CRÉDIT AGRICOLE CIB ARABIA FINANCIAL COMPANY
(A SAUDI CLOSED JOINT STOCK COMPANY)

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

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(A SAUDI CLOSED JOINT STOCK COMPANY)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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Independent auditor's report to the shareholder of Crédit Agricole CIB Arabia Financial Company

Our opinion

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

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2024;
- the statement of comprehensive income for the year then ended;
- the statement of changes in shareholder's equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), endorsed in the Kingdom of Saudi Arabia (the "Code"), that is relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with the Code's requirements.

Responsibilities of the Board of directors and those charged with governance for the financial statements

The Board of directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, and the applicable requirements of the Regulations for Companies and the Company's By-laws, and for such internal control as they determine 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, the Board of directors 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 the Board of directors 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.

Independent auditor's report to the shareholders of Crédit Agricole CIB Arabia Financial Company (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of directors.
- Conclude on the appropriateness of the Board of directors' 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.

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.

PricewaterhouseCoopers

Waleed A. Alhidiri
License No.559

26 March 2025

Crédit Agricole CIB Arabia Financial Company
(A Saudi Closed Joint Stock Company)
STATEMENT OF FINANCIAL POSITION

		As at 31 December	
	Notes	**2024 SR**	2023 SR
ASSETS			
NON-CURRENT ASSETS			
Property and equipment, net	4	**1,623,243**	2,306,896
Right of use assets, net	6	**1,016,908**	441,473
Intangible assets, net	5	**8,107**	22,004
Deferred tax assets	7.5	**316,372**	203,984
TOTAL NON-CURRENT ASSETS		**2,964,630**	2,974,357
CURRENT ASSETS			
Due from a related party	8	**17,773,207**	30,692,070
Prepayments and other receivables	9	**821,723**	802,706
Cash and cash equivalents	10	**39,867,620**	27,089,971
TOTAL CURRENT ASSETS		**58,462,550**	58,584,747
TOTAL ASSETS		**61,427,180**	61,559,104
SHAREHOLDER'S EQUITY AND LIABILITIES			
SHAREHOLDER'S EQUITY			
Share capital	11	**50,000,000**	50,000,000
Statutory reserve		**541,323**	317,144
Retained earnings		**3,403,855**	1,386,243
Remeasurement reserve of employees' end of service benefits		**(75,629)**	-
TOTAL SHAREHOLDER'S EQUITY		**53,869,549**	51,703,387
LIABILITIES			
NON-CURRENT LIABILITY			
Employees' end of service benefits	12	**866,313**	600,481
TOTAL NON-CURRENT LIABILITY		**866,313**	600,481
CURRENT LIABILITIES			
Lease liability	6	**572,481**	-
Due to related parties	8	**79,081**	4,016,453
Accruals and other payables	13	**5,310,376**	4,280,565
Deferred revenue		**-**	213,750
Income tax provision	7	**729,380**	744,468
TOTAL CURRENT LIABILITIES		**6,691,318**	9,255,236
TOTAL LIABILITIES		**7,557,631**	9,855,717
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES		**61,427,180**	61,559,104

The attached notes 1 to 21 form an integral part of these financial statements.

Khalid Mohammed Albawardi	Mohammad Naeem Khan	Syed Gilani
Chairman	Chief Executive Officer	Finance Manager

Crédit Agricole CIB Arabia Financial Company
(A Saudi Closed Joint Stock Company)
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2024

	Notes	2024 SR	2023 SR
Revenue from transfer pricing	14, 8	**18,698,540**	18,781,216
Arrangement fee		**1,620,000**	2,838,750
Other income		**1,791,166**	1,427,243
Impairment (charge) / reversal on financial assets		**(6,410)**	5,870
General and administrative expenses	15	**(19,287,262)**	(19,341,156)
PROFIT BEFORE TAX		**2,816,034**	3,711,923
Current income tax charge	7.1	**(686,631)**	(744,468)
Deferred tax	7.1	**112,388**	203,985
PROFIT FOR THE YEAR		**2,241,791**	3,171,440
Items that will not be reclassified to statement of income in subsequent years:			
Actuarial loss on remeasurement of employees' end-of-service benefits		**(75,629)**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**2,166,162**	3,171,440

The attached notes 1 to 21 form an integral part of these financial statements.

Khalid Mohammed Albawardi	Mohammad Naeem Khan	Syed Gilani
Chairman	Chief Executive Officer	Finance Manager

Crédit Agricole CIB Arabia Financial Company
(A Saudi Closed Joint Stock Company)
STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

	Share Capital SR	Statutory reserve SR	Retained earnings SR	Remeasurement reserve of employees' end of service benefits SR	Total SR
Balance at 1 January 2024	**50,000,000**	**317,144**	**1,386,243**	**-**	**51,703,387**
Profit for the year	**-**	**-**	**2,241,791**	**-**	**2,241,791**
Other comprehensive loss for the year	**-**	**-**	**-**	**(75,629)**	**(75,629)**
Total comprehensive income for the year	**-**	**-**	**2,241,791**	**(75,629)**	**2,166,162**
Transfer to statutory reserve	**-**	**224,179**	**(224,179)**	**-**	**-**
Balance at 31 December 2024	**50,000,000**	**541,323**	**3,403,855**	**(75,629)**	**53,869,549**

	Share Capital SR	Statutory reserve SR	Retained earnings SR	Remeasurement reserve of employees' end of service benefits SR	Total SR
Balance at 1 January 2023	50,000,000	-	(1,468,053)	-	48,531,947
Profit for the year	-	-	3,171,440	-	3,171,440
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	3,171,440	-	3,171,440
Transfer to statutory reserve	-	317,144	(317,144)	-	-
Balance at 31 December 2023	50,000,000	317,144	1,386,243	-	51,703,387

The attached notes 1 to 21 form an integral part of these financial statements.

