivity analysis of key actuarial assumptions

A reasonably possible change to one of the relevant actuarial assumptions, holding other assumptions constant, would have an impact on the defined benefit obligation. The following is a sensitivity analysis for the salary inflation and discount rate assumptions performed at the previous and current valuation date and the expected defined benefit obligation on each assumption is as follows:

	31 December 2024	*31 December 2023*
Key actuarial assumption (change in assumption)	*Effect of change in assumption on closing balance*	
Discount rate (+1%)	**28,675,410**	23,703,936
Discount rate (-1%)	**34,751,607**	28,916,237
Long term salary increases (+1%)	**34,770,142**	28,923,448
Long term salary increases (-1%)	**28,611,176**	23,655,685

Maturity profile of the employee defined benefit obligation

The average duration of the defined benefit plan obligation at the end of the reporting period is 27.08 years (2023: 26.41 years) and details of expected payments for defined benefit obligation in future years are as follows:

	31 December 2024	*31 December 2023*
Within next 12 months (next annual reporting period)	**2,688,789**	2,221,343
Between 2 and 5 years	**13,872,952**	11,301,064
Beyond 5 years	**22,447,359**	17,961,519
Total Expected Payments	**39,009,100**	31,483,926

14 LEASE LIABILITIES

The movement in lease liabilities during the year is as follows:

	31 December 2024 SR	*31 December 2023 SR*
At the beginning of the year	**3,803,760**	5,698,508
Finance cost	**112,216**	170,436
Lease payments during the year	**(1,154,250)**	(2,065,184)
At the end of the year	**2,761,726**	3,803,760
Non-current lease liabilities	**911,911**	1,849,815
Current lease liabilities	**1,849,815**	1,953,945

15 ACCRUED EXPENSES AND OTHER LIABILITIES

	31 December 2024 SR	*31 December 2023 SR*
Accrued employees' salaries and related benefits	**38,520,954**	24,141,123
Accrued expenses	**45,330,397**	33,694,772
Accounts payable	**12,093,206**	5,462,551
Value added tax payable	**5,151,477**	3,579,784
Payable to The Saudi Stock Exchange Company (Tadawul)	**299,215**	1,144,604
Professional fees	**1,073,469**	871,240
Others	**1,327,031**	1,256,802
	103,795,749	70,150,876

16 ZAKAT AND INCOME TAX

a) Zakat and income tax charge

	31 December 2024 SR	*31 December 2023 SR*
Share capital	**1,000,000,000**	1,000,000,000
Statutory and other reserve, beginning balance	**116,728,540**	94,026,661
Retained earnings, beginning balance	**419,797,378**	720,754,655
Adjusted net income	**475,485,716**	276,939,092
Employees' retirement benefits	**22,007,317**	19,560,618
Provisions	**27,609,000**	33,172,728
Property and equipment as per income tax law	**(16,841,387)**	(16,119,666)
Investments as per income tax law	**(392,227,022)**	(328,488,632)
Zakat base	**1,652,559,542**	1,799,845,456
Share of Saudi shareholder in the Zakat base @ 60%	**991,535,725**	1,079,907,274

Zakat is calculated based on the zakat base. Some of these amounts have been adjusted in arriving at Zakat base for the year. Following is the composition of the Zakat and tax provision for the year:

	31 December 2024 SR	*31 December 2023 SR*
Zakat charge during the year	**24,904,898**	27,707,511
Tax charge during the year	**40,245,300**	22,429,784
Deferred tax income during the year	**(1,208,271)**	175,619
	63,941,927	50,312,914

b) Movement in zakat and income tax payable during the year

Movement for the year ended 31 December 2024	*Zakat SR*	*Income Tax SR*	*Total SR*
At the beginning of the year	32,835,112	7,811,295	40,646,407
Provided during the year	24,904,898	40,245,300	65,150,198
Payments during the year	(16,566,670)	(12,559,288)	(29,125,958)
At the end of the year	**41,173,340**	**35,497,307**	**76,670,647**

Movement for the year ended 31 December 2023	*Zakat SR*	*Income Tax SR*	*Total SR*
At the beginning of the year	34,275,826	16,080,318	50,356,144
Provided during the year	27,707,511	22,429,784	50,137,295
Payments during the year	(29,148,225)	(30,698,807)	(59,847,032)
At the end of the year	32,835,112	7,811,295	40,646,407

