SICO CAPITAL COMPANY
(A Saudi Closed Joint Stock Company)

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR’S REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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Building a better working world

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INDEPENDENT AUDITOR'S REPORT
To the Shareholder of SICO Capital Company

Opinion
We have audited the financial statements of SICO Capital Company (the "Company"), which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income / (loss), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants and the applicable provisions of the Regulations for Companies and Company's By-laws, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance i.e, the Audit Committee is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT
To the Shareholder of SICO Capital Company (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

for Ernst & Young Professional Services

Fahad M. Al-Toaimi
Certified Public Accountant
License No. (354)

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سجل تجاري ١٠١٠٣٨٣٨٢١
CR. 1010383821
شركة ارنست ويونغ للخدمات المهنية
(مهنية ذات مسؤولية محدودة)
Ernst & Young Professional Services
(Professional LLC)

Riyadh: 18 Sha'ban 1446 H
(17 February 2025)

STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

	Notes	**31 December 2024 SR**	31 December 2023 SR
ASSETS			
Cash and cash equivalents	*10*	**12,456,656**	19,080,879
Financial assets at fair value through profit or loss (FVTPL)	*6*	**13,874,902**	17,458,504
Financial assets at amortized cost	*7*	**20,322,450**	20,014,953
Fees receivable	*8*	**15,585,763**	12,014,195
Other assets	*9*	**4,304,310**	2,438,545
Property and equipment	*4*	**2,221,058**	2,829,625
Intangible assets		**22,201**	133,075
Right of use assets	*5*	**1,720,837**	2,515,070
TOTAL ASSETS		**70,508,177**	76,484,846
EQUITY AND LIABILITIES			
LIABILITIES			
Accrued expenses and other liabilities	*13*	**15,847,973**	13,931,550
TOTAL LIABILITIES		**15,847,973**	13,931,550
EQUITY			
Share capital	*11*	**60,000,000**	60,000,000
Statutory reserve	*12*	**2,982,253**	2,982,253
Accumulated losses		**(8,322,049)**	(428,957)
TOTAL EQUITY		**54,660,204**	62,553,296
TOTAL EQUITY AND LIABILITIES		**70,508,177**	76,484,846

Chairman	Vice chairperson	Chief Operating Officer, acting CEO

STATEMENT OF COMPREHENSIVE INCOME / (LOSS)
For the year ended 31 December 2024

	Notes	**2024** *SR*	2023 *SR*
INCOME			
Net interest income	*17*	**1,701,090**	844,919
Net fee income	*14*	**31,990,201**	20,967,998
Brokerage and other income	*16*	**3,136,759**	2,828,537
Net (loss) / gain on investments	*15*	**(223,326)**	2,114,877
TOTAL INCOME		**36,604,724**	26,756,331
EXPENSES			
Staff costs	*18*	**27,965,729**	18,551,384
Other operating expenses	*19*	**16,532,087**	14,192,690
TOTAL EXPENSES		**44,497,816**	32,744,074
NET LOSS FOR THE YEAR		**(7,893,092)**	(5,987,743)

Chairman

Vice chairperson

Chief Operating Officer,
acting CEO

The attached notes from 1 to 28 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2024

	Share capital SR	*Statutory reserve SR*	*Accumulated losses SR*	*Total SR*
Balance at 1 January 2024	**60,000,000**	**2,982,253**	**(428,957)**	**62,553,296**
Net loss for the year	-	-	**(7,893,092)**	**(7,893,092)**
Other comprehensive income for the year	-	-	-	
Total comprehensive loss for the year	-	-	**(7,893,092)**	**(7,893,092)**
Balance at 31 December 2024	**60,000,000**	**2,982,253**	**(8,322,049)**	**54,660,204**
Balance at 1 January 2023	60,000,000	2,982,253	5,558,786	68,541,039
Net loss for the year	-	-	(5,987,743)	(5,987,743)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	-	(5,987,743)	(5,987,743)
Balance at 31 December 2023	60,000,000	2,982,253	(428,957)	62,553,296