Crédit Agricole CIB Arabia Financial Company
(A Saudi Closed Joint Stock Company)
STATEMENT OF CASH FLOWS
For the year ended 31 December 2024

	Notes	2024 SR	2023 SR
OPERATING ACTIVITIES			
Profit before tax		**2,816,034**	3,711,923
Adjustments for:			
Provision for employees' end of service benefits	12.3	**316,387**	361,033
Depreciation and amortisation	4, 5	**702,955**	705,379
Depreciation of right of use assets	6	**586,746**	616,415
Impairment charge / (reversal) on financial assets		**6,410**	(5,870)
Interest expense on lease liability	6	**7,900**	3,993
		4,436,432	5,392,873
Changes in operating assets and liabilities:			
Due from a related party		**12,918,863**	(10,734,328)
Prepayments and other current receivables		**(19,017)**	115,650
Due to related parties		**(3,937,372)**	3,980,430
Accruals and other payables		**1,029,811**	931,744
Deferred revenue		**(213,750)**	213,750
		14,214,967	(99,881)
Income tax paid		**(701,719)**	-
Employees' end of service benefits paid	12.2	**(126,184)**	-
Net cash generated from / (used in) operating activities		**13,387,064**	(99,881)
INVESTING ACTIVITY			
Purchase of property and equipment	4	**(5,405)**	(61,491)
Net cash used in investing activity		**(5,405)**	(61,491)
FINANCING ACTIVITY			
Payment of lease liability	6	**(597,600)**	(597,600)
Net cash used in financing activity		**(597,600)**	(597,600)
NET CHANGE IN CASH AND BANK BALANCES		**12,784,059**	(758,972)
Cash and bank balances at the beginning of the year		**27,099,712**	27,858,683
CASH AND BANK BALANCES AT THE END OF THE YEAR	10	**39,883,771**	27,099,712
Supplementary information			
Addition to right of use assets	6	**1,162,181**	-
Addition to lease liability	6	**1,162,181**	-
ECL Provision		**(16,151)**	(9,741)

The attached notes 1 to 21 form an integral part of these financial statements.

1 GENERAL

Crédit Agricole CIB Arabia Financial Company (the "Company") is a Saudi Closed Joint Stock Company, registered in Riyadh, Kingdom of Saudi Arabia. The Company obtained a service investment license numbered 102114206102235 dated 28 Jumada Al-Thani 1442H (corresponding to 11 February 2021) from the Saudi Arabian General Investment Authority.The Company is incorporated and domiciled under commercial registration number 1010741732 dated 07 Safar 1443H (corresponding to 14 September 2021). The Company has also obtained a license for arranging, advisory and dealing services from the Capital Market Authority ("CMA"), license number 21215-31dated 13 Jumada Al Oula 1442H (corresponding to 28 December 2020).

The Company is owned 100% by Crédit Agricole Corporate and Investment Bank ("Crédit Agricole CIB France"), registered in France. On 18 May 2022, the Company received approval from CMA to commence its licensed activities.

The registered address of the Company is as follows: 2239, Al Urubah Road, 9597, Al Olaya District, Riyadh 12214, Saudi Arabia.

2 MATERIAL ACCOUNTING POLICIES

The material accounting policies used in the preparation of these financial statements are consistent with those used in the preparation of financial statements for the year ended 31 December 2023. These policies are consistently applied to all periods presented unless otherwise stated.

2.1 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountant ("SOCPA").

These financial statements have been prepared on a going concern basis under historical cost convention, except for employees' end of service benefits that is recognised at the present value of future obligations using the Projected Unit Credit Method.

2.2 FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements are carried using US Dollars (the "functional currency") and presented in Saudi Arabian Riyals ("SR") (the "presentation currency"). Except as otherwise indicated, financial information presented in SR has been rounded off to the nearest unit.

Transactions and balances

Foreign currency transactions, if any, are translated into US Dollar using the exchange rates prevailing at the date of transactions. Foreign currency assets and liabilities are translated into US Dollar using the exchange rates prevailing at the date of the statement of financial position. Foreign exchange gains and losses, if any, arising from translation are included in the statement of comprehensive income.