16 ZAKAT AND INCOME TAX (CONTINUED)

c) Status of assessment

The Company has finalized its Zakat and income tax assessments for the years ended 31 December 2008, 2009 and 2010. The Company has also filed the Zakat and income tax returns for the years from 2011 to 2023 which are still under review with the ZATCA. Zakat and income tax return for the year ended 31 December 2024 will be submitted subsequent to the financial statements' issuance date.

d) Deferred tax

	Opening balance	*Recognized in profit and loss account*	*Closing balance*
	SR	*SR*	*SR*
Movement for the year ended 31 December 2024			
Property, equipment and intangible assets	(91,641)	855,279	763,638
Employees' defined benefit obligation	2,645,403	(127,008)	2,518,395
Provision for operational losses	293,894	480,000	773,894
	2,847,656	**1,208,271**	**4,055,927**
Movement for the year ended 31 December 2023			
Property, equipment and intangible assets	745,502	(837,143)	(91,641)
Employees' defined benefit obligation	2,183,879	461,524	2,645,403
Provision for operational losses	93,894	200,000	293,894
	3,023,275	(175,619)	2,847,656

17 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent Parent Company, associates of the Parent Company, directors and key management personnel of the Company and entities controlled or significantly influenced by the Parent Company. Transactions with related parties included in the statement of comprehensive income are as follows:

Related party	***Nature of transactions***	***Balances***	
		2024	*2023*
Assets		***SR***	*SR*
Arab National Bank ('ANB') - Parent Company	Current accounts held with ANB (note 12)	**442,849,513**	262,600,462
	Accrued corporate finance fee income from ANB	**3,111,563**	1,041,563
	Accrued special commission income (note 10)	**869,266**	140,907
- Directors and key management personnel	Receivables against margin lending	**9,865,362**	4,833,862
Liabilities			
Arab National Bank ('ANB') - Parent Company	Bank overdraft repayable on demand (note 12)	**-**	(293,107,874)

17 RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

Related party	***Nature of transactions***	***Amount of transactions***	
		2024	*2023*
Income		***SR***	*SR*
Arab National Bank ('ANB') - Parent Company	Income from ANB discretionary portfolio management	**7,560,600**	7,506,788
	Corporate finance fee income	**1,800,000**	2,400,000
	Special commission income on deposits	**170,599,233**	89,027,575
	Advisory fee	**10,000,000**	10,000,000
- Directors and key management personnel	Special commission income on margin lending	**485,345**	439,916

		2024	*2023*
Expense		***SR***	*SR*
Arab National Bank ('ANB') - Parent Company	Shared services cost allocated by ANB	**(5,987,896)**	(6,422,844)
- Directors and key management personnel	Salaries and related benefits to key management	**(20,305,303)**	(15,447,338)
	Board of Directors fees	**(2,191,000)**	(2,204,000)

18 SHARE CAPITAL

	31 December 2024 SR	*31 December 2023 SR*
Arab National Bank - Ordinary shares (SR 10 per share)	**100%**	100%

Share capital of SR 1,000 million (31 December 2023: SR 1,000 million) is divided into 100,000,000 shares (31 December 2023: 100,000,000 shares) of SR 10 each, which is wholly paid.

No dividends were declared or paid during 2024. For 2023, the Board approved to pay cash dividends of SAR 500 million on 20 December 2023, which were distributed on 28 December 2023.

19 STATUTORY RESERVE

As the updated Company's bylaws no longer require transfers of 10% of the net income for the year to the statutory reserve, the reserve balance will be reclassified to retained earnings, subject to shareholder approval.

20 REVENUE

a) Brokerage fee income, net

The brokerage income comprises of following:

	31 December 2024 SR	*31 December 2023 SR*
Gross brokerage income	**150,211,698**	127,696,598
Less: Tadawul fees	**(47,577,596)**	(40,892,018)
Less: Discounts	**(55,943,870)**	(49,823,263)
	46,690,232	36,981,317

20 REVENUE (CONTINUED)

b) Asset management fee income

The asset management fees comprise of following:

	31 December 2024 SR	*31 December 2023 SR*
Management and administrative fees from:		
- Mutual funds	**95,531,209**	74,728,024
- Discretionary portfolios	**24,211,369**	17,990,773
Subscription fees	**6,621,509**	4,484,911
	126,364,087	97,203,708

c) Investment banking and advisory fees

	31 December 2024 SR	*31 December 2023 SR*
Investment Banking	**15,221,319**	8,798,602
Advisory fees	**30,037,000**	23,681,217
	45,258,319	32,479,819

20.1 Revenue from commission on brokerage services, investment banking and advisory services are recognized at point in time while the revenue from asset management fee income is recognized over the period of time.

