



anbcapital

2024 ANNUAL REPORT





King Salman Bin Abdulaziz Al Saud
The Custodian of the Two Holy Mosques



Prince Mohammed bin Salman bin Abdulaziz Al Saud
His Royal Highness, The Crown Prince and Prime Minister

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Section 1:
Our Strategy and Business
Report

Message from the Chairperson

As the Kingdom of Saudi Arabia advances its economic transformation under Vision 2030, its resilience and adaptability continue to unlock investment opportunities, reinforcing its position as a global financial hub. Amid this period of transformation and growth, anb capital remains steadfast in our vision to drive innovation, foster financial excellence, and create lasting value in the capital markets.

Our success is built on strategic foresight, an unwavering commitment to our clients, and the dedication of our talented teams. By embracing cutting-edge financial solutions, expanding our investment offerings, and fostering local talent, we have not only reinforced our leadership in Saudi capital markets but also contributed meaningfully to the Kingdom’s broader economic ambitions. Through strategic initiatives, we have strengthened our market position and achieved significant milestones across all core business divisions.

As we step into a new chapter of growth and opportunities, I am pleased to present anb capital’s 2024 Annual Report. This year has been marked by significant milestones across our business lines, demonstrating our commitment to innovation and a client-centric approach. This report reflects our continued progress, offering insights into our key achievements, strategic advancements, and the path to sustained growth in the years ahead.



A Vision for the Future: Building on Our 2023 Commitment

In 2024, we proudly uphold our vision statement that was introduced in 2023, to serve as the leading catalyst in positioning the Kingdom as a global investment powerhouse. Our vision and mission statements continue to shape our organizational culture, drive our strategic and operational decisions, and define our priorities. The alignment on these statements has been instrumental in uniting us as a cohesive force, enabling us to chart a clear path toward our shared goals. As a Capital Market Institution, this unified sense of purpose empowers us to fulfil our role with clarity, determination, and a steadfast commitment to shaping the future of the Kingdom’s investment landscape.

Sustained Improvement

anb capital, as a leading financial institution serving Saudi corporates, derives significant value from its robust market relationships. These connections are instrumental, particularly in capital market transactions, enabling us to deliver superior financial solutions. Our strategic focus is on leveraging our extensive client network and maximizing our strengths across our business lines to target opportunities where we maintain a competitive edge.

Our approach is built on four key pillars:



Team Strength

We foster a highly collaborative and skilled team, ensuring seamless synergy that drives exceptional client outcomes.



Idea Generation

We cultivate innovative thinking, consistently delivering value-driven insights that fuel growth.



Content Quality

Our commitment to producing high-caliber, insightful, and actionable content empowers our clients to make informed decisions.



Execution Excellence

We uphold the highest standards of precision and efficiency in executing transactions, ensuring seamless and professional delivery.

By maintaining this strategic focus, anb capital continues to strengthen its market position and deliver outstanding value to our clients.

Highlights of anb capital's Performance in 2024

anb capital continued its strong growth trajectory in 2024, delivering record financial performance and expanding its presence in key market segments. We reported impressive growth across all divisions, our total operating income increased 26% year-over-year, reaching SAR 486.1 million. Despite a more dynamic market environment, we continued to maintain financial efficiency, with an income before zakat and tax of SAR 464.1 million, a 71% increase from 2023. Our net income for the year surged to SAR 400.2 million, an 81% increase from the previous year, reflecting both strong core earnings and the positive impact of non-operating income.

The Company demonstrated strong financial standing, with total assets reaching SAR 2.14 billion, a 9% increase from 2023, while cash and cash equivalents rose to SAR 442 million, reinforcing our financial strength and liquidity. These figures reflect the success of our disciplined approach to growth, risk management, and strategic capital allocation.

We remain a trusted partner in the capital markets, successfully executing key transactions that reinforce our expertise and leadership. Notably, we advised Tamimi Markets Company on its acquisition of Al Raya for Food Stuffs Company and played a critical role as joint bookrunner and underwriter for Fakeeh Care Group's SAR 2.9 billion IPO. These successes further establish our capability and reputation in the market.

Our fund offerings, particularly the anb capital Opportunistic Funds, both conventional and Shariah-compliant, have experienced substantial growth, with each fund surpassing SAR 100 million in AUM. Additionally, the Shariah-compliant IPO Fund has become the largest IPO public fund of its kind in the Kingdom, exceeding SAR 286 million AUM by the 2024 year end.

In 2024, anb capital's real estate division accomplished significant milestones, including the liquidation and sale of two major funds and the launch of nine new funds focusing on infrastructure, residential, and mixed-use developments in Riyadh and Jeddah. These initiatives highlight our strategic partnerships and a strong pipeline of projects, reinforcing our role in the Kingdom's real estate sector. These accomplishments are a testament to anb capital's ability to navigate a dynamic market environment and continue delivering value for our clients and stakeholders.

Overview of Global Economy and its Outlook

In October 2024, the International Monetary Fund (IMF) released its World Economic Outlook, forecasting global GDP growth at 3.2% for 2024, maintaining the previous year's pace and remaining below the pre-pandemic two-decade average of 3.7%. Advanced economies are projected to see modest expansion, with growth between 1.7% and 1.8%, slightly up from 1.6% in 2023. Meanwhile, emerging markets and developing economies are expected to sustain stronger growth at 4.2%, reflecting the resilience of Asia and the Middle East as primary drivers of global expansion. However, mature economies continue to face subdued growth, weighed down by structural weaknesses, inflationary concerns, and tighter financial conditions.

Following recent updates, the IMF projects global GDP growth to stabilize at 3.3% in 2025. The United States is set to grow 2.7%, reflecting continued momentum from 2024, alongside resilient labour markets and increased investments. The broader advanced economy group is expected to maintain 1.9% growth. The Eurozone is forecast to see a modest pickup to 1.0% in 2025, compared to 0.8% in 2024, as rising real wages bolster consumer spending, supported by monetary easing. Emerging markets and developing economies are projected to sustain 4.2% growth in 2025. In emerging Asia, growth is forecast at 5.1%, with China's property sector downturn and impending United States trade restrictions acting as key constraints on the region's recovery.

Global headline inflation remains on a downward trajectory, falling from 6.7% in 2023 to 5.8% in 2024, and further easing to 4.2% in 2025. Advanced economies are expected to see faster disinflation compared to developing markets, as tighter monetary policies continue to curb price pressures. However, policy uncertainty remains high, with potential risks stemming from geopolitical tensions in the Middle East and trade policy shifts in major economies. The United States, under the new administration, is considering protectionist measures that could escalate trade disputes, disrupt global supply chains, and contribute to renewed inflationary pressures.

In 2024, Brent crude oil prices averaged \$81 per barrel, maintaining relative stability as OPEC+ production cuts countered rising non-OPEC supply. Countries such as the United States, Canada, Brazil, Argentina, and Ghana ramped up production, limiting the impact of OPEC+ restrictions. However, demand concerns persisted, driven by slowing global GDP growth, geopolitical uncertainty, and restrictive trade policies that dampened oil consumption in key markets.

Looking ahead to 2025, the oil market faces a shift towards oversupply, with the U.S. Energy Information Administration (EIA) forecasting Brent crude to average \$74 per barrel, down from 2024 levels. U.S. crude oil production is projected to rise from 13.2 million barrels per day (mbpd) to 13.5 mbpd in 2025, as the administration has rolled back environmental regulations to facilitate increased drilling activities for higher domestic production. The anticipated supply-demand imbalance also stems from a combination of increasing non-OPEC output, the unwinding of OPEC+ production cuts starting in April 2025, weaker demand driven by slower global trade and energy transition shifts.

Overview of Domestic Economic Performance

Saudi Arabia's economy returned to growth in 2024, with real GDP rising 1.3% from the previous year, according to estimates from the General Authority for Statistics. Non-oil sector growth outpaced overall GDP, expanding 4.3%, while oil activities contracted 4.5% and government activities grew 2.6%.

The economic momentum strengthened in the fourth quarter of 2024, with GDP increasing 4.4% year on year, the fastest quarterly growth rate in two years, driven by a 4.6% expansion in non-oil sectors.

Saudi Arabia's total revenue for 2024 reached SAR 1,259 billion, 7.5% above budget projections, supported by gains in both oil and non-oil revenue streams. Government spending rose 9.8% beyond initial estimates, reaching SAR 1,374 billion, as the Kingdom accelerated investments in Vision 2030 projects and infrastructure development.

As part of its Vision 2030 strategy, Saudi Arabia continues to prioritize economic diversification, with non-oil GDP sustaining strong growth in recent years and expected to accelerate further in the medium term.

In 2024, the Saudi Exchange (Tadawul) showcased robust performance, with the Tadawul All Share Index (TASI) closing the year at 12,036.50 points and peaking at 12,835.65 points, signaling growing investor confidence and strengthening market fundamentals across key sectors. Trading activity experienced significant growth, with the total value of shares traded reaching SAR 1.86 trillion, a 39.7% increase from 2023. The number of trades executed surged to 128.57 million, marking a 36.76% growth, while the total volume of shares traded increased by 20.65%, reaching 99.66 billion shares.

Key industry groups played a central role in market activity, with the banking sector recording the highest traded value at SAR 265.57 billion, while the financial services sector dominated in share volume, surpassing 21.16 billion shares.

The IPO market continued to be a key driver of market expansion, raising SAR 14.4 billion in total offering value. By the end of 2024, the total number of listed companies reached 247, further accelerating the momentum of Saudi Arabia's capital market development. As part of ongoing efforts to enhance market structure and expand product offerings, the Saudi Exchange introduced the TASI50 Index in January 2024. This index tracks the top 50 companies by market capitalization, covering approximately 90% of the free float market capitalization, with a minimum Annual Traded Value Ratio (ATVR) of 5%. These criteria ensure a comprehensive representation of the largest companies in the market and align with the Financial Sector Development Program's vision to diversify and deepen Saudi Arabia's capital markets under Vision 2030.



Prospects for 2025

According to the Ministry of Finance's 2025 Budget Statement, Saudi Arabia's real GDP is projected to grow by 4.6% in 2025, driven by strong momentum in the non-oil sector and rising private sector investment. Total revenue is expected to reach SAR 1,184 billion, reflecting the government's commitment to fiscal prudence while advancing its economic expansion strategy and ensuring long-term fiscal sustainability.

The Kingdom continues to broaden its economic base, leveraging industrial capabilities and export incentives to enhance competitiveness, building solid institutional capabilities and investing in human capital. These efforts align with ongoing financial reforms aimed at fostering a more resilient and diversified economy. As part of this strategy, a new Investment Law, set to take effect in early 2025, will establish a unified framework for local and foreign investors, streamline regulations, and enhance investor protections. The law is expected to further attract foreign direct investment (FDI) and improve the ease of doing business, reinforcing Saudi Arabia's position as a global investment hub.

Saudi Arabia's regional business influence continues to expand, with nearly 600 global companies establishing regional headquarters in the Kingdom. The surge in registered investment licenses from 4,000 in 2018 and 2019 to 40,000 today demonstrates growing investor confidence. Private sector investments have doubled to SAR 1.2 trillion, reflecting the Kingdom's commitment to strengthening its economic foundation while ensuring fiscal sustainability and long-term competitiveness.

