MULKIA INVESTMENT COMPANY

(A Saudi Listed Joint Stock Company)

FINANCIAL STATEMENTS

For The Year Ended 31 December 2023

Together with The Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

**TO THE SHAREHOLDERS OF MULKIA INVESTMENT COMPANY
A SAUDI LISTED JOINT STOCK COMPANY**

RIYADH, KINGDOM OF SAUDI ARABIA

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the MULKIA INVESTMENT Company (the "Company") as at 31 December 2023, 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 Saudi Organization for Chartered and Professional Accountants (SOCPA).

We have audited the financial statements of the Company, which comprise of the following:

- The statement of financial position as at 31 December 2023;
- The statements of profit or loss and other comprehensive income for the year then ended;
- The statement of changes in 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 policies / policy information and other explanatory information.

BASIS FOR OPINION

We conducted our audit in accordance with Intenational 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 from the Company in accordance with the professional code of conduct and ethics that are endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF MULKIA INVESTMENT COMPANY
A SAUDI LISTED JOINT STOCK COMPANY

RIYADH, KINGDOM OF SAUDI ARABIA

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

KEY AUDIT MATTERS

Key Audit Matters	How our audit addressed the key audit matter
Income from investment services and asset management	
Income from investment services and asset management The company recognized revenues amounting to 47,152,909 Saudi riyals during the fiscal year ending on December 31, 2023 (December 31, 2022: 31,471,185 Saudi riyals). The company recognizes revenues according to contractual arrangements either at a point in time where the service is performed, or during a period of time as performance obligations are fulfilled over time. We consider revenue recognition to be a key audit matter because revenue is an indicator of a company's performance that creates an inherent risk that revenue may be overstated to meet targets or expectations. Please refer to the accounting policy related to revenues in Note No. (3) and detailed Note No. (17) in the attached financial statements.	We have performed the following procedures: - Evaluate the design and implementation of the internal control system related to management procedures related to revenue recognition; - Evaluating the company's accounting policy related to generating revenues and evaluating the extent of compliance of those policies with international financial reporting standards. - Sample-based documentary audit of invoices, contracts, and calculation basis for proving revenues. - We conducted a detailed examination on a sample basis to audit the contracts and terms and conditions of the funds to assess whether revenues were being recorded in accordance with the terms of the contract and the terms and conditions of the funds. - We conducted detailed analytical procedures for the revenue balances and transactions as a whole and the timing of their recognition. - We also examined the adequacy of the company's disclosures related to revenues included in the financial statements..

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF MULKIA INVESTMENT COMPANY
A SAUDI LISTED JOINT STOCK COMPANY

RIYADH, KINGDOM OF SAUDI ARABIA

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OTHER INFORMATION

Other information consists of the information included in the Company's 2023 annual report, other than the financial statements and our auditor's report thereon. Management is responsible for the other information in its annual report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the concolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the SOCPA and Regulations for Companies and the Company's Bylaws 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 the 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 Board of Directors, are responsible for overseeing the Company's financial reporting process

INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

RIYADH, KINGDOM OF SAUDI ARABIA

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For Al-Bassam & Co.

البسام وشركاؤه
محاسبون قانونيون
رقم الترخيص ٥٢٠/١١/٣٢٣
C.R.1010385804
License 520/11/323
Al-Bassam & Co.
Certified Public Accountants

Ahmed Mohandis
Certified Public Accountant
License No. 477
Riyadh: 7 Ramadan 1445H
Corresponding to: 17 March 2024

MULKIA INVESTMENT COMPANY
(Saudi Listed Joint Stock Company)
STATEMENT OF FINANCIAL POSITION
As at 31 December 2023
(Amounts in SAR)

	Notes	**31 December 2023**	31 December 2022
ASSETS			
Non-Current Assets			
Property and equipment, net	4	**4,500,393**	4,921,826
Intangible assets, net	5	**123,477**	96,252
Investments at FVOCI	6	**7,448,069**	6,246,907
Investments at FVTPL – non-current portion	10	**2,454,809**	2,550,000
Right-of-use assets, net	7	**6,660,547**	1,540,838
Total Non-Current Assets		**21,187,295**	15,355,823
Current Assets			
Due from related parties, net	8	**29,266,394**	14,841,399
Receivables, Prepayments and other receivables	9	**3,816,000**	1,239,039
Investments at fair value through profit or loss – current portion	10	**45,994,873**	31,785,925
Cash and cash equivalents	11	**6,446,777**	19,025,975
Total Current Assets		**85,524,044**	66,892,338
TOTAL ASSETS		**106,711,339**	82,248,161
EQUITY AND LIABILITIES			
EQUITY			
Share capital	12	**65,000,000**	65,000,000
Statutory reserve		**2,468,184**	2,468,184
Retained earnings		**21,442,322**	626,149
Re-measurement reserve for Employee defined benefits plan obligation		**90,572**	154,787
Revaluation reserve for Investments through other comprehensive income	6	**291,730**	(909,432)
TOTAL EQUITY		**89,292,808**	67,339,688
LIABILITIES			
Non-Current Liabilities			
Lease liabilities – non-current portion	7-b	**6,347,725**	904,230
Employee defined benefits plan obligation	13	**977,894**	622,483
Total Non-Current Liabilities		**7,325,619**	1,526,713
Current Liabilities			
Lease liabilities – current portion	7-b	**526,528**	584,530
Due to related parties	8	**8,625**	-
Accrued expenses and other payables	14	**4,831,962**	4,663,119
Zakat provision	15	**4,725,797**	8,134,111
Total Current Liabilities		**10,092,912**	13,381,760
TOTAL LIABILITIES		**17,418,531**	14,908,473
TOTAL EQUITY AND LIABILITIES		**106,711,339**	82,248,161

Notes 1 to 28 form an integral part of these financial statements.