Chairman	Vice chairperson	Chief Operating Officer, acting CEO

STATEMENT OF CASH FLOWS
For the year ended 31 December 2024

	Notes	***31 December 2024 SR***	*31 December 2023 SR*
OPERATING ACTIVITIES			
Net loss before zakat and tax for the year		**(6,955,446)**	(4,953,675)
Adjustments for:			
Depreciation & amortization	*19*	**1,741,615**	1,742,538
Net unrealized (gain) /loss on financial assets at FVTPL	*15*	**(222,929)**	(806,005)
Net realized loss / (gain) on financial assets at FVTPL	*15*	**1,328,250**	(151,724)
Charge / (reversal) on allowance for expected credit losses		**128,193**	(239,235)
Write off receivable		**58,397**	-
Write off of intangible assets		**67,039**	-
Provision for employees' end of service benefits		**1,412,872**	816,455
Finance cost on lease rental		**79,028**	98,396
Accretion of discount on financial assets held at amortized cost		**(307,496)**	(342,712)
Operating loss before changes in operating asset and liabilities		**(2,670,477)**	(3,835,962)
Movement in operating assets and liabilities:			
Accounts receivable	*8*	**(3,571,568)**	(6,824,676)
Prepayments and other assets		**(2,180,213)**	14,244,023
Accrued expenses and other liabilities	*13*	**1,916,423**	(4,985,562)
		(3,835,358)	2,433,785
Zakat and income tax paid		**(1,587,493)**	(1,713,753)
Zakat and income refund		**-**	531,954
Employees' end of service benefits paid		**(137,496)**	(245,740)
Net cash used in operating activities		**(8,230,824)**	(2,829,716)
INVESTING ACTIVITIES			
Purchase of property and equipment		**(298,452)**	(76,245)
Proceeds from sale of property and equipment		**-**	5,500
Purchase of financial assets held at fair value through profit or loss		**(10,000,000)**	(22,854,693)
Income from sale of financial assets held at fair value through profit or loss		**12,450,000**	13,360,469
Commission received on Murabaha deposits		**314,448**	471,418
Purchase of financial assets held at amortized cost	*7*	**-**	(9,911,912)
Proceeds from financial assets held at amortized cost	*7*	**-**	29,850,000
Net cash generated from investing activities		**2,465,996**	10,844,537

	2024	*2023*
	SR	*SR*
FINANCING ACTIVITIES		
Lease liability paid	**(859,395)**	(859,395)
Net cash used in financing activities	**(859,395)**	(859,395)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	**(6,624,223)**	7,155,426
Cash and cash equivalents at beginning of the year	**19,080,879**	11,925,453
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**12,456,656**	19,080,879

Chairman

Vice chairperson

Chief Operating Officer,
acting CEO

1. ACTIVITES

SICO Capital Company (“the Company"), is a Saudi Closed Joint Stock Company, established and registered in Riyadh, Kingdom of Saudi Arabia under commercial registration No. 1010259328 on 29 Rabi Al Awwal 1438H (corresponding to 28 December 2016). The Company’s registered office is located at the following address:

5th floor, CMC Tower,
P.O Box 54488
7702 King Fahad Road, Al Malqa District 4204
Riyadh Saudi Arabia

The principal activities of the Company are dealing, managing investments and operating funds, arranging, advising and custody services as per the license of the Capital Market Authority ("CMA") number 37-08096 dated 26 Muharram 1431H (corresponding to 12 January 2010).

2. BASIS OF PREPARATION

2.1 Statement of compliance
These financial statements have been prepared in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by Saudi Organisation for Chartered and Professional Accountants (“SOCPA”) and in compliance with the provisions of the Regulations for Companies in the Kingdom of Saudi Arabia.

2.2 Basis of measurement
These financial statements have been prepared under the historical cost convention except for fair value of financial assets held at fair value through profit or loss. Furthermore, the employees’ benefit obligation is measured at present value of the defined benefit obligation. The company have a clearly identifiable operating cycle and presents current and non-current assets and liabilities separately in the statement of financial position.

2.3 Going Concern
Company’s management has made an assessment of its ability to continue as a going concern and it is satisfied that it has sufficient financial resources and that it will be able to continue as a going concern in the foreseeable future. Furthermore, the Company and the management are not aware of any other material uncertainties that may cast significant doubt upon the Company’s ability to continue as a going concern. Therefore, the financial statements are prepared on going concern basis.

2.4 Functional and presentation currency
These financial statements are presented in Saudi Arabian Riyals (“SR”), which is also the functional currency of the Company.

2. BASIS OF PREPARATION (CONTINUED)

2.5 Standard amendments issued and effective (continued).

The following standards, interpretations or amendments, are effective from the current year and adopted by the Company, however, these do not have significant impact on the financial statements of the Company.

Standard, interpretation and amendments	Description	Effective date
Amendment to IFRS 16 – Leases on sale and leaseback	These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.	Annual periods beginning on or after 1 January 2024
Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements	These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.	Annual periods beginning on or after 1 January 2024
Amendment to IAS 1 – Non-current liabilities with covenants	These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.	Annual periods beginning on or after 1 January 2024

2. BASIS OF PREPARATION (CONTINUED)

2.6 Significant standards issued but not yet effective

The International Accounting Standard Board (IASB) has issued following accounting standards and / or amendments, which will become effective from periods beginning on or after 1 January 2025. The Company has opted not to early adopt these pronouncements and is in the process of assessing the impact on the financial statements of the Company.

Standard, interpretation and amendments	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.	Annual periods beginning on or after 1 January 2025
Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	IASB amended to the requirements related to setting financial liabilities using an electronic payment system; assessing contractual cash flow characteristics of financial assets including those with environmental, social and governance (ESG)-linked features.	Annual periods beginning on or after 1 January 2026
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.
IFRS 18, Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences	Annual periods beginning on or after 1 January 2027

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of the financial statements are consistent are consistent with those used and disclosed in the annual financial statements for the year ended 31 December 2023.