As Saudi Arabia's capital markets continue to evolve, these economic transformations unlock a multitude of opportunities for investors and capital markets. With a strong regulatory framework, deepening market liquidity, and an expanding suite of investment instruments, the Kingdom is solidifying its position as a dynamic and globally competitive financial hub.

Moreover, Saudi Arabia's economy has proven more resilient to global macroeconomic challenges, supported by controlled inflation levels, rising consumer spending, low unemployment, and sustained expansion in the non-oil private sector. These factors enhance economic stability and reinforce investor confidence in the Kingdom's long-term growth prospects.

For Saudi Arabia, 2025 presents continued opportunities for growth, particularly in the non-oil economy, financial services, and infrastructure investments. The planned FIFA World Cup 2034-related developments, coupled with ongoing economic diversification efforts, are expected to further cement the Kingdom's role as a key player in global markets.

anb capital remains committed to driving innovation and fostering investor confidence, contributing to the continued growth and development of the Kingdom's financial markets in alignment with Vision 2030's transformation.

Concluding Remarks

I would like to express my gratitude and appreciation to the dedicated teams at anb capital, whose unwavering commitment and expertise continue to drive our success and cultivate a culture of excellence. Under the leadership of our CEO, Khalid Alghamdi, we have established a transformative strategy that positions us for sustainable growth. I also wish to express my sincere gratitude to our valued clients and our shareholder, Arab National Bank, whose trust and shared vision empower us to realize our full potential.

As we move forward, I would like to highlight the many accomplishments that have defined the past year. We remain steadfast in our commitment to delivering excellence in service and seizing opportunities within the Saudi capital markets. With confidence in our strategic direction, we anticipate another year of success in 2025, navigating challenges with agility and making meaningful contributions to the Kingdom’s economic advancement.

On behalf of the Board of Directors and the senior management team, we express our profound appreciation to the visionary leadership of the Kingdom, the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God protect him, and His Royal Highness, Crown Prince Mohammed bin Salman, may God protect him, for their unwavering support and dedication to fostering prosperity for our nation and its people.

Samra A. Al-Kuwaiz
Chairperson of the Board and Independent
Director of anb capital



Our Client-Centric Business: Main Activities Overview

In response to the evolving Saudi capital markets and the growing expectations of local investors, we have continued to expand our product offerings to cater to market demands.

At anb capital, we engage with our clients through a diverse range of business endeavors, delivering exceptional value by leveraging our advanced system capabilities, a resourceful team, and innovative financial solutions. We operate a comprehensive ecosystem of advisory services that provides end-to-end investment management, financial advisory, and trading services tailored to meet our clients' needs.

01

Investment Management Services

Revenue

SAR
126
million

anb capital's Asset Management division offers a comprehensive suite of mutual funds and private portfolio management services tailored to meet the diverse risk appetites and liquidity needs of both individual and institutional clients. Our product portfolio includes both Shariah-compliant and conventional mutual funds that invest across a wide range of asset classes, including equities, bonds, sukuks, real estate, money market instruments, multi-assets, Murabahas, and private equity. With experienced investment management teams, we are committed to supporting our clients on their investment journey, empowering them to achieve their financial goals with informed strategies and tailored solutions.

Our Real Estate Investments division specializes in structuring and managing real estate funds that provide long term capital appreciation, generate stable income or both. The funds cover all real estate segments including residential, retail, offices, hospitality, industrial, warehouses and logistics. We leverage our strong industry relationships, financing structures and insights to create and manage profitable real estate investments.

Additionally, we provide customized investment solutions through our Discretionary Portfolio Management (DPM) services, which are designed to align with our clients' specific investment objectives, risk tolerance, and time horizons.

AUM – Total Asset Value SAR 20.4 billion

02

Capital Markets Services

Revenue

SAR
135
million

We are one of the pioneers of brokerage services in the Kingdom and we have updated our trading platform to enhance the client experience and customer journey. anb capital offers a wide range of products including local, regional and international equity, exchange traded funds, fixed income products, margin lending facilities (both Shariah compliant and conventional) and IPO subscription. Customers can trade with easy access using their phones, tablets or through the trading platform website.

We remain dedicated to ongoing improvements that will elevate the quality of our trading services. Additionally, we are working towards developing an ecosystem that supports brokerage services, which now includes sell-side research and institutional trading desk.

03

Investment Banking and Advisory Services

Revenue

SAR
45
million

Our Investment Banking division provides services in the equity and debt capital markets, covering IPOs, rights issues, private placements, mergers and acquisitions and debt advisory service. We have completed multiple high-profile transactions in 2024.

We anticipate an increase in the number of deals in the capital markets in 2025 and beyond, and we are committed to maintaining this momentum. To support this growth, we have restructured the Investment Banking department, bringing in top talent from both Saudi Arabia and abroad. Our new team is well-equipped and ready to seize the opportunities available in the market.

AUM – Total Net Asset Value SAR 15.6 billion

Principal Investments

anb capital manages its investments across a wide array of asset classes, including equities, fixed income, real estate, and alternative investments. The goal is to construct a well-diversified portfolio that generates a stream of revenue while achieving the Company’s investment objectives.

Research

In 2024, anb capital has established the sell-side research division dedicated to providing high-quality research and analysis to enhance investment decision-making for clients. Our experienced team produces a range of reports, including weekly insights, sector analyses, company evaluations, and pre-IPO notes, all aimed at improving clients' understanding of market dynamics and economic factors as they navigate the evolving market landscape. This commitment reinforces anb capital's focus on delivering exceptional value and supporting clients in achieving their financial objectives.

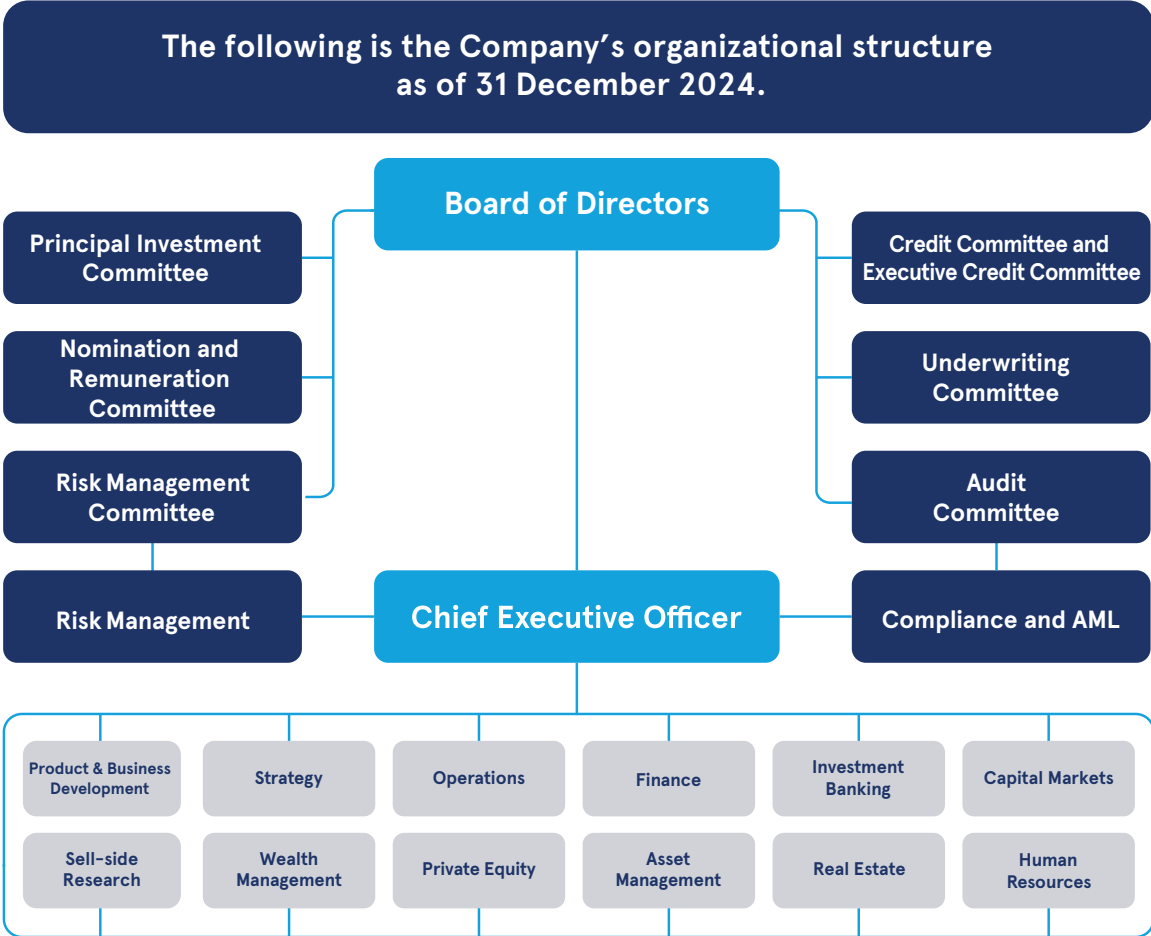
Corporate Information
and Organizational Structure

anb capital Company (“anb capital” or the “Company”), a Saudi closed joint stock company (Unified number 7001548267), is a fully integrated Capital Market Institution (“CMI”) regulated by the Capital Market Authority (“CMA”) according to the resolution number 2007-36-4 dated 19 Jumada al Thani 1428 corresponding to 05 July 2007.

anb capital is a wholly owned subsidiary of Arab National Bank (“anb” or the “Bank”) and acts as the latter’s sole investment arm. anb capital operates under the license number 07072-37 issued by the CMA. anb capital commenced its operations in January 2008 with a paid-up capital of SAR 400 million. In March 2017, anb capital’s paid-up capital was increased to SAR 1,000 million.

The Company’s operations include dealing as an agent as well as a principal, discretionary portfolio management, arranging, brokerage, advisory, underwriting, asset management, investment banking and alternative investments such as private equity in the Kingdom of Saudi Arabia. anb capital is also licensed to offer custody services, but it is not among the Company’s main activities.

Our services comprise a vast array of investment management activities, Shariah-compliant and conventional, and related activities such as the establishment and management of public equity portfolios, direct investments and the management of real estate funds.




Our Vision and Our Mission

Our Vision


Our vision is to be the premier enabler of the Kingdom’s emergence as a global investment powerhouse.

Our Mission




Unlocking Our Potential

Attracting and investing in the best people to mobilize our mission.




Innovating for Excellence

Building and investing in world class technologies to strengthen and enable our platform.




Enriching Our Stakeholders’ Experiences

Developing, sourcing, and investing in best-in-breed product offerings and financial technology innovations to serve the evolving and latent needs of our customers and the Saudi capital markets.



Forging a Lasting Legacy

Leading and completing landmark transactions to fortify our legacy in the Kingdom’s renaissance.



Leading by Example

Advocating and adopting transparency, accountability, equality, best practices, and shareholder participation by going public.