Chief Financial Officer | Chief executive officer | Chairman of Board of Directors

MULKIA INVESTMENT COMPANY
(Saudi Listed Joint Stock Company)
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2023
(Amounts in SAR)

	Notes	**For the year ended 31 December 2023**	For the year ended 31 December 2022
Operating Income			
Income from investment services and asset management	17	**47,152,909**	31,471,185
Realized (losses) / gains on sale of investments through profit or loss, net		**(98,258)**	2,884,152
Unrealized (losses) / gains on investments through profit or loss, net	10	**(4,546,299)**	1,713,517
Dividends income		**1,085,608**	434,137
Special commission income		**233,586**	332,876
Total Operating Income		**43,827,546**	36,835,867
Operating Expenses			
Salaries and employee-related expenses		**(12,913,843)**	(8,278,620)
Deprciation of Property and equipment	4	**(547,643)**	(444,307)
Amortization of right-of-use assets	7	**(543,826)**	(543,826)
Amortization of intangible assets	5	**(49,157)**	(63,524)
Subscriptions, government fees, and CMA licensing fees		**(1,756,752)**	(1,543,764)
Professional and operating fees		**(1,148,657)**	(920,414)
Commission expense		**(748,971)**	(687,915)
Insurance expenses		**(487,518)**	(344,961)
ECL provision	8	**(161,656)**	-
Rental expenses		**-**	(295,184)
Other administrative expenses	18	**(1,647,440)**	(1,988,103)
Marketing expenses		**(820,090)**	(15,720)
Finance costs		**(276,510)**	(119,863)
Total Operating Expenses		**(21,102,063)**	(15,246,201)
Net Operating Income		**22,725,483**	21,589,666
Other inconme		**146,308**	16,629
Net Income For The year before Zakat		**22,871,791**	21,606,295
Zakat	15-b	**(1,591,018)**	(1,789,039)
Prior years zakat differences	15-b	**(464,600)**	(3,495,980)
Net Income For The year		**20,816,173**	16,321,276
Other Comprehensive Income			
Items that will not be reclassified subsequently to the statement of profit or loss			
Unrealized gains / (losses) on investments at FVOCI		**1,201,162**	(728,079)
Losses on re-measurement for Employee defined benefits plan obligation	13	**(64,215)**	(12,814)
Total Other Comprehensive Income / (Loss) For The Period		**1,136,947**	(740,893)
Total Comprehensive Income For The year		**21,953,120**	15,580,383
Earnings Per Share	20		
Basic earnings per share of net operating income		**3.50**	3.32
Basic earnings per share of net income for the year		**3.20**	2.51
Weighted Average Number Of Shares at the year end		**6,500,000**	6,500,000

Notes 1 to 28 form an integral part of these condensed financial statements.

Chief Financial Officer	Chief executive officer	Chairman of Board of Directors

MULKIA INVESTMENT COMPANY
(Saudi Listed Joint Stock Company)
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
For the year ended 31 December 2023
(Amounts in SAR)

	Share Capital	Statutory Reserve	Retained Earnings	Re-measurement reserve for Employee defined benefits obligation	Revaluation Reserve For Investments Through Other Comprehensive Income	Total Shareholders' Equity
Balance as at 1 January 2022	65,000,000	836,056	4,245,925	167,601	(615,277)	69,634,305
Net income for the year	-	-	16,321,276	-	-	16,321,276
changes in investments at FVOCI	-	-	-	-	(728,079)	(728,079)
Losses on re-measurement for Employee defined benefits plan obligation	-	-	-	(12,814)	-	(12,814)
Total comprehensive income for the year	-	-	16,321,276	(12,814)	(728,079)	15,580,383
Realized losses on sale of investments at FVOCI	-	-	(433,924)	-	433,924	-
Transferred to the statutory reserve	-	1,632,128	(1,632,128)	-	-	-
Dividends	-	-	(17,875,000)	-	-	(17,875,000)
Balance as at 31 December 2022	65,000,000	2,468,184	626,149	154,787	(909,432)	67,339,688
Net income for the year	**-**	**-**	**20,816,173**	-	-	**20,816,173**
changes in investments at FVOCI	**-**	**-**	-	-	**1,201,162**	**1,201,162**
Losses on re-measurement for Employee defined benefits plan obligation	**-**	**-**	-	**(64,215)**	-	**(64,215)**
Total other comprehensive income	**-**	**-**	**20,816,173**	**(64,215)**	**1,201,162**	**21,953,120**
Balance asat 31 December 2023	**65,000,000**	**2,468,184**	**21,442,322**	**90,572**	**291,730**	**89,292,808**

Notes 1 to 28 form an integral part of these condensed financial statements.

Chief Financial Officer   Chief executive officer   Chairman of Board of Directors

MULKIA INVESTMENT COMPANY
(Saudi Listed Joint Stock Company)
STATEMENT OF CASH FLOWS
For the year ended 31 December 2023
(Amounts in SAR)

	Notes	**For the year ended 31 December 2023**	For the year ended 31 December 2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before Zakat		**22,871,791**	21,606,295
Adjustments to reconcile net income for the year before zakat:			
Depreciation of property and equipment	4	**547,643**	444,307
Amortization of intangible assets	5	**49,157**	63,524
Unrealized losses / (gains) on investments at FVTPL	10	**4,546,299**	(1,713,517)
Amortization of right-of-use assets	7	**543,826**	543,826
(Gains)/losses on disposal of property and equipment		**(375)**	3,183
ECL provision		**161,656**	-
Finance costs		**276,510**	119,863
Special commission income		**(233,586)**	(330,747)
Employee defined benefits plan obligation Charged	13	**274,604**	305,929
		29,037,525	21,042,663
Changes in operating assets and liabilities:			
Investments at FVOCI	6	**-**	955,931
Investments at FVTPL	10	**(18,660,056)**	20,982,478
Due from related parties	8	**(14,586,651)**	(5,661,591)
Due to related parties	8	**8,625**	-
Receivables, prepayments and other receivables	9	**(2,513,539)**	(537,146)
Accrued expenses and other payables	14	**168,843**	2,151,976
Accrued interest on Murabaha	11	**18,501**	20,575
		(6,526,752)	38,954,886
Employee defined benefits plan obligation paid	13	**(14,778)**	(157,256)
Zakat paid	15	**(5,463,932)**	(1,665,632)
Interest received on deposits		**151,663**	310,172
Net cash (used in) /generated from operating activities		**(11,853,799)**	37,442,170
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of property and equipment	4	**(134,835)**	(1,696,147)
Proceeds from disposal of property and equipment		**9,000**	8,655
Payment for purchase of intangible assets	5	**(76,382)**	-
Net cash used in investing activities		**(202,217)**	(1,687,492)
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease liabilities paid	7	**(306,400)**	(612,800)
Credit facilities received	16	**25,300,000**	-
Credit facilities paid	16	**(25,516,782)**	-
Dividends paid		**-**	(17,386,003)
Net cash used in Financing activities		**(523,182)**	(17,998,803)
Net change in cash and cash equivalents		**(12,579,198)**	17,755,875
Cash and cash equivalents at beginning of the year	11	**19,025,975**	1,270,100
Cash and cash equivalents at end of the year	11	**6,446,777**	19,025,975

