SNB Capital Company
(A Saudi Closed Joint Stock Company)

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025
and Independent Auditor's Report

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(A Saudi Closed Joint Stock Company)
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and Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

To the shareholder of SNB Capital Company
(A Closed Joint Stock Company)
Riyadh, Kingdom of Saudi Arabia

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **SNB Capital Company** (the "Company") **and its subsidiaries** (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) as endorsed in the Kingdom of Saudi Arabia ("the Code"), which are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with the requirements of the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The consolidated financial statements of the Group for the year ended December 31, 2024, were audited by another auditor who expressed an unmodified opinion on those statements on March 26, 2025 (corresponding to 26 Ramadhan 1446H).

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the SOCPA, the applicable Companies Law and the Company's By-laws, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Independent auditor's report to the shareholder of SNB Capital Company (Continued)

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 ISAs that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 that resulting from error, as fraud may involve collusion, forgery, intentional omission, 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 consolidated financial statements. We are responsible for 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.

Deloitte and Touche & Co.
Chartered Accountants

Waleed bin Moh'd Sobahi
Certified Public Accountant
License No. 378
Ramadan 23, 1447
March 12, 2026

SNB Capital Company
(A Saudi Closed Joint Stock Company)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December
(Expressed in Saudi Riyals '000, unless otherwise stated)

	Notes	***2025***	*2024*
ASSETS			
NON-CURRENT ASSETS			
Property, equipment and intangible assets, net	5	**268,738**	199,839
Right of use assets, net	6	**4,495**	3,019
Investment properties, net	7	**72,895**	77,249
Investment in an associate		**-**	2,138
Financial investments	8	**23,028,702**	13,565,404
Positive fair value of derivatives	9	**-**	22,635
Accounts receivable, prepayments and other assets, net	10	**93,980**	23,169
TOTAL NON-CURRENT ASSETS		**23,468,810**	13,893,453
CURRENT ASSETS			
Financial investments	8	**3,540,468**	3,318,013
Accounts receivable, prepayments and other assets, net	10	**903,893**	789,346
Securities lending	11 & 34	**504,951**	642,358
Margin lending	12	**3,765,674**	3,433,758
Cash and bank balances	13	**774,388**	543,807
TOTAL CURRENT ASSETS		**9,489,374**	8,727,282
TOTAL ASSETS		**32,958,184**	22,620,735
EQUITY			
EQUITY ATTRIBUTABLE TO EQUITY HOLDER OF THE COMPANY			
Share capital	14	**1,500,000**	1,500,000
Statutory reserve	16	**-**	535,248
Other reserves		**(217,124)**	(175,111)
Retained earnings		**10,474,844**	7,480,372
Equity attributable to shareholder of the company		**11,757,720**	9,340,509
Tier 1 Sukuk	15	**1,000,000**	1,000,000
Equity attributable to equity holders of the company		**12,757,720**	10,340,509
Non-controlling interest	17	**764**	764
TOTAL EQUITY		**12,758,484**	10,341,273
LIABILITIES			
NON-CURRENT LIABILITIES			
Lease liabilities	18	**1,824**	691
Employees' benefits	19	**94,092**	88,830
Borrowings	20	**4,872,841**	2,985,797
TOTAL NON-CURRENT LIABILITIES		**4,968,757**	3,075,318
CURRENT LIABILITIES			
Borrowings	20	**13,958,822**	7,765,892
Accounts payable, accruals and other liabilities	22	**573,293**	632,907
Securities borrowing	11 & 34	**528,411**	641,872
Lease liabilities	18	**3,788**	2,269
Negative fair value of derivatives	9	**5,512**	-
Provision for zakat	32	**161,117**	161,204
TOTAL CURRENT LIABILITIES		**15,230,943**	9,204,144
TOTAL LIABILITIES		**20,199,700**	12,279,462
TOTAL EQUITY AND LIABILITIES		**32,958,184**	22,620,735

The accompanying notes 1 through 35 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the years ended 31 December
(Expressed in Saudi Riyals ‘000, unless otherwise stated)

	Notes	***2025***	*2024*
Fees from services, net	23		
- Asset management		**982,308**	916,746
- Securities		**272,764**	457,777
- Investment banking		**139,387**	145,833
		1,394,459	1,520,356
Income from investments carried at FVTPL, net		**210,682**	231,516
Income from investments carried at FVOCI and others, net		**1,836,704**	1,322,625
Income from investments carried at amortized cost, net		**27,497**	16,347
Income from Margin lending		**240,919**	220,119
Gain/ (loss) on sale of investments carried at FVOCI, net	8 (c)	**119,761**	(44,863)
Loss on sale of investments carried at amortized cost, net		**-**	(1,110)
Dividend income	8 (a)	**291,388**	131,837
Other operating income / (loss), net		**659**	(836)
Total operating income		**4,122,069**	3,395,991
Salaries and employees’ related expenses		**(411,952)**	(383,938)
Depreciation and amortization	5,6&7	**(31,520)**	(38,872)
General and administrative expenses	24	**(172,207)**	(227,473)
Total operating expenses		**(615,679)**	(650,283)
Operating profit		**3,506,390**	2,745,708
Finance cost	25	**(832,150)**	(561,392)
Other income/ (loss), net	26	**23,629**	(49,164)
Share of net results in an associate		**-**	(23)
		(808,521)	(610,579)
Net income for the year before Zakat		**2,697,869**	2,135,129
Zakat charge for the year	32	**(180,000)**	(111,593)
Net income for the year		**2,517,869**	2,023,536
Income for the year attributable to:			
- Equity holders of the Parent		**2,517,869**	2,023,536
- Non-controlling interest	17	**-**	-
		2,517,869	2,023,536
Basic and diluted earnings per share (SR) – attributable to equity-holders of the Parent	27	**16.39**	13.09

The accompanying notes 1 through 35 form an integral part of these consolidated financial statements.

SNB Capital Company
(A Saudi Closed Joint Stock Company)
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the years ended 31 December
(Expressed in Saudi Riyals ‘000, unless otherwise stated)

	Notes	***2025***	*2024*
Net income for the year		**2,517,869**	2,023,536
Other comprehensive income/ (loss)			
Items that cannot be reclassified to consolidated profit or loss in subsequent years:			
- Net change in fair value of FVOCI equity investments	8 (c)	**(13,806)**	(18,892)
- Re-measurement loss on employees end of service benefits	19	**(1,420)**	(45)
Items that are or may be reclassified to consolidated profit or loss in subsequent years:			
- Net change in fair value of FVOCI debt investments	8 (c)	**93,467**	(160,224)
- Transfer to consolidated statement of profit or loss	8 (c)	**(119,761)**	44,863
- Allowance for expected credit losses	8 (d)	**(493)**	984
Total other comprehensive loss		**(42,013)**	(133,314)
Total comprehensive income for the year		**2,475,856**	1,890,222
Attributable to:			
- Equity holders of the Parent		**2,475,856**	1,890,222
- Non-controlling interest	17	**-**	-
		2,475,856	1,890,222

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December

(Expressed in Saudi Riyals '000, unless otherwise stated)

	Attributable to equity holders of the Company									
	Share Capital	***Statutory reserve***	***Other reserves***	***Share based payments reserve***	***Retained earnings***	***Equity attributable to shareholder of the Company***	***Tier 1 Sukuk***	***Equity attributable to equity holders of the Company***	***Non-controlling interest***	***Total equity***
Balance at January 1, 2025	**1,500,000**	**535,248**	**(175,111)**	**-**	**7,480,372**	**9,340,509**	**1,000,000**	**10,340,509**	**764**	**10,341,273**
Net income for the year	**-**	**-**	**-**	**-**	**2,517,869**	**2,517,869**	**-**	**2,517,869**	**-**	**2,517,869**
Other comprehensive loss for the year	**-**	**-**	**(42,013)**	**-**	**-**	**(42,013)**	**-**	**(42,013)**	**-**	**(42,013)**
Total comprehensive income for the year	**-**	**-**	**(42,013)**	**-**	**2,517,869**	**2,475,856**	**-**	**2,475,856**	**-**	**2,475,856**
Transfer (note 16)	**-**	**(535,248)**	**-**	**-**	**535,248**	**-**	**-**		**-**	**-**
Tier 1 Sukuk related cost (note 15)	**-**	**-**	**-**	**-**	**(58,645)**	**(58,645)**	**-**	**(58,645)**	**-**	**(58,645)**
Balance as at 31 December 2025	**1,500,000**	**-**	**(217,124)**	**-**	**10,474,844**	**11,757,720**	**1,000,000**	**12,757,720**	**764**	**12,758,484**

The accompanying notes 1 through 35 form an integral part of these consolidated financial statements.

SNB Capital Company
(A Saudi Closed Joint Stock Company)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)
For the year ended 31 December
(Expressed in Saudi Riyals '000, unless otherwise stated)

	Attributable to equity holders of the Company									
	Share Capital	Statutory reserve	Other reserves	Share based payments reserve	Retained earnings	Equity attributable to shareholder of the Company	Tier 1 Sukuk	Equity attributable to equity holders of the Company	Non-controlling interest	Total equity
Balance at January 1, 2024	1,500,000	535,248	(37,041)	12,649	5,511,370	7,522,226	1,000,000	8,522,226	764	8,522,990
Net income for the year	-	-	-	-	2,023,536	2,023,536	-	2,023,536	-	2,023,536
Other comprehensive loss for the year	-	-	(133,314)	-	-	(133,314)	-	(133,314)	-	(133,314)
Total comprehensive income for the year	-	-	(133,314)	-	2,023,536	1,890,222	-	1,890,222		1,890,222
Employees' share based payment arrangement, settlement	-	-	-	(12,649)	-	(12,649)	-	(12,649)	-	(12,649)
Tier 1 Sukuk related cost (note 15)	-	-	-	-	(59,290)	(59,290)	-	(59,290)	-	(59,290)
Others	-	-	(4,756)	-	4,756	-	-	-	-	-
Balance as at 31 December 2024	1,500,000	535,248	(175,111)	-	7,480,372	9,340,509	1,000,000	10,340,509	764	10,341,273

The accompanying notes 1 through 35 form an integral part of these consolidated financial statements.