Key Initiatives and Business Developments in 2024

Investment Banking

This fiscal year has been marked by strong performance in the investment banking business, highlighted by the successful execution of five key transactions in acquisitions, capital markets, and advisory services. These transactions include:

anb capital served as the sole financial advisor to Tamimi Markets Company in its acquisition of 100% of Al Raya for Food Stuffs Company, a leading supermarket chain in the western region of the Kingdom of Saudi Arabia.

anb capital took on the role of joint bookrunner and underwriter for Fakeeh Care Group's SAR 2.9 billion Initial Public Offering on the Main Market of the Saudi Stock Exchange.

anb capital acted as a joint bookrunner and joint lead manager for Cenomi Centers on its USD 500 million Shariah-compliant sukuk issuance.

anb capital served as an advisor to Jabal Omar Development for its SAR 547.5 million debt-to-equity conversion.

anb capital acted as the co-lead manager and underwriter to Savola on its SAR 6 billion rights issue and co-lead manager on its capital reduction and distribution of Almarai shares to its shareholders.

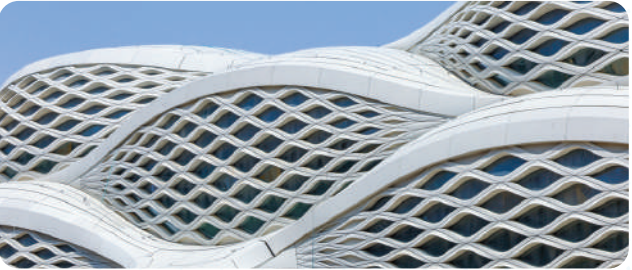
With demonstrated capability and an anticipated increase in transactions in the Kingdom, the investment banking team is poised to leverage these successes and strengthen its position in the Saudi capital markets.

Asset Management

Our investment product offerings span multiple asset classes, including equity, money market, fixed income, and multi-asset, featuring both public and private funds.

In 2024, anb capital has established an open-ended Digital & IT Equity Fund (Shariah) aimed at achieving capital growth over the medium and long term by investing in the software, telecommunications, and digital solutions sectors listed on the Saudi Exchange’s Main Market, Nomu-Parallel Market, and other Gulf stock exchanges.

Additionally, the asset management team has introduced two private fixed income funds and two public multi-asset funds, with the goal of contributing to the increase in assets under management.



We are also proud to highlight that the anb capital Opportunistic Funds, both conventional and Shariah-compliant, have experienced growth of over eight times since their launch in 2023, each reaching over SAR 100 million in AUM at 2024 year end.

Furthermore, the anb capital IPO Fund (Shariah-compliant) is the largest IPO public fund in the Kingdom, with AUM exceeding SAR 286 million as of the close of 2024.

Key Initiatives and Business Developments in 2024

Asset Management – Real Estate

anb capital completed the liquidation process for the Alarabi Alargan Real Estate Development Fund 1. The fund’s objective was to acquire, complete infrastructure development and sell 871,530 sqm of land located in the North-East of Riyadh on AlThumama Road. Unitholders in the fund generated a net return of 1.86 times their original investment, in less than 30 months. This translated to a gross internal rate of return (IRR) of approximately 31%, which was twice the initial target IRR of 17%.

anb capital also completed the sale of the anb capital Business Gate Fund. The fund was established in 2015, with the goal of developing an iconic landmark for Riyadh, the Business Gate Complex and Fairmont Hotel. The project involved acquiring and upgrading office spaces and developing a luxury 5-star hotel. The fund earned 2.4 times the amount invested to the unitholders, with an IRR of 11.5% over 10 years.

During the year 2024, anb capital successfully launched 9 new funds. These funds comprised infrastructure, residential and mixed-use (offices and retail) developments in the cities of Riyadh and Jeddah. The Company entered into Memorandum of Understandings (MOU) with several reputable family offices, government entities, owners of land banks and developers at Restatex Riyadh Real Estate Forum 2024 and Cityscape Global 2024, showcasing our partnerships and robust pipeline.

Asset Management – Private Equity

In 2024, anb capital successfully launched two new private equity funds, each designed to capitalize on private market opportunities.

The first fund focuses on early-stage VC opportunities in the fintech sector and targets companies operating in the Kingdom of Saudi Arabia.

The second fund is a feeder into a healthcare growth strategy targeting predominantly companies operating in Saudi Arabia.

Both funds aim to leverage our team's extensive industry expertise and diversify our product offering for our investors.

Brokerage

anb capital retained its ranking among bank-affiliated capital market institutions in the Kingdom in terms of brokerage volumes. With the dynamics of the brokerage market evolve, anb capital is investing in new technologies and service propositions to enhance its brokerage business positioning.

In 2024, anb capital established the institutional trading desk to enhance our service offerings to sophisticated institutional clients. In line with our commitment to digital transformation, we also launched a new trading application and website, delivering an enhanced and seamless trading experience.

Additionally, we introduced a new service to support IPO subscriptions for both the Main Market and Nomu Market through our newly released application, further expanding our digital capabilities and reinforcing our leadership in the capital markets sector.

Combined with our sell-side research capabilities, the Company expects brokerage to remain one of its main revenue drivers in the coming years. The Company’s research team have published a series of weekly insights, sector reports, company reports and pre-IPO notes in 2024. The research division aims to provide clients with comprehensive insights and analyses that improve their understanding of market dynamics and economic factors for informed investment decisions.

The division provides timely market recaps highlighting key data and movements across asset classes and evaluates upcoming investment opportunities, focusing on financial performance and strategic outlooks to help clients identify promising investments. These reports are accessible on the Company’s website, ensuring that our clients have the information they need to navigate the evolving market landscape.



Client Focused Business Strategy and Priorities for 2025

Vision 2030 has identified the financial sector as a key area for the development of the Saudi economy, and we believe that the growing significance of Saudi Arabia as a global financial hub will present attractive opportunities for capital market institutions such as ours. With Riyadh's emergence as a prominent financial center and the Saudi investor base's increasing interest in innovative products and opportunities, our product offerings will need to evolve to cater to their requirements.

We expect that within three years, anb capital will significantly strengthen its existing business lines and further contribute to the development of the Saudi capital markets by introducing new offerings and services, as well as enhancing the capabilities of local talent.

Currently, we are focusing on laying the groundwork for sustained growth in the coming years. Our primary focus is on considerably expanding our investment management offerings by launching new funds at regular intervals until the end of 2025. Additionally, we aim to continue our progress in the real estate sector by regularly introducing new funds, including REITs, and contributing to the development of the real estate sector, in alignment with Vision 2030's goal of enhancing the quality of life for Saudi citizens.



Our business strategy and priorities for 2025 and beyond for each of our business lines, as agreed by the Board of Directors and Senior Management, are as follows:

Scale up our Asset Management

- Expand AUM under current offering
- Diversify our product offering
- Grow DPMs
- Build and launch digital wealth management platform

Revamp Brokerage Services and Increase the Market Share

- Develop margin lending
- Build sell-side research
- Enhance trading platform
- Introduce dedicated institutional sales trading desk

Continue Growing Real Estate

- Expand advisory pipeline
- Introducing REITs
- Offer new funds congruent with market conditions

Develop Private Equity

- Set up funds in fintech, technology and retail sectors
- Build joint venture and partnerships with key players

Focus On Investment Banking

- Complete M&A and public offering transactions in pipeline
- Sign high-profile transactions
- Enhance the anb capital brand in Saudi capital markets

Stay at the Forefront of Technological Innovations

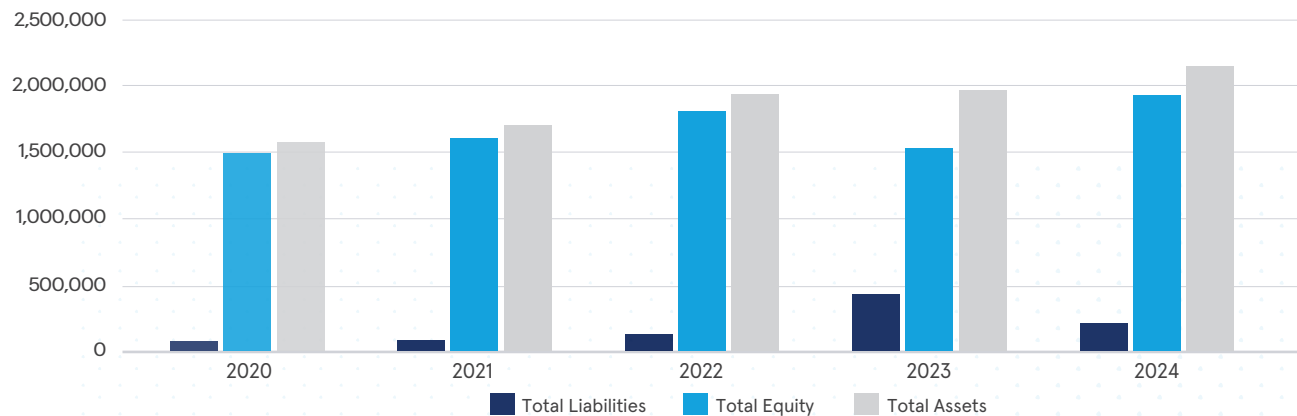
- Update "CRM" system
- Enhance trading platforms for regional and global markets
- Promote financial literacy and contribute towards the Financial Sector Development Program under Vision 2030

Financial Information for the Past 5 years
and Key Highlights for 2024

Statement of Financial Position (SAR '000)

	2020	2021	2022	2023	2024
Total Assets	1,577,035	1,699,757	1,939,642	1,970,341	2,146,500
Total Liabilities	82,783	89,917	127,736	433,815	214,708
Total Equity	1,494,252	1,609,840	1,811,906	1,536,526	1,931,792

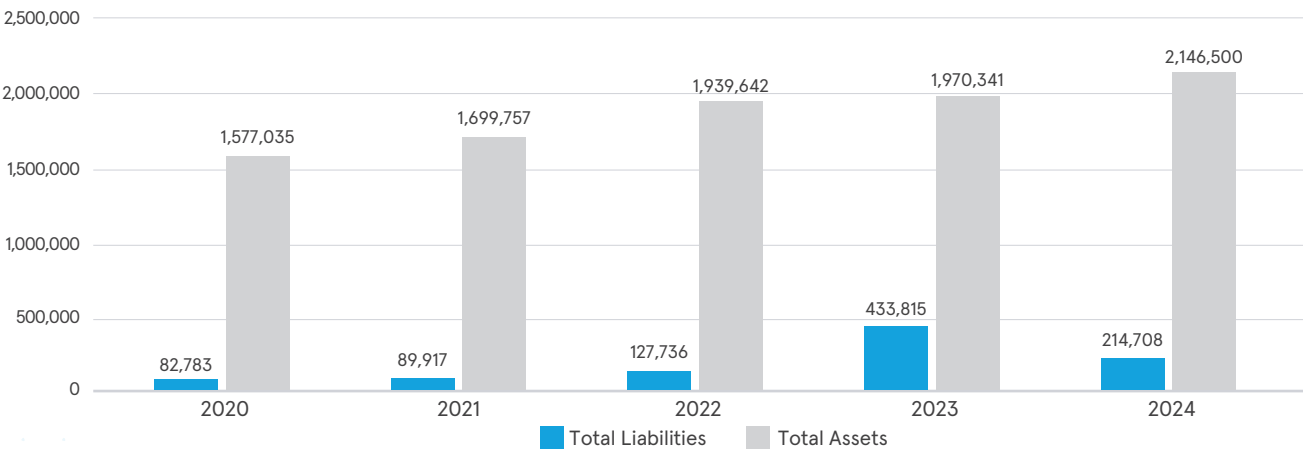
Trends in Total Assets, Liabilities and Equity (SAR '000)



As shown above, the Company's equity has been growing consistently since 2020. In 2024, the equity has increased by 26% following a dividend distribution of SAR 500 million approved by the Company's Board of Directors in 2023. This demonstrates the Company's ability to generate profits and reinvest effectively for future growth.