Non-cash transactions		**2023**	2022
Dividend unpaids	14	-	598,357
Additions to right-of-use assets and Lease liabilities	7	**5,663,535**	-
Losses on re-measurement for Employee defined benefits plan obligation		**(64,215)**	(12,814)
Unrealized gains / (losses) on investments at FVOCI	6	**1,201,162**	(728,079)

Notes 1 to 28 form an integral part of these condensed financial statements.

Chief Financial Officer | Chief executive officer | Chairman of Board of Directors

1. ORGANIZATION AND ACTIVITY

Mulkia Investment Company ("the Company") is a Saudi listed joint stock company CMA regulated under license No (13170-37) dated 10 Muharram 1435 H (corresponding to 13 November 2013).

On November 12, 2023, the company was listed on Nomu - the parallel market after obtaining the approval of Tadawul and the Capital Market AuthorityCMA on 6, June 2023 and 22,June2023, respectively.

The Company operates in the Kingdom of Saudi Arabia under commercial registration CR number 1010407245 dated 9 Jumada al-Awwal 1435H (corresponding to 10 March 2014). The Company was established pursuant to the ministerial decree No. 101 / Q dated 2 Jumada al-Awwal 1435H (corresponding to 3 March 2014).

The company is mainly involved in securities dealing, securities arrangements, providing advisory services on securities, securities custody, investments management and operating funds.

The company's head office is in Elite Complex, Prince Abdulaziz Bin Musaed Bin Jalawi Street, Sulaymaniyah Dist, P.O Box 2874, Riyadh 12234, Kingdom of Saudi Arabia.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Basis of measurement

The financial statements have been prepared on a historical cost convention except for Investments carried at fair value through statement of profit or loss and investments carried at fair value through other comprehensive income and employee post-employment benefits which are carried at the present value of future obligations using the projected credit unit.

2.3 Presentation and Functional Currency

These financial statements are presented in SAR, which is the Company's functional and presentation currency.

2. BASIS OF PREPARATION (CONTINUED)

2.4 New standards, amendments to standards and interpretations

New and amended IFRS standards issued and effective in the year 2023

The following amendments to the company's relevant standards are effective for annual periods beginning on or after 1 January 2023 (unless otherwise stated). The campany has adopted these standards and/or amendments, but they do not have a material impact on the financial statements:

Amendments to standard	Description	Effective for annual years beginning on or after	Summary of the amendment
IFRS 9 (Amendments to IFRS 4)	Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4)	January 1, 2023	The amendment changes the fixed expiry date for the temporary exemption in IFRS 4 Insurance Contracts from applying IFRS 9 Financial Instruments, so that entities would be required to apply IFRS 9 for annual periods beginning on or after 1 January 2023.
IFRS 17	Insurance Contracts and its amendments	January 1, 2023	This is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation, and disclosure. Once effective, IFRS 17 (along with its subsequent amendments) will replace IFRS 4 Insurance Contracts (IFRS 4) which was issued in 2005.
IAS 1 and IFRS Practice Statement 2	Disclosure of accounting policies	January 1, 2023	This amendment deals with assisting entities to decide which accounting policies to disclose in their financial statements..
IAS 8	Amendment to definition of accounting estimate	January 1, 2023	This amendments regarding the definition of accounting estimates to help entities to distinguish between accounting policies and accounting estimates.
IAS 12	Deferred tax related to assets and liabilities arising from a single transaction	January 1, 2023	These amendments require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.
IAS 12	International tax reform (pillar two model rules)	January 1, 2023	These amendments give companies temporary relief from accounting for deferred taxes arising from the Organization for Economic Co-operation and Development’s (OECD) international tax reform. The amendments also introduce targeted disclosure requirements for affected companies.

2. BASIS OF PREPARATION (CONTINUED)

2.4 New standards, amendments to standards and interpretations (continued)

New standards and amendments IFRS issued but not yet effective

The Company has not applied the following new IFRS Standards and amendments to IFRS that have been issued but are not yet effective:

Amendments to standard	Description	Effective for annual years beginning on or after	Summary of the amendment
IAS 1	Classification of liabilities as current or non-current	January 1, 2024	The amendment has clarified what is meant by a right to defer settlement, that a right to defer must exist at the end of the reporting period, that classification is unaffected by the likelihood that an entity will exercise its deferral right, and that only if an embedded derivative in a convertible liability is itself an equity instrument the terms of liability would not impact its classification.
IFRS 16	Leases on sale and leaseback	January 1, 2024	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.
IAS 7 and IFRS 7	Supplier finance arrangements	January 1, 2024	These amendments require to add disclosure requirements to enhance transparency of supplier finance arrangements, and ‘signposts’ within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.
IAS 21	Lack of Exchangeability	January 1, 2024	The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

Management anticipates that these new standards, interpretations and amendments will be adopted in the Company’s financial statements as and when they are applicable and adoption of these interpretations and amendments may have no material impact on the financial statements of the Company in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES/ POLICY INFORMATION

Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and and revenues and expenses. disclosure of contingent liabilities. uncertainty about these assumption and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.
The estimates and underlying assumptions are reviewed on an ongoing basis. Adjustments to accounting estimates are recognized in the period in which the estimate is adjusted and in any future periods affected by such adjustments.