2.3 CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTION

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.3 CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTION (CONTINUED)

Estimates:
- Impairment of financial assets (Note 2.4.2)
- Valuation of employee end of service benefits (Note 2.11)
- Useful lives of property and equipment (Note 2.8)
- Income tax (note 2.16)

2.4 FINANCIAL INSTRUMENTS

2.4.1 CLASSIFICATION AND MEASUREMENT OF FINANCIAL ASSETS

2.4.1.1 INITIAL RECOGNITION AND MEASUREMENT

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. The Company records financial instruments on a 'trade date' basis.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit and loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. For financial assets or financial liabilities held at fair value through profit and loss, the transaction costs are expensed in the statement of profit and loss. Immediately after initial recognition, an expected credit loss allowance ("ECL") is recognized for debt financial assets measured at amortized cost, which results in an ECL charge being recognized in the statement of profit and loss.

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 profit and loss ("FVPL")

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective. Classification and subsequent measurement of debt instruments depend on:
- The Company's business model for managing the asset; and
- The contractual 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 FVPL.

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.

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

Debt securities held for trading, if any, are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in 'other' business model and measured at FVPL.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 FINANCIAL INSTRUMENTS (CONTINUED)

2.4.1 CLASSIFICATION AND MEASUREMENT OF FINANCIAL ASSETS (CONTINUED)

2.4.1.1 INITIAL RECOGNITION AND MEASUREMENT (CONTINUED)

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. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the SPPI test does not pass, and the related financial asset is classified and measured at FVPL.

The SPPI assessment is performed on initial recognition of an asset, and it is not subsequently reassessed.

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 profit ("SPPI"), and that are not designated at FVPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any Allowance for expected credit losses recognized and measured as described in Note 2.4.2. Profit earned from these financial assets is recognized in the statement of profit and loss using the effective commission rate method.

Fair value through profit and loss("FVPL"): If debt instrument's cash flows do not represent solely SPPI or if it is not held within the held to collect or the held to collect and sell business model, or if it is designated at FVPL, then it is measured at FVPL.

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 profit, and that are not designated at FVPL, are measured at fair value through other comprehensive income ("FVOCI"). When the debt financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of profit and loss.

The Company reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent, and none occurred during the year.

Currently cash and cash equivalents, due from related party and other receivables are classified as held at amortized cost. There are no debts securities classified as FVPL or FVOCI.

The Company assesses on a forward-looking basis the expected credit loss ("ECL") associated with its financial assets carried at amortized cost. The Company recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes.
- The time value of resources; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 FINANCIAL INSTRUMENTS (CONTINUED)

2.4.2 IMPAIRMENT OF FINANCIAL ASSETS

IFRS 9 outlines a 'three stage' model for impairment based on changes in credit quality since initial recognition as summarized below:

(i) A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored.
(ii) If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit impaired.
(iii) If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'.
(iv) Financial instrument in Stage 1 has their ECL measured at an amount equal to the portion of expected credit losses that result from the default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.
(v) A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information.

Stage 1: (Initial recognition) 12-month expected credit losses

Stage 2: (Significant increase in credit risk since initial recognition) Lifetime expected credit losses

Stage 3: (Credit impaired assets) Lifetime expected credit losses.

The financial assets of the Company, that are subjected to ECL review include cash and cash equivalents, due from related party and other receivables.

The Company considers that the impact of ECL on the financial assets of the Company is immaterial.

Definition of default:
The Company considers a financial asset to be in default when:
- the borrower is unlikely to pay its credit obligations to the Company in full; or
- the borrower is past due more than 90 days on any material credit obligation to the Company.

In assessing whether a borrower is in default, the Company considers indicators that are:
- qualitative - e.g., breaches of covenant,
- quantitative - e.g., overdue status and non-payment on another obligation of the same issuer to the Company; and
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Measurement of ECL:

The key inputs into the measurement of ECL are the term structure of the following variables:
- probability of default (PD);
- loss given default (LGD);
- exposure at default (EAD).

These parameters are generally derived from internally developed statistical models and other historical data. They are adjusted to reflect forward-looking information as described below.

PD estimates are estimates at a certain date, which are calculated based on statistical rating models, and assessed using rating tools tailored to the various categories of counterparties and exposures. These statistical models are based on internally compiled data comprising both quantitative and qualitative factors. PDs are estimated considering binomial distribution of total borrowers and total defaults.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 FINANCIAL INSTRUMENTS (CONTINUED)

2.4.2 IMPAIRMENT OF FINANCIAL ASSETS (CONTINUED)

The financial assets of the Company, which are subjected to ECL review include cash and cash equivalents, due from related party and other receivables. Loss given default (LGD) is insignificant given the “insignificant risk of changes in value” criteria.

Immaterial ECL is concluded on these balances as a result of an insignificant PD and LGD.

EAD represents the expected exposure in the event of a default. The Company derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract including amortization. The EAD of a financial asset is its gross carrying amount.

2.4.3 FINANCIAL LIABILITIES

All financial liabilities are initially recognized at fair value less transaction costs except for financial liabilities measured at FVPL where transactions cost, if any, are not deducted from the fair value measurement at initial recognition and are included in the statement of profit and loss.

Subsequently, all special commission bearing financial liabilities other than those held at FVPL are measured at amortized cost. Amortized cost is calculated by taking into account any discount or premium on settlement.