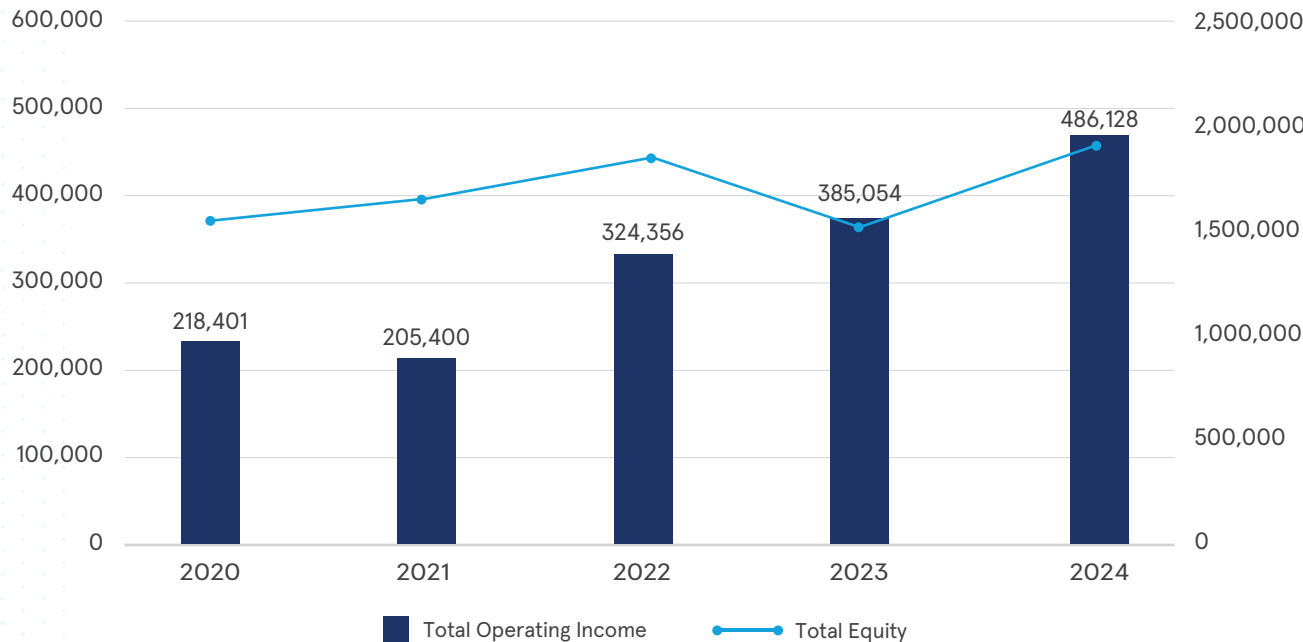


Trends in Total Assets and Liabilities (SAR'000)



As of 31 December 2024, total assets stand at SR 2.14 billion, reflecting a 9% increase compared to SR 1.97 billion in 2023. The company has demonstrated a strong improvement in its asset base, particularly in current assets, which have significantly contributed to this growth.

Trends in Total Operating Income and Equity (SAR '000)

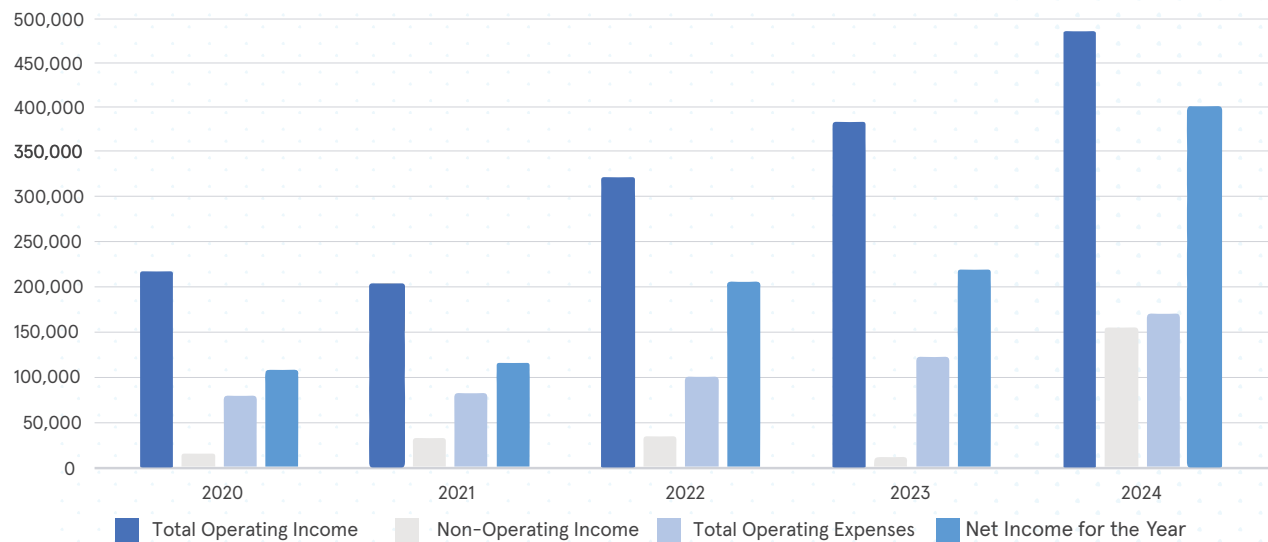


Financial Information for the Past 5 years and Key Highlights for 2024

Statement of Profit and Loss and Other Comprehensive Income (SAR '000)

	2020	2021	2022	2023	2024
Total Operating Income	218,401	205,400	324,356	385,054	486,128
Total Operating Expenses	(79,964)	(82,889)	(101,060)	(123,431)	(171,678)
Finance costs	(9,510)	(292)	(232)	(171)	(112)
Non-Operating Income	15,689	32,851	34,189	11,990	155,773
Impairment Charge	-	-	-	(2,500)	(6,000)
Income before Zakat and Income Tax	144,616	155,070	257,253	270,942	464,111
Zakat and Income Tax	(35,810)	(38,698)	(50,621)	(50,312)	(63,941)
Net Income for the Year	108,806	116,372	206,632	220,630	400,170

Yearly Financial Performance Overview 2020-2024 (SAR '000)



Our vision statement is to become the premium enabler of the Kingdom’s emergence as a global investment powerhouse. Our new vision ad mission statements guide our organizational culture, inform our strategic and tactical decision-making process, and help us establish our priorities.

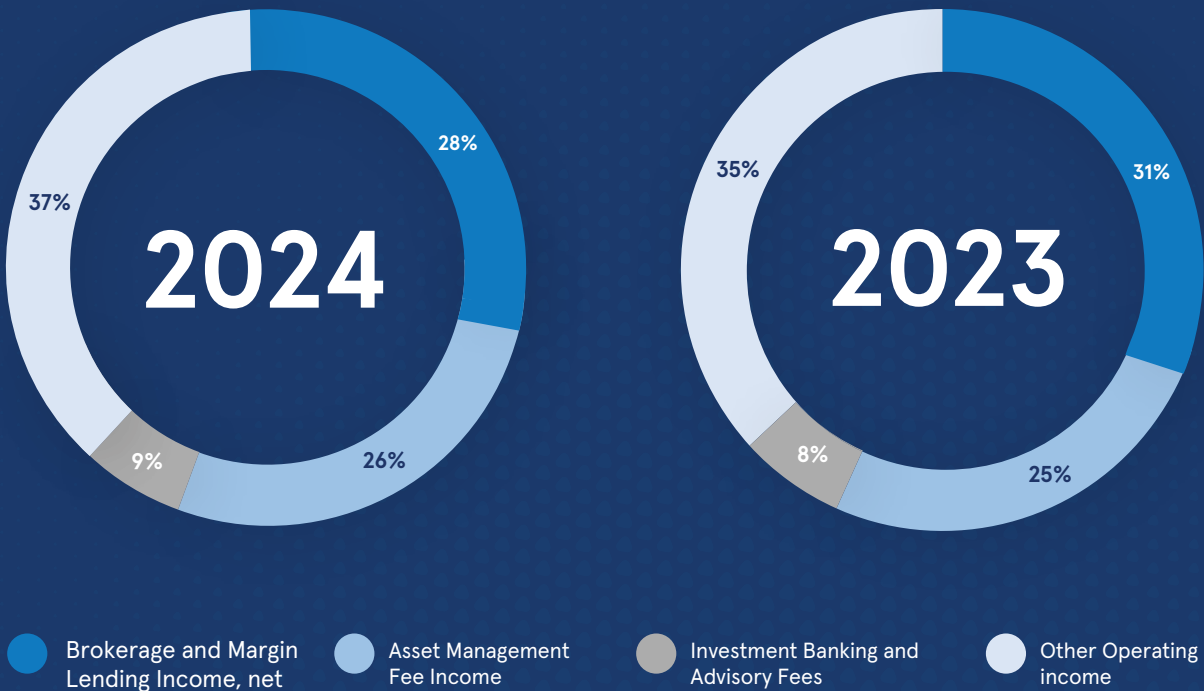
We are convinced that defining our vision and mission is necessary for building a strong, unified entity. This common understanding will empower us to shape our future together and instill an unwavering sense of purpose as a Capital Market Institution.

Total Assets

SAR 2.14 billion

Cash and Cash Equivalents

SAR 442 million



In the fiscal year 2024, we achieved a significant increase in cash and cash equivalents to SAR 442 million, reflecting a positive improvement in our liquidity position. This increase is attributable to favorable outcomes from our operating and investing activities, highlighting our commitment to generating sustainable cash flows and optimizing resource allocation. In 2023, our cash and cash equivalents were recorded at SAR 262 million, alongside a bank overdraft facility of SAR 293 million that was fully repaid in 2024. We remain dedicated to maintaining this positive momentum as we continue to implement our strategic objectives.

Our Client-Trusted Key Business Activities and Performance

Dealing Services: Brokerage and Margin Financing

At the end of 2024, the Tadawul All Share Index (TASI) closed at 12,036.50 points, up from 11,967.39 points the previous year, reflecting an increase of 0.58%. The Kingdom’s Initial Public Offering (IPO) market witnessed robust activity, with 14 new listings on the Saudi Stock Exchange in 2024, demonstrating strong momentum that enhances the market's depth and appeal to both local and international investors.

With increased investor activity and engagement in the Saudi market throughout the year, anb capital’s aggregate value of shares traded for 2024 reached SAR 96 billion, compared to SAR 80 billion in the previous year, representing solid growth of 20%. The overall number of transactions amounted to 4.8 million, up from 4.2 million.

Additionally, the net brokerage income grew by 26% compared to 2023. Margin financing income also maintained its momentum in 2024, supported by an increase in the margin utilization rate. The total net brokerage and margin lending income was recorded at SAR 135 million, compared to SAR 120 million in the previous year. Notably, anb capital generated 28% of its operating income for 2024 through brokerage and margin lending services, capitalizing on the IPO and trading activities in Tadawul.