The following is information about assumptions and estimates that have a material impact on the amounts reported in the financial statements:

Assumptions

1) **Going concern**

The company's management has assessed the company's ability to continue as a going concern and is satisfied that the company has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt on the company's ability to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

2) Investment entity, determining control and consolidating the financial statements

An investment entity: is that obtains funds from one or more investors for the purpose of providing those investors with investment management services;commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measures and evaluates the performance of substantially all of its investments on a fair value basis.According to the exception in "IFRS 10" Consolidated Financial Statements" for investment entities, an investment entity shall not consolidate its subsidiaries or apply IFRS 3 when it obtains control of another entity. Instead, an investment entity shall measure an investment in a subsidiary at fair value through profit or loss. The Company is also a fund manager for a number of investment funds. When determining whether the Company controls these investment funds, the Company usually focuses on the Company's overall economic interests in the fund (which are expected management fee and any other gains). As the investor has the right to remove the fund manager, therefore, the Company concluded that it acts as an investor agent in all cases and did not consolidate these Funds in the financial statements.

Use of estimates

1) Estimate useful lives of property, plant and equipment and intangible assets

Management reviews the useful lives of property and equipment and intangible assets to calculate depreciation and amortization. These estimates are determined after taking into account the expected use of assets, obsolescence and damage. The management reviews the residual value and useful lives annually and changes in depreciation expenses in current and future periods, if any.

2) Impairment of Non-Financial Assets

Impairment exists when the carrying value of an asset or Cash Generating Unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow ("DCF") model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future net cash-inflows and the growth rate used for extrapolation purposes

3. SIGNIFICANT ACCOUNTING POLICIES/ POLICY INFORMATION (CONTINUED)

<u>Use of estimates(continued)</u>

3) Impairment of Financial Assets

The Company recognizes allowances for expected credit losses (“ECL”) for financial assets Provision rates are originally determined on the basis of historical observed default rates. The Company evaluates historical information to adjust the historical credit loss calculation with information that indicates expected rates in the future. At each reporting date, historical observed default rates are updated and changes in forward-looking estimates are analysed. An assessment of the correlation between historical observed default rates, expected economic conditions and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and forecast economic conditions. Also, the calculation of the company's historical losses and expected economic conditions may not represent the client's actual default in the future.The company is known its default as follows:

A. Regarding Company-Managed Funds:
The fund is considered to be in a complete default state when the outstanding amounts exceed 360 days from the maturity date.This calculation takes into account the collection turnover rates for each age category based on the aging bucket report. It is done solely to match credit losses resulting from delayed outstanding balance collection

B. Local customer (Within the Kingdom):
For local customer, a complete default occurs when the debt exceeds 360 days. this considers the collection turnover rates for each age category based on the aging bucket report to address credit losses arising from delayed collection of the due balance

C. Foreign customer (Outside the Kingdom):
For foreign customer, a complete default occurs when the debt exceeds 270 days. In this scenario, a 100% provision is calculated based on the outstanding balance. Again, the collection turnover rates for each age category are taken into account.

The disclosure pertains to expected credit losses "ECL" related to the company’s financial assets.

4) Determining the lease term for contracts with the option of renewal and termination-the company as a lessee

The Company defines the term of the lease as the non-cancellable term in relation to the contract, with any periods including the option to extend the contract if the Company is certain to exercise the option to extend, or any periods including the option to terminate the lease if the Company is certain it will not exercise the option to terminate the contract reasonably. Generally, the company has several lease contracts that include extension and termination options. The Company applies the judgments in assessing whether or not it has reasonable certainty that it will exercise the option to renew or terminate. Therefore, it takes into account all relevant factors that create an economic incentive to exercise either the renewal or termination option. After the commencement date, the Company reassesses the lease term and whether there is a material event or change in circumstances within its control that affects its ability to exercise (or not exercise) the option to renew or terminate.

At the end of 2023 , the company modified the estimates for the company’s lease contract to extend the lease contract from 1, November 2025 to 1, November 2037 . This is because the company is certain that it will not exercise the option to terminate the contract in a reasonable manner. The net change effect on actual and expected depreciationis as follows:

3. SIGNIFICANT ACCOUNTING POLICIES/ POLICY INFORMATION (CONTINUED)

Use of estimates(continued)

4) Determining the lease term for contracts with the option of renewal and termination-the company as a lessee(continued)

	For the finance year ending on				Until the end
Impact of estimates	**2024**	**2025**	**2026**	**2027**	**of the remaining age**
Increase in depreciation expenses	(65,223)	25,414	478,602	478,602	4,746,139
Increase/(decrease) in interest expenses	374,025	375,059	358,399	310,465	1,710,657

5) Leases - estimate the incremental borrowing rate

The Company cannot easily determine the commission rate implicit in leases and therefore uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the rate of commission that a company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment, over a similar period and with a similar security. The incremental borrowing rate therefore reflects the amount the company may have to pay which requires estimation when there are no observable rates is available, or when it needs to be adjusted to reflect the terms and conditions of the lease, the Company estimates the incremental borrowing rate using observable inputs (such as market profit margin rates) when available and entity-specific estimates should be made.

6) employee defined benefits plan obligations

Post-employment defined benefits and the current value of those benefits are determined actuarial valuations. Actuarial valuation include further assumptions regarding variables are required such as discount rates, rate of salary increase and return on assets, mortality rates,increase in future pensions. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit liability is highly sensitive to changes in these assumptions. All actuarial assumptions are reviewed at the date of every statement of financial position.