SNB Capital Company
(A Saudi Closed Joint Stock Company)
CONSOLIDATED STATEMENT OF CASH FLOWS
For the years ended 31 December
(Expressed in Saudi Riyals '000, unless otherwise stated)

	Notes	*2025*	*2024*
Cash flows from operating activities:			
Net income for the year before Zakat		**2,697,869**	2,135,129
Adjustments to reconcile net income to net cash from operating activities:			
Income from investments carried at FVTPL, net		**(210,682)**	(231,517)
(Gain) / loss on sale of FVOCI debt instruments		**(119,761)**	44,863
Income from Margin Lending		**(240,919)**	(220,119)
Income from investments carried at amortized cost		**(27,497)**	(22,878)
Amortization of premium / discounts on purchase of investments, net		**(61,101)**	(37,422)
Loss on sale of investments carried at amortized cost, net		**-**	1,110
Changes in investments in an associate		**2,138**	23
Fair value gain on derivatives	10	**28,147**	(4,396)
Depreciation and amortization	5,6 & 7	**31,520**	38,872
Gain on disposal of property, equipment and intangible assets		**(987)**	-
Provision for employees' benefits		**14,005**	10,130
Foreign currency exchange (gain) / loss, net		**(26,382)**	5,407
Finance cost		**832,150**	561,392
		2,918,500	2,280,594
Changes in operating assets and liabilities			
Accounts receivables, prepayments and other assets		**(185,358)**	(7,595)
Securities borrowing and lending, net		**23,946**	(486)
Financial investment		**20,059**	42,322
Margin Lending		**(90,997)**	(950,411)
Account payable, accruals and other liabilities		**(52,614)**	193,525
Cash from operating activities		**2,633,536**	1,557,949
Employees' benefits paid		**(15,743)**	(7,764)
Zakat paid	32	**(180,087)**	(118,308)
Net cash from operating activities		**2,437,706**	1,431,877
Cash flows from investing activities:			
Purchase of property, equipment and intangible assets	5	**(92,498)**	(65,361)
Purchase of investment carried at FVOCI		**(14,974,914)**	(4,260,866)
Purchase of investment carried at FVTPL		**(6,250,678)**	(3,476,301)
Proceeds from disposal of investment carried at FVTPL		**2,824,512**	1,477,564
Proceeds from disposal of investment carried at amortized cost		**12,065**	1,207
Proceeds from disposal of investments carried at FVOCI		**9,086,612**	847,892
Short term deposits	13	**(150,000)**	-
Net cash used in investing activities		**(9,544,901)**	(5,475,865)
Cash flows from financing activities:			
Lease liabilities paid	18	**(1,721)**	(6,504)
Proceeds from borrowings		**164,204,359**	50,214,048
Repayments of borrowings		**(154,653,872)**	(46,283,064)
Finance cost on borrowings paid		**(717,091)**	(547,582)
Commercial notes (repayment)/ borrowing		**(1,585,254)**	968,750
Tier 1 Sukuk cost paid	15	**(58,645)**	(59,290)
Net cash flows from financing activities		**7,187,776**	4,286,358
Net change in cash and cash equivalents		**80,581**	242,370
Cash and cash equivalents at beginning of the year	13	**543,807**	301,437
Cash and cash equivalents at end of the year	13	**624,388**	543,807

The accompanying notes 1 through 35 form an integral part of these consolidated financial statements.

(Expressed in Saudi Riyals '000, unless otherwise stated)

SUPPLEMENTARY NON-CASH INFORMATION		***2025***	*2024*
Right of use and lease liabilities	18	**4,057**	-
Re-measurement of employees' end of service benefits	19	**1,420**	45
Net change in fair value of FVOCI equity investments	8 (c)	**(13,806)**	(18,892)
Net change in fair value of FVOCI debt investments	8 (c)	**93,467**	(160,224)

The accompanying notes 1 through 35 form an integral part of these consolidated financial statements.

1. GENERAL

SNB Capital Company (“the Company" or “SNBC”), a Saudi closed Joint Stock Company, was formed in accordance with Capital Market Authority's Resolution No. 2-83-2005 dated Jumada Al Awal 21, 1426H (June 28, 2005), and registered in the Kingdom of Saudi Arabia under Commercial Registration No. 1010231474 dated 29 Rabi Al Awal 1428H (April 17, 2007). The ownership structure of the Company is detailed in note 14 to these consolidated financial statements.

The Group is mainly operating in Kingdom of Saudi Arabia and United Arab Emirates and its Head Office is located at the following address:

SNB Capital Head Office
SNB Regional Building
King Saud Road
P.O. Box 22216
Riyadh 11495
Saudi Arabia

The objective of the Company is to conduct the following Securities Activities, as defined in the Securities Business Regulations (Regulation No 2-83-2005 dated Jumada Al Awal 21, 1426H issued by the Board of the Capital Market Authority) which was amended by Resolution of the Board of the Capital Market Authority Number 4-87-2024 dated 16/1/1446H corresponding to 22/7/2024:

a) Dealing;
b) Arranging;
c) Managing;
d) Advising; and
e) Custody

These consolidated financial statements include the financial statements of the Company and following subsidiaries up to 31 December 2025 (hereinafter collectively referred to as “the Group”):

SNB Capital Dubai Inc. (“SNBC Dubai”)
Effective 1 January 2008, the Company acquired control over SNB Capital Dubai Inc. (“SNBC Dubai”) [exempt company with limited liability incorporated in the Cayman Islands] and its subsidiaries from the Bank. The takeover of the business was facilitated by the incorporation of SNB Capital (DIFC) Limited.

The objective of SNB Capital Dubai Inc. is to source, structure and invest in attractive private equity and real estate development opportunities across emerging markets.

The Company has a 100% (31 December 2024: 100%) ownership interest in SNB Capital Dubai Inc.

SNB Capital Real Estate Investment Company (“REIC”)
SNB Capital has 100% (31 December 2024: 100%) ownership in SNB Capital Real Estate Investment Company (REIC). The primary objective of REIC is to hold and register real estate assets on behalf of real estate funds managed by SNB Capital Company.

Samba Investment Real Estate Company (“SIREC”)
SNB Capital has 100% (31 December 2024: 100%) ownership in Samba Investment Real Estate Company, registered in the Kingdom of Saudi Arabia under commercial registration number 1010715022 dated 23 Shawwal 1438 (corresponding to July 17, 2017). The business objective of SIREC is to deal in real estate investment.

1. GENERAL (continued)

Samba US Logistics Fund L.P ("SUSLF")
SNB Capital has 100% (31 December 2024: 100%) ownership in Samba US Logistics Fund L.P., an exempted limited partnership, registered on September 9, 2020, and Samba US Logistics Fund G.P. an exempted company, incorporated on July 7, 2020. These entities are governed under the laws of the Cayman Islands and are formed for the purpose of holding and managing principal investments.

SNBC Funding ("SNBCF")
SNB Capital has 100% (31 December 2024: 100%) ownership in SNBC Funding, a Company registered in Cayman Islands. The primary objectives of SNBCF unrestricted business activities as per local laws.

SNBC Global Markets ("SNBCGM")
SNB Capital has 100% (31 December 2024: 100%) ownership in SNBC Global Markets, a Company registered in Cayman Islands. The primary objectives of SNBCGM unrestricted business activities as per local laws.

The Vision Investment Holding Limited ("VIHL")
SNBC Capital has 99.8% ownership in the Vision Investment Holding Limited (VIHL), a company registered in the United Arab Emirates. The primary objectives of the Vision Investment Holding Limited is unrestricted business activities as per the local laws.

Oryx Regional Private Equity Fund (The "Fund")
The Company has a 50% (31 December 2024: 50%) ownership interest in Oryx Regional Private Equity Fund (the "Fund"), which was formed on February 12, 2007, as a closed-ended investment fund. The Group acquired control over the Fund as at April 17, 2007. The Fund's objective is to invest in companies which have a strong competitive advantage and good growth potential. The Fund's primary geographic focus for investment is the Middle East and North Africa (MENA) region.

On February 11, 2021, in lieu of the anticipated timelines corresponding to the completion of the liquidation of the Fund, the Fund Board resolved to further extend the life of the Fund till 20 March 2023. The liquidation proceedings are still in process and will be completed in a due course.

The Capital Partnership (Cayman) Holdings Limited ("TCPCHL")
The Capital Partnership (Cayman) Holdings Limited ("TCPCHL"), registered in the Cayman Islands was formed as a special purpose entity with the principal objective of acquisition of The Capital Partnership Group Limited ("TCPG"). TCPCHL's liquidation proceedings are pending subject to completion of certain legal formalities.

2. BASIS OF PREPARATION

a) Statement of compliance
These consolidated financial statements of the Group have been prepared in accordance with the International Financial Reporting Standards ("IFRSs") 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).

b) Basis of measurement
These consolidated financial statements have been prepared under the historical cost basis using the going concern concept and accrual basis of accounting except as stated otherwise in the below mentioned accounting policies in note 3 to these consolidated financial statements.

c) Functional and presentation currency
These consolidated financial statements have been presented in Saudi Riyals (SR), which is the functional currency of the Company. The functional currency of REIC and SIREC is Saudi Riyals, while the functional currency of SNBCF, SNBCGM, VIHL, SNBC Dubai, TCPHL, the Fund and SUSLF is United States Dollars which is pegged to SR. The financial information presented in Saudi Riyals has been rounded off to the nearest thousands, except as otherwise indicated.

2. BASIS OF PREPARATION (continued)

d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at and for the year ended 31 December 2025 (note 1). Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group’s voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary. Profit or loss and each component of other comprehensive income (“OCI”) are attributed to the equity holders of the parent company and to the non-controlling interests. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. A change in ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary:
- Derecognizes the carrying amount of any non-controlling interest:
- Derecognizes the cumulative translation differences recorded in equity:
- Recognizes the fair value of consideration received:
- Recognizes the fair value of any investment retained; and
- Recognizes any surplus or deficit in profit or loss.
- Reclassifies the parent’s share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Structured entities

As part of its business activities, the Group holds investments in various funds which are not consolidated since the Group does not have control or power over the respective investee entities. Accordingly, the Group believes that it does not control the investees and hence the investment is included under financial investments carried at fair value (note 8).

2. BASIS OF PREPARATION (continued)

e) Critical accounting judgements, estimates and assumptions

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and accompanying disclosures and disclosures of contingent liabilities. Such judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including obtaining professional advice and expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Revision to accounting estimates are recognized in the period in which the estimate is revised and any future period affected.

Significant areas where management has used estimates, assumptions or exercised judgements are as follows:

(i) Useful lives of property, equipment and intangible assets and investment properties

The management determines the estimated useful lives of property, equipment and intangible assets and investment properties for calculating depreciation. This estimate is determined after considering expected usage of the assets, physical wear and tear, or end of the lease term. Management reviews the residual value, depreciation method and useful lives annually and future depreciation charges are adjusted prospectively where management believes these differ from previous estimates.

(ii) Impairment of non-financial assets

The Group assesses at each reporting date or more frequently if events or changes in circumstances indicate that there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less cost to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to those from other assets or groups. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows based on earnings are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. In determining fair value less costs to sell, an appropriate source is used, such as observable market prices or, if no observable market prices exist, estimated prices for similar assets or if no estimated prices for similar assets are identified, it is based on discounted future cash flow calculations of future distributable dividends.

(iii) Determination of control over investment funds

The Group acts as a Fund Manager to a number of investment funds. Determining whether the Group controls such an investment fund usually focuses on the assessment of the aggregate economic interests of the Group in the Fund (comprising any carried interests and expected management fees) and the investors rights to remove the Fund Manager.

(iv) Impairment charge for expected credit losses

The Group exercises judgement and applies the use of various assumptions in the determination of expected credit losses.

(v) Classification of financial instruments

The Group exercises judgement for the classification of financial instruments.