20.2 The primary geographical market for the Company's product and services is the Kingdom of Saudi Arabia.

21 SALARIES AND RELATED BENEFITS

	31 December 2024 SR	*31 December 2023 SR*
Basic salaries	**48,259,194**	39,641,175
Staff bonus	**41,740,468**	21,608,560
Housing allowance	**7,740,922**	6,423,277
Defined benefit obligations (note 13)	**5,197,757**	4,372,206
Social security charges	**4,364,238**	3,571,865
Employee medical expenses	**3,611,793**	3,375,381
Transportation and travelling allowance	**2,134,942**	1,919,885
Others	**7,450,567**	5,900,292
	120,499,881	86,812,641

22 OTHER EXPENSES

	31 December 2024 SR	*31 December 2023 SR*
Communication	**1,318,358**	1,393,621
Insurance	**343,666**	370,273
Board of director's fees	**2,191,000**	2,204,000
Promotion and incentive	**2,583,638**	1,180,633
Travelling and hospitality expenses	**602,689**	687,006
Media expense	**2,172,347**	581,711
VAT expense	**4,717,656**	2,694,818
Others	**1,838,717**	1,795,982
	15,768,071	10,908,044

23 EARNINGS PER SHARE

The calculation of basic and diluted earnings per share has been based on the following profit attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding.

	31 December 2024 SR	*31 December 2023 SR*
Income for the year	**400,169,680**	220,629,627
Weighted average number of ordinary shares	**100,000,000**	100,000,000
Basic and diluted, income for the year per share	**4.00**	2.21

24 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below is an overview of financial assets, other than cash and cash equivalents, held by the Company as at 31 December 2024 and 31 December 2023.

	31 December 2024 SR	*31 December 2023 SR*
Financial assets at amortised cost		
Receivables against margin lending, net	**1,213,355,246**	1,122,434,194
Financial assets at fair value through profit or loss (note 7)		
AlMubarak Real Estate Income Fund (note 7.1)	**1,584,560**	1,420,560
Al Dar Investment Fund 2 (note 7.2)	**12,810,000**	28,410,000
Alarabi Alargan Real Estate Development Fund 1 (note 7.3)	**-**	79,534,309
Local equities listed on Tadawul (note 7.4)	**27,348,791**	21,774,557
Alarabi Real Estate Opportunities Fund III (note 7.5)	**31,760,000**	28,392,750
Investment in Hp Oryx Tech Fund 1 (note 7.6)	**1,336,662**	1,022,488
Investments in private placement (note 7.7)	**25,000,000**	-
Financial assets at fair value through OCI (note 8)		
Investment in Saudi Basic Industries (SABIC)	**2,686,986**	3,348,702
Total financial assets	**1,315,882,245**	1,286,337,560
Total current	**1,286,858,597**	1,281,966,370
Total non-current	**29,023,648**	4,371,190

Set out below is an overview of financial liabilities held by the Company as at 31 December 2024 and 31 December 2023.

	31 December 2024 SR	*31 December 2023 SR*
Financial liabilities at amortised cost		
Accrued expenses and other payables	**98,644,272**	66,571,092
Zakat and income tax payable	**76,670,647**	40,646,407
Lease liabilities - current	**1,849,815**	1,953,945
Lease liabilities - non-current	**911,911**	1,849,815
Total financial liabilities at amortised cost	**178,076,645**	111,021,259
Total current	177,164,734	109,171,444
Total non-current	911,911	1,849,815

25 FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's financial assets as at 31 December 2024 and 31 December 2023. There are no financial liabilities measured at fair value. The fair value of other financial assets and financial liabilities approximate their carrying value.