7) Fair value measurment

Fair value is the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

When estimating the fair value of assets or liabilities, it takes into account the assumptions that market participants may use when pricing the asset or liability to achieve their best economic benefit.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

3. SIGNIFICANT ACCOUNTING POLICIES/ POLICY INFORMATION (CONTINUED)

Use of estimates(continued)

7) Fair value measurment (continued)

For reporting, determining fair value of assets and liabilities, and disclosure purposes, the company uses the following hierarchy:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity has access to at the measurement date.

Level 2: Inputs other than the prices displayed within the first level that can be observed for the assets or liabilities, directly or indirectly, such as the fair value shown in the financial statements of the funds.

Level 3: unobservable inputs for assets and liabilities, and the company relies on proving the investments at cost.

Financial instruments

Classification of assets and liabilities from "current" to "non-current"

The Company presents assets and liabilities in the statement of financial position on a current / non-current basis. The assets are current as follows:

- When it is expected to be realized or is intended to be sold or consumed during the normal cycle of operations.
- If it is acquired primarily for the purpose of trading.
- When it is expected to be achieved within twelve months after the fiscal year, or
- When they are cash and cash equivalents, unless there are restrictions on their replacement or use to pay any liabilities for a period of not less than twelve months after the financial year.
- All other assets are classified as "non-current".

All liabilities are current as follows:

- When it is expected to be paid during the normal business cycle
- If it is acquired primarily for the purpose of trading.
- When it matures within twelve months after the fiscal year, or
- When there is no unconditional right to defer the payment of liabilities for a period of not less than twelve months after the financial year.

All other liabilities are classified as "non-current".

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that relate directly to the purchase or issue of financial assets and liabilities (other than financial assets and financial liabilities at fair value through the statement of profit or loss) are added to the fair value of financial assets and financial liabilities or deducted from them, as appropriate, upon initial recognition. Transaction costs that are directly related to the purchase of financial assets and liabilities and are measured at fair value through the statement of profit or loss are recognized directly in the statement of profit or loss and other comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES/ POLICY INFORMATION (CONTINUED)

Financial instruments(continued)

First: Financial assets

Financial assets are classified into the following specified categories: Financial assets 'at fair value through profit or loss' (FVTPL), Financial assets at fair value through other comprehensive income (FVOCI), and financial assets measured at amortized cost. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. A regular way purchase or sale of financial assets is recognized using trade date. A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

a) Financial assets measured at fair value through profit or loss (FVTPL)
Financial assets are measured at fair value through the statement of profit or loss if they have been acquired or held for the purpose or selected to be classified in this category.
Financial assets are classified as held for trading if:

- If they were acquired mainly to be sold in near future.
- f they represent known portfolio of financial instruments managed by the Company and includes the actual pattern of a financial instrument that generates profits in the short term.
- If they represent a derivative but not classified or effective as a hedging instrument.

Financial assets measured at fair value through the statement of profit or loss are stated at their fair value, and any gain or loss resulting from the revaluation is recognized in profit or loss.
Net profit or loss includes any dividends or interest due from the financial asset and is included in the statement of profit or loss.

b) Financial assets measured at Fair value through other comprehensive income (FVOCI)
Investments in some units of the investment funds that are managed by the Company and some other direct investments are classified at fair value through other comprehensive income (FVOCI). Gains and losses arising from changes in fair value are included in the statement of other comprehensive income and are added to statement of accumulated changes in fair value of investments within equity other than impairment losses which are included in profits and losses. If investment is disposed or suffered an impairment, profits and losses resulted from previous evaluation which were recognized in investment revaluation reserve are included in the statement of other comprehensive income.
Dividend income from investments is recognised in equity instruments at fair value through other comprehensive income when the Company's right to receive payment has been established and is shown as income in profits and loss unless dividends clearly represent a recovery of part of the investment cost. Other profits and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

c) Financial assets measured at amortised cost
Accounts receivable, including trade and other receivables, bank balances and cash are measured at amortized cost using the effective interest method less any impairment loss, and charged to the profit or loss.
Interest income is determined using the effective interest rate, except for short-term receivables when the discount effect is insignificant

Second: Financial liabilities

Financial liabilities (including loans and accounts payable) are measured subsequently at mortised cost using the effective interest method.
The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of disposed financial liabilities and amount paid is charged to the statement of profit or loss and other comprehensive income..

3. SIGNIFICANT ACCOUNTING POLICIES/ POLICY INFORMATION (CONTINUED)

Financial instruments(continued)

Effective interest rate method

The effective interest method is an accounting practice used for calculating the amortized cost of a debt instrument and for distributing interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (Including all fees and points paid or received, which form an integral part of the effective interest rate, transaction costs, installments or other discounts) through the expected life of the financial liability, or – where appropriate– a shorter period, to the net carrying amount on initial recognition.

Cash and cash equivalent

Cash and bank balances comprise cash on hand, bank balances, and highly liquid bank Murabaha that can be converted into cash with original maturity of three-months or less from the acquisition date.

Related parties

Related party is the person or entity associated with the company that prepares its financial statements.

A) If the person or a member of his family is closely related to the company if that person:

- Has joint control or control over the company preparing its financial statements;
- It has a material impact on the company preparing its financial statements. or
- He is a member of the top management of the company whose financial statements are prepared or the parent company of the company that prepares its financial statments.

B) If the facility is related to the company if any of the following conditions are fulfilled:

- The establishment and the company that prepares its financial statements are members of the same company (which means that both the parent company, subsidiaries and associates have a relationship with the other).
- One of the two companies is an associate or a joint venture of the other company (or an associate or a joint venture of a member of the company of which the other company is a member).
- Both companies are joint ventures of the same third party.
- One of the two companies is a joint venture of a third company and the other company is an associate of the third company.
- The company is jointly controlled or controlled by a person specified in Paragraph (a).
- The person identified in paragraph (a) (1) has a material influence on the company or is a member of the top management in the company (or the parent company).
- The company or any member of the company provides part of the services of senior management employees of the company that prepares its financial statements or to the parent company of the company that prepares its financial statements.