3.1 Leases

On initial recognition, at inception of the contract, the Company shall assess whether the 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. Control is identified if most of the benefits are flowing to the Company and the Company can direct the usage of such assets.

Right of Use Assets ("ROU")

The Company applies the cost model, and measures right of use asset at cost;

- Less any accumulated depreciation and any accumulated impairment losses; and
- Adjusted for any re-measurement of the lease liability for lease modifications.

Generally, ROU asset would be equal to the lease liability. However, if there are additional costs such as site preparation, non-refundable deposits, application money, and other expenses related to transaction etc. then these need to be added to the ROU asset value.

Lease Liability

On initial recognition, the lease liability is the present value of the lease payments that are not paid at the commencement date discounted using the Company's incremental borrowing rate.

After the commencement date, Company measures the lease liability at amortized cost using the effective interest method by:

- Increasing the carrying amount to reflect interest on the lease liability.
- Reducing the carrying amount to reflect the lease payments made and;
- Re-measuring the carrying amount to reflect any re-assessment or lease modification.

3.2 Statutory reserve

In line with Articles 123 and 177 of the New Companies Law, Statutory reserve is no longer mandatory. The reserve can only be transferred to retained earnings once the Company's Articles of Association or By-laws has been amended by EGM. The management has decided to continue maintaining the reserve.

3.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset with the net amount reported in the statement of financial position only if there is an enforceable legal right to offset the recognized amounts and an intent to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

3.4 Foreign currencies transactions and balances

Transactions in foreign currencies are translated into Saudi Arabian Riyals at the exchange rates prevailing at the dates of the transaction. Assets and liabilities denominated in foreign currencies at the period-end are translated into Saudi Arabian Riyals at the exchange rates prevailing at the statement of financial position date. Realized and unrealized gains or losses on exchange are credited or charged to the statement of profit or loss.

3.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand and with banks and other short-term highly liquid investments with original maturities of three months or less from the purchase date.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.6 Current vs. non-current classification

The Company has chosen to present its assets and liabilities in the Statement of Financial Position based on their order of liquidity.

3.7 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Amortization of intangible assets is calculated on a straight-line basis over the estimated useful life of 3-5 years.

Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

3.8 Revenue recognition

The Company recognizes revenue as and when the performance obligations are met. The Company has the following streams of revenue:

Asset management fees

Asset management fees are recognized based on a fixed percentage subject to applicable terms and conditions and/or agreements. The Company attributes the revenue from management fees to the services provided during the period, because the fee relates specifically to the Company’s efforts to transfer the services for that period. As asset management fees are not subject to claw backs, the management does not expect any significant reversal of revenue previously recognized.

Brokerage commission

Brokerage commission is recognized when the related transactions are executed by the customers at the price agreed in the contract with the customers, net of discounts and rebates. The performance obligation of the Company is satisfied when the customer carries out the transaction, which triggers immediate recognition of the revenue, as the Company will have no further commitments.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Income from corporate finance advisory
Income from corporate finance advisory assignments is recognized, when services are determined to be completed in accordance with the underlying agreement, agreed with the customer and invoiced, as generally set for under the terms of the engagement.

Special commission income from margin lending
Special commission income from margin lending is recognized on an accrual basis based on effective commission rate method.

Fee from non-discretionary portfolio management
Fee from non-discretionary portfolio management represents fee from Murabaha arrangements which relates to commission earned upfront based on service performed relating to Murabaha arrangement for customers. The income is recognized upfront upon performance of services.

Speci*al commission income from Murabaha deposits*
Income from Murabaha deposits is recognized on an accrual basis based on effective commission rate method.

Net gain / (loss) from financial assets at fair value through profit or loss

This includes all gains and losses from changes in fair values and disposal of financial instruments measured at fair value through profit or loss.

3.9 Employees' end of service benefits
The Company operates a single post-employment benefit scheme of defined benefit plan driven by the labor laws of the Kingdom of Saudi Arabia which is based on most recent salary and number of service years.

The post-employment benefits plans are not funded. Accordingly, valuations of the obligations under the plan are carried out internally based on the projected unit credit method. The costs relating to such plans primarily consist of the present value of the benefits attributed on an equal basis to each year of service and the interest on this obligation in respect of employee service in previous years.

Current and past service costs related to post-employment benefits are recognized immediately in statement of profit or loss while unwinding of the liability at discount rates used are recorded in profit or loss. Any changes in net liability due to valuations and changes in assumptions are taken as re-measurement in the other comprehensive income.

3.10 Property and equipment
Property and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Depreciation is calculated on a straight-line basis over the estimated useful lives of the asset as follows:

- Leasehold improvements 5 Years
- Furniture and fixtures 5 Years
- Office equipment and computers 5 Years

The residual values, useful lives and methods of depreciation of property and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.11 Classification and measurement of financial assets

On initial recognition, the Company classifies its financial assets in the following measurement categories:

- Amortized cost
- Fair value through other comprehensive income (FVOCI)
- Fair value through statement of profit or loss (FVTPL)

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

Debt instruments

Classification and subsequent measurement of debt instruments depend on:

- The Company's business model for managing the asset; and
- The cash flow characteristics of the asset.