2.4.4 DERECOGNITION OF FINANCIAL INSTRUMENTS

A financial asset is derecognized, when the contractual rights to receive the cash flows from the financial asset expire or the asset is transferred, and the transfer qualifies for de-recognition. In instances where the Company is assessed to have transferred a financial asset, the asset is derecognized if the Company has transferred substantially all the risks and rewards of ownership. Where the Company has neither transferred nor retained substantially all the risks and rewards of ownership, the financial asset is derecognized only if the Company has not retained control of the financial asset. The Company recognizes separately as assets or liabilities any rights and obligations created or retained in the process.

A financial liability is derecognized only when it is extinguished, that is when the obligation specified in the contract is either discharged, cancelled or expired.

2.4.5 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 there is an intent to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

2.5 IMPAIRMENTS OF NON-FINANCIAL ASSETS

The Company assesses at each reporting date whether 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 Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or Cash Generating Unit's ("CGU") fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

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 are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5 IMPAIRMENTS OF NON-FINANCIAL ASSETS (CONTINUED)

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

2.6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of cash in hand, cash with banks and other short-term highly liquid investments, if any, with original maturities of three months or less, which are available to the Company without any restrictions.

2.7 PREPAYMENTS AND OTHER RECEIVABLES

Prepayments are recognized in the event that payment has been made in advance of obtaining right of access to receipt of services and measured at nominal amounts. These are derecognized and charged to statement of comprehensive income either with the passage of time or through use or consumption.

Prepayments are included in current assets, except when the related goods or services are expected to be received and rendered more than twelve months after the end of the reporting period, in which case, these are classified as non-current assets.

2.8 PROPERTY AND EQUIPMENT

Property and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

The property and equipment are depreciated using the straight-line method over the estimated useful life of the assets as follows:

Leasehold improvements	5 years
IT (Information Technology) equipment	3 to 7 years
Furniture and fixtures	5 years
Vehicles	4 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.

2.9 RIGHT OF USE ASSETS AND LEASE LIABILITIES

The Company has recognized assets and liabilities for its operating leases of office premises. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to statement of profit and loss over the lease year to produce a constant yearly rate of interest on the remaining balance of the liability for each year. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.9 RIGHT OF USE ASSETS AND LEASE LIABILITIES (CONTINUED)

Assets and liabilities arising from a lease are initially measured on a present value basis.

Right-of-use assets are measured at cost comprising the following:
- the amount of the initial measurement of the lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Lease liabilities include the net present value of the following lease payments:
- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the incremental borrowing rate, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the statement of comprehensive income. Short-term leases are leases with a lease term of 12 months or less.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

2.10 PROVISIONS

A provision is recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provision is not recognised for future operating loss.

2.11 EMPLOYEES' END OF SERVICE BENEFITS

Employee's end of service benefits plan related liabilities represent obligations that will be settled in the future and require actuarial valuations to determine these obligations. Management is required to make further assumptions regarding variables such as discount rates, rates of salary increase, longevity, employee turnover and future healthcare costs, if applicable. Annually, management consults external actuaries regarding these assumptions. Changes in key assumptions can have a significant impact on the projected benefit obligations and employee defined benefit cost.

2.12 ACCRUALS AND OTHER PAYABLES

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

2.13 STATUTORY RESERVE

In accordance with the By-laws of the Company Saudi Arabian Regulations for Companies, the Company must transfer 10% of its profit for the year until it has built up a reserve equal to 30% of the share capital. The reserve is not available for distribution.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.14 REVENUE

- **Revenue from transfer pricing**

The Company has a transfer pricing agreement for the provision of general administrative and representative services in Saudi Arabia on behalf of Crédit Agricole CIB France and other Crédit Agricole CIB entities ("affiliates"). The Company is providing certain services relating to assisting Crédit Agricole CIB France and its affiliates to obtain all information needed on the customers concerned from the business lines and sectors, determining the scope of potential sales efforts, providing the necessary analytical support to some business lines, providing information pertaining to the customer to appropriate units, complying the group file enabling management to assess the customer's industrial strategy and formulate the action plan and defining the customers groups for purpose of commercial follow-up and pertinent analysis of global risk.

The above services are considered as one performance obligation considering the interdependence among the services and the fact that the customer (Crédit Agricole CIB France and affiliates) is considering such services as a whole and not considering each of the above services as a separate performance obligation that has to be fulfilled on its own. The service fee is charged to Crédit Agricole CIB France at cost plus 5% of all expenses (excluding global investment banking costs and other expenses) incurred by the Company.

- **Arrangement fees**

Arrangement fee includes income from dealing, advisory and arrangement services which is recognised based on services rendered as being complete in accordance with the underlying agreement / contract using the five-step approach to revenue recognition.

Normally revenue recognition of retainer fees is recognised over time, In case if an advance payment is received to perform future obligations. Generally, it is linked to timing of performance obligation. For example, monthly, quarterly, etc. In that case the income from retainer fees is to be recognised on a timely basis.

In some cases, accrual of the retainer fees is linked to agreed milestones. If the terms of retainer fees are linked to such performance obligations, then upon satisfaction of such performance obligations, that is, on fulfilment of terms as per the contract with the customers.