While the brokerage business continues to navigate a competitive landscape, these positive trends demonstrate our resilience and ability to adapt, positioning us well for future opportunities. Furthermore, the total value of shares traded online for 2024 reached SAR 65 billion, compared to SAR 58 billion in 2023.

This growth in online trading highlights our commitment to enhancing digital platforms and meeting the evolving needs of our clients.



Managing Services: Asset Management

At anb capital, we are committed to delivering exceptional investment management services that cater to the unique needs of our clients, ensuring their financial goals are met with professionalism and expertise.

Asset Management revenue was SAR 126 million for 2024 compared to SAR 97 million for the same period of last year, an increase of SAR 29 million or 30%. This increase is mainly attributable to:

- **01** Our Discretionary Portfolio Management (DPM) business achieved an increase of 34% over the last year’s figure.
- **02** Our mutual funds management fees have seen a growth of 57% in 2024.
- **03** Real estate funds continue to strengthen its presence, generating SAR 70 million in fees in 2024 from the management of 17 real estate funds.
- **04** We have launched a number of private and public funds in 2024 across various asset classes such as fixed income, equity, multi-assets and real estate asset classes, in addition to two private equity funds which focus on healthcare and seed investments. .
- **05** The total AUM (net asset value basis) of anb capital was SAR 15.6 billion at the 2024 close (2023: SAR 12.2 billion) and on total asset value basis is SAR 20.4 billion (2023: SAR 16.6 billion).
- **06** We have built our resources and infrastructure capabilities, and we expect our Asset Management business to grow consistently in 2025 and beyond.

Our Client-Trusted Key Business Activities and Performance

Arranging and Advising Services: Investment Banking and Advisory

We continued to build up our investment banking presence during 2024. anb capital demonstrated strong performance in investment banking by successfully executing multiple notable transactions, including advising Tamimi Markets on its acquisition of Al Raya, acting as joint bookrunner for Cenomi Centers' sukuk issuance, underwriting Fakeeh Care Group's IPO, and advising Jabal Omar Development on a debt-to-equity conversion.

Investment Banking revenue has achieved a 70% increase compared to 2023, generating SAR 15 million in 2024, fueled by a higher number of executed deals. With demonstrated capability and an anticipated increase in transactions in the Kingdom, the investment banking team is poised to leverage these successes and strengthen its position in the Saudi capital markets.

In addition to our investment banking successes, our real estate advisory services showcased remarkable performance, achieving a substantial 27% growth in fees and generating SAR 30 million in 2024. This growth is primarily attributable to increases in debt arrangement fees and structuring fees.

Dealing Services: As a Principal for the Company's Own Investments

anb capital operates as a principal for its own investments, having invested in associates, funds, and equity instruments that generated returns. Among the financial highlights for 2024 was the successful exit from the Business Gate Fund, an investment in an associate, which yielded substantial returns of SAR 151 million for the company. This transaction is considered a one-off event for 2024 and reported as a non-operating item in the statement of financial performance. The company does not anticipate a similar transaction in the upcoming year.

anb capital recorded SAR 155.8 million in 2024 as its share of income from associates and generated a gain on investments at fair value amounting to SAR 7 million in the current year.

anb capital

anb capital's Associates

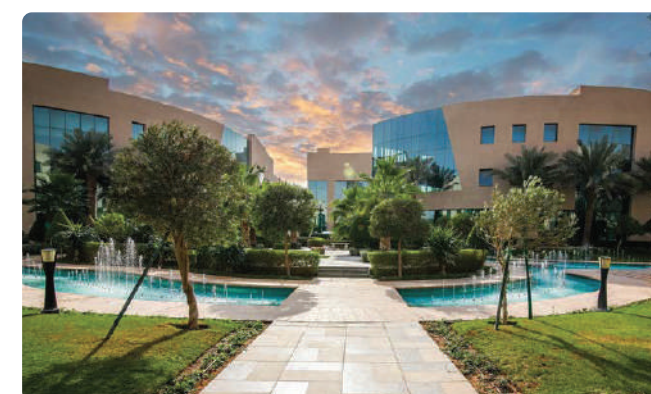
A. anbc Business Gate Real Estate Fund

In 2015, anb capital subscribed to 25.47% of the units of the ANBC Business Gate Fund amounting to SAR 242 million. This is a privately placed closed-ended real estate investment fund. The fund's purpose is to acquire real estate assets – an income generating real estate property located in the city of Riyadh, from which the fund receives rental and hotel operating income over the fund term. The fund's term ends on 31 December 2025.



In 2015, anb capital subscribed to 25.47% of the In May 2021, anb capital sold 50% of its holding in anbc Business Gate Fund and now has a 12.75% holding in the fund. anb capital retains significant influence over the anbc Business Gate Fund because it manages the fund under an agreement with the fund's unitholders.

On 23 May 2024, the Company entered into a Sale and Purchase Agreement (the "SPA") with a third-party buyer for the sale of the underlying assets of anbc Business Gate Fund. The transaction was concluded on 1 October 2024 and anb capital recorded a share of income of associate due to the sale of fund assets of SAR 151.8 million.



B. Sara Second Real Estate Fund

In May 2020, the Company invested SAR 325 million, which accounted for 23.76% of in the Sara Second Real Estate Investment Fund. This is a closed-ended privately placed real estate investment fund launched on 21 May 2021, and it was intended for a period of 12 years from its launch date.

The fund may be terminated and liquidated earlier, subject to the fund manager's decision and the approval of the fund's board of directors, and/or in accordance with the relevant provisions outlined in the fund's terms and conditions. An amount of SAR 4 million was accounted for as the share of profit in the fund for 2024. Since anb capital exercises significant influence on the fund by virtue of its shareholding, the investment has been classified as "Investment in Associates".

The Company has no local or foreign subsidiaries. Furthermore, the Company also does not jointly manage or exercise significant influence over any foreign company or has investments in private equity in which the Company owns majority of the voting rights.



anbcapital

Section 2:
Corporate Governance

Board of Directors

Our business operations are governed and overseen by our Board of Directors, which is responsible for providing strategic direction, ensuring compliance with regulatory requirements, and safeguarding the interests of our stakeholders. The Company’s Board of Directors comprises seven members, including three Independent members and three Non-Executive members. The Board’s policy is to appoint and retain Board members who bring relevant expertise as well as diverse perspectives to the Company and its decision-making framework.



Samra A. Al-Kuwaiz

- Chairperson of the Board of Directors
- Independent Member

Background

Ms. Al-Kuwaiz’s experience encompasses managing partner and co-founder roles at many Saudi companies as well as an academic position at King Saud University where she was a lecturer.

She was previously the board member, partner and CFO of Osool Capital, the first independent licensed brokerage firm in Saudi Arabia. In 2011, Ms. Al-Kuwaiz was named among the most powerful Arab women by Arabian Business.

Other Positions and Membership

- Board Member and Executive Director at
- Al Hasil Holding
- Executive Director at
- Areej AlAnaqa Trading



Obaid A. Al-Rasheed

- Vice Chairperson of the Board of Directors
- Non-Executive Member

Background

Mr. Al-Rasheed was appointed as a member of the Board of Directors at anb capital on 20 February 2021. Mr. Al-Rasheed is the Managing Director and Chief Executive Officer of Arab National Bank. He has over 37 years of banking experience, during which he has held several leadership positions within the bank.

Mr. Al-Rasheed holds a Bachelor’s degree in Business Administration from San Jose State University in California, USA.

Other Positions and Membership

- Board Member and Vice Chairperson at
- SHL Finance Company
 - Saudi Chemical Holding Company
 - Dr. Sulaiman Al Habib Medical Group Company
- Executive Committee Member at
- Saudi Business Center, Federation of Saudi Chambers
- Managing Director and Chief Executive Officer at
- Arab National Bank



Raad A. Al-Adulkader

- Independent Member

Background

Mr. Al-Abdulkader is a leading Saudi businessman with diverse interests. He has also previously held board positions at other financial institutions and brings years of expertise and relationships to the Board of anb capital.

Mr. Al-Abdulkader completed his Bachelor’s degree in Finance from Lebanon.

Other Positions and Membership

- Board Member and Executive Director at
- AMA Group
- Executive Director at
- Abdulkader Furniture Co
 - Raad Abdulaziz Kader Trading
 - Raad Abdulaziz Alabdulkader Est
- Board Member at
- Max Care
 - Home Town
 - Tib Al Farabi
 - 2 Connect
 - Afaq Schools
 - Infonas
 - T-7
 - Interpaid Capital
 - Knowledge Net



Abdulaziz A. Al-Bassam

• Independent Member

Background

Mr. Al-Bassam began his career at McKinsey before moving to Saudi Aramco as a portfolio manager, where he stayed for nearly seven years. Mr. Al-Bassam then co-founded a technology company and a venture capital platform in the United States while pursuing his MBA before joining Jadwa as an investment advisor.

He assumed the CEO position of Abdullah Ibrahim Mohammed Al Subeaei Investment Company (AIMS) where he stayed until July 2023. He currently serves as the CEO of Al Jomaih Holding.

Mr. Al-Bassam completed his Bachelor's degree from Northeastern University in Boston and his MBA from Harvard Business School.

Other Positions and Membership

Board Member at

- SAB Invest
- GFH Financial Group
- Itqan Capital
- Aljomaih Energy & Water Company Limited
- Al Darah Real Estate Development Company
- Sulaiman Bin Abdulaziz Al Rajhi Holding Company
- Alujain Corporation

- Saudi Reinsurance Company
- Khebrat Al-Amal
- Ataa Al-Mohammadiyah Investment Company
- Pargola Company
- Aljomaih and Shell Lubricating Oil Company

Chief Executive Officer at

- Al Jomaih Holding



Louai A. Al-Zaher

• Non-Executive Member

Background

Mr. Al-Zaher has been appointed as a member of the Board of Directors at anb capital on 19 February 2023.

Mr. Al-Zaher is a seasoned banker with over two decades of experience. He is currently the Head of Wholesale Bank Group at Arab National Bank, where he oversees the entire credit book and provides banking services to the corporate sector, financial institutions, and other institutional banking segments.

Mr. Al-Zaher joined Arab National Bank in January 2000 and has held several leadership positions in corporate banking, project and structured finance, debt restructuring, and investment banking. During his tenure, the Bank has led numerous notable financings in the infrastructure, transportation, energy, petrochemical, and mining sectors. He spearheaded the formation of the Bank's Wholesale Bank Group and was appointed its Head in July 2022.

Mr. Al-Zaher holds a Bachelor's degree in Accounting from King Fahd University of Petroleum and Minerals and an MBA in Finance from the University of Leicester, UK.

Other Positions and Membership

Chief Wholesale Bank Officer at

- Arab National Bank



Bassam R. Al-Mubarak

• Non-Executive Member

Background

Mr. Al-Mubarak was appointed as a member of the Company's Board of Directors on 2 March 2015. Mr. Al-Mubarak was the Chief Executive Officer and a Board Member at anb capital since 2014. In May 2021, he joined the Arab National Bank as the Head of Strategic Investments, while continuing to serve as a Board Member at anb capital.

Mr. Al-Mubarak joined the Bank in June 2007, where he led the brokerage department at anb capital before his appointment as CEO of the Company in September 2014.