Business model: The business model reflects how the Company manages the assets in order to generate cash flows. That is, whether the Company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g., financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at fair value through profit and loss.

Factors considered by the Company in determining the business model for a group of assets include:

- Past experience on how the cash flows for these assets were collected;
- How the asset's performance is internally evaluated and reported to key management personnel;
- How risks are assessed and managed; and
- How managers are compensated.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent solely payment of principal and interest (the "SPPI" test). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. profit (or special commission income) includes only consideration for the time value of resources, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement.

Based on these factors, the Company classifies its debt instruments into one of the following three measurement categories:
Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI), and that are not designated at FVTPL, are measured at amortized cost. Profit earned from these financial assets is recognized in the statement of profit or loss using the effective commission rate method.

Fair value through profit or loss (FVTPL): If debt instrument's cash flows do not represent solely SPPI or if it not held within the held to collect or the held to collect and sell business model, or if it is designated at FVTPL, then it is measured at FVTPL. A gain or loss on Financial assets measured at FVTPL is recognized in the statement of profit or loss, in the period in which it arises. Special commission income earned from these financial assets is recognized in the statement of profit or loss using the effective commission rate method.

Fair value through other comprehensive income (FVOCI): Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVTPL, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortized cost which are recognized in statement of profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from statement of changes in equity to statement of profit or loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Equity instruments
The Company measures all equity Financial assets at FVTPL, except where the Company has elected, at initial recognition, to irrevocably designate an equity Financial assets at FVOCI. The Company's policy is to designate equity Financial assets as FVOCI when those investments are held for purposes other than to trade.

When this election is used, fair value gains and losses are recognized in other comprehensive income and are not subsequently reclassified to the statement of profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value.

Dividends, when representing a return on such investments, continue to be recognized in the statement of profit or loss when the Company's right to receive payments is established.

3.12 Financial instruments and Risk management
Effective risk management is of primary importance to the Company. Risks include market risk (primarily foreign exchange risk, price risk and commission rate risk), credit risk, liquidity risk, fair value risk and operational risk. The Company ensures that it is conservatively capitalized relative to its risk levels, as well as external requirements and benchmarks.

Financial instruments carried on the statement of financial position include Cash and cash equivalents, Financials assets at FVTPL & Amortized cost, Fees receivables, other assets, accrued expenses and other liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. Financial assets and liabilities are offset, and net amounts are reported in the financial statements, when the Company has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and liability simultaneously.

3.12.1 Market risk
Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices.

Foreign exchange risk
Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's transactions are principally in Saudi Riyals and US Dollars. Management monitors the exposures and fluctuations in foreign exchange rates and believes that the foreign exchange risk is not significant.

Commission rate risk
Commission rate risks are the exposures to various risks associated with the effect of fluctuations in the prevailing commission rates on the Company's financial positions and cash flows. The Company's commission rate risks arise mainly from its financial assets held at amortised cost and Murabaha deposits with Banque Saudi Fransi. The Company's financial assets at amortised cost and short-term deposits are held at fixed commission rates. The Company on regular basis monitor changes in the commission rates and acts accordingly

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Commission rate risk	***Within 3 months*** ***SR***	***3-12 Months*** ***SR***	***Over 1 year*** ***SR***	***Non-commission bearing*** ***SR***	***Total*** ***SR***
31 December 2024					
Current assets					
Cash at bank	-	-	-	**1,456,656**	**1,456,656**
Short-term placements with banks	**11,000,000**	-	-	-	**11,000,000**
Financial assets held at fair value through profit or loss	-	-	-	**13,874,902**	**13,874,902**
Financial assets held at amortized cost	**10,889,190**	**4,878,620**	**4,554,640**		**20,322,450**
Fee receivable	-	-	-	**15,585,763**	**15,585,763**
Total assets	**21,889,190**	**4,878,620**	**4,554,640**	**30,917,321**	**62,239,771**
Accrued expenses and other liabilities	-	-	-	15,847,973	15,847,973
Total shareholders' equity	-	-	-	54,660,204	54,660,204
Total liabilities and shareholders' equity	**-**	**-**	**-**	**70,508,177**	**70,508,177**
Total commission rate sensitivity gap	**21,889,190**	**4,878,620**	**4,554,640**	**(39,590,856)**	**(8,268,406)**
Cumulative commission rate sensitivity gap	**21,889,190**	**26,767,810**	**31,322,450**	**(8,268,406)**	**-**
31 December 2023					
Current assets					
Cash at bank	-	-	-	4,080,879	4,080,879
Short-term placements with banks	15,000,000	-	-	-	15,000,000
Financial assets held at fair value through profit or loss	-	-	-	17,458,504	17,458,504
Financial assets held at amortized cost	-	-	20,014,953		20,014,953
Receivable against margin lending	-	-	-	-	-
Accounts receivable	-	-	-	12,014,195	12,014,195
Total assets	15,000,000	-	20,014,953	33,553,578	68,568,531
Accrued expenses and other liabilities	-	-	-	13,941,497	13,941,497
Total shareholders' equity	-	-	-	62,553,296	62,553,296
Total liabilities and shareholders' equity	-	-	-	76,494,793	76,494,793
Total commission rate sensitivity gap	15,000,000	-	20,014,953	(42,941,215)	(7,926,262)
Cumulative commission rate sensitivity gap	15,000,000	15,000,000	35,014,953	(7,926,262)	-

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Price risk
Price risk is the risk that the value of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

The Company is exposed to market risk with respect to its investments in mutual funds. The Company limits market risks by only investing in the mutual funds managed by the Company.