Success fees, as the name indicates, is recognised upon fulfilment of performance obligations. For example, achievement of certain objectives as a financial advisor.

2.15 EXPENSES

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

2.16 INCOME TAX

Income tax is provided for in accordance with Zakat, Custom and Tax regulations. The provision is charged to the statement of comprehensive income.

Deferred tax liabilities and assets are recognised for all temporary differences at the tax rates that are expectedto apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. The deferred tax is charged to the statement of comprehensive income. Deferred tax relating to items recognised outside statement of profit or loss are recognised in correlation to the underlying transaction either in OCI or directly in equity.

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.16 INCOME TAX (CONTINUED)

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3 NEW STANDARDS, AMENDMENT TO STANDARDS AND INTERPRETATIONS

3.1 New standards, interpretations and amendments adopted by the Company:

The Company has adopted the following amendments, interpretations and revisions to existing standards, which were issued by the IASB and are applicable from 1 January 2024. The management has assessed that the below amendments have no significant impact on the financial statements.

Standard/ Interpretation	Description	Effective from periods beginning on or after the following 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.	01 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.	01 January 2024
Amendment to IAS 1 – Non-current liabilities with covenants and Classification of liabilities as current or non-current	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.	01 January 2024

3. NEW STANDARDS, AMENDMENT TO STANDARDS AND INTERPRETATIONS (CONTINUED)

3.2 Standards Issued but not yet effective and not early adopted by the Company:

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. The listing is of standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company intends to adopt these standards when they become effective. The management expects these standards not to have any significant impact on the financial statements upon adoption.

Standard/ interpretation	**Description**	**Effective from periods beginning on or after**
Amendment to IFRS 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
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.
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.	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
IFRS S1, 'General requirements for disclosure of sustainability-related financial information	This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.	1 January 2024 subject to endorsement from SOCPA
IFRS S2, 'Climate-related disclosures'	This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.	1 January 2024 subject to endorsement from SOCPA

4 PROPERTY AND EQUIPMENT, NET

	Leasehold improvements SR	IT equipment SR	Furniture and fixtures SR	Vehicles SR	Total SR
Cost:					
At 1 January 2024	**1,924,361**	**419,511**	**493,609**	**440,000**	**3,277,481**
Additions during the year	**-**	**-**	**5,405**	**-**	**5,405**
At 31 December 2024	**1,924,361**	**419,511**	**499,014**	**440,000**	**3,282,886**
Accumulated depreciation:					
At 1 January 2024	**444,918**	**192,854**	**131,146**	**201,667**	**970,585**
Charge for the year	**384,872**	**95,014**	**99,172**	**110,000**	**689,058**
At 31 December 2024	**829,790**	**287,868**	**230,318**	**311,667**	**1,659,643**
Net book amount:					
At 31 December 2024	**1,094,571**	**131,643**	**268,696**	**128,333**	**1,623,243**

	Leasehold improvements SR	IT equipment SR	Furniture and fixtures SR	Vehicles SR	Total SR
Cost:					
At 1 January 2023	1,862,870	419,511	493,609	440,000	3,215,990
Additions during the year	61,491	-	-	-	61,491
At 31 December 2023	1,924,361	419,511	493,609	440,000	3,277,481
Accumulated depreciation:					
At 1 January 2023	62,096	92,916	32,424	91,667	279,103
Charge for the year	382,822	99,938	98,722	110,000	691,482
At 31 December 2023	444,918	192,854	131,146	201,667	970,585
Net book amount:					
At 31 December 2023	1,479,443	226,657	362,463	238,333	2,306,896

5 INTANGIBLE ASSETS, NET

	2024 SR	2023 SR
Cost:		
At 1 January	**41,692**	41,692
Additions	**-**	-
At 31 December	**41,692**	41,692
Accumulated depreciation:		
At 1 January	**19,688**	5,791
Charge for the year	**13,897**	13,897
At 31 December	**33,585**	19,688
***Net book value* at 31 December**	**8,107**	22,004

6 RIGHT OF USE ASSETS, NET

This account pertains to the Company's office premises lease that is amortized over the lease term.

	2024 SR	2023 SR
Cost:		
At 1 January	**1,765,894**	1,765,894
Additions	**1,162,181**	-
At 31 December	**2,928,075**	1,765,894
Accumulated depreciation:		
At 1 January	**1,324,421**	708,006
Charge for the year	**586,746**	616,415
At 31 December	**1,911,167**	1,324,421
***Net book value* at 31 December**	**1,016,908**	441,473

Set out below are the carrying amounts of lease liability and the movements during the year:

	2024 SR	2023 SR
At 1 January	**-**	593,607
Addition during the year	**1,162,181**	-
Accretion of interest	**7,900**	3,993
Payments during the year	**(597,600)**	(597,600)
At 31 December	**572,481**	-
Lease liability – current portion	**572,481**	-
Lease liability – non-current portion	**-**	-
At 31 December	**572,481**	-

7 INCOME TAX

7.1 Charge for the year

The significant components of the taxable income of the Company under the income tax regulations are as follows:

	2024 SR	2023 SR
Current tax		
current year	**686,631**	744,468
Deferred tax		
current year	**(112,388)**	(203,985)
	574,243	540,483