Property and equipment

Property and equipments are stated at cost less accumulated depreciations Repair and maintenance expenses are considered revenue expenses, while improvement expenses are considered capital expenses. Depreciation is calculated on it based on its estimated useful life using the straight-line method, and land depreciation is not calculated. Leasehold improvements are amortized on a straight-line basis over the shorter of the useful life of the improvements or the lease term. An asset sold or disposed of and its accumulated depreciation are removed from the accounts on the date of sale or disposal.

3. SIGNIFICANT ACCOUNTING POLICIES/ POLICY INFORMATION (CONTINUED)

Property and equipment (continued)

The annual estimated rates of depreciation of the principal classes of assets are as follows:

Item	Annual depreciation rate
Leasehold improvements	6.67% - 12.5% Or the lease period, whichever is less
Furnitures and fixtures	10%
Office equipments	12.5%
Computers	20%
Vehicles	20%

Intangible assets

Purchased intangible assets are recorded at cost less accumulated amortization and any accumulated impairment losses. Intangible assets are amortized over its estimated useful life which is five years using the straight-line method. If there is an indication of a significant change in the useful life or residual value of these assets, the impairment is adjustedin the future to reflect new projections.
The annual amortization rates for the main items of these assets is 20%.

Impairment of assets

On the date of each financial position the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.
And in cases the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately as expenses in profit or loss and other comprehensive income.
When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately as revenue in profit or loss and other comprehensive income.

Investment Evaluation

The Company invests in various securities, including shares traded, open-ended funds and other investment funds, including real estate funds. Traded shares are evaluated based on market prevailing prices, while open-ended investment funds are valued based on the net value of the fund's assets, which are periodically published in the stock market. For real estate funds, investments are based on net value of the fund's adjusted assets to assess the real estate assets involved. Investments in subsidiaries are usually valued based on the final evaluation of the investee company if the subsidiary was established solely to make those investments. In the case of other non-traded investments, the management uses a variety of methods including the market method (i.e. using latest transactions carried out based fair terms, amended when necessary, and based on current market value of similar instruments), Income method (i.e. discounted cash flow analysis, comparable company multiples and options pricing options using available and supported market comparisons in a reasonable and reasonable way). Currently, these investments consist of some dormant subsidiaries which are valued based on their net asset value. The foregoing requires significant estimates and assumptions to be used by management.

3. SIGNIFICANT ACCOUNTING POLICIES/ POLICY INFORMATION (CONTINUED)

Assets held in trust

Assets held in trust are not treated as assets of the Company and accordingly are not included in the financial statements. These assets are treated as off-balance sheet items and disclosed in the notes to the financial statements. Fees collected by the Company for managing these assets are included in the statement of profit or loss and other comprehensive income.

Managed assets
The Company provides asset management services.These assets are not treated as assets of the Company and accordingly are not included in the financial statements except for units owned by the company.

Customer' cash accounts
customer' cash accounts are not treated as assets of the Company and accordingly are not included in the financial statements.

Lesses

Company as a lessee

The company prove the asset (right to use) and lease liability on the start date of the lease contract. The asset (right of use) is initially measured at the cost that consists of the initial amount of the modified lease obligation for any lease payments made on or before the start date. (right to use) or the end of the lease term, whichever is earlier. The estimated useful lives of (right-of-use) assets are determined on the same basis used for property and equipment. In addition, the asset (right to use) is periodically reduced by impairment losses, if any.
The lease commitment is initially measured at the present value of lease payments that were not paid at the commencement date of the lease and discounted using the interest rate implicit in the lease agreement or if that rate is difficult to determine reliably, the company uses the additional borrowing rate.

Short-term and low-value leases

The company has chosen not to prove the assets (right to use) and lease obligations for short-term leases of 12 months or less and low-value lease contracts, the company recognizes the lease payments associated with these contracts as expenses in the statement of profit or loss and other comprehensive income on a straight-line basis over a period lease.

Employees' defined benefit plan obligations

End of service indemnities

The end-of-service indemnity provision is determined using the projected expected addition unit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurements, comprising actuarial gains and losses, are reflected immediately in the statement of financial position While gains and losses are recognized in other comprehensive income for the period in which they were incurred, remeasurements recognized in other comprehensive income are included in retained earnings immediately and are not reinstated in the statement of profit or loss.

Retirement benefits

The Company makes contributions for a defined contribution retirement benefit plan to the General Organization for Social Insurance in respect of its Saudi employees. These payments are expensed when incurred.

3. SIGNIFICANT ACCOUNTING POLICIES/ POLICY INFORMATION (CONTINUED)

Employees' defined benefit plan obligations (continued)

Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits related to wages and salaries , annual leave and sick leave are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of short-term employee benefits are measured by the amount of the benefits expected to be paid in exchange for the related service.

payables and accruals

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

Provisions

Provisions are recognized when the Company has a current legal or contractual obligation that can be estimated reliably as a result of past events, and it is probable that an outflow of economic benefits will be required to settle the obligation. A reliable estimate of the amount can be made.

Offset

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position 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 settle the liability simultaneously.

Zakat provision

Zakat is provided for in accordance with the regulations of the General Authority of of Zakat, Tax and Customs Authority (ZATCA) in the Kingdom of Saudi Arabia. The Zakat charge is computed at year-end on Zakat base or adjusted net income whichever is higher. Changes to the assessment, if any, in the periods in which assessment is finalized.

Foreign currency translation

Foreign currency transactions are translated into Saudi Riyals at the rates of exchange prevailing at the time of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the exchange rates prevailing at that date. Gains and losses from settlement and translation of foreign currency transactions are included in the statement of profit or loss and other comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES/ POLICY INFORMATION (CONTINUED)

Revenue recognition

The company realizes revenue under IFRS 15 using the following five-step model:

Step 1 : Determine the contract with the customer	A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and specifies the conditions that must be met for each contract.
Step.2 : Determine Performance Obligations	A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
Step 3 : Determine the transaction price	The transaction price is the amount of consideration that the Company expects to receive in exchange for transferring the goods or services promised to the customer, excluding amounts collected on behalf of third parties.
Step 4 : Allocate the transaction price	For a contract that contains more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that identifies the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation
Step 5 : Revenue recognition	A company recognizes revenue when (or whenever) it has satisfied a performance obligation by transferring goods or services promised to the customer under the contract.