Management's best estimate of the effect on statement of profit or loss for a year due to a reasonably possible change in NAV, with all other variables held constant is indicated in the table below. In practice, the actual trading results may differ from the sensitivity analysis below and the difference could be material. An equivalent increase/decrease shown below would result in an equivalent, but opposite, impact.

		Effect on statement of profit or loss for the years ended	
Variable	**Change in NAV%**	**31 December 2024** ***SR***	31 December 2023 *SR*
Net Asset Value (NAV)	±5	± **693,745**	± 872,925

3.12.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk on cash at bank, Murabaha deposits and account receivables as follows:

		As at 31 December	
	Notes	**2024** ***SR***	2023 *SR*
Cash at bank	*10*	**1,456,656**	4,080,879
Short-term placements with banks	*10*	**11,000,000**	15,000,000
Financial assets held at amortized cost	*7*	**20,322,450**	20,014,953
Fee receivables	*8*	**15,585,763**	12,014,195
Total		**48,364,869**	51,110,027

Cash and deposits are placed with Banque Saudi Fransi, having sound credit rating. Financial assets held at amortized costs are exposures to the domestic sovereign debt. Fees receivables comprise of management fees from funds managed by the company and performance fees from the company's discretionary portfolio management clients having low credit risk and the impact of ECL is not considered to be significant.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Credit quality analysis

The following table sets out the credit analysis for financial assets as at 31 December 2024.

	Investment grade *SR*	Unrated *SR*	Total *SR*
Financial assets			
Cash and cash equivalents	1,456,656	-	1,456,656
Short-term placements with banks	11,000,000	-	11,000,000
Financial assets held at amortized cost	20,322,450	-	20,322,450
Fee receivable	-	15,585,763	15,585,763
Total	**32,779,106**	**15,585,763**	**48,364,869**

The following table sets out the credit analysis for financial assets as at 31 December 2023.

	Investment grade *SR*	Unrated *SR*	Total *SR*
Financial assets			
Cash and cash equivalents	4,080,879	-	4,080,879
Short-term placements with banks	15,000,000	-	15,000,000
Investment held at amortized cost	20,014,953	-	20,014,953
Fee receivable	-	12,014,195	12,014,195
Total	**39,095,832**	**12,014,195**	**51,110,027**

3.12.3 Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available to meet any future commitments.

The Company's liquidity management process is as follows:

- Day-to-day funding, managed by Finance department to ensure that requirements can be met, and this includes replenishment of funds as they mature or are invested:
- Monitoring balance sheet liquidity ratios against internal and regulatory requirements
- Managing the concentration and profile of debt maturities
- Liquidity management and asset and liability mismatching

The following analyses the Company’s financial liabilities based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the below table are the contractual undiscounted cash flows. Balances due equal their carrying amounts. Borrowings are at variable rate and is due for repayments within 1 year hence the impact of discounting is not significant.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

	Due within 1 year *SR*	**Due after 1 year** *SR*
31 December 2024		
Accrued expenses and other liabilities	**14,992,819**	855,154
Total	**14,992,819**	**855,154**
31 December 2023		
Accrued expenses and other liabilities	12,272,591	1,658,959
Total	**12,272,591**	1,658,959

3.12.4 Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. The Company manages operational risk within acceptable levels through sound operational risk management practices that are part of the day-to-day responsibilities of management at all levels. The objective of managing operational risk is to ensure that adequate controls are in place to protect the assets and reputation of the Company and to minimise the potential for financial loss.

The Company's risk management approach involves identifying, assessing, managing, mitigating, monitoring and measuring the risks associated with its operations. Qualitative and quantitative methodologies and tools are used to identify and assess operational risks and to provide management with information for determining appropriate mitigating factors.

These tools include a loss database of operational risks events categorised according to CMA Prudential Rules, business lines, operational risk event types, implementation of a risk and control self-assessment process to analyse business activities and identify operational risks related to those activities. The management of operational risk has a key objective of minimising the impact of losses that could be suffered in the normal course of business (expected losses) and to avoid or reduce the likelihood of suffering unexpected losses. High impact risks and issues of critical importance are reported to the Risk Committee along with root cause analysis and corrective actions.