7 INCOME TAX (CONTINUED)

7.2 Reconciliation of tax expense

The following is a reconciliation of income taxes calculated on accounting profits at the applicable tax rates with the income tax expense for the year:

	2024 SR	2023 SR
Accounting profit before tax	**2,816,034**	3,711,923
Income tax expense computed at applicable tax rates (i.e.20%)	**563,207**	742,385
Tax credit on losses	**-**	(155,651)
Inadmissible / (admissible) expenses	**11,036**	(46,251)
	574,243	540,483

	2024 SR	2023 SR
Profit before tax	**2,816,034**	3,711,923
Depreciation differences	**360,023**	298,062
Provisions	**204,533**	361,033
Tax losses carried forward	**-**	(778,255)
Other	**52,563**	129,577
Adjusted profit before tax	**3,433,153**	3,722,340
Income tax expense charged to profit or loss	**686,631**	744,468

Current income tax has been provided for based on 20% of the adjusted taxable income. The differences between the financial and adjusted taxable income are mainly due to certain disallowed provisions.

7.3 Tax liability movement

The movement in taxation liability is as follows:

	2024 SR	2023 SR
At 1 January	**744,468**	-
Current tax for the year	**686,631**	744,468
Paid during the year	**(701,719)**	-
At 31 December	**729,380**	744,468

7.4 Status of assessment

The Company has filed its tax declarations till the ended 31 December 2023 with the Zakat, Tax and Customs Authority ("ZATCA") which is under review by ZATCA and no assessments have been received.

7 INCOME TAX (CONTINUED)

7.5 Deferred tax asset

Deferred tax asset	1 January 2024 SR	Recognised in the statement of comprehensive income SR	31 December 2024 SR
Property and equipment	**57,543**	**71,465**	**129,008**
Allowance for expected credit losses	**1,948**	**1,282**	**3,230**
Employees' end of service benefits provision	**120,092**	**53,171**	**173,263**
Other provisions	**24,401**	**(13,530)**	**10,871**
Deferred tax asset	**203,984**	**112,388**	**316,372**

8 RELATED PARTY TRANSACTIONS AND BALANCES

The Company is a member of the group of companies which are directly or indirectly controlled by the ultimate parent (Crédit Agricole CIB – France), a company registered in France, which is also the Company's immediate parent entity.

a. Related party transactions

The following are the details of major related party transactions during the year:

		Amount of transactions	
Related parties	**Nature of transactions**	**2024 SR**	**2023 SR**
Shareholder			
Crédit Agricole CIB – France	Service fees charged by the Company (a)	**18,698,540**	18,781,216
Crédit Agricole CIB – France	Expenses charged by Crédit Agricole CIB France (a)	**439,614**	688,375
Crédit Agricole CIB – France	Revenue transfer out	**-**	2,838,750
Affiliate			
Crédit Agricole CIB – DIFC	Expenses charged by Crédit Agricole CIB DIFC (b)	**225,000**	225,000
Crédit Agricole CIB – Singapore	Expenses charged by Crédit Agricole CIB Singapore (c)	**75,834**	71,017
Crédit Agricole CIB – Hong Kong	Expenses charged by Crédit Agricole CIB Hong Kong (d)	**26,948**	25,376
Board of Directors	Board of Directors fees (Note 15)	**650,000**	650,000
Key management personnel			
	Short-term employee benefits (f)	**8,473,445**	10,924,563
	Employee end of service benefits	**215,128**	229,003

There were no special terms and conditions with the related parties as compared to un-related parties. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

a) The Company has a transfer pricing agreement for the provision of general administrative and representative services in Saudi Arabia on behalf of Crédit Agricole CIB France. The service fee is charged to Crédit Agricole CIB France at cost plus 5% of all expenses (excluding global investment banking costs and other expenses) incurred by the Company. The Company also has a service level agreement with Crédit Agricole CIB France for provision of information technology and global referential management services to the Company.

b) The Company has a service level agreement with Crédit Agricole CIB DIFC for provision of human resource, legal, administration, book keeping and information technology services to the Company.

8 RELATED PARTY TRANSACTIONS AND BALANCES

c) The Company has a service level agreement with Crédit Agricole CIB Singapore for information technology services and global referential management services.

d) The Company has a service level agreement with Crédit Agricole CIB, Hong Kong for provision of internal audit services

e) The company has a service level agreement with Crédit Agricole – Egypt for performance of service contract for arrangement services.

f) Short term employee benefits of the Company's key management personnel include salaries, allowances, bonuses and contributions to the General Organization for Social Insurance.

b Related parties balances

The following are the details of the related party balances at year end:

Amounts due from a related party

	2024 SR	2023 SR
Crédit Agricole CIB – France	**17,773,207**	30,692,070

Amounts due to related parties

	2024 SR	2023 SR
Crédit Agricole CIB – Hong Kong	**27,240**	25,376
Crédit Agricole CIB – DIFC	**-**	263,140
Crédit Agricole CIB - Singapore Branch	**6,841**	4,478
Crédit Agricole CIB - France	**-**	3,678,459
Crédit Agricole - Egypt	**45,000**	45,000
	79,081	4,016,453