(vi) End of service benefits

The present value of Company's obligation under defined benefit plans is determined using actuarial valuation. This involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and employees' turnover rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Future salary increases are based on expected future inflation rates, seniority, promotion, demand and supply in the employment market.

2. BASIS OF PREPARATION (continued)

e) Critical accounting judgements, estimates and assumptions (continued)

(vii) Provisions for liabilities and charges

The Group receives legal claims in the ordinary course of business. Management makes judgements in assigning the risk that might exists in such claims. It also sets appropriate provisions against probable losses. The claims are recorded or disclosed, as appropriate, in the consolidated financial statements based on the best estimates of the amounts required to settle these claims.

(viii) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified. The fair value of an asset or a liability is measured using assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

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

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

Financial instruments for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy (note 33). For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of their nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

(ix) Going concern

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

2. BASIS OF PREPARATION (continued)

e) Critical accounting judgements, estimates and assumptions (continued)

(x) 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 classified as current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- 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.

A liability is classified as current when:
- It is expected to be settled in 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.

All other liabilities are classified as non-current.

Determination of normal operating cycle is a matter of management judgement, based on all relevant facts and circumstances of the business operations.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

a) Foreign currencies
Foreign currency monetary assets and liabilities are retranslated into the functional currency at the rates ruling at the statement of financial position date. Any differences are taken to the consolidated statement of profit or loss. On consolidation, the results of foreign components are translated into Saudi Riyals at rates approximating to those ruling when the transactions took place. All assets and liabilities of the foreign subsidiaries and equity accounted investees are translated into Saudi Riyals at the rates of exchange ruling on the consolidated statement of financial position date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined and any differences are taken to the consolidated statement of comprehensive income.

b) Settlement date accounting
All regular way purchases and sales of financial assets are recognized and derecognized on the settlement date, i.e. the date on which the asset is delivered to the counterparty. When settlement date accounting is applied, the Group accounts for any change in fair value between the trade date and the settlement date in the same way as it accounts for the acquired asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

c) Property, equipment and intangible assets

These are stated at cost and presented net of accumulated depreciation and amortisation and accumulated impairment losses, if any. Cost comprises purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The cost of self-constructed assets includes the cost of materials, direct labour, and any other costs directly attributable to bringing the assets to a working condition for their intended use. When parts of an item of property and equipment and software have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Capital work in progress, if any, is stated at cost less impairment losses, if any and represent construction/ development work pertaining to the asset in progress. The cost of replacing a part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. Capital work in progress is not depreciated.

Maintenance and normal repairs which do not materially extend the estimated useful life of an asset are charged to the consolidated statement of profit or loss as and when incurred. Major renewals and improvements, if any, are capitalized and the assets so replaced are retired.

The cost of other property, equipment and software is depreciated / amortized using the straight-line method over the estimated useful lives of the assets as follows:

	31 December 2025	*31 December 2024*
Furniture and fixtures	**10 years**	10 years
Equipment	**6 to 7 years**	6 to 7 years
Software	**10 – 20 years**	10 years
Motor vehicles	**5 years**	5 years
Leasehold improvements	**Shorter of lease term or useful life**	Shorter of lease term or useful life

The depreciation/ amortization methods, useful lives and residual values are reviewed at each reporting date and are adjusted prospectively, if required.

Gains and losses on disposals of property, equipment and software are determined by comparing sale proceeds with corresponding carrying amounts. These are recognized in the consolidated statement of profit or loss.

Property, equipment and software are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

d) Investment properties

Investment properties include property (land and/ or building) held by the Group to earn rentals or for capital appreciation or for both. Investment properties are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated based on the depreciable amount, which is the cost of an asset or other amount substitute for cost, less its residual value. Depreciation is calculated based on straight line method. Freehold land is not depreciated. When parts of an item of investment property have different useful lives, they are accounted for as separate items (major components) of investment property.

The cost of replacing a part of an item of investment property is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of investment property are recognized in consolidated statement of profit or loss.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

d) Investment properties (continued)

The estimated useful life of building classified as investment properties is 40 years (2024: 40 years).

The depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted prospectively, if required.

e) Business combinations

Business combinations (other than common control business combination transactions) are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree’s identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions, that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in consolidated equity. Gains or losses on disposals to non-controlling interests are also recorded in consolidated equity.

Upon loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of consolidated equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in the consolidated statement of profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investment or other categories of investment in accordance with the Group’s relevant accounting policy.

i. *Subsidiaries*

Subsidiaries are entities which are controlled by the Group. To meet the definition of control, all three criteria must be met:

i) The Group has power over the entity;
ii) The Group has exposure, or rights, to variable returns from its involvement with the entity; and
iii) The Group has the ability to use its power over the entity to affect the amount of the entity’s returns.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which the control is transferred from the Group. The results of subsidiaries acquired or disposed of during the year, if any, are included in the consolidated statement of profit or loss from the date of the acquisition or up to the date of disposal, as appropriate.

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interest (“NCI”) and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in former subsidiary is measured at fair value when control is lost.

ii. *Non-controlling interests*

Non-controlling interests represent the portion of net income and net assets of subsidiaries not owned, directly or indirectly, by the Company and are presented separately in the consolidated statement of profit or loss and within equity in the consolidated statement of financial position, separately from Shareholder equity. Any losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

e) Business combinations (continued)

iii. Transactions eliminated on consolidation

Inter-group balances, income and expenses (except for foreign currency transaction gains or losses) arising from inter-group transactions are eliminated in full in preparing the consolidated financial statements.

f) Investment in associates

The Group's investment in associates is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence and which is neither a subsidiary nor a joint venture. Under the equity method, the investment in the associate is carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group’s share of net assets of the associate.

Losses in excess of the cost of the investment in an associate are recognized when the Group has incurred obligations on its behalf. Goodwill relating to an associate is included in the carrying amount of the investment and is not amortized. The consolidated statement of profit or loss reflects the Group’s share of the results of operations of the associate, while the Group share of other comprehensive income / loss is included in the consolidated statement of other comprehensive income. Where there has been a change recognized directly in the equity of the associate, the Group recognises its share of any such changes and presents, when applicable, in the consolidated statement of changes in equity.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the consolidated statement of profit or loss. The recoverable amount of the investment in the associate is considered to be the higher of fair value less costs to sell and its value in use.

Gains or losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate. The reporting dates of the associate and the Group are identical and the associate’s accounting policies conform to those used by the Group for like transactions and events in similar circumstances.

g) Financial assets and liabilities

i) Initial recognition and derecognition

Initial recognition

A financial asset or financial liability (unless it’s a trade receivable / other receivable without a significant financing component) is initially measured at fair value plus, for an item not carried at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at transaction price.

Derecognition

A financial asset (or, where applicable, a part of a financial asset, or a part of a group of similar financial assets) is derecognized, when the contractual rights to the cash flows from the financial asset have expired. A financial liability (or a part of financial liability) can only be derecognized when it is extinguished, that is, when the obligation specified in the contract is either discharged, cancelled or expired. The Group also derecognizes a financial liability when it undergoes a substantial modification (qualitative or quantitative).

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)
g) Financial assets and liabilities (continued)

ii) Classification and subsequent measurement of financial assets

Financial asset carried at amortized cost
A financial asset is measured at amortized cost ("AC") if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset at FVOCI
A debt instrument is measured at fair value through other comprehensive income ("FVOCI") only if it meets both of the following conditions and is not designated as at FVTPL:

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

On initial recognition, for an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

Financial asset carried at FVTPL
All other financial assets that are not classified as AC or FVOCI are classified as measured at FVTPL. In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial asset.

Business model assessment
The Group makes an assessment of 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 Group'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 Group's stated objective for managing the financial assets is achieved and how cash flows are realized.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

g) Financial assets and liabilities (continued)

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 Group's original expectations, the Group 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 at FVTPL.

Subsequent measurement
The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets carried at FVTPL - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets carried at amortized cost - These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses, if any.

Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Equity investments carried at FVOCI - These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Marked to market gains and losses are recognised in OCI and are never reclassified to profit or loss.

Debt investments carried at FVOCI – These assets are subsequently measured at fair value. Marked to market gains and losses are recognized in OCI and reclassified to profit or loss upon derecognition of investment. Moreover, interest income is recognized in profit or loss. These investments are also subject to ECL measurement.

Classification and subsequent measurement of financial liabilities
The Group classifies its financial liabilities, as held at amortized cost. Amortized cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the effective interest rate (EIR). Subsequent to initial recognition, financial liabilities are measured at amortized cost, unless they are required to be measured at fair value through profit or loss or an entity has opted to measure a liability at fair value through profit or loss as per the requirements of IFRS 9.

iii) Impairment in financial assets

The Group recognizes loss allowances for expected credit losses (“ECL”) on financial assets that are debt instruments and are not carried at FVTPL, at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- Debt investment securities that are determined to have low credit risk at the reporting date; and
- Other financial instruments on which credit risk has not increased significantly since their initial recognition.

Loss allowances for trade and other related receivables are always measured at an amount equal to lifetime ECL. The Group considers a debt security to have low credit risk when their credit risk rating is equivalent to the commonly understood definition of 'investment grade'.

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

g) Financial assets and liabilities (continued)

The key inputs into the measurement of ECL are the term structure of the following variables:

- Probability of default (PD);
- Loss given default (LGD); and
- Exposure at default (EAD).

The Group also considers forward-looking information in its assessment of significant deterioration in credit risk since origination as well as the measurement of ECL The forward-looking information will include the elements such as macroeconomic factors (e.g., unemployment, GDP growth, inflation) and economic forecasts.

iv) Offsetting

Financial assets and financial liabilities are offset and reported net in the consolidated statement of financial position when there is a legally enforceable right to set off the recognized amounts and when the Group intends to settle on a net basis, or to realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions.

v) Write-off

Financial assets are written off when there are no reasonable expectations of recovery. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the profit or loss.

vi) Interest and dividend income on financial assets

Interest income

Interest income is recognized in the consolidated statement of profit or loss on the effective yield basis.

Dividend income

Dividend income is recognized in the consolidated statement of profit or loss when the right to receive dividend is established.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

h) Employees’ benefits

Post-employment benefits
The Group’s net obligations in respect of defined unfunded post-employment benefit plan (“the plan”) is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and any unrecognized past service costs. The discount rate used is the market yield on Government Bonds at the reporting date that have maturity dates approximating the terms of the Group’s obligation. The cost of providing benefits under the defined benefits plan is determined using the projected unit credit method to determine the Group’s present value of the obligation. As at the consolidated statement of financial position date, the Group’s post-employment defined benefit plan is represented by employees’ end of service benefit plan.

The Company also operates a contribution benefit plan ('the plan') for all the employees wherein all the employees are encouraged to contribute a percentage of the basic salary before any benefits or deductions, and the Company contributes a certain percentage according to specified rules of the plan, based on the number of years of an employee’s enrollment in the plan. Obligations for contributions to the plan are recognized as employee benefit expense in consolidated statement of profit or loss in the period during which related services are rendered by employees.