4. PROPERTY AND EQUIPMENT

	Leasehold improvement	Furniture and fixtures	Office equipment	Computers	Total
Cost					
Balance as at 1 January 2024	2,718,953	165,670	1,524,789	4,430,136	8,839,548
Additions during the year	-	-	20,900	277,552	298,452
Disposals during the year	-	(135,098)	(243,460)	(4,128,602)	(4,507,160)
Balance as at 31 December 2024	**2,718,953**	**30,572**	**1,302,229**	**579,086**	**4,630,840**
Accumulated depreciation					
Balance as at 1 January 2024	938,907	132,466	678,500	4,260,050	6,009,923
Charge for the year	543,790	16,933	258,407	84,416	903,546
Disposals	-	(135,098)	(241,647)	(4,126,942)	(4,503,687)
Balance as at 31 December 2024	**1,482,697**	**14,301**	**695,260**	**217,524**	**2,409,782**
Net book value					
As at 31 December 2024	**1,236,256**	**16,271**	**606,969**	**361,562**	**2,221,058**
Cost					
Balance as at 1 January 2023	3,012,036	150,762	1,521,109	4,372,480	9,056,387
Additions during the year	-	14,908	3,680	57,656	76,244
Disposals during the year	(293,083)	-	-	-	(293,083)
Balance as at 31 December 2023	2,718,953	165,670	1,524,789	4,430,136	8,839,548
Accumulated depreciation					
Balance as at 1 January 2023	682,791	97,324	419,489	4,213,910	5,413,514
Charge for the year	543,699	35,142	259,011	46,140	883,992
Disposals	(287,583)	-	-	-	(287,583)
Balance as at 31 December 2023	938,907	132,466	678,500	4,260,050	6,009,923
Net book value					
As at 31 December 2023	1,780,046	33,204	846,289	170,086	2,829,625

5. RIGHT OF USE ASSETS

	31 December 2024 SR	*31 December 2023 SR*
Balance as at 1 January	**2,515,070**	3,309,303
Depreciation for the year	**(794,233)**	(794,233)
Balance at 31 December	**1,720,837**	2,515,070

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

As at 31 December 2024, financial assets classified as FVTPL comprises of investments in units of SICO Money Market Fund, Riyadh Real Estate Fund and Flow Mena Residential Real Estate Fund 1. These Funds are managed by the Company. No pledge was made against these investments.

	31 December 2024 SR	*31 December 2023 SR*
Quoted equity securities		
Funds		
- Quoted	**3,821,820**	14,266,754
- Unquoted	**10,053,082**	3,191,750
Total	**13,874,902**	17,458,504

Fund Name

	31 December 2024 SR	*31 December 2023 SR*
Flow Mena Residential Real Estate Fund 1	**10,000,000**	-
SICO Money Market Fund	**3,821,820**	14,266,754
Riyadh Real Estate Fund	**53,082**	3,191,750
	13,874,902	17,458,504

7. FINANCIAL ASSETS AT AMORTIZED COST

	31 December 2024 SR	*31 December 2023 SR*
Opening balance	**20,014,953**	39,556,210
Purchase during the year	**-**	9,911,912
Sold during the year	**-**	(29,850,000)
Accretion of discount	**307,497**	396,831
Closing balance	**20,322,450**	20,014,953

8. FEES RECEIVABLE

	31 December 2024 SR	*31 December 2023 SR*
Structuring, subscription and debt arranging fees	**9,987,980**	-
Management fees	**5,389,044**	5,116,930
Admin fees	**140,374**	126,170
Custody fees	**68,365**	62,495
Performance fees	**-**	6,708,600
	15,585,763	12,014,195

9. OTHER ASSETS

	31 December 2024 SR	*31 December 2023 SR*
Other receivables	**2,350,147**	1,244,354
Prepaid expenses	**1,695,068**	984,429
Interest receivables	**259,095**	209,762
	4,304,310	2,438,545

10. CASH AND CASH EQUIVALENTS

		31 December 2024 SR	*31 December 2023 SR*
Cash and bank balances	*10.1*	**1,456,656**	4,080,879
Short-term placements with banks		**11,000,000**	15,000,000
Total		**12,456,656**	19,080,879

10.1 As of date, the Company's balance with banks is held in current accounts and does not earn profit.

11. EQUITY

The Company's share capital structure as at 31 December 2024 and 31 December 2023 is as follows:

Authorized share capital	**Ownership**	**No. of shares**	**Amount (SR)**
SICO BSC (c) ("the Parent")	100%	6,000,000	60,000,000
Total	**100%**	**6,000,000**	**60,000,000**

12. STATUTORY RESERVE

In line with Articles 123 and 177 of the New Companies Law, Statutory reserve is no longer mandatory. The reserve can only be transferred to retained earnings once the Company's Articles of Association or By-laws has been amended by EGM. The management has decided to continue maintaining the reserve.