9 PREPAYMENTS AND OTHER RECEIVABLES

	2024 SR	2023 SR
Prepaid expenses	**478,630**	459,613
Advances to employees	**283,333**	283,333
Security deposit	**59,760**	59,760
	821,723	802,706

10 CASH AND CASH EQUIVALENTS

	2024 SR	2023 SR
Balances with bank	**495,935**	243,200
Cash in hand	**10,000**	10,000
Term deposit with maturity less than 90 days	**39,377,836**	26,846,512
	39,883,771	27,099,712
Less: allowance for expected credit losses	**(16,151)**	(9,741)
	39,867,620	27,089,971

11 SHARE CAPITAL

The authorized, issued and paid-up share capital consists of 5,000,000 shares (2023: 5,000,000 shares) of SR 10 each.

12 EMPLOYEES' END OF SERVICE BENEFITS

12.1 Principal actuarial assumptions

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

	2024 SR	2024 SR
Discount rate	**5.28%**	**5.06%**
Long term expected rate of salary increases in future	**4.00%**	**4.00%**

12.2 Movements in employees' end of service benefits

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

	2024 SR	2023 SR
Net liability at the beginning of the year	**600,481**	239,448
Current service cost	**289,197**	348,917
Interest cost	**27,190**	12,116
End of service benefits paid	**(126,184)**	-
Remeasurement loss on employees' end of service benefits	**75,629**	-
Net liability at the end of the year	**866,313**	600,481

12.3 Amounts recognized in the statement of income

	2024 SR	2023 SR
Current service cost	**289,197**	348,917
Interest cost	**27,190**	12,116
	316,387	361,033

12.4 Sensitivity analysis for significant actuarial assumptions

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

	Change in assumption	Increase / (decrease) in present value of employees' end of service benefits liability			
		Amount SR	%	Amount SR	%
		31 December 2024		31 December 2023	
Discount rate	1%	**(47,331)**	**(5.5%)**	(48,316)	(7.7%)
	-1%	**49,947**	**5.8%**	52,333	8.3%
Salary increase rate	1%	**49,926**	**5.8%**	52,318	8.3%
	-1%	**(47,341)**	**(5.5%)**	(48,323)	(7.7%)
Mortality Rate	1%	**(8,622)**	**1.0%**	(6,237)	(1.0%)
	-1%	**8,201**	**(1.0%)**	6,027	1.0%
Withdrawal Rates	1%	**(12,088)**	**(1.4%)**	(10,478)	(1.7%)
	-1%	**12,501**	**1.4%**	11,109	1.8%

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the Employees' end of service benefits (EOSB) to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with projected unit credit method at the end of the reporting year) has been applied when calculating the employee benefits obligations.

13 ACCRUALS AND OTHER PAYABLES

	2024 SR	2023 SR
Accrued expenses	**4,660,376**	3,495,565
Director remuneration payable	**650,000**	650,000
Other payables	**-**	135,000
	5,310,376	4,280,565

14 REVENUE FROM TRANSFER PRICING

The Company has a transfer pricing agreement for the provision of general administrative and representative services in Saudi Arabia on behalf of Crédit Agricole CIB France and its affiliates. The service fee is charged to Crédit Agricole CIB France at cost plus 5% of all expenses (excluding global investment banking costs and other expenses) incurred by the Company.

Trade receivables and balance due from a related party are non-interest bearing and are generally on terms of 30 to 90 days.

15 GENERAL AND ADMINISTRATIVE EXPENSES

	2024 SR	2023 SR
Salaries and employee related expenses (Note 15.1)	**14,145,172**	13,925,597
Depreciation and amortisation (Notes 4, 5 and 6)	**1,289,701**	1,321,794
Board of Directors fees (Note 8)	**650,000**	650,000
Head office expenses	**439,614**	688,375
Professional and consulting fees (Note 15.2)	**554,460**	573,655
Traveling	**311,459**	432,317
Withholding tax and VAT	**415,573**	363,020
IT related expenses	**143,716**	144,040
Postage and communication	**193,242**	195,132
Marketing and public relations	**68,648**	166,033
Office occupancy expenses	**160,530**	139,260
Insurance	**52,890**	58,412
Other	**862,257**	683,521
	19,287,262	19,341,156

15,1 GENERAL AND ADMINISTRATIVE EXPENSES (CONTINUED)

	2024 *SR*	2023 *SR*
Wages and salaries	**6,203,903**	6,846,206
Other benefits	**7,203,610**	6,257,140
Contribution to defined contribution plan	**421,272**	461,218
Charge for end of service benefits (note 12.3)	**316,387**	361,033
	14,145,172	13,925,597

15,2 **Professional and consulting fees**
The auditor's remuneration Included within the professional and consulting fee for the statutory audit of the Company financial statements for the year ended December 31, 2024 amounts to SAR 125,000 (2023: SAR 125,000

16 FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial assets consist of cash and cash equivalents , due from a related party, and other receivables. Financial liabilities consist of due to related parties, accruals and other payables. The fair values of financial assets and financial liabilities approximate their carrying values at the reporting date.