		Fair value measurement using		
	Total	***Quoted prices in active markets (Level 1)***	***Significant observable inputs (Level 2)***	***Significant unobservable inputs (Level 3)***
As at 31 December 2024	***SR***	***SR***	***SR***	***SR***
Financial assets at fair value through profit or loss (note 7)				
AlMubarak Real Estate Income Fund (note 7.1)	**1,584,560**	**-**	**-**	**1,584,560**
Al Dar Investment Fund 2 (note 7.2)	**12,810,000**	**-**	**-**	**12,810,000**
Local equities listed in Tadawul (note 7.4)	**27,348,791**	**27,348,791**	**-**	**-**
Alarabi Real Estate Opportunities Fund III (note 7.5)	**31,760,000**	**-**	**-**	**31,760,000**
Investments in Hp Oryx Tech Fund 1 (note 7.6)	**1,336,662**	**-**	**-**	**1,336,662**
Investments in private placement (note 7.7)	**25,000,000**	**-**	**-**	**25,000,000**
Financial assets at fair value through OCI (note 8)				
Investment in Saudi Basic Industries (SABIC)	**2,686,986**	**2,686,986**	**-**	**-**
As at 31 December 2023	*SR*	*SR*	*SR*	*SR*
Financial assets at fair value through profit or loss (note 7)				
AlMubarak Real Estate Income Fund (note 7.1)	1,420,560	-	-	1,420,560
Al Dar Investment Fund 2 (note 7.2)	28,410,000	-	-	28,410,000
Alarabi Alargan Real Estate Development Fund 1 (note 7.3)	79,534,309	-	-	79,534,309
Local equities listed in Tadawul (note 7.4)	21,774,555	21,774,555	-	-
Alarabi Real Estate Opportunities Fund III (note 7.5)	28,392,750	-	-	28,392,750
Investments in Hp Oryx Tech Fund 1 (note 7.6)	1,022,488	-	-	1,022,488
Financial assets at fair value through OCI (note 8)				
Investment in Saudi Basic Industries (SABIC)	3,348,702	3,348,702	-	-

25 FAIR VALUE HIERARCHY (CONTINUED)

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 3 fair values.

Type	Valuation Technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Real estate investment funds	Discounted cashflows	- Expected Cashflows - Discount rate	The estimated fair value would increase (decrease) if: -the expected cashflows are higher (lower) by 10% -the discount rates are lower (higher) by 1%
Other investment funds	Fund's most recent reported net asset value	- Expected Cashflows	The estimated fair value would increase (decrease) if the discount rates are lower (higher) by 1%

25.1 There have been no transfers between level 1, level 2 and level 3 during the reporting periods.

25.2 The following table shows the reconciliation from opening balance to closing balance for the fair value for level 3 fair value.

	31 December 2024 SR	*31 December 2023 SR*
Balance at the beginning of the year	**138,780,107**	101,560,520
Purchases during the year	**25,223,601**	1,022,488
Sold during the year	**(95,134,309)**	-
Net changes in investments at FVPTL		
Unrealized fair value gain for the year	**3,621,823**	36,197,099
Balance at the end of the year	**72,491,222**	138,780,107

26 FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

Introduction

The Company's objective in managing risk is the creation and protection of shareholder value. Risk is inherent in the Company's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Company's continuing profitability. The Company is exposed to market risk (which includes interest rate risk, currency risk and equity price risk), liquidity risk, and credit risk and investment holding period risk arising from the financial instruments it holds.

Risk management structure

The Company's Board of Directors is ultimately responsible for the overall risk management of the Company.

Risk measurement and reporting system

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses that are an estimate of the ultimate actual loss based on statistical models. The models make use of the probabilities derived from historical experience, adjusted to reflect the economic environment.

Monitoring and controlling risks is primarily set up to be performed based on limits established by the Board of Directors. These limits reflect the business strategy, including the risk that the Company is willing to accept and the market environment of the Company. In addition, the Board monitors and measures the overall risk in relation to the aggregate risk exposure across all risk type and activities.

26 FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Risk mitigation

The Company has investment guidelines that set out its overall business strategies, its tolerance for risk and its general risk management philosophy.

Excessive risk concentration

Concentration indicates the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location. Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of liquidity risk may arise from the repayment terms of financial liabilities, sources of borrowing facilities or reliance on a particular market in which to realise liquid assets. Concentrations of foreign exchange risk may arise if the Company has a significant net open position in a single foreign currency, or aggregate net open positions in several currencies that tend to move together.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. The investment manager is instructed to reduce exposure or to use derivative instruments to manage excessive risk concentrations when they arise.

Credit risk

Credit risk refers to the risk that a party to a financial instrument will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties, for whom the credit risk is assessed to be low. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific non-related counterparties, and continually assessing the creditworthiness of such non-related counterparties. The Company maintains bank accounts with high credit rated financial institutions.

The table below shows the Company's maximum exposure to credit risk for components of the statement of financial position.