Mr. Al-Mubarak holds a Political Science Degree from the King Saud University in Riyadh, KSA.

Other Positions and Membership

Board Member at

- Al Arabi Heavy Equipment Lease Company



Khalid S. Al-Ghamdi

• Executive Member

Background

Mr. Al-Ghamdi was appointed to the Company's Board of Directors on 16 August 2022.

Mr. Al-Ghamdi has successfully completed over USD 50 billion of transactions, serving as an advisor and arranger for both private sector and government entities in Saudi Arabia, including more than USD 40 billion in IPOs within the Saudi market alone.

Additionally, Mr. Al-Ghamdi has participated in several committees established by the CMA and the Saudi Stock Exchange to assist in the development of the regulatory framework for the Saudi Capital Markets.

Prior to joining anb capital, Mr. Al-Ghamdi served as the CEO of Credit Suisse Saudi Arabia and as the Managing Director of Mizuho Saudi Arabia.

Mr. Al-Ghamdi holds an MBA in Finance from the University of Colorado at Boulder, USA.

Other Positions and Membership

Chief Executive Officer at

- anb capital

Powers of the Board of Directors

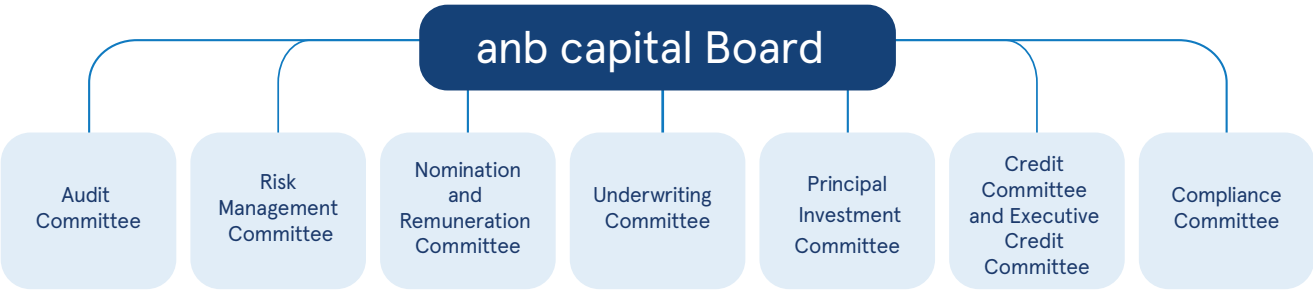
With the exception of the various powers entrusted to the General Assembly of the Shareholders, the Board of Directors has powers to manage the Company’s business, organize and direct the affairs of the Company and formulate its strategies in order to achieve the Company’s objectives. The Board of Directors, in the performance of its duties, exercises all these powers and performs all such acts in accordance with the Company’s by-laws and all relevant laws, regulations and corporate governance standards.

Board of Directors Meetings

The dates of the Board meetings and attendance were as follows:

Board Member Name	14 May 2024	1 Oct 2024	18 Nov 2024	21 Jan 2025
Samra A. Al-Kuwaiz	✓	✓	✓	✓
Obaid A. Al-Rasheed	✓	✓	✓	-
Raad A. Al-Abdulkader	✓	✓	✓	✓
Abdulaziz A. Al-Bassam	✓	✓	✓	✓
Bassam R. Al-Mubarak	✓	✓	✓	✓
Louai A. Al-Zaher	✓	✓	✓	✓
Khalid S. Al-Ghamdi	✓	✓	✓	✓

Board Committees



The Board has established various committees (the “Committees”) that oversee and make recommendations to the Board on important issues of policy and governance. The Committees operate within specific terms of reference approved by the Board.

For the purpose of the annual report, we have also included the Compliance Committee, which is established under the Audit Committee under the Board.

The following is a description of the duties, competencies and membership of the Committees.

Audit Committee

The Audit Committee consists of three members. The Audit Committee assists the Board in discharging its responsibilities for financial reporting, internal control and the relationship with external auditors.

Member Name	Position	Background
Raad A. Al-Abdulkader	• Chairperson of the Committee	Mr. Al-Abdulkader is an Independent Member of the Board of Directors
Mohammad A. Al-Gassim	• Independent Member	Mr. Al-Gassim holds the position of Chief Executive Officer of Kafa Investment Company. He serves as an Independent Member and Chairman of the Audit Committee at Dar Al-Majid Real Estate Development Company. He is also an Independent Member of the Audit Committee at Hassana Investment Company, anb capital and Maarif Education. Mr. Al-Gassim previously served as a Board Member at Diol International Company and Chairman of the Audit Committee at Umm Al-Qura Company for Development and Construction. He also served several positions in the General Organization for Social Insurance and as a financial advisor in several other companies.
Ziyad S. Al-Hazzani	• Independent Member	Mr. Al-Hazzani has extensive experience serving on audit committees in the Kingdom. He is currently a senior advisor at the Ministry of Finance and has over 8 years of experience in the banking industry. Mr. Al-Hazzani completed his Masters’ degree from the George Washington University.



The duties and responsibilities of the Audit Committee include the following:

- Supervising the Company’s internal audit function, in-house or outsourced to Arab National Bank’s internal auditor, to ensure its effectiveness.
- Reviewing the internal audit work program, key internal audit findings and ensuring the implementation of corrective measures are taken against those findings.
- Recommending the appointment, dismissal and the remuneration of external auditors to the Board.
- Supervising the activities of external auditors, ensuring and their compliance with auditor independence requirements, approving scope of the audit and other related work and fees.
- Reviewing external auditor audit plan and recommending changes if required.
- Reviewing and recommending the interim (if any) and annual financial statements to the Board.
- Reviewing the appropriateness of accounting policies.
- Meeting the external and internal auditors (separately) at least once a year to discuss issues arising from their audits.
- Reviewing the compliance manual and policies and procedures for the Compliance Department and monitoring the effectiveness of the Company’s compliance activities.
- Reviewing Compliance Committee’s reports and receive periodic status update from the Compliance Division on compliance/AML matters.
- Reviewing inspection reports issued by CMA and other regulatory bodies.

The Audit Committee meets on a quarterly basis or more, if required. The Committee held four meetings during 2024.

Member Name	18 Mar 2024	5 Jun 2024	15 Oct 2024	04 Dec 2024
Raad A. Al-Abdulkader	✓	✓	✓	✓
Mohammad A. Al-Gassim	✓	✓	✓	✓
Ziyad S. Al-Hazzani	✓	✓	✓	✓

Risk Management Committee

The Risk Management Committee consists of five members who meet twice a year or more, if required.

Member Name	Position	Background
Samra A. Al-Kuwaiz	• Chairperson of the Committee	Ms. Al-Kuwaiz is the Chairperson of the Board of Directors and an Independent Board Member.
Tariq Javed	• Independent Member	Mr. Javed is a seasoned central banker and worked for 33 years as Senior Advisor with SAMA, the Central Bank of Saudi Arabia. His experience is mainly in the areas of governance, risk management, accounting standards and digital/fintech solutions. Mr. Javed is currently providing consultancy and advisory services to banks and financial institutions in the region.
Bassam R. Al-Mubarak	• Non-Executive Member	Mr. Al-Mubarak is a Member of the Board of Directors.
Kamal A. Khodr	• Non-Executive Member	Mr. Khodr is the Chief Risk Officer of Arab National Bank.
Khalid S. Al-Ghamdi	• Executive Member	Mr. Al-Ghamdi is the Chief Executive Officer of anb capital.

The key responsibilities and functions of the Committee include the following:

- Reviewing risk management processes on a regular basis which identify, measure, control and monitor risks within the Company and annual reporting to the Board on the adequacy of such processes.
- Reviewing and approving the Company’s Internal Capital Adequacy Assessment Process.
- Reviewing the Capital Adequacy Model (CAM) reports submitted to the CMA.
- Reviewing the adequacy and effectiveness of any significant outsourcing.

The Risk Management Committee held three meetings for the year 2024.

Member Name	8 May 2024	7 Aug 2024	3 Dec 2024
Samra A. Al-Kuwaiz	✓	✓	✓
Tariq Javed	✓	✓	✓
Bassam R. Al-Mubarak	✓	✓	✓
Kamal A. Khodr	✓	✓	✓
Khalid S. Al-Ghamdi	✓	✓	✓

Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of three members who meet twice a year or more, if required.

Member Name	Position	Background
Obaid A. Al-Rasheed	• Chairperson of the Committee	Mr. Al-Rasheed is the Vice Chairperson of the Board of Directors.
Abdulaziz A. Al-Bassam	• Independent Member	Mr. Al-Bassam is a Member of the Board of Directors.
Bader N. Al-Otaibi	• Non-Executive Member	Mr. Al-Otaibi is the Chief Human Resources Officer of Arab National Bank.

The responsibilities of the Committee include the following:

- Recommending appointments to Board membership in accordance with the approved policies and standards; the Committee ensures that no person who has been previously convicted of any offense and affecting honor or honesty is nominated for such membership.
- Annual review of the suitability of skills available to the Board and, where relevant, the identification of the set of skills and capabilities required to enhance the performance of the Board, including the time that a director should reserve for this responsibility.
- Reviewing the structure of the Board and, where needed, recommend changes.
- Assessing Board performance to establish strengths and weaknesses and make recommendations to the Board accordingly.
- Ensuring the independence of the independent members on an annual basis and the absence of any conflict of interest in case a Board member also acts as a member of the Board of Directors of another company.
- Approving the compensation of top executives.
- Determining clear policies regarding the indemnities and remunerations of the Board members and top executives; in laying down such policies, the standards related to performance shall be followed.
- Supervising the development of a compensation policy for submission to the Board for approval.

The Nomination and Remuneration Committee held two meetings for the year 2024.

Member Name	29 Feb 2024	4 Nov 2024
Obaid A. Al-Rasheed	✓	✓
Abdulaziz A. Al-Bassam	✓	✓
Bader N. Al-Otaibi	✓	✓

Compliance and Anti-Money Laundering Committee

The Compliance and Anti-Money Laundering Committee consists of six members who meet four times a year or more, if required.

Member Name	Position	Background
Marzouk B. Hammouda	• Chairperson of the Committee • Non-Executive Member	Mr. Hammouda is the Assistant Head of Compliance of Arab National Bank.
Khalid S. Al-Ghamdi	• Executive Member	Mr. Al-Ghamdi is the Chief Executive Officer of anb capital.
Randa Al-Jarboua	• Executive Member	Ms. Jarboua is the Chief of Compliance and Anti-Money Laundering of anb capital.
Hesham S. Al-Haqbani	• Executive Member	Mr. Al-Haqbani is the Acting Head of Compliance and AML of anb capital.
Fahad M. Al-Mazyad	• Executive Member	Mr. Al-Mazyad is the Chief Operating Officer of anb capital.
Loay H. Al-Salman	• Executive Member	Mr. Al-Salman is the Chief Financial Officer of anb capital.



The key responsibilities and functions of the Committee include the following:

- Ensuring that appropriate policies and procedures are in place.
- Reviewing and understanding changes in compliance and governance requirements and ensuring their implementation.
- Ensuring compliance with the Company’s Code of Ethical Behavior.
- Safeguarding the Company’s reputation with clients and regulatory agencies including the CMA and Tadawul.
- Overseeing the implementation of a formal corporate compliance program and performing annual review of corporate compliance program.
- Ensuring findings from internal auditors, external auditors or CMA inspection teams are closed in a timely fashion.
- Ensuring appropriate and timely satisfactory resolution of CMA regulations breaches.