17 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

17.1 Financial risk factors

Effective risk management is of primary importance to the Company. Risks include market risk (primarily foreign exchange risk and price risk), credit risk, liquidity 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, due to a related party, other receivables, due from related parties, accruals and other payables, employees' end of service benefits, income tax provision and lease liability. 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

(a) Market risk

(i) Foreign exchange risk

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

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue and expense are denominated in a foreign currency). The Company did not undertake significant transactions in currencies other than Saudi Riyals and US Dollars. As Saudi Riyals are pegged to US Dollars, balances in US Dollars are not considered to represent significant currency risk.

(ii) Interest rate risk

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

The Company does not have cash flow interest rate risk as it does not have any variable rate financial instruments.

The Company's fixed rate financial instruments are carried at amortized cost and therefore not subject to fair value commission rate risk as defined in IFRS 7, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

18 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

(a) Market risk (CONTINUED)

(iii) Price Risk

Price risk is the risk that the value of the Company's financial instruments will fluctuate as a result of changes in market prices caused by factors other than foreign currency and profit rate movements. The Company is not exposed to price risk as it does not have significant exposure to equity instruments.

(b) Credit risk

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

	2024 SR	**2023 SR**
Cash and cash equivalents	**39,867,620**	27,089,971
Due from a related party	**17,773,207**	30,692,070

The carrying amount of financial assets represents the maximum credit exposure.

Credit risk on cash and cash equivalents, due from a related party and other receivables is limited as:

Cash balances includes deposits held with banks with investment grade credit ratings. Company's policy is to enter into financial instrument contracts with reputable counterparties. The Company seeks to limit its credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties. The maximum credit exposure equals the carrying amount of the financial assets.

Balance due from a related party (immediate parent) is being settled as per the agreed terms with no prior historical credit loss experience.

The Company applies the IFRS 9 to measuring expected credit losses for all financial assets. The Company did not recognize ECL on due from a related party and other receivables because the amount was immaterial or due to limited credit risk.

(c) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its net funding requirements. Liquidity risk may result from the inability to sell a financial asset quickly at an amount close to its fair value. Financial assets of the Company as at year-end mainly included cash and cash equivalents, due from a related party and other receivables which can be utilized to meet changing liquidity requirements. Management monitors forecasted cash flow on a regular basis and ensures that positive cash flows from operating activities are maintained to fund the Company's future commitments.

18 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Maturity Profiles

The table below summarizes the maturity profile of significant financial assets and liabilities of the Company based on expected maturities. The table below is based on discounted values. There is no significant impact of undiscounted cash flows of liabilities:

2024	**SR**			
	Less than 3 months	**Between 3 months to 1 year**	**More than 1 year**	**Total**
Cash and cash equivalents	**39,867,620**	**-**	**-**	**39,867,620**
Due from a related party	**-**	**17,773,207**	**-**	**17,773,207**
TOTAL ASSETS	**39,867,620**	**17,773,207**	**-**	**57,640,827**
LIABILITIES				
Due to related parties	**79,081**	**-**	**-**	**79,081**
Accruals and other liabilities	**5,310,376**	**-**	**-**	**5,310,376**
TOTAL LIABILITIES	**5,389,457**	**-**	**-**	**5,389,457**

2023	**SR**			
	Less than 3 months	**Between 3 months to 1 year**	**More than 1 year**	**Total**
Cash and cash equivalents	27,089,971	-	-	27,089,971
Due from related party	-	30,692,070	-	30,692,070
TOTAL ASSETS	27,089,971	30,692,070	-	57,782,041
LIABILITIES				
Due to related parties	4,016,453	-	-	4,016,453
Accruals and other liabilities	4,280,565	-	-	4,280,565
TOTAL LIABILITIES	8,297,018	-	-	8,297,018

(d) Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. Management maintains a strong governance and control framework to mitigate such risk.

19 CATEGORIES OF FINANCIAL INSTRUMENTS

2024	Total
Financial assets (at amortised cost)	
Cash and cash equivalents	**39,867,620**
Due from related party	**17,773,207**
Total financial assets	**57,640,827**
Financial liabilities (at amortised cost)	
Due to related parties	**79,081**
Accruals and other liabilities	**5,310,376**
Total financial liabilities	**5,389,457**

2023	Total
Financial assets (at amortised cost)	
Cash and cash equivalents	27,089,971
Due from related party	30,692,070
Total financial assets	57,782,041
Financial liabilities (at amortised cost)	
Due to related parties	4,016,453
Accruals and other liabilities	4,280,565
Total financial liabilities	8,297,018

20 CAPITAL MANAGEMENT

The Company's objectives when managing capital are, to comply with the capital requirements set by the CMA to safeguard the Company's ability to continue as a going concern and to maintain a strong capital base.

The minimum paid up capital required as per Article 6 (g) of the Capital Market Institution Regulations issued by CMA in the Kingdom of Saudi Arabia in respect of licensed activities of the Company is SR 50 million. As at 31 December, 2024, the Company was in compliance with the externally imposed capital requirements.

21 APPROVAL OF FINANCIAL STATEMENTS

The Board of Directors has approved and authorised for issue these financial statements on 25 Ramadan 1446H (corresponding to 25 March 2025).