Termination benefits
Termination benefits are recognized as an expense when the Group is demonstrably committed without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before retirement date, or to provide termination benefits as a result of an offer to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Group has made an offer for voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Short term benefits
Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Long terms cash bonus
The Group operates a long term cash bonus scheme, whereby, eligible employees are entitled to receive a cash bonus upon completion of service condition of 3 years from the grant date. The Group’s obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise.

Employees’ long term incentive plan – Cash settled
The Group operates a long term employees’ long term cash settled incentive plan`, whereby, eligible employees are entitled to receive a cash bonus yearly over the period of 3 years in accordance with the proportion allocated for each year. The Group’s obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

i) Other income
Other income includes rental income from investment property, items and income from sources that are not incidental or related to the core operations / business of the Company. Rental income from operating leases of investment property is recognized as income on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease. Income from sale of scrap items is generally recognized in profit or loss upon completion of sale.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

j) Accounts payable, accruals and other liabilities

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

k) Provisions, contingencies and commitments

Provisions are recognized when the Group has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and able to be reliably measured. Certain provisions are based on management’s estimate of the actual amount payable. The provision has been included in accounts payable, accruals and other liabilities.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed and is included in ‘other income’ in the consolidated statement of profit or loss.

Contingent liability is:

(a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(b) A present obligation that arises from past events but is not recognized because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
(ii) The amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized and are disclosed, unless the probability of an outflow of resources embodying economic benefits is remote.

Commitments represent binding agreements of the Group to carry out specified courses of action involving in a transfer of cash or other asset to the respective counterparties.

l) Zakat

The Company is subject to Zakat in accordance with the regulations of Zakat, Tax and Customs Authority (“ZATCA”). Zakat expense is charged to the consolidated statement of profit or loss. Additional Zakat, if any, related to prior years’ assessments are accounted for in the period in which the final assessments are finalized and recognized in consolidated statement of profit or loss.

m) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease as stipulated in *IFRS 16 - Leases*.

i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component. The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

m) Leases (continued)

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets
The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ii) As a lessor
At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease was a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transferred substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease was for the major part of the economic life of the asset.

The Group recognizes lease payments received under operating leases as income on a straight line basis over the lease term as part of other income.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

n) Revenue recognition

The Group recognizes revenue in accordance with the principles as set out in *IFRS 15 Revenue from contract with customers.* The Group applies the five steps mode stipulated in *IFRS 15* for recognizing revenue, which consists of identifying the contract with the customer; identifying the relevant performance obligations; determining the amount of consideration to be received under the contract; allocating the consideration to each performance obligation; and earning the revenue as the performance obligations are satisfied. The Group recognize revenue when it transfers control over a product or service to a customer.

The Group has the following streams of revenues:

Fee from asset management
Fees charged for managing investment funds and private portfolios are recognized as revenue ratably as the services are provided, based on the applicable service contracts. Such management fees are presented net of rebates and generally calculated as a percentage of net assets of respective funds. The subscription fee is recognized at the time of subscription. Performance fees are presented net of rebates and are calculated as a percentage of the appreciation in the net asset value of a fund above a defined hurdle. Performance fees are earned from some arrangements when contractually agreed performance levels are exceeded within specified performance measurement periods, typically over one year. The fees are recognized when they can be reliably estimated and/or crystallized, and there is deemed to be a low probability of a significant reversal in future periods. Once crystallized, performance fees typically cannot be clawed-back.

Fee from securities (brokerage and related activities)
Fee from securities (brokerage and related activities) are recognized upon execution of related deals / transactions and presented in profit or loss net of discounts.

Fee from advisory services
Fee from advisory services are recognized based on services rendered and execution of performance obligation under the applicable service contracts.

Success fee
Success fee is recognized upon satisfaction of the promised performance obligation which generally corresponds to the execution of a specified task or completion of a milestone as agreed with the respective counterparty.

o) Cash and cash equivalents
For the purpose of the consolidated statement of cash flows, cash and cash equivalents are defined as those amounts included in cash, balances with banks, with original maturity of three months or less which are subject to insignificant risk of changes in their fair value.

p) Assets held for sale
Non-current assets are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognized in the statement of profit or loss. Once classified as held-for-sale, property and equipment are no longer depreciated, and any equity-accounted investee is no longer equity accounted.

q) Margin Lending
Margin Lending is financing provided to customers for the purpose of trading of shares listed at Saudi Stock Exchange. Margin Lending earn commission at commercial rates. Margin Lending represents receivable arising in connection with the Margin Lending Contracts. These receivables are held at amortized cost.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

r) Operating segment

A segment is a distinguishable component of the Group that is engaged in providing products or services, which is subject to risks and rewards that are different from those of other segments. The Group's primary format for segmental reporting is based on business segments. Business segments are determined based on the Group’s management and internal reporting structure.

s) Fiduciary assets

Assets held in trust or in a fiduciary capacity are not treated as assets of the Group, and accordingly, are not included in the consolidated financial statements. In the normal course of business, the Group agrees with the clients to invest the fiduciary assets and the commission earned (net of commission paid) on investing the fiduciary assets are recognized in the consolidated statement of profit or loss when earned.

t) Transactions with Non-controlling interest

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions, that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

u) Finance costs

Finance cost is recognized using the effective interest method. The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortized cost of the financial liability. In calculating finance costs, the effective interest rate is applied to the amortized cost of the liability.

v) Derivative financial instrument

The Company uses commission rate swaps and currency rate swaps to hedge its special commission rate risk. Such derivative financial instruments are initially recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured at fair value with the changes in fair value recorded in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. In the absence of hedge documentation, the Company considered these as trading derivative and all marked to market differences were taken to the consolidated statement of profit or loss.

w) Tier 1 Sukuk

The Group classifies Sukuk issued with no fixed redemption / maturity dates (Perpetual Sukuk) and not obliging the Group for payment of profit as part of equity. The related initial costs and distributions thereon are recognised directly in the consolidated statement of changes in equity under retained earnings.

x) Securities borrowing and lending (“SBL”)

Securities borrowing and lending transactions are typically secured; collateral takes the form of securities or cash advanced or received. Securities lent to counterparties are retained on the consolidated statement of financial position. Securities borrowed are not recognised on the consolidated statement of financial position, unless these are sold to third parties, in which case the obligation to return them is recorded at fair value as a trading liability. Cash collateral given or received is treated as a loan and receivable or customers’ deposit.

(Expressed in Saudi Riyals ‘000, unless otherwise stated)

4. AMENDMENTS TO STANDARDS AND STANDARDS ISSUED AND NOT YET EFFECTIVE

New standards and amendments adopted by the Group

The following standards, interpretations or amendments are effective and are adopted by the Group but do not have an impact on the consolidated financial statements of the Group:

Standards, amendments, Interpretations	Description	Effective date
Amendment to IAS 21 – Lack of exchangeability	IASB amended IAS 21 to add requirements to help in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not exchangeable. Amendment set out a framework under which the spot exchange rate at the measurement date could be determined using an observable exchange rate without adjustment or another estimation technique.	1 January 2025

Accounting standards issued but not yet effective

The International Accounting Standards Board (“IASB”) has issued the following standards and amendments which will become effective on or after 1 January 2026. the Group has opted not to early adopt these pronouncements, and they do not have a significant impact on the consolidated financial statements of the Group:

Standards, amendments, Interpretations	Description	Effective date
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.	1 January 2026
Annual improvements to IFRS – Volume 11	Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards: IFRS1 First time Adoption of International Financial Reporting Standards; IFRS7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS7; IFRS9 Financial Instruments; IFRS10 Consolidated Financial Statements; and IAS7 Statement of Cash Flows.	1 January 2027
IFRS 18 - presentation and disclosure in financial statements	This standard set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure the entity provide relevant information that faithfully represents an entity’s assets, liabilities, equity, income and expenses.	1 January 2027
IFRS 19, Subsidiaries without Public Accountability: Disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date it does not have public accountability, and its parent produces consolidated financial statements under IFRS Accounting Standards.	1 January 2027

(Expressed in Saudi Riyals '000, unless otherwise stated)

5. PROPERTY, EQUIPMENT AND INTANGIBLE ASSETS, NET

	Leasehold improvements	*Software*	*Furniture, fixtures, equipment and motor vehicles*	*Capital work in progress (CWIP)*	*Total*
Cost					
Balance at 1 January 2024	9,058	301,108	158,789	46,827	515,782
Additions	-	-	-	62,201	62,201
Transfers from CWIP (note 'a')	-	79,585	2,337	(81,922)	-
Disposal	(191)	-	-	-	(191)
Balance at 31 December 2024	8,867	380,693	161,126	27,106	577,792
Additions	-	-	-	92,498	92,498
Transfers from CWIP (see note 'a')	15,794	75,462	17,141	(108,397)	-
Adjustments (note 'b')	36,809	(2,033)	(79,497)	-	(44,721)
Disposal	-	-	(2,599)	-	(2,599)
Balance at 31 December 2025	**61,470**	**454,122**	**96,171**	**11,207**	**622,970**
Accumulated depreciation/amortisation					
Balance at 1 January 2024	8,867	184,682	148,746	-	342,295
Charge for the year	-	32,936	2,722	-	35,658
Balance at 31 December 2024	**8,867**	**217,618**	**151,468**	**-**	**377,953**
Charge for the year	1,350	22,879	4,099	-	28,328
Adjustments (note 'b')	28,322	3,395	(81,167)	-	(49,450)
Disposal	-	-	(2,599)	-	(2,599)
Balance at 31 December 2025	**38,539**	**243,892**	**71,801**	**-**	**354,232**
Net book value as of 31 December 2024	-	163,075	9,658	27,106	199,839
Net book value as of 31 December 2025	**22,931**	**210,230**	**24,370**	**11,207**	**268,738**

(Expressed in Saudi Riyals '000, unless otherwise stated)

5. PROPERTY, EQUIPMENT AND INTANGIBLE ASSETS (continued)

a) During the year, management capitalized an amount of SR 109 million (31 December 2024: SR 82 million) to respective category of assets upon completion of the related projects. As at 31 December 2025 and 31 December 2024, capital work in progress mainly represents the software implementation cost, which is under development phase at year end and will be moved to software category once ready for intended use.

b) In addition to reclassification of certain assets within property, equipment and intangibles, it includes reclassification of leasehold improvements from investment properties with net book value of SAR 3.7 million.

6. RIGHT OF USE ASSETS, NET

This represents buildings and office equipment rented under operating lease arrangements, the useful life of these assets are 10 years. The movement in right-of-use assets during the year ended 31 December as follows:

	Building	***Equipment***	***Total***
Cost			
Balance at 1 January 2025	17,006	1,388	18,394
Additions	4,057	-	4,057
Terminations of the contracts	(2,360)	(1,388)	(3,748)
Balance at 31 December 2025	**18,703**	**-**	**18,703**
Accumulated depreciation			
Balance at 1 January 2025	13,987	1,388	15,375
Depreciation for the year	2,581	-	2,581
Termination of the contract	(2,360)	(1,388)	(3,748)
Balance at 31 December 2025	**14,208**	**-**	**14,208**
Net book value			
Net book value as of 31 December 2024	3,019	-	3,019
Net book value as of 31 December 2025	**4,495**	**-**	**4,495**

7. INVESTMENT PROPERTIES, NET

The Group entered into a lease arrangement in year 2020 with the Parent Company for the lease of land and building for the period of 5 years with annual rent of SR 5 million.