	31 December 2024 SR	*31 December 2023 SR*
Receivables against margin lending, net (note 11)	**1,213,355,246**	1,122,434,194
Investments at fair value through profit or loss (FVTPL) (note 7)	**99,840,013**	160,554,662
Investments in associates (note 9)	**285,218,359**	328,488,633
Investments at fair value through OCI (note 8)	**2,686,986**	3,348,702
Cash and cash equivalents in the statement of financial position (note 12)	**442,904,513**	262,640,462
	2,044,005,117	1,877,466,653

Credit concentration

Concentration of credit risk arises when a number of counter-parties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

No significant concentrations of credit risk were identified by the management as at the reporting date.

The management has conducted an assessment as required under IFRS 9 and based on such assessment, the management believes that there is no need for any significant impairment loss against the carrying value of cash and cash equivalents, time deposits, due from related parties and other financial assets.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value. Liquidity risk is managed by ensuring that sufficient funds are available from Shareholders and related parties at all times to meet any future commitments, and financing facilities are available.

26 FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments:

31 December 2024	*On Demand SR*	*Within 3 months SR*	*3 months to 1 year SR*	*Above 1 year SR*	*Total SR*
Accrued expenses and other liabilities	**36,535,274**	**40,441,061**	**26,819,414**	**-**	**103,795,749**
Lease liability	**-**	**284,183**	**1,565,632**	**911,911**	**2,761,726**
Total financial liabilities	**36,535,274**	**40,725,244**	**28,385,046**	**911,911**	**106,557,475**
31 December 2023					
Accrued expenses and other liabilities	26,086,701	12,579,202	31,484,973	-	70,150,876
Bank overdraft	293,107,874	-	-	-	293,107,874
Lease liability	-	284,183	1,781,001	2,065,184	4,130,368
Total financial liabilities	319,194,575	12,863,385	33,265,974	2,065,184	367,389,118

Market risk
Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The maximum risk resulting from financial instruments equals their fair value. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

Interest rate risk
Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Board of Directors has established limits on the interest gaps for stipulated periods.

Equity price risk
Equity price risk is the risk of unfavourable changes in the fair values of equity instruments as a result of changes in the value of individual shares. The equity price risk exposure arises from the Company's investments in equity securities. The Company's investments are susceptible to market price risk arising from uncertainties about future prices. The Board manages this risk through diversification of its investment portfolio in terms of geographical distribution and/or industry concentration.

Sensitivity analysis
The table below sets out the effect on profit or loss and other comprehensive income of a reasonably possible weakening /strengthening in the individual market prices by 5% at the reporting date. The estimates are made on an individual investment basis. The analysis assumes that all other variables, in particular commission and foreign currency rates, remain constant.

Effect on profit and loss		***2024***		*2023*
		SR		*SR*
Net (loss) gain on investments held at fair value through profit or loss	+ 5%	**7,976,609**	+ 5%	6,576,088
	- 5%	**(7,976,609)**	- 5%	(6,576,088)

Currency risk
Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Company does not have any significant exposure to currency risk as all its significant monetary assets and monetary liabilities are denominated in Saudi Riyals. The Company did not undertake significant transactions in currencies other than Saudi Riyals and US dollars during the year and Saudi Riyals are pegged to the US dollar.

27 SEGMENT INFORMATION

An operating segment is a component of an entity:

(a) that engages in business activities from which it may earn revenue and incur expenses (including revenues and expenses relating to transactions with other components of the same entity).

(b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and

(c) for which discrete financial information is available.

For management purposes, the Company is organized into the following operating segments:

Brokerage	The Brokerage Division consists of accounts / portfolios of clients by providing facilities and services in trading local and international equities
Asset management services	The Asset Management Division is engaged in the management of clients' assets and in the development and placement of asset management products and services
Investment banking and real estate advisory	The Investment Banking Division is involved in Merger and Acquisition, Advisory Services, Initial Public Offering, Real Estate Advisory Services
Margin financing	The Margin Lending Division manages the lending process for the margin lending portfolio. Its primary responsibilities include assessing the creditworthiness of clients who are granted these facilities and closely monitoring their coverage ratios.
Head office	ANB Capital's Head Office principal activity is to manage the financial position of the Company and the investment of excess cash in proprietary investments such as local listed equities, private equity, real estate, Murabaha deposits with local banks and other alternative products.