13. ACCRUED EXPENSES AND OTHER LIABILITIES

	31 December 2024 SR	*31 December 2023 SR*
Accrued expenses	**7,196,811**	5,025,172
Provision for Labour law and staff obligation *(Note 23)*	**2,565,663**	1,290,287
Other payables	**5,130,689**	6,034,286
Zakat liability	**954,810**	1,581,805
	15,847,973	13,931,550

14. NET FEE INCOME

		For the year ended	
		31 December 2024 SR	*31 December 2023 SR*
Management fee (Funds)		**3,855,722**	2,082,946
Management fee (DPMs)		**17,403,084**	9,880,633
Management fee (NDPMs)		**267,943**	186,027
Structuring, subscription and debt arranging fees	14.1	**9,799,036**	-
Performance fee		**293,821**	8,480,668
Admin fees		**200,366**	199,391
Custody fee		**170,229**	138,333
Total		**31,990,201**	20,967,998

14.1 This is the fee charged by the company for providing structuring, subscription and debt arrangement services for a Fund managed by the company.

15. NET (LOSS) / GAIN ON INVESTMENTS

	For the year ended	
	31 December 2024 SR	*31 December 2023 SR*
Net (loss) / gain on financial assets held at FVTPL*	**(1,105,321)**	957,729
Interest income from debt instruments	**881,995**	1,157,148
	(223,326)	2,114,877

* Net (loss) / gain on financial assets held at FVTPL comprises the following:

Realised (loss) / gain on financial assets held at FVTPL	**(1,328,250)**	151,724
Unrealised gain on financial assets held at FVTPL	**222,929**	806,005

16. BROKERAGE AND OTHER INCOME

	For the year ended	
	31 December 2024 SR	*31 December 2023 SR*
Brokerage income	**2,353,979**	1,846,666
Other income	**782,780**	981,871
	3,136,759	2,828,537

17. NET INTEREST INCOME

	For the year ended	
	31 December 2024 SR	*31 December 2023 SR*
Placements	**1,701,090**	469,793
Margin lending	**-**	375,126
Total	**1,701,090**	844,919

18. STAFF COSTS

	For the year ended	
	31 December 2024 SR	*31 December 2023 SR*
Salaries, allowances and bonuses	**23,498,963**	15,577,633
Social security cost	**1,147,158**	858,525
Post-employment benefit *(note 23.2)*	**1,412,872**	816,455
Other costs	**1,906,736**	1,298,771
Total	**27,965,729**	18,551,384

19. OTHER OPERATING EXPENSES

	For the year ended	
	31 December 2024 SR	*31 December 2023 SR*
Technology related expenses	**8,194,991**	5,912,087
Other expenses	**2,194,223**	1,490,648
Professional fees	**2,968,792**	3,512,851
Depreciation & amortisation	**1,741,615**	1,742,538
Zakat expense	**937,647**	1,034,068
Marketing expenses	**257,874**	294,438
Occupancy expenses	**208,679**	122,308
Communication expenses	**28,266**	83,752
	16,532,087	14,192,690

20. RELATED PARTY TRANSACTIONS AND BALANCES

In the ordinary course of its activities, the Company does business with related parties.
Transactions with related parties are carried out on mutually agreed terms approved by management of the Company.

Related parties include:

- Shareholders and its affiliated companies;
- Funds managed by the Company;
- Board of Directors; and
- Key management personnel.

The following are the details of mutual funds that are managed by the company;

Public funds:

SICO Saudi REIT Fund
SICO Capital GCC Dividend Growth Fund
SICO Capital Money Market Fund
SICO Kingdom Equity Fund

Private funds:

Riyadh Real Estate Fund
SICO Al Qasr Real Estate Fund
SICO Capital Khairat Fund
Flow Mena Residential Real Estate Fund 1
Najd Real Estate Fund
La Perle Real Estate Fund

The significant transactions with the related parties, are as follows:

		For the year ended	
		31 December 2024 SR	*31 December 2023 SR*
Nature of transaction	***Relationship***		
Management fee expenses	Shareholder of parent company	**(1,779,076)**	(2,163,230)
Discretionary portfolio management fee	Shareholder of parent company	**2,966,754**	2,175,296
Asset management fee from mutual funds	Mutual Fund	**13,868,172**	2,684,665
Discretionary portfolio admin fee expense	Parent	**(300,083)**	(289,520)
Board remuneration	Board of Directors	**(815,185)**	(341,318)
Murabaha profit from deals placed with parent	Parent	**-**	73,540
Professional fee expense	Parent company	**(250,000)**	-

20. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

The balances with related parties are as follows.

	31 December 2024 SR	*31 December 2023 SR*
Investment in SICO Money Market Fund	**3,821,820**	14,266,754
Investment in Riyadh Real Estate Fund	**53,082**	3,191,750
Investment in Flow Mena Residential real estate fund	**10,000,000**	-
Accrued fees from mutual funds under management	**11,977,312**	822,740
Accrued discretionary portfolio management fee from shareholder of parent	**319,434**	1,173,879
Receivables from funds	**683,065**	68,126
Board Remuneration payable	**(525,000)**	(325,000)
Admin fee payable to parent company	**(165,512)**	(95,657)
Professional fee payable to parent company	**(250,000)**	-

	31 December 2024 SR	*31 December 2023 SR*
Compensation paid to key management personnel		
Salaries and short-term benefits	**11,845,368**	5,095,182
Post-employment benefits	**1,723,190**	513,727

Key management personnel include the Chief Executive officer, Chief Operating Officer, Chief Financial Officer, Chief Risk Officer, Chief Brokerage Officer, Chief Investment Officer, Chief Commercial Officer, Head of Fund Administration, Head of Human Capital, Head of Client Relations, Head of Product Development, Head of Business Development, Group Head of Equities Investment Management and Head of Compliance, AML and Governance.