During the year ended 31 December 2025, depreciation on investment properties amounting to SR 0.58 million (2024: SR 0.58 million) has been charged resulting in carrying value of SR 72.89 million (31 December 2024: SR 77.25 million) as of the year end.

As at 31 December 2025, the fair value of investment properties amounted to SR 82.98 million (31 December 2024: SR 80.7 million). The market value of the properties was determined by Knightfrank, a Taqeem certified evaluator in accordance with Taqeem Regulations in conformity with the International Valuation Standards Council's International Valuation Standards. The key assumptions used in determining the fair value of the investment properties are as follows:

	31 December 2025	***31 December 2024***	***31 December 2025***	***31 December 2024***
	Land		***Building***	
Valuation technique	***Investment & Comparable method***	***Investment & Comparable method***	***Investment & Comparable method***	***Investment & Comparable method***
Discount rate	**7.5%**	7.5%	**10.5%**	10.5%
Exit yield rate	**-**	-	**8%**	8%
Inflation	**2.5%**	2.5%	**2.5%**	2.5%

(Expressed in Saudi Riyals '000, unless otherwise stated)

8. FINANCIAL INVESTMENTS

As at 31 December, financial investments are classified as follows:

	31 December 2025	*31 December 2024*
FVTPL:		
- Investment funds managed by other entities	**6,576,715**	4,324,771
- Investment funds managed by the Group	**2,022,659**	633,926
- REITs managed by other entities	**36,853**	19,437
- Investment in securities	**655,931**	659,204
	9,292,158	5,637,338
Amortised cost - Investment in debt securities (Sukuks/bonds) (note b)	**503,282**	514,950
FVOCI:		
- REITs managed by the Group	**11,025**	12,390
- REITs managed by other entities	**99,169**	108,628
- Investment in securities (Sukuks/bonds)	**16,360,754**	10,438,066
- Funds managed by other entities	**302,782**	172,045
	16,773,730	10,731,129
	26,569,170	16,883,417

a) In 2025, the Group recognized dividends of SR 291.3 million (2024:SR 131.8 million) from its investments which were recorded in the consolidated statement of profit or loss.

b) This represents Company's investments in local Sukuks carrying profit at commercial rates with maturity in 2036 (31 December 2024: maturities up to 2031).

c) As at 31 December 2025, FVOCI reserve amounts to SR 221.2 million loss (31 December 2024: SR 181 million loss). The reserve is classified within the consolidated statement of changes in equity.

d) As of each reporting date, all investments in debt instruments are assessed to have low credit risk as these are either in Government sovereign Sukuk/bonds or issued by reputable and high credit rating financial institutions (both within and outside the Kingdom of Saudi Arabia) and there has been no history of default with any of the Group's investment in debt instruments. Therefore, the probability of default based on forward looking factors and any loss given defaults are considered to be negligible. Allowance for expected credit losses against financial investments held as FVOCI amounted to SR 6.5 million (31 December 2024: 7 million). As at 31 Dec 2025 and 2024 all the investments at FVOCI are in stage 1.

e) Certain investments have been pledged with the financial intuitions against repo borrowing of SR 12,647 million (31 December 2024: 4,543 million) (note 20).

f) The above-mentioned financial investments have been presented in the consolidated statement of financial position as follows:

	31 December 2025	*31 December 2024*
Non-current assets	**23,028,702**	13,565,404
Current assets	**3,540,468**	3,318,013
	26,569,170	16,883,417

(Expressed in Saudi Riyals '000, unless otherwise stated)

8. FINANCIAL INVESTMENTS (continued)

g) The analysis of the composition of investments is as follows:

	31 December 2025		
	Quoted	***Unquoted***	***Total***
Fixed rate securities	**16,889,761**	**-**	**16,889,761**
Equity instruments, Mutual Funds, Hedge Funds and Others	**796,869**	**8,882,540**	**9,679,409**
	17,686,630	**8,882,540**	**26,569,170**

	31 December 2024		
	Quoted	*Unquoted*	*Total*
Fixed rate securities	8,237,103	152,370	8,389,473
Floating rate securities	2,108,810	625,196	2,734,006
Equity instruments, Mutual Funds, Hedge Funds and Others	444,086	5,315,852	5,759,938
	10,789,999	6,093,418	16,883,417

9. DERIVATIVES

Forwards and futures are contractual agreements to buy or sell a specified currency, commodity or financial instrument at a specified price and date in the future. Forwards are customized contracts transacted in the over-the-counter market. The Group has adopted a system for the measurement and management of risk relating arising from fluctuations in foreign exchange and to maintain its exposure to currency risks to acceptable levels.

The Group has entered into a forward currency contract that has Negative fair value of SR 5.5 million (31 December 2024: positive of SR 22.63 million) to sell GBP 80.13 million and receive SR 402.6 million (31 December 2024: to sell GBP 80.13 million and receive SR 402.6 million), with maturity date of December 2026. Fair value movement on the above derivative contract is classified under "other operating income / (loss), net" in the consolidated statement of profit or loss.

10. ACCOUNTS RECEIVABLES, PREPAYMENTS AND OTHER ASSETS, NET

	31 December 2025	*31 December 2024*
Gross accounts receivables		
- Asset management	**368,622**	296,226
- Investment banking	**36,116**	34,699
- Securities and others	**36,418**	53,348
Gross balance (note "a")	**441,156**	384,273
Less: provision for doubtful debts	**(17,918)**	(50,108)
Net accounts receivables	**423,238**	334,165
Cash collateral against borrowing	**135,304**	49,910
Deposit (note "b")	**149,569**	136,819
Prepayments, advances and others (note "c")	**14,331**	65,481
Interest receivables	**275,431**	226,140
	997,873	812,515

(Expressed in Saudi Riyals '000, unless otherwise stated)

10. ACCOUNTS RECEIVABLES, PREPAYMENTS AND OTHER ASSETS, NET (continued)

(a) It represents fees related to funds under management, commission related to securities and receivables related to investment banking activities.

(b) This represents a deposit maintained with Muqassa (The Securities Clearing Centre Company) under Post Trade Technology Program ("PTTP") in respect to the settlement of transactions carried on the Tadawul platform. It also includes a deposit maintained with IBKR for the settlement of international transactions.

(c) These include short term loans/ advances to staff deductible against staff salary and generally maturity within 12 months of reporting date.

The above-mentioned Accounts receivables, prepayments and other assets have been disclosed in consolidated statement of financial position as follows:

	31 December 2025	*31 December 2024*
Non-current assets	**93,980**	23,169
Current assets	**903,893**	789,346
	997,873	812,515

11. SECURITIES BORROWING AND LENDING

The Group enters into securities borrowing and lending transactions in the normal course of business to meet settlement requirements, enhance liquidity, and support trading and investment activities. Under these arrangements, securities are borrowed from or lent to counterparties for an agreed period in return for collateral and/or a fee.

Securities borrowing and lending transactions are conducted under standard market agreements and are subject to counterparty credit risk. The Group manages this risk through the use of eligible collateral, margining arrangements, and ongoing monitoring of counterparty exposures. As the securities lent are collateralized, hence no allowance for expected credit losses has been recognized in these consolidated financial statements.

12. MARGIN LENDING

Margin lending represents financing provided to the customers for the purpose of trading of shares listed at the Saudi Stock Exchange. It is carried at amortized cost and earns commission at commercial rates with a maturity of one year or less. The Group in the ordinary course of lending activities holds collateral by approved coverage of market value of the customer's equity securities and portfolio cash balance as collateral to mitigate credit risk on its receivables. The fair value of collateral held by the Group as security for margin lending as at 31 December 2025 is SR 11,887 million (31 December 2024: SR 7,831 million). As the margin lending is fully collateralized, hence no allowance for expected credit losses has been recognized in these consolidated financial statements.

During the year, the Group sold the collateral amounting to SR 14 million (31 December 2024: SR 31 million) as a result of customers not maintaining the required coverage.

(Expressed in Saudi Riyals '000, unless otherwise stated)

13. CASH AND BANK BALANCES

	31 December 2025	*31 December 2024*
Balances with banks – current accounts	**594,948**	507,564
Balance in portfolio accounts	**29,403**	36,216
Cash in hand	**37**	27
Cash and Cash equivalents	**624,388**	543,807
Placement having original maturity of more than three months	**150,000**	-
	774,388	543,807

At each reporting date, all bank balances are assessed to have low credit risk as they are held with reputable and high credit rating domestic and international banking institutions and there has been no history of default with any of the bank balance. Therefore, the probability of default based on forward looking factors and any loss given defaults are considered negligible.

14. SHARE CAPITAL

The authorized, issued and fully paid share capital of the Company consists of one hundred and fifty million (150,000,000) shares of SR 10 each (31 December 2024: 15 million shares of SR 10 each). The ownership structure of the Company is given below:

	No. of shares held		***Percentage Ownership***	
Shareholder	***2025***	*2024*	***2025***	*2024*
The Saudi National Bank	**150,000,000**	150,000,000	**100**	100

15. TIER 1 SUKUK

During 2023, the Company through a Shariah Compliant arrangement ("the arrangement") issued Tier 1 Sukuk ("the Sukuk"), amounting to SR 1 billion (denominated in Saudi Riyals). This arrangement was approved by the regulatory authorities and Board of Directors of the Company.

The Sukuk is perpetual security in respect of which there is no fixed redemption dates and represents an undivided ownership interest of the Sukuk holders in the Sukuk assets, constituting an unsecured, conditional and subordinated obligation of the Company classified under equity. However, the Company has the exclusive right to redeem or call the Sukuk in a specified period of time, subject to the terms and conditions stipulated in the Sukuk agreement.

The applicable profit rate on the Sukuk is payable on each periodic distribution date, except upon the occurrence of a non-payment event or non-payment election by the Company, whereby the Company at it sole discretion (subject to certain terms and conditions) elect not to make any distributions. Such non-payment event or non-payment election are not considered to be events of default and the amounts not paid thereof shall not be cumulative or compound with any future distributions.

During the year ended 31 December 2025, the Company has paid profit on Sukuk amounting to SR 58.65 million (31 December 2024: 59.29 million).

(Expressed in Saudi Riyals ‘000, unless otherwise stated)

16. STATUTORY RESERVE

In accordance with the previous Companies' law and the Company's By-laws, the Company was required to set aside 10% of its net income in each year as a statutory reserve until such reserve equals to 30% of its share capital. According to the new Companies' Law, the mandatory statutory reserve requirement had been removed.