The Compliance and Anti-Money Laundering Committee held four meetings for the year 2024.

Member Name	13 Mar 2024	30 May 2024	14 Nov 2024	3 Mar 2025
Marzouk B. Hammouda	✓	✓	✓	✓
Khalid S. Al-Ghamdi	✓	✓	✓	✓
Randa Al-Jarboua*	✓	-	-	-
Hesham S. Al-Haqbani	✓	✓	✓	-
Fahad M. Al-Mazyad	✓	✓	✓	✓
Loay H. Al-Salman	✓	✓	✓	✓

*Ms. Randa Al-Jarboua resigned from the Company and the Committee on 29 August 2024.

Underwriting Committee

Member Name	Position	Background
Obaid A. Al-Rasheed	• Chairperson of the Committee	Mr. Al-Rasheed is the Vice Chairperson and Non-Executive Member of the Board of Directors of anb capital.
Bassam R. Al-Mubarak	• Non-Executive Member	Mr. Al-Mubarak is a Non-Executive Member of the Board of Directors of anb capital.
Khalid S. Al-Ghamdi	• Executive Member	Mr. Al-Ghamdi is the Chief Executive Officer of anb capital.
Loay H. Al-Salman	• Executive Member	Mr. Al-Salman is the Chief Financial Officer of anb capital.

The Committee did not hold any meeting in 2024. Two underwriting proposals were approved by circulation. The authority and key responsibilities of the Committee include:

- Assessing and taking suitable decisions on underwriting proposals of equity or debt issues submitted to the committee by the Investment Banking Department.
- Reviewing and managing assets held-on-book as a result of prior underwritings and taking appropriate decisions, including as to provisioning and orderly disposal, related to such assets.

Principal Investment Committee

Member Name	Position	Background
Abdulaziz A. Al-Bassam	• Chairperson of the Committee	Mr. Al-Bassam is an Independent Member of the Board of Directors.
Khalid S. Al-Ghamdi	• Executive Member	Mr. Al-Ghamdi is the Chief Executive Officer of anb capital.
Loay H. Al-Salman	• Executive Member	Mr. Al-Salman is the Chief Financial Officer of anb capital.
Mohammed A. Minhas	• Executive Member	Mr. Minhas is the Chief Strategy Officer of anb capital.
Muhammad S. Sajid	• Executive Member	Mr. Sajid is the Chief Risk Officer of anb capital.

The Committee did not hold meetings in 2024 and there were three investments approved by circulation.



The following is the summary of key responsibilities and functions of the Committee:

- Approving or disapproving of any offer made by the management to invest or exit from the investment in any security in the Kingdom of Saudi Arabia or the GCC countries.
- Reviewing the Company’s investment activities and performance.
- Recommending to the Board of Directors any changes to investment limits.

The Principal Investment Committee can only approve the following transactions.

- High risk investments/divestments of up to SAR 50 million.
- Low risk investments/divestments of above SAR 50 million.

Investments beyond the above thresholds are referred to the Board for approval.

Credit Committee and Executive Credit Committee

Effective from 25 January 2024, the Board has authorized the following members of the Credit Committee to approve credit applications for margin lending of up to SAR 5 million.

Member Name	Position	Background
Khalid S. Al-Ghamdi	• Chairperson of the Committee	Mr. Al-Ghamdi is the Chief Executive Officer of anb capital.
Loay H. Al-Salman	• Executive Member	Mr. Al-Salman is the Chief Financial Officer of anb capital.
Muhammad S. Sajid	• Executive Member	Mr. Sajid is the Chief Risk Officer of anb capital.

For credit applications related to margin lending exceeding SAR 5 million, as well as for any exceptions such as Politically Exposed Persons (PEPs) or related party transactions, the following members of the Executive Credit Committee are authorized by the Board to approve these applications.

Member Name	Position	Background
Abdulaziz A. Al-Subaihen	• Chairperson of the Committee	Mr. Al-Subaihen is the Head of Private and Retail Credit Review of Arab National Bank.
Khalid S. Al-Ghamdi	• Executive Member	Mr. Al-Ghamdi is the Chief Executive Officer of anb capital.
Loay H. Al-Salman	• Executive Member	Mr. Al-Salman is the Chief Financial Officer of anb capital.
Muhammad S. Sajid	• Executive Member	Mr. Sajid is the Chief Risk Officer of anb capital.

The credit applications were approved by circulation and no meetings were held in 2024. The following is a summary of the Committees’ key responsibilities:

- Setting credit limits for other committees, if any.
- Deciding to write off customer debts.
- Approving exposure to related parties on a fully secured basis.
- Approving margin trading facilities to politicians (including politically exposed persons) and charitable organizations.
- Approving exposure to capital market institutions and financial Institutions.



Remuneration and Compensations Paid to Members of the Board of Directors

Statement (SAR)	Executive Board Members*	Non-Executive Board Members	Independent Board Members	Total
Allowance for attendance of the Board of Directors' sessions	12,000	33,000	36,000	81,000
Allowance for attendance of the Committees' sessions	-	20,000	40,000	60,000
Periodic and annual remunerations	200,000	800,000	1,050,000	2,050,000
Incentive plans	-	-	-	-
Any compensations or other in-kind benefits paid monthly or annually	-	-	-	-
Total	212,000	853,000	1,126,000	2,191,000

*As members of the Board of Directors

Remuneration and Compensations Paid to Senior Executives

Statement (SAR)	Five of the Senior Executives who received the highest remuneration and compensations in addition to the CEO and CFO, if they are not among them*
Salaries and wages	6,583,200
Allowances	2,998,184
Periodic and annual remuneration	9,158,000
Incentive plans	-
Commissions	-
Any compensations or other in-kind benefits paid monthly or annually	1,565,919
Total	20,305,303

*Six Senior Executives who received the highest remuneration and compensations (including the Chief Executive Officer and Chief Financial Officer).

There have been no arrangements whereby any member of the Board of Directors or the executive management waived any remuneration and compensations.

Board of Directors and Senior Management Interests

Any contractual interest, securities and rights issues belonging to the members of the Board of Directors, senior executives and their relatives in the shares or debt instruments of the Company or any of its affiliates.

During 2024, the margin credit facilities for local share trading for a period of 12 months were extended to the following Board of Directors and Senior Executives:

Name	Position	Margin limit (SAR)	Average utilization (SAR)	Change in margin limit during the last financial year
Bassam R. Al-Mubarak	Non-Executive Board Member	10,000,000	3,271,057	No change
Fatima A. Al-Rashed	Relative of a Board Member	15,000,000	3,172,631	No change
Abdualazez M. Al Abdulkader	Relative of a Board Member	24,000,000	10,571,207	No change
Khalid S. Al-Ghamdi	Executive Board Member and Chief Executive Officer of anb capital	5,000,000	4,920,502	No change
Loay H. Al-Salman	Chief Financial Officer of anb capital	1,000,000	242,874	N/A*
Khalid F. Al-Ajmi	Head of Product and Business Development of anb capital	2,000,000	1,444,226	N/A*

*Senior executives did not have margin credit facilities in 2023.

All granted facilities were approved by the Company's Executive Credit Committee and are subject to a coverage ratio of 200%, margin call at 175%, and liquidation threshold of 150%. Additionally, it is important to note that there are no preferential terms associated with the facility contracts provided to the members of the Board of Directors, senior executives and their relatives.

The Board confirms that no other Members of the Board, executive management and their relatives during the financial year own any interest, contractual securities and rights issues in any of the Company's shares and debt instruments, apart from those disclosed above.

Any business or contracts to which the Capital Market Institution is a party, or in which it has an interest, involving members of the Board of Directors, senior executives, or any related persons.

The Board confirms that there are no business or contracts to which anb capital is a party and where there is an interest for the members of the Board of Directors, senior executives, or any related persons.



Internal Control, Risk and Compliance Functions

Internal Control Systems

Internal control systems are an integral part of any organization's Risk Management. The Directors have the responsibility to ensure the effectiveness of the Company's internal control in order to achieve the Company's strategic objectives. The senior management is responsible for the development and implementation of the internal control processes in addition to their effectiveness and accuracy.

The Audit Committee is responsible for overlooking the effectiveness of the internal controls and reports to the Board about the ongoing effectiveness of the Company's internal controls systems.

Even if the internal control systems are effectively designed, the continuous development and improvement of the systems should take place to highlight the management's desire to address any gaps in the systems.

Internal Audit Department

The Internal Audit department of Arab National Bank, in accordance with the service level agreement, regularly reviews the effectiveness of internal controls of anb capital's business units and departments to ensure compliance with the approved policies and procedures of the Company.

The Internal Audit department follows a risk-based methodology taking into account organizational, residual and other relevant risks within the activities and processes of the business. Any control weaknesses observed are highlighted based on their risk category in the internal audit report along with necessary remediation plans. Findings are submitted to the senior management and the compliance team for their actions.

Internal audit reports are submitted to the Audit Committee through annual reports. All business units and business process owners make efforts to improve the control environment by executing procedures to prevent and remediate control deficiencies. Each business unit is handed the task of mitigating the risk pertaining to it and senior management is entrusted with the task to monitor the implementation of corrective actions and controls that have been highlighted by both internal and external auditors.

The Audit Committee is responsible for overseeing the effectiveness and sufficiency of the internal control system. Their role is to ensure that risks are appropriately addressed in a timely manner, safeguarding the interests of the Company and its stakeholders.



Compliance Department and Anti-Money Laundering

An Anti-Money Laundering (AML) compliance program helps businesses uncover suspicious activities associated with criminal acts, including money laundering. Our Compliance and AML department is responsible for approving the institution's overall AML strategy and for overseeing its implementation. This means that the department must collectively possess adequate knowledge, skills and experience to understand the money laundering risks for the institution's activities and business model. They must also have knowledge of the national legal and regulatory framework.

The Compliance and AML department is subject to periodic reviews by the Internal Audit department to ensure that it carries out its responsibilities effectively. The annual compliance program defines the compliance plan and addresses matters such as the implementation and review of policies and procedures, the assessment of the risks of non-compliance, independent reviews by management, and the education of employees about the importance of compliance.

Risk Management

The role of the Company's risk management is to evaluate and manage organizational and business risks, monitor those risks, and report to the Risk Management Committee and the senior management. The concerned business units will accordingly, manage the risks, identify and document controls, and evaluate the effectiveness of those controls.

The concerned business units, in coordination with the Risk Management Department, identify their Key Risk Indicators ("KRIs"), so that those risks are evaluated and classified into "high", "medium" and "low" categories based on pre-defined criteria. The concerned business units also determine all risks that are included in the Control Risk Self-Assessment ("CRSA"), in order to carry out a self-assessment of such risks. Finally, the assessments are communicated to the Risk Management Committee and senior management for their review and evaluation.

Business Continuity

The Company's business continuity requirements are implemented under the service level agreement executed with the Bank, which generally includes providing the appropriate support to the Company as summarized below:

- Developing the Company's business continuity policies and procedures in line with best practices.
- Developing plans to enable the Company to implement its basic and critical operations in cases of failure.
- Conducting continuous tests of the business continuity plan to validate its operating effectiveness for Company's operations and activities.
- Promoting awareness and understanding of business continuity requirements among Company employees.