21. FINANCIAL INSTRUMENTS AT FAIR VALUE

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

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

The principal or the most advantageous market are accessible by the Company.

Fair value hierarchy

The Company 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.

21. FINANCIAL INSTRUMENT FAIR VALUE (CONTINUED)

Fair value hierarchy (continued)

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

			Fair values		
	Carrying value	***Level 1 SR***	***Level 2 SR***	***Level 3 SR***	***Total SR***
<u>31 December 2024</u>					
Financial assets;					
Financial assets at fair value through profit or loss	**13,874,902**	**-**	**3,821,820**	**10,053,082**	**13,874,902**
	13,874,902	**-**	**3,821,820**	**10,053,082**	**13,874,902**

			Fair values		
	Carrying value	*Level 1 SR*	*Level 2 SR*	*Level 3 SR*	*Total SR*
<u>31 December 2023</u>					
Financial assets;					
Financial assets at fair value through profit or loss	17,458,504	-	14,266,754	3,191,750	17,458,504
	17,458,504	-	14,266,754	3,191,750	17,458,504

The fair values of accounts receivable and other financial assets which are carried at amortized cost, are not significantly different from the carrying values included in the financial statements due to the short duration of financial instruments. An active market for these instruments is not available and the Company intends to realize the carrying value of these financial instruments through settlement with the counter party at the time of their respective maturities.

21.1 Fair valuation techniques

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

Type	**Valuation techniques**
Financial assets at fair value through statement of profit or loss.	Funds: Valuation is based on the latest available NAV of the funds. .

The estimated fair value would increase / (decrease) if there is a change in the inputs used for valuation.

21.2 Transfers between Level 1 and 2

The Company’s investments in SICO Capital Money market fund have been transferred from Level 1 to Level 2 for current and comparative period balances as the units are not publicly traded.

22. NETTING OFF

During the current year and comparative period, management netted off receivable and payable balances in which there is a legally enforceable right to net off and both parties' intent to settle on a net basis. The netting off did not have any impact on the statement of financial position, statement of comprehensive income, statement of changes in equity, nor the Company's operating, investing, and financing cash flows.

23. PROVISION FOR LABOUR LAW AND STAFF OBLIGATION

	Notes	**31 December 2024**	31 December 2023
		SR	*SR*
Employees' end of service indemnities	*23.1*	**1,027,517**	474,621
Employees saving scheme	*23.2*	**1,538,146**	815,666
		2,565,663	1,290,287

23.1 The Company operates a defined benefit plan in line with the Labor Law requirement in the Kingdom of Saudi Arabia. The end-of-service benefit payments under the plan are based on the employees' final salaries and allowances and their cumulative years of service at the date of their termination of employment, as defined by the conditions stated in the Labor Laws of the Kingdom of Saudi Arabia. Employees' end-of-service benefit plans are unfunded plans and the benefit payment obligation are met when they fall due upon termination of employment.

23.2 The Company offer employees saving scheme to its employees. The Company contributes one-month basic salary for every completed twelve months of service. Employees are not permitted to receive any payments from the scheme during the tenor of employment. The benefits are not expected to be settled within twelve months.

	31 December 2024	31 December 2023
	SR	*SR*
Balance at 1 January	**1,290,287**	719,573
Provisions for the year	**1,412,872**	816,454
Payments during the year	**(137,496)**	(245,740)
Balance at 31 December	**2,565,663**	1,290,287

24. FIDUCIARY ASSETS

24.1 Assets under management:

These represent the public and private funds' assets, discretionary portfolio and non-discretionary portfolios' assets managed by the Company on behalf of its customers which amounted to SR (8,294,779,291) as of 31 December 2024 (31 December 2023: SR 6,911,962,222).

24.2 Clients' cash accounts

The Company manages clients' cash accounts for brokerage activities, which amounted to SR 59,653,669 as of 31 December 2024 (31 December 2023: SR 19,015,520).

25 COMMITMENT AND CONTINGENCIES

As of date, there were no pending legal cases against the company.

26. SUBSEQUENT EVENTS

There are no material events subsequent to the reporting date that requires adjustment or disclosure in these financial statements.

27. COMPARATIVE FIGURES

During the year, the Company has re-evaluated the presentation of the Statement of Financial Position and Statement of Comprehensive income / (loss) to align with the group presentation. The reclassification adjustments made in the financial statements are for better presentation and accordingly have no impact on the statement of financial position as well as the statement of comprehensive income / (loss).

28. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors on 13 February 2025.