The new Companies Law issued through Royal Decree number M/132 on 1/12/1443H (corresponding to June 30, 2022) (hereinafter referred as "the Law”) came into force on 26/6/1444H (corresponding to January 19, 2023). For most provisions of the Law, full compliance should take place not later than two years from 26/6/1444H (corresponding to January 19, 2023). Upon receiving shareholder approval, the Company has amended its by-laws to comply with the provisions of the new companies law in Saudi Arabia on 16 Sha’ban 1445H (corresponding to 26 February 2024).

On October 21, 2025, the shareholder has approved the transfer of statutory reserve to the retained earnings.

17. NON-CONTROLLING INTEREST

The non-controlling interest represents interest in Oryx Regional Private Equity Fund, On 11 February 2021, in lieu of the anticipated timelines corresponding to the completion of the liquidation of the Fund, the Fund Board resolved to further extend the life of the Fund till 20 March 2023. As at year end, the liquidation proceedings are still in process.

18. LEASE LIABILITIES

	Buildings	*Equipment*	*Total*
Balance as at 1 January 2025	**2,580**	**380**	**2,960**
Additions	**4,057**	**-**	**4,057**
Accretion of interest	**270**	**46**	**316**
Payments during the year	**(1,402)**	**(319)**	**(1,721)**
Balance as at 31 December 2025	**5,505**	**107**	**5,612**
Balance as at 1 January 2024	8,119	1,061	9,180
Accretion of interest	211	73	284
Payments during the year	(5,750)	(754)	(6,504)
Balance as at 31 December 2024	2,580	380	2,960

a) The above-mentioned lease liabilities have been presented in the consolidated statement of financial position is as follows:

	31 December 2025	*31 December 2024*
Non-current liabilities	**1,824**	691
Current liabilities	**3,788**	2,269
	5,612	2,960

The maturity analysis of lease liabilities is disclosed in note 31.

(Expressed in Saudi Riyals '000, unless otherwise stated)

19. EMPLOYEES' BENEFITS

	31 December 2025	*31 December 2024*
Employees' end-of-service benefits	**72,680**	74,352
Saving plan and other employees termination benefits	**21,412**	14,478
	94,092	88,830

The Group operates an approved unfunded employees' end of service benefits plan ("EOSB") for its employees as required by the Saudi Arabian Labor Law. The movement in EOSB during the year ended 31 December is as follows:

	31 December 2025	*31 December 2024*
Balance as at 1 January	**74,352**	67,841
Included in profit or loss:		
- Current service cost	**8,383**	7,245
- Interest cost	**3,390**	3,195
Actuarial loss included in Other Comprehensive Income	**1,420**	45
Benefits paid	**(14,865)**	(3,974)
Balance as at 31 December	**72,680**	74,352

Actuarial key assumptions:
The following were the principal actuarial assumptions applied at the reporting date:

	2025	*2024*
Discount rate	**4.10%**	4.75%
Expected rate of salary growth	**3.5%**	3.5%
Retirement age	**60 years**	60 years

Sensitivity analysis:
Reasonably possible changes at the reporting date to one of the actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	31 December 2025		*31 December 2024*	
	Increase (by 1%)	***Decrease (by 1%)***	*Increase (by 1%)*	*Decrease (by 1%)*
Discount rate	**(3,536)**	**3,366**	(5,882)	5,928
Future salary growth	**3,400**	**(3,540)**	5,927	(5,500)

(Expressed in Saudi Riyals '000, unless otherwise stated)

20. BORROWINGS

	31 December 2025	*31 December 2024*
The Saudi National Bank (refer note 'a')	**1,250,242**	1,109,255
Commercial Banks (refer note 'b')	**17,080,122**	7,673,684
Others (refer note 'c')	**501,299**	1,968,750
	18,831,663	10,751,689

a) This represents a financing obtained from The Saudi National Bank ("the Parent" or "the Bank"), at commercial market rates and is repayable as per agreed schedule ending in December 2026 (31 December 2024: ending in December 2025).

b) This represents loans obtained from local and international banks at commercial market rates and are repayable between July, 2026 to March, 2037 (31 December 2024: repayable January 2025 to March 2026).

c) These represent short-term certificates issued at commercial market and are repayable by September 2026 (31 December 2024: repayable by October 2025).

d) Securities pledged with the financial intuitions against the repo transactions are disclosed in note 8.

The above-mentioned borrowings are presented in the consolidated statements of financial position as follows:

	31 December 2025	*31 December 2024*
Non-current liabilities	**4,872,841**	2,985,797
Current liabilities	**13,958,822**	7,765,892
	18,831,663	10,751,689

21. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties include the shareholder/ Parent Company (The Saudi National Bank), associates and affiliated companies, other entities related to consolidated subsidiaries, funds managed by the Group and key management personnel of the Group. Terms and conditions of these transactions are approved by the Group's management.

a) Transactions with the Parent Company:

	2025	*2024*
Transactions included in consolidated statement of profit or loss:		
Management and performance fee charged to the Parent Company	**4,155**	6,675
Incentive expense charged by the Parent Company	**5,458**	15,128
IT related expenses charged by the Parent Company	**23,708**	66,360
Rental income charged to the Parent Company	**5,056**	5,056
Interest income / (expense), net	**717,228**	276,525
Balances included in consolidated statement of financial position:		
Bank balances with the Parent Company	**518,454**	481,608
Amount due to the Parent Company	**17,677**	10,121
Bank borrowings (including accrued finance cost) (note 20 (a))	**1,250,242**	1,109,255
Assets held in a fiduciary capacity		
Bank's assets under management	**1,764,975**	3,223,976

(Expressed in Saudi Riyals '000, unless otherwise stated)

21. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

b) Transactions with investment funds managed by the Group:

	2025	*2024*
Transactions included in consolidated statement of profit or loss:		
Management fee earned on funds managed by the Group	**588,674**	615,654
Performance and transaction fee earned on funds managed by the Group	**159,009**	85,521
Dividend income earned from funds managed by the Group	**39,074**	25,778
Balances included in consolidated statement of financial position:		
Investment in funds managed by the Group	**2,033,684**	646,316
Management and performance fee receivable from funds managed by the Group	**136,480**	202,475

c) Transactions with key management personnel:

Key management personnel of the Group comprise senior executive management and the Board of Directors. Details of the remuneration charged to the Group's consolidated statement of profit or loss and relevant balances outstanding at the year-end are as follows:

	2025	*2024*
Transactions included in consolidated statement of profit or loss:		
Short term benefits	**33,565**	33,800
KEEP and other long term benefits	**19,389**	19,400
Board of Directors and sub-committees' remuneration	**4,904**	4,550
Balances included in consolidated statement of financial position:		
End-of-service benefits	**15,782**	14,866
Loans and advances	**2,453**	2,455

22. ACCOUNTS PAYABLE, ACCRUALS AND OTHER LIABILITIES

	31 December 2025	*31 December 2024*
Accruals	**172,529**	315,059
Provisions	**45,678**	68,319
Other payables	**355,086**	249,529
	573,293	632,907

(Expressed in Saudi Riyals '000, unless otherwise stated)

23. FEE FROM SERVICES, NET

Following is a disaggregation of total revenue by major services provided by the Group and timing of recognition for the years ended 31 December:

	Asset management		*Securities*		*Investment banking*		*Total*	
	2025	*2024*	***2025***	*2024*	***2025***	*2024*	***2025***	*2024*
Primary geographical markets:								
Kingdom of Saudi Arabia	**1,027,958**	951,271	**770,547**	1,161,371	**141,092**	147,967	**1,939,597**	2,260,609
Others	**92,362**	95,286	**-**	-	**-**	-	**92,362**	95,286
Gross fee from services	**1,120,320**	1,046,557	**770,547**	1,161,371	**141,092**	147,967	**2,031,959**	2,355,895
Less: directly attributable expenses	**(138,012)**	(129,811)	**(497,783)**	(703,594)	**(1,705)**	(2,134)	**(637,500)**	(835,539)
Fee from services, net	**982,308**	916,746	**272,764**	457,777	**139,387**	145,833	**1,394,459**	1,520,356
Timing of revenue recognition:								
Point-in-time	**202,616**	164,290	**711,388**	1,108,369	**133,441**	139,518	**1,047,445**	1,412,177
Over time	**917,704**	882,267	**59,159**	53,002	**7,650**	8,449	**984,513**	943,718
	1,120,320	1,046,557	**770,547**	1,161,371	**141,091**	147,967	**2,031,958**	2,355,895
Less: directly attributable expenses	**(138,012)**	(129,811)	**(497,783)**	(703,594)	**(1,704)**	(2,134)	**(637,499)**	(835,539)
Fee from services, net	**982,308**	916,746	**272,764**	457,777	**139,387**	145,833	**1,394,459**	1,520,356

(Expressed in Saudi Riyals '000, unless otherwise stated)

24. GENERAL AND ADMINISTRATIVE EXPENSES

	2025	*2024*
IT and communication expenses	**87,274**	85,159
Legal, professional, consultancy and outsourced	**18,940**	50,826
Travel, marketing and training expenses	**18,837**	37,400
Withholding taxes and non-recoverable VAT	**14,956**	18,615
Premises related expenses (note 21)	**5,056**	5,056
Board of Directors and sub-committees' remuneration (note 21)	**4,904**	4,550
Others	**22,240**	25,867
	172,207	227,473

25. FINANCE COST

	2025	*2024*
Finance cost on bank borrowings (note 20)	**828,444**	557,913
Finance cost on employee benefits (note 19)	**3,390**	3,195
Finance cost on lease liabilities (note 18)	**316**	284
	832,150	561,392

26. OTHER INCOME / (LOSS), NET

	2025	*2024*
Reversal / (charge) of provisions and impairment	**18,412**	(43,292)
Rental income from investment properties (note 7)	**5,056**	5,056
Others	**161**	(10,928)
	23,629	(49,164)

27. BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share ("EPS") amounts is calculated by dividing the net profit for the year attributable to ordinary equity holder of the parent (SNB Capital Company) (adjusted for Tier 1 sukuk costs) by the weighted average number of ordinary shares outstanding during the year.

Details of basic earnings per share are as follows:

	2025	*2024*
Net income for the year attributable to Equity holders of the Parent Company (net of tier 1 sukuk cost)	**2,459,224**	1,964,246
Weighted-average number of shares outstanding	**150,000,000**	150,000,000
Earnings per share	**16.39**	13.09

Diluted EPS is not applicable to the Group.

(Expressed in Saudi Riyals ‘000, unless otherwise stated)

28. CONTINGENCIES AND COMMITMENTS

Following are the details of the Group’s commitments and contingencies as at 31 December:

Contingencies

a) The Group has received certain claims from customers as part of its operations. Based on management assessment and Group’s legal counsel opinion, a provision of SR 3.9 million has been recognized in the consolidated statement of profit or loss (31 December 2024: SR 5.1 million).

b) As at 31 December 2025 and 31 December 2024, the Group does not have any contingent liabilities.