2024	*Brokerage SR*	*Asset management services SR*	*Investment banking and real estate advisory SR*	*Margin financing SR*	*Head office SR*	*Total SR*
Revenue	**46,690,232**	**126,364,087**	**45,258,319**	**88,155,220**	**179,660,799**	**486,128,657**
Expenses and impairment charges	**(45,471,215)**	**(49,837,757)**	**(23,246,061)**	**(14,765,550)**	**(44,357,263)**	**(177,677,846)**
Income from operations	**1,219,017**	**76,526,330**	**22,012,258**	**73,389,670**	**135,303,536**	**308,450,811**
Total assets	**7,179,548**	**54,848,228**	**6,532,812**	**1,213,355,246**	**864,585,024**	**2,146,500,858**
Total liabilities	**2,501,492**	**3,662,420**	**1,371,225**	**-**	**207,172,925**	**214,708,062**
2023						
Revenue	36,981,317	97,203,708	32,479,819	83,045,054	135,344,183	385,054,081
Expenses and impairment charges	(34,668,064)	(35,378,022)	(17,096,498)	(9,449,423)	(29,339,953)	(125,931,960)
Income from operations	2,313,253	61,825,686	15,383,321	73,595,631	106,004,230	259,122,121
Total assets	3,837,887	45,549,403	24,055,138	1,122,434,194	774,464,293	1,970,340,915
Total liabilities	1,778,379	4,419,586	-	300,986,957	126,630,075	433,814,997

28 CAPITAL COMMITMENTS AND CONTINGENCIES

As at 31 December, the Company has the following commitments:

	31 December 2024 SR	*31 December 2023 SR*
Un-utilized margin lending limits	**1,262,806,665**	1,122,260,126
Capital commitments	**4,378,911**	11,671,922
	1,267,185,576	1,133,932,048

29 SUBSEQUENT EVENTS

No events have occurred subsequent to the reporting date and before the issuance of these financial statements which requires adjustment to, or disclosure, in these financial statements.

30 CAPITAL ADEQUACY

The CMA has issued Prudential Rules (the "Rules") dated 17 Safar 1434H (corresponding to 30 December 2012) amended by resolution of the Board of the Capital Market Authority Number 1-129-2022 Dated 04 Jumada II 1444H (Corresponding to 28 December 2022). According to the Rules, the CMA has prescribed the framework and guidance regarding the minimum regulatory capital requirement and its calculation methodology as prescribed under these Rules. In accordance with this methodology, the Company has calculated its minimum capital required. Current year figures are presented based on amended regulations issued by CMA effective from 1 April 2023, and applied prospectively. The prior year's figures are not restated but are presented based on previous Rules and guidance. Capital adequacy ratios are as follows:

	31 December 2024 SR'000	*31 December 2023 SR'000*
Capital base		
Tier I	**1,917,656**	1,525,062
Total	**1,917,656**	1,525,062

Risk weighted assets

	31 December 2024 SR'000	*31 December 2023 SR'000*
Market risk	**54,825**	43,549
Credit risk	**3,493,536**	3,765,601
Operational risk	**747,212**	570,194
Total	**4,295,573**	4,379,344
Capital adequacy ratio (percentage)	**45%**	35%
Surplus	**1,574,010**	1,174,715

30 CAPITAL ADEQUACY (CONTINUED)

a) The Capital Base of the Company comprises of Tier-1 capital, which consists of paid-up share capital, retained earnings, share premium (if any), reserves excluding revaluation reserves as per Article 4 of the Rules.

b) The Company is required to maintain adequate capital as specified in the Rules. The capital adequacy ratio shall not be less than 8% of the minimum capital required in amended Rules and shall not be less than 1 time in previous Rules.

c) The Company's business objectives when managing capital adequacy is to comply with the minimum capital requirements set forth by the CMA to safeguard the Company's ability to continue as a going concern, and to maintain a strong capital base.

d) The above calculations are based on the respective Capital Adequacy Model (CAM) that was provided by CMA as of the corresponding financial statement reporting years.

31 ASSETS HELD UNDER FIDUCIARY CAPACITY

The Company holds assets on behalf of its customers as the Company acts in a fiduciary capacity, these assets are not included in the statement of financial position of the Company.

31.1 *Assets under management*

These represents mutual funds and discretionary portfolio assets managed by the Company, which on total asset basis amounted to SR 20.4 billion as at 31 December 2024 (2023: SR 16.6 billion) and on net asset basis amounted to SR 15.6 billion (2023: SR 12.2 billion).

31.2 *Clients' cash accounts*

The Company was holding clients' cash accounts with ANB, which amounted to SR 2.90 billion as at 31 December 2024 (2023: SR 3.06 billion), to be used for investments on clients' instructions.

32 APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements have been approved by the Board of Directors on 13 March 2025 (corresponding to 13 Ramadan 1446H).