Internal Control, Risk and Compliance Functions

Based on the results of the continuous evaluation of the internal controls related to business continuity that the Company carried out during the year 2024, the Company believes that its current continuity processes are designed appropriately and are operating effectively. It is worth noting that the Company's management constantly strengthens and develops its process and control systems.



Results of the Annual Audit for the Effectiveness of the Internal Control Procedures of the Company

The Audit Committee and the Risk Management Committee continuously oversee, monitor, and assess the internal control systems. Their ongoing efforts include informing the Board of Directors of the steps taken in this context. This collaborative approach enables the Board to evaluate the effectiveness of the internal control systems.

The Audit Committee and the Risk Management Committee diligently examine reports pertaining to the Company's internal control systems. These reports primarily originate from the Internal Audit Department, Risk Management and Compliance Department. During meetings with the heads of these departments, both committees assess the efficacy of the implemented procedures and engage in discussions regarding the contents of regular departmental reports. Subsequently, the committees relay the findings from these various departmental reports to the Board of Directors.

Regarding the accounting policies, the Audit Committee performs the following:

- Assesses the appropriateness of the policies adopted by the Company considering the requirements of the CMA and other regulatory bodies.
- Discusses any changes in such policies or International Financial Reporting Standards ("IFRS") as issued by International Accounting Standards Board ("IASB"), as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA"), with Company officials and external auditors to ensure their compliance with the requirements of the relevant standards and pronouncements.

Opinion of the Audit Committee

Based on the periodic reports from the Internal Audit Department, the Compliance Department, the external auditors, and the Compliance and Anti-Money Laundering Committee during the fiscal year ended 31 December 2024, the Audit Committee was not aware of any significant risks or material weaknesses on the internal control systems. It is important to note that no internal control system, regardless of its design and effectiveness, can provide absolute assurance.



Risk Management

The Company’s objectives with respect to managing risk are the creation and protection of shareholder value. Risk is inherent in the Company’s activities, but is managed through a process of ongoing identification, measurement and monitoring. 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, credit risk and investment holding period risk arising from the financial instruments that it has invested in.

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.

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 may hinder its ability to realize 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.

Credit Risk

In order to avoid excessive concentration 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 concentration when they arise.

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 also maintains bank accounts with financial institutions that have high credit ratings.

Concentration of credit risk arises when a number of counterparties 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 at end of 2024.

The Company also provides margin financing for local share trading where the shares are pledged as a guarantee in order to reduce exposure to credit risk. The facilities offered to investors are subject to a coverage ratio of 200%, margin call at 175%, and liquidation threshold of 150%.

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 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.

Equity Price Risk

Equity price risk is the risk of unfavorable 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.

Regulatory Risk

Regulatory risk relates to the risk of direct or indirect losses (including fines from regulatory authorities) arising from non-compliance with relevant regulations and guidance. Risks are mainly managed by the Company through the Compliance and Anti-Money Laundering and Terrorist Financing function, which is an independent body that has been entrusted with the tasks of reviewing the organizational risks faced by the Company and taking the necessary steps to manage and mitigate those risks through compliance programs.



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 upcoming commitments.

Operational Risk

Operational risk is defined as the risk of loss resulting from inadequacy or failure in internal processes, people and systems or from external events. Operational risks are related to all activities and operations of the concerned business units, and the Company ensures appropriate policies, process, procedures, and systems are put in place to manage operational losses. The Company has taken an adequate insurance policy and has developed a well-documented Business Continuity Plan to manage unforeseen crises and ensure continuity of operations efficiently.





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Section 3:
Other Information

Related Party Transactions and Balances

The related parties of the Company during 2024 are as follows:

Name	Relationship
Arab National Bank	Parent Company
Senior Management	Key Management Personnel
Board of Directors	Board Membership

Transactions with related parties included in the financial statements:

Nature and terms of business (amounts in SAR)	2024	2023	Duration
Balances with Arab National Bank included in the Statement of Financial Position			
Assets			
Cash and cash equivalents include:			
Current Account	442,849,513	262,600,462	Undefined
Fee Receivables include:			
Accrued Corporate Finance Income	3,111,563	1,041,563	Undefined
Accrued Special Commission Income	869,266	140,907	Undefined
Liabilities			
Bank Overdraft Repayable on Demand	-	(293,107,874)	One Year
Balances with Board Members and Key Management Personnel included in the Statement of Financial Position			
Receivables against margin lending from Board members and key management personnel	9,865,362	4,833,862	One Year



Nature and terms of business (amounts in SAR)	2024	2023	Duration
Transactions included in the Statement of Profit or Loss and Other Comprehensive Income			
Operating Income			
Fees include:			
Fees received for managing private portfolios of ANB	7,560,600	7,506,788	Undefined
Corporate Finance Income for providing credit and strategic advice to ANB	1,800,000	2,400,000	Undefined
Special Commission Income on deposits with ANB	170,599,233	89,027,575	Undefined
Advisory fees for consulting services for transactions with ANB	10,000,000	10,000,000	Undefined
Special Commission Income on Margin Lending extended to Board members and key management personnel	485,345	439,916	One year
Expenses include:			
Shared service cost allocated by ANB for administrative and support services provided by various departments	(5,987,896)	(6,422,844)	Undefined
Remuneration and allowance for Board of Directors and committees	(2,191,000)	(2,204,000)	Undefined
Remuneration and compensations for senior executives	(20,305,303)	(15,447,338)	Undefined

Code of Ethical Business Conduct

The Company ensures that its activities are conducted in accordance with the requirements of ethical standards, statutory requirements and related regulations issued by the regulatory authorities.

The Company's Board of Directors, through its senior management, emphasizes the development and application of the required professional values and standards through effective and continuous awareness programs.

The management and all employees are committed to upholding their ethical responsibilities in accordance with the professional code of conduct and ethics as endorsed in the Kingdom of Saudi Arabia.



Statutory Payments

Description	(SAR '000)
Tadawul Brokerage Fees	47,578
Zakat for Saudi Shareholders	16,567
Income tax for Non-Saudi Shareholders	12,559
GOSI Charges	4,364
CMA License Fees	270
Tadawul License Fees	205
Withholding Tax	259
CMA fees For Employee Registration	64
Ministry of Commerce Registration fees	12
Total	81,878

Fines and Penalties

The Company conducts its activities in accordance with the Capital Market Law and its implementing regulations. During the year ended 31 December 2024, there were no penalties or fines imposed on the Company by the CMA.

Furthermore, there is no sanction, precautionary measure, or precautionary restriction that has been imposed on the Company by the CMA or from any supervisory, regulatory or judicial body.

Borrowings

The Company maintains a credit line with Arab National Bank of SAR 1 billion to finance any credit requirements for margin lending purposes. The credit line has not been utilized in 2024.

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.

Audited Financial Statements Accounting Standards

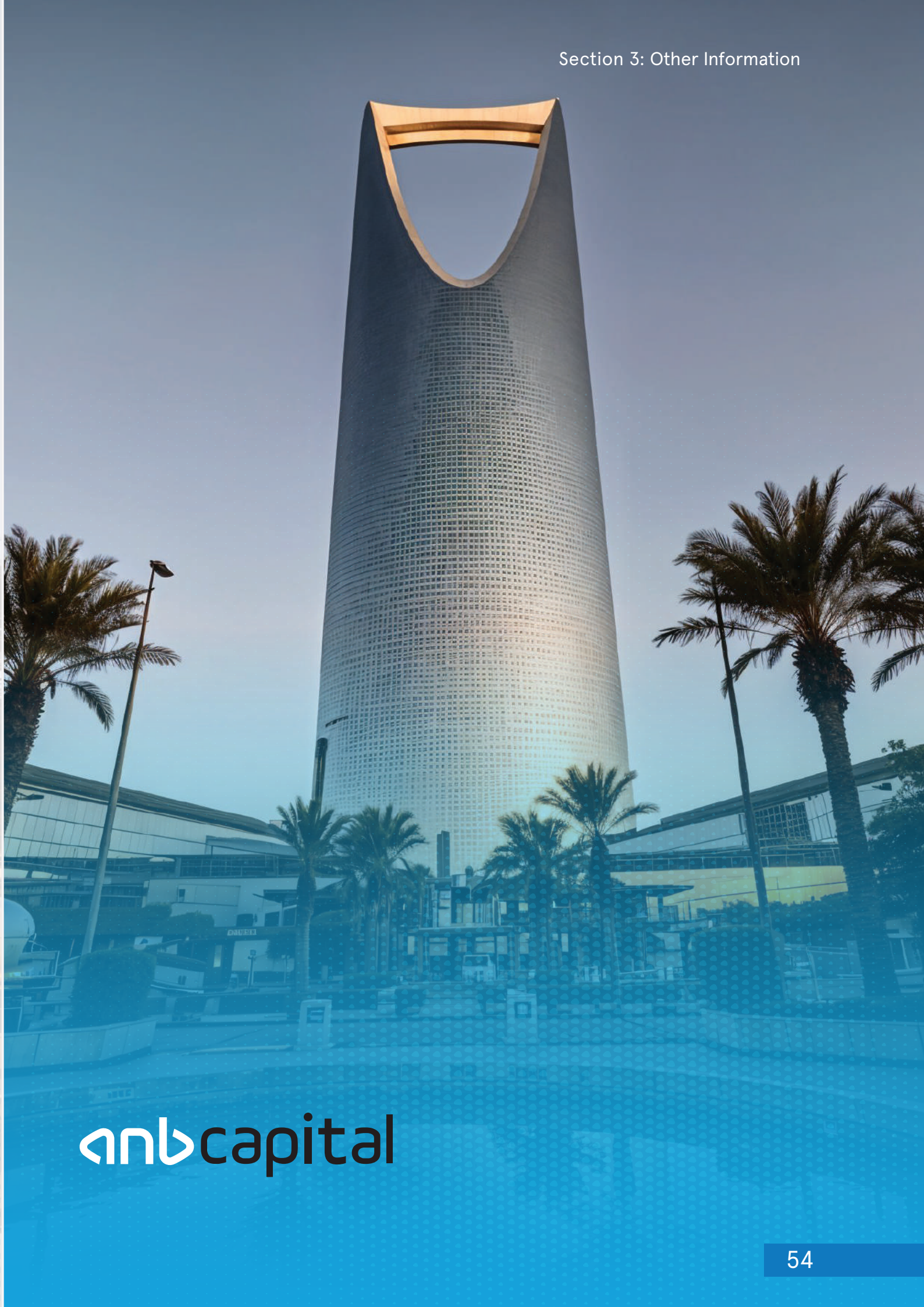
The Company prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by International Accounting Standards Board ("IASB"), as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Certified Public Accountants ("SOCPA") to meet the requirements of the Companies' Law, the rules and regulations of the CMA and the Company's by-laws.

Appointment of External Auditors

Per the decisions of the shareholder assembly on 6/11/1445 AH corresponding to 14 May 2024, approval was granted to appoint Messrs. KPMG Al Fozan and Partners as the Company's external auditor for the fiscal year 2024.

Board of Directors' Clarification on Auditor's Reservations

The auditors did not include any reservations on the 2024 annual financial statements.





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