Commitments

a) As at the reporting date, commitments in respect of private equity investment future capital calls amounting to SR 1,130 million (31 December 2024: SR 1,393 million).

b) Commitments primarily for the acquisition of IT software amounting to SR 37 million are outstanding as of 31 December 2025 (31 December 2024: SR 22.3 million).

c) Unutilized balance of margin lending commitments as at 31 December 2025 amounts to SR 25 million (31 December 2024: SR 207 million).

29. FIDUCIARY ASSETS

The Group holds assets on behalf of its customers. As the Group acts in a fiduciary capacity, these assets are not included in the consolidated statement of financial position. Following is the detail of assets held in a fiduciary capacity:

	31 December 2025	*31 December 2024*
Assets under management		
- Asset management division	**262,976,815**	238,573,670
- Securities division	**2,012,174**	2,141,819
Cash balances held under brokerage accounts	**29,283,224**	24,051,356
Total fiduciary assets	**294,272,213**	264,766,845

Certain client money cash balances held under brokerage accounts are placed with local banks in special commission bearing accounts, with the prior consent of the customers.

30. 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 Group is organized into the following operating segments:

Securities	The Securities Division provides securities trading, trading services and margin lending services.
Investment banking	The Investment Banking Division is involved in the following activities: Merger and Acquisition Advisory Services, Initial Public Offering Advisory Services, Real Estate Advisory Services and Privatization and Private Placements.
Asset & wealth Management	The Asset & Wealth Management Division is engaged in the management of clients' assets and in the development and sales of asset management products and services.
Corporate and Principle Investment	Principal investment business is mainly responsible for investing the Group's assets in diversified asset classes along with managing financing activities of the Company.
SNB Capital Dubai Inc.	SNB Capital Dubai Inc. is an overseas subsidiary and its principal activity is to source, structure and invest in attractive private equity, real estate and other alternative products.

(Expressed in Saudi Riyals ‘000, unless otherwise stated)

30. SEGMENT INFORMATION (continued)

Description	*For the year ended 31 December 2025*					
	Securities	*Investment banking*	*Asset & wealth management*	*Corporate and principal investment*	*SNB Capital Dubai Inc.*	*Total*
Total operating income	**543,864**	**139,387**	**893,016**	**2,455,182**	**90,620**	**4,122,069**
Total operating expenses	**(166,658)**	**(60,081)**	**(286,669)**	**(78,139)**	**(24,132)**	**(615,679)**
Net operating income	**377,206**	**79,306**	**606,347**	**2,377,043**	**66,488**	**3,506,390**
Non-operating income / expense - net	**(203,646)**	**7,719**	**5,635**	**(618,176)**	**(53)**	**(808,521)**
Net income (before Zakat and non-controlling interest)	**173,560**	**87,025**	**611,982**	**1,758,867**	**66,435**	**2,697,869**
Reportable segment assets and liabilities						
Total assets	**4,733,591**	**66,162**	**317,073**	**27,734,550**	**106,808**	**32,958,184**
Total liabilities	**2,014,755**	**80,364**	**406,797**	**17,684,846**	**12,938**	**20,199,700**

(Expressed in Saudi Riyals '000, unless otherwise stated)

30. SEGMENT INFORMATION (continued)

	For the year ended 31 December 2024					
Description	*Securities*	*Investment Banking*	*Asset & wealth Management*	*Corporate and Principal Investment*	*SNB Capital Dubai Inc.*	*Total*
Total operating income	686,740	145,833	824,689	1,646,324	92,405	3,395,991
Total operating expenses	(172,835)	(56,114)	(320,794)	(74,953)	(25,587)	(650,283)
Net operating income	513,905	89,719	503,895	1,571,371	66,818	2,745,708
Non-operating income / expense - net	(247,552)	(6,337)	(10,985)	(346,605)	900	(610,579)
Net income (before Zakat and non-controlling interest)	266,353	83,382	492,910	1,224,766	67,718	2,135,129
Reportable segment assets and liabilities						
Total assets	4,579,703	62,082	272,641	17,606,899	99,410	22,620,735
Total liabilities	4,688,043	55,690	364,340	7,163,323	8,066	12,279,462

(Expressed in Saudi Riyals '000, unless otherwise stated)

30. SEGMENT INFORMATION (continued)

Geographical concentration of reportable segments' assets and liabilities (based on the location of assets and liabilities held/originated), are presented as below:

	As at 31 December 2025				
	Kingdom of Saudi Arabia	*United Arab Emirates*	*North America*	*Other regions*	*Total*
Property, equipment and intangible assets, net	**268,738**	**-**	**-**	**-**	**268,738**
Right of use assets, net	**1,001**	**3,494**	**-**	**-**	**4,495**
Investment properties, net	**72,895**	**-**	**-**	**-**	**72,895**
Securities lending	**504,951**	**-**	**-**	**-**	**504,951**
Financial investments	**12,163,161**	**299,160**	**10,446,979**	**3,659,870**	**26,569,170**
Accounts receivable, prepayments and other assets, net	**971,033**	**26,840**	**-**	**-**	**997,873**
Margin lending	**3,765,674**	**-**	**-**	**-**	**3,765,674**
Cash and cash equivalents	**774,388**	**-**	**-**	**-**	**774,388**
Total assets	**18,521,841**	**329,494**	**10,446,979**	**3,659,870**	**32,958,184**
Lease liabilities	**2,373**	**3,239**	**-**	**-**	**5,612**
Employee benefits	**92,149**	**1,943**	**-**	**-**	**94,092**
Negative fair value of derivatives	**5,512**	**-**	**-**	**-**	**5,512**
Securities borrowing	**528,411**	**-**	**-**	**-**	**528,411**
Borrowings	**5,666,954**	**3,281,406**	**-**	**9,883,303**	**18,831,663**
Accounts payable, accruals and other liabilities	**725,537**	**8,873**	**-**	**-**	**734,410**
Total liabilities	**7,020,936**	**3,295,461**	**-**	**9,883,303**	**20,199,700**

(Expressed in Saudi Riyals '000, unless otherwise stated)

30. SEGMENT INFORMATION (continued)

Geographical concentration of reportable segments' assets and liabilities (based on the location of assets and liabilities held/originated), are presented as below:

	As at 31 December 2024				
	Kingdom of Saudi Arabia	*United Arab Emirates*	*North America*	*Other regions*	*Total*
Property, equipment and intangible assets, net	199,839	-	-	-	199,839
Right of use assets, net	2,606	413	-	-	3,019
Investment properties, net	77,249	-	-	-	77,249
Investment in an associate	-	-	-	2,138	2,138
Financial investments	7,112,706	379,329	5,996,170	3,395,212	16,883,417
Positive fair value of derivatives	22,635	-	-	-	22,635
Accounts receivable, prepayments and other assets, net	901,060	(88,545)	-	-	812,515
Securities lending	642,358	-	-	-	642,358
Margin lending	3,433,758	-	-	-	3,433,758
Cash and cash equivalents	487,962	55,845	-	-	543,807
Total assets	12,880,173	347,042	5,996,170	3,397,350	22,620,735
Lease liabilities	2,531	429	-	-	2,960
Employee benefits	86,905	1,925	-	-	88,830
Borrowings	5,800,896	1,550,023	1,774,991	1,625,779	10,751,689
Securities borrowing	641,872	-	-	-	641,872
Accounts payable, accruals and other liabilities	639,598	(6,691)	-	-	632,907
Provision for zakat	161,204	-	-	-	161,204
Total liabilities	7,333,006	1,545,686	1,774,991	1,625,779	12,279,462

(Expressed in Saudi Riyals '000, unless otherwise stated)

31. FINANCIAL INSTRUMENTS RISK MANAGEMENT

Risk is inherent in the Group's activities but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposure relating to his or her responsibilities. The Group is exposed to credit risk, market risk and liquidity risk. The independent risk control process does not include business risks such as changes in environment, technology and industry. They are monitored through the Group's strategic planning process.

The Board Risk Committee (BRC) has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Supervisory Board.

The Risk Management Unit is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The unit works closely with and reports to the Board Risk Committee to ensure that procedures are compliant with the overall framework.

Credit risk
It is the risk that one party to a financial instrument may fail to discharge an obligation and can cause the other party to incur a financial loss. Credit exposures arise principally in credit-related risk that is embedded in financial investments, accounts receivable, margin lending and bank balances.

The Group attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties, and continually assessing the creditworthiness of counterparties. The Group's risk management policies are designed to identify and to set appropriate risk limits and to monitor the risks and adherence to limits.

a) Maximum exposure to credit risk at the reporting date:

Assets	***31 December 2025***	*31 December 2024*
Financial investments (note 8)	**26,569,170**	16,883,417
Accounts receivable (note 10)	**441,156**	384,273
Margin lending (note 12)	**3,765,674**	3,433,758
Balances with banks (note 13)	**774,388**	543,807
	31,550,388	21,245,255

b) Analysis of financial assets

At 31 December 2025, the aging of financial assets is as follows:

Financial assets	***Neither past due nor impaired***	***Past due 1–30 Days***	***Past due 31–90 days***	***Past due over 90 days***	***Total***
Financial investments (note 8)	**26,569,170**	**-**	**-**	**-**	**26,569,170**
Accounts receivable (note 10)	**145,668**	**211,689**	**32,734**	**51,065**	**441,156**
Margin lending (note 12)	**3,765,674**	**-**	**-**	**-**	**3,765,674**
Balances with banks (note 13)	**774,388**	**-**	**-**	**-**	**774,388**
	31,254,900	**211,689**	**32,734**	**51,065**	**31,550,388**

(Expressed in Saudi Riyals ‘000, unless otherwise stated)

31. FINANCIAL INSTRUMENTS RISK MANAGEMENT (continued)

Credit risk (continued)

At 31 December 2024, the aging of financial assets that were not impaired is as follows:

Financial assets	*Neither past due nor impaired*	*Past due 1–30 Days*	*Past due 31–90 days*	*Past due over 90 days*	*Total*
Financial investments (note 8)	16,883,417	-	-	-	16,883,417
Accounts receivable (note 10)	5,441	163,149	185,685	29,998	384,273
Margin lending (note 12)	3,433,758	-	-	-	3,433,758
Balances with banks (note 13)	543,807	-	-	-	543,807
	20,866,423	163,149	185,685	29,998	21,245,255

c) *Credit quality of financial assets:*
The financial assets of the Group represent credit worthy counter parties with an established mechanism of initial and ongoing credit enhancement enforced by the management.

d) *Collateral and offsetting:*
At the reporting date, except for Margin lending and Securities borrowing and lending, the Group has not placed/ received any significant collaterals or credit enhancements in respect of its financial assets/ liabilities. At the reporting date, there were no significant netting arrangements or financial assets/ liabilities eligible for offsetting.

e) *Expected credit loss:*
The Group considers that its bank balances, accounts receivables, debt instruments and third party receivables have low credit risk based on the external credit ratings of the respective counterparties. Credit risk on Margin lending receivable is negligible, as these are fully collateralized. Moreover, majority of the Group’s accounts receivables represent accrued fee from funds under own management.

Market risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices and foreign exchange rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk. The Group continuously monitor the movement in the market and accordingly take the decisions to mitigate the risk.

i) Market price risk:

Market price risk is the risk that the fair value of financial assets held at fair value changes as a result of changes in the level of market indices and the value of individual scrips.

a) FVTPL investments

At the reporting date, FVTPL investments include shares of companies, external hedge funds, private equity funds, private real estate funds and mutual funds. The Group regularly monitors on individual basis the market risk on these investments. At the reporting date, a 10% (31 December 2024: 10%) change in the net asset values of the underlying investments would have increased or decreased the net income by SR 929 million (31 December 2024: SR 580 million).

b) FVOCI investments (equity and debt)

At the reporting date, FVOCI investments are represented by REITS managed by SNB Capital and other companies respectively and investments in debt securities. The Group regularly monitors on individual basis the market risk on these investments. At the reporting date, a 10% change in the net asset values of the underlying investments would have increased or decreased the income by SR 1.68 billion (31 December 2024: 1.05 million).

(Expressed in Saudi Riyals '000, unless otherwise stated)

31. FINANCIAL INSTRUMENTS RISK MANAGEMENT (continued)

Market risk (continued)

i) Market price risk (continued):

c) Forward foreign exchange contract
At the reporting date, a 10% change in currency rates would have increase or decrease the net income by SR 2.8 million (31 December 2024: SR 0.4 million).

ii) Interest rate risk
Interest rate risk arises from the possibility that changes in interest rates may affect future cash flows or the fair values of financial instruments. At the reporting date, the Group is not exposed to interest rate risk, except borrowings from Bank and some investment in Bonds/sukuks which is at variable rate of interest. Below is the effect of change in net income due to change in average SIBOR by 10%.

31 December 2025

	Increase in interest rate %	***Effect on net profit***	***Decrease in interest rate %***	***Effect on net profit***
Assets	**+10%**	**-**	**-10%**	**-**
Liabilities	**+10%**	**(6,571)**	**-10%**	**6,571**

31 December 2024

	Increase in interest rate %	*Effect on net profit*	*Decrease in interest rate %*	*Effect on net profit*
Assets	+10%	11,852	-10%	(11,852)
Liabilities	+10%	(866)	-10%	866

iii) Currency risk

Currency risk is the risk that the value of a financial instrument may fluctuate due to changes in foreign exchange rates. The Group manages exposure to the effects of fluctuations in prevailing foreign currency exchange rates on its financial position and cash flows. It has set limits on positions by currency. Positions are monitored regularly to ensure these are maintained within established limits. At the reporting date, the Group had the following significant net exposures denominated in foreign currencies:

	2025 ***Long / (short)***	*2024* *Long / (short)*
US Dollars (USD)	6,881	5,031
Pound Sterling (GBP)	682	56
Euro (EUR)	2,293	169
Bahrain Dinar (BHD)	998	34

(Expressed in Saudi Riyals '000, unless otherwise stated)

31. FINANCIAL INSTRUMENTS RISK MANAGEMENT (continued)

iii) Currency risk (continued)

The table below indicates the extent to which the Group was exposed to currency risk at 31 December 2025 and 31 December 2024 on its foreign currency positions. The analysis is performed for reasonably possible movement of the currency rate against the SR with all other variables held constant. As the Saudi Riyal is pegged against the USD, AED and Bahrain Dinar (BHD), it is unlikely to be a significant impact on the consolidated statement of profit or loss in respect of the USD, AED and BHD exposure.

	Decrease in exchange currency %	***Effect on net profit***	***Increase in exchange currency %***	***Effect on net profit***
Pound Sterling (GBP)	**15%**	**(102)**	**15%**	**102**
Euro (EUR)	**15%**	**(344)**	**15%**	**344**

	Decrease in exchange currency %	*Effect on net profit*	*Increase in exchange currency %*	*Effect on net profit*
Pound Sterling (GBP)	15%	(8,444)	15%	8,444
Euro (EUR)	15%	(25)	15%	25

Liquidity risk

Liquidity risk is the risk that the Group might be unable to meet its payment obligations when they fall due under normal and stress circumstances. Liquidity risk can be caused by market disruptions or credit downgrades, which may cause certain sources of funding to be less readily available. To mitigate this risk, management manages assets with liquidity in mind, maintaining an appropriate balance of cash and cash equivalents and readily marketable securities and monitors future cash flows and liquidity on regular basis. The Group also has borrowing facilities from Parent and other commercial banks/financial institutions to meet the liquidity requirements.

Analysis of financial liabilities by remaining contractual maturities

The table below summarizes the maturity profile of the Group's financial liabilities at 31 December 2025 and 31 December 2024 based on contractual undiscounted repayment obligations. The contractual maturities of liabilities have been determined on the basis of the remaining period at the reporting date to the contractual maturity date. Repayments which are subject to notice are treated as if notice were to be given immediately.

(Expressed in Saudi Riyals ‘000, unless otherwise stated)

31. FINANCIAL INSTRUMENTS RISK MANAGEMENT (continued)

Liquidity risk (continued)

31 December 2025		***Contractual cash flows***					
Financial liabilities	***Carrying Amount***	***On demand***	***Less than 3 months***	***3 to 12 months***	***1 to 5 years***	***Over 5 years***	***Total***
Lease liabilities	**5,612**	**-**	**-**	**1,824**	**3,788**	**-**	**5,612**
Securities borrowing	**528,411**	**-**	**-**	**528,411**	**-**	**-**	**528,411**
Negative fair value of derivatives	**5,512**	**-**	**-**	**5,512**	**-**	**-**	**5,512**
Borrowings	**18,831,663**	**1,131,945**	**12,024,100**	**802,777**	**-**	**4,872,841**	**18,831,663**
Accounts payable and other liabilities	**573,293**	**-**	**357,632**	**215,661**	**-**	**-**	**573,293**
Total undiscounted financial liabilities	**19,944,491**	**1,131,945**	**12,381,732**	**1,554,185**	**3,788**	**4,872,841**	**19,944,491**

31 December 2024		*Contractual cash flows*					
Financial liabilities	*Carrying Amount*	*On demand*	*Less than 3 months*	*3 to 12 months*	*1 to 5 years*	*Over 5 years*	*Total*
Lease liabilities	2,960	-	-	2,269	691	-	2,960
Securities borrowing	641,872	-	-	641,872	-	-	641,872
Borrowings	10,751,689	1,007,380	684,179	6,074,333	2,985,797	-	10,751,689
Accounts payable and other liabilities	632,907	-	-	632,907	-	-	632,907
Total undiscounted financial liabilities	12,029,428	1,007,380	684,179	7,351,381	2,986,488	-	12,029,428

32. ZAKAT

The movement in zakat during the year ended 31 December is as follows:

	31 December 2025	*31 December 2024*
Balance as at 1 January	**161,204**	167,919
Charge for the year	**180,000**	111,593
Payments during the year	**(180,087)**	(118,308)
Balance as at 31 December	**161,117**	161,204

(Expressed in Saudi Riyals '000, unless otherwise stated)

32. ZAKAT (Continued)

Status of assessments
The Company has filed Zakat returns up to the financial years ended 31 December 2024 with the Zakat, Tax and Customs Authority ("ZATCA") and obtained Zakat certificate valid until 30 April 2026. Zakat assessments have been finalized for the years 2007 to 2014 and 2018, while the position for the year 2019 is considered final by statute of limitations, as the five-year assessment period expired on 30 April 2025. Moreover, ZATCA has raised queries for the years 2015 to 2017 on which Company has submitted responses which are under ZATCA review.

Assessments for the years 2020 to 2024 has not been raised by ZATCA yet.

Samba Capital (SC) – Zakat/ Tax assessments:
During the period, after complying with all the requirements of ZATCA, Samba Capital has been deregistered with ZATCA on 1446/11/22.

33. FAIR VALUES

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. Differences can therefore arise between the book values under the historical cost method and fair value estimates.

a. Fair value information for financial instruments at fair value
The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

	31 December 2025			
	Level 1	***Level 2***	***Level 3***	***Total***
Financial assets				
FVTPL Investments	**712,400**	**462,889**	**8,116,869**	**9,292,158**
FVOCI Investments	**16,470,948**	**-**	**302,782**	**16,773,730**
	17,183,348	**462,889**	**8,419,651**	**26,065,888**

	31 December 2025			
	Level 1	***Level 2***	***Level 3***	***Total***
Financial liability				
Forward foreign exchange contract	**-**	**5,512**	**-**	**5,512**

	31 December 2024			
	Level 1	*Level 2*	*Level 3*	*Total*
Financial assets				
FVTPL Investments	493,530	249,771	4,894,037	5,637,338
FVOCI Investments	9,781,519	777,565	172,045	10,731,129
Forward foreign exchange contract	-	22,635	-	22,635
	10,275,049	1,049,971	5,066,082	16,391,102

(Expressed in Saudi Riyals ‘000, unless otherwise stated)

33. FAIR VALUES (continued)

During the year ended 31 December 2025 and 31 December 2024, there were no transfers between level 1 and level 2 fair value measurements.

Movements in level 3 are as follows:

	2025	*2024*
Balance as at 1 January	**5,066,082**	3,237,011
Net movement in fair value	**243,213**	197,631
Purchases	**3,368,260**	2,186,346
Disposal	**(257,904)**	(554,906)
Balance as at 31 December	**8,419,651**	5,066,082

a. Fair value information for financial instruments not measured at fair value

As at the reporting date, management believes that the fair values of cash and bank balances, Margin lending, financial investments held at amortized cost, accounts and other assets, securities lending and borrowing and accounts payables and other liabilities at 31 December 2025 and 31 December 2024 approximate their carrying values.

b. Sensitivity of level 3 investments

At the reporting date, a 10% change in the fair value of level 3 investments would have increased or decreased the other comprehensive income by SR 842 million (31 December 2024: SR 506 million).

c. Valuation technique and significant unobservable inputs for financial instruments at fair value

The Group uses various valuation techniques for determination of fair values for financial instruments classified under levels 2 and 3 of the fair value hierarchy. The Group utilizes fund manager reports (and appropriate discounts or hair-cuts where required) for the determination of fair values of private equity funds, hedge funds and real estate funds.

The fund manager deploys various techniques (such as discounted cash flow models and multiples method) for the valuation of underlying financial instruments classified under level 2 and 3 of the respective fund's fair value hierarchy. Significant unobservable inputs embedded in the models used by the fund manager include risk adjusted discount rates, marketability and liquidity discounts and control premiums.

34. COMPARATIVE FIGURES

During the year, the Group reclassified the comparative amounts of securities lending and borrowing by SAR 642.4 million and SAR 641.9 million from other assets and other liabilities respectively in order to better reflect the Group’s operations. In addition to the mentioned reclassifications, certain other insignificant prior periods amounts have been reclassified to conform to current year presentation.

35. DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were authorized for issue by the Board of Directors on Ramadan 21, 1447H (corresponding to March 10, 2026).