For performance obligations where one of the above conditions is not met, revenue is recognized at the time the performance obligation is satisfied. When a company satisfies a performance obligation by providing the promised services, it creates a contract-based asset with the value of the consideration earned from performance. If the amount billed to the customer exceeds the amount of revenue recognized, a contract liability will arise. Revenue is measured at the fair value of the consideration received or receivable after taking into account specific contractual payment terms.

The recognition criteria set out below must also be met before revenue can be recognised:

Fund subscription fees:

The obligation to pay the subscription fee represents an assignment of certain units in the funds to the account of the investor, bearing in mind that this happens as soon as the approved subscription model is implemented, and therefore the company is rightfully aware of the revenue in exchange for the subscription fee at the time of fulfillment of the performance obligation.

Management fees from investment funds

Management fees are calculated on a daily, weekly, monthly or semi-annual basis (annual percentage proportionate to the periodic maturity) with reference to the periodic net asset value of the fund. The company's practice of recording management fees is consistent with International Financial Reporting Standard No. 15, where management fees are recognized on an accrual basis in return for providing asset management services provided by the company on an ongoing basis.

Performance fees from investment funds

Performance fee income that depends on the fund's performance, relative to the index or the return achieved from the fund's investments, is a type of variable consideration. In many cases, these performance fees are highly vulnerable to market fluctuations until they take a definite form or are no longer subject to refund, which after the end of the report

3. SIGNIFICANT ACCOUNTING POLICIES/ POLICY INFORMATION (CONTINUED)

Revenue recognition (continued)

Performance fees from investment fund (continued)

In the case of the company, the recovery effect does not apply because the company does not record any revenue in exchange for performance until the end of the relevant period, for the purpose of testing the achievement of the indicator that occurs when performance fees take a specific form and recorded as revenue. The analysis of the company's performance fees shows that the company's performance fee revenue is recorded in accordance with the five-step model contained in IFRS 15. The company calculates the performance incentive based on a percentage of any realized return during the quarter after deducting all expenses for the period, calculated and paid at the end of each Quarter of the calendar year or upon exit according to the terms and conditions of the fund.

Consulting fees

Fees and commissions are recognized when services are rendered. Advisory income is recognized based on the applicable service contracts, usually on a time proportion basis.

Dividend income

Dividends are recognized when the right to receive them is established.

Special commission income

Special commission income is recognized in the income statement on an effective yield basis.

Expenses

All expenses not directly related to making profits are classified as general and administrative expenses, except for employees' salaries and benefits, which are presented separately.

4. PROPERTY AND EQUIPMENT, NET

	Leasehold improvements	Furnitures and fixtures	Office equipments	Computer	Vehicles	Total
Cost						
Balance as at 1 January 2023	**5,509,628**	**761,661**	**138,014**	**1,554,866**	**94,100**	**8,058,269**
Additions during the year	**-**	**115,135**	**-**	**19,700**	**-**	**134,835**
Disposals during the year	**-**	**(9,000)**	**-**	**-**	**-**	**(9,000)**
Balance as at 31 December 2023	**5,509,628**	**867,796**	**138,014**	**1,574,566**	**94,100**	**8,184,104**
Accumulated depreciation						
Balance as at 1 January 2023	**1,153,418**	**265,769**	**128,696**	**1,494,462**	**94,098**	**3,136,443**
Charged to the year	**440,226**	**79,634**	**4,730**	**23,053**	**-**	**547,643**
Disposals during the year	**-**	**(375)**	**-**	**-**	**-**	**(375)**
Balance as at 31 December 2023	**1,593,644**	**345,028**	**133,426**	**1,517,515**	**94,098**	**3,683,711**
Net book value						
Balance as at 31 December 2023	**3,915,984**	**522,768**	**4,588**	**57,051**	**2**	**4,500,393**

	Leasehold improvements	Projects under progress	Furnitures and fixtures	Office equipments	Computer	Vehicles	Total
Cost							
Balance as at 1 January 2022	2,813,876	3,023,710	478,947	138,014	1,515,778	94,100	8,064,425
Additions during the year	-	1,574,309	82,750	-	39,088	-	1,696,147
Transferred during the year	4,265,682	(4,598,019)	332,337	-	-	-	-
Disposals during the year	(1,569,930)	-	(132,373)	-	-	-	(1,702,303)
Balance as at 31 December 2022	5,509,628	-	761,661	138,014	1,554,866	94,100	8,058,269
Accumulated depreciation							
Balance as of 1 January 2022	2,351,541	-	339,739	119,840	1,477,383	94,098	4,382,601
Charged to the year	369,599	-	48,773	8,278	17,657	-	444,307
Settlement	-	-	-	578	(578)	-	-
Disposals during the year	(1,567,722)	-	(122,743)	-	-	-	(1,690,465)
Balance as at 31 December 2022	1,153,418	-	265,769	128,696	1,494,462	94,098	3,136,443
Net book value							
Balance as at 31 December 2022	4,356,210	-	495,892	9,318	60,404	2	4,921,826

5. INTANGIBLE ASSETS, NET

Intangible assets are computer software licenses and software. The movement in intangible assets is as follows:

	31 December 2023	31 December 2022
Cost		
Balance at the beginning of the year	**774,478**	774,478
Additions during the year	**76,382**	-
Balance at the end of the year	**850,860**	774,478
Accumulated amortizations		
Balance at the beginning of the year	**678,226**	614,702
Charged to the year	**49,157**	63,524
Balance at the end of the year	**727,383**	678,226
Net book value	**123,477**	96,252

6. INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31 December 2023			
	Cost opening Balance	**Disposals During the year**	**Unrealized (Losses) / Gains**	**Ending Balance**
First: unquoted funds managed by the company				
Mulkia Private Equity Fund – Education Sector	**1,110,145**	**-**	**(275,949)**	**834,196**
Mulkia Private Equity Fund – Beverages Sector	**5,783,224**	**-**	**(102,669)**	**5,680,555**
Second: unquoted foreign investments				
Space x company	**262,970**	**-**	**670,348**	**933,318**
Total Investments	**7,156,339**	**-**	**291,730**	**7,448,069**

	31 December 2022			
	Cost opening Balance	**Disposals During the year**	**Unrealized (Losses) / Gains**	**Ending Balance**
First: unquoted funds managed by the company				
Mulkia Private Equity Fund – Education Sector	2,500,000	(1,389,855)	(502,810)	607,335
Mulkia Private Equity Fund – Beverages Sector	5,783,224	-	(547,770)	5,235,454
Second: unquoted foreign investments				
Space x company	262,970	-	141,148	404,118
Total Investments	8,546,194	(1,389,855)	(909,432)	6,246,907

The movement in unrealized (losses)/gains on investments as follows:

	31 December 2023	31 December 2022
Balance at the beginning of the year	**(909,432)**	(615,277)
Unrealized Gains/ (Losses)	**1,201,162**	(728,079)
Disposals during the year(“realized losses on investments through comprehensive income”)	**-**	433,924
Balance at the end of the year	**291,730**	(909,432)

6. INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

As at 31, December 2023, the company owns a 67.16% stake in Mulkia Private Equity Fund – Beverages Sector and according to the exception in International Financial Reporting Standard(IFRS) 10 "Consolidated Financial Statements" for investment entities, it is not permissible for investment entities to consolidate their subsidiaries or apply International Standard No. 3 when it gains control ("Note 3")."

7. RIGHT OF USE ASSETS, NET AND LEASE LIABILITIES

The lease is for the company's administrative headquarters for a period of 5 years, The following table shows the movement during the year that occurred on each of the right-of-use assets and lease liabilities, as follows:

a) Movement on the right to use assets:

	31 December 2023	31 December 2022
Cost		
Balance as at 1 January	**2,900,402**	2,900,402
Additions during the year	**5,663,535**	-
Balance as at 31 December	**8,563,937**	2,900,402
Aaccumulated Amortization		
Balance as at 1 January	**1,359,564**	815,738
Charged to the year	**543,826**	543,826
Balance as at 31 December	**1,903,390**	1,359,564
Net book Value	**6,660,547**	1,540,838

b) Movement on leases liabilities as follows:

	31 December 2023	31 December 2022
Balance at the beginning of the year	**1,488,760**	2,058,988
Additions during the year	**5,663,535**	
Interest expense during the year	**28,358**	42,572
Paid during the year	**(306,400)**	(612,800)
Balance at the end of the year	**6,874,253**	1,488,760

The maturity of the lease liabilities at the end of the year is as follows:

	31 December 2023	31 December 2022
One to five years - the non-current portion	**6,347,725**	904,230
Less than a year - the current portion	**526,528**	584,530
	6,874,253	1,488,760

The following amounts recognized in the statement of profit or loss and Other comprehensive income

	For the year ending on 31 December 2023	For the year ending on 31 December 2022
Interest on lease liabilities	**28,358**	42,572
Amortization expense	**543,826**	543,826

7. RIGHT OF USE ASSETS, NET AND LEASE LIABILITIES (CONTINUED)

The following are the amounts recognized in the statement of cash flows

	For the year ending on 31 December 2023	For the year ending on 31 December 2022
lease liability payments	**(306,400)**	(612,800)

At the end of December 2023, the company amended the lease contract withinlease period of effectiveness , resulting in the following settlements

	31 December 2023
Movement on the right of use assets	
Additions during the year	**5,663,535**
Movement on lease liability	
Additions during the year	**5,663,535**

8. RELATED-PARTTY TRANSACTIONS AND BALANCES

Related parties are subsidiaries, the company’s shareholders, key management personnel and entities controlled or jointly managed or significantly influenced by those other affiliates of the Company and funds managed by the company. Pricing policies and these transactions terms are approved by Company’s management.

8. RELATED-PARTTY TRANSACTIONS AND BALANCES (CONTINUED)

The detatils of related-party transactions and balances except for those disclosed elsewhere in the financial statement:

Related Parties	Nature of Relationship	Nature of Transaction	Amount of Transaction For the year ended 31 December2023	Amount of Transaction For theyear ended 31 Decemder 2022
Investment funds	Funds managed by the company	Management fees	**22,905,462**	19,657,598
		Subscription fees	**-**	30,000
		Acquisition and reorganization fees	**3,404,594**	5,431,960
		Dealing fees	**-**	1,864,682
		Finance	**(4,000,000)**	-
		Expenses paid on behalf	**(492,046)**	(4,313,951)
		Performance fees	**3,261,941**	345,044
		Service fees	**753,962**	680,748
		Dividend	**980,398**	20,218
Dur Alkuttab Company Ltd.	Associate	Expenses paid on behalf	**(9,830)**	(211,030)
		Finance	**(3,638,640)**	-
Mulkia Investment Company Ltd	Subsidiary	Dividend	**-**	310,000
		Finance	**(300,000)**	-
Mubtakira Investment Company	Affiliate	Commissions payment	**(450,000)**	(337,500)
Shareholders	Private portfolios management	Performance fees	**-**	40,314
		Unit trading fees	**110,349**	10,315

Below is the statement of balances due from related parties:

	31 December2023	31 Decemder 2022
Investment funds managed by the Company	**26,089,410**	14,836,149
Due from associates	**3,338,640**	5,250
	29,428,050	14,841,399
Less:		
ECL Provision	**(161,656)**	-
	29,266,394	14,841,399

8. RELATED-PARTTY TRANSACTIONS AND BALANCES (CONTINUED)

The aging of the amounts due from related parties:

	31 December 2023	31 December 2022
1-30 days	**11,864,378**	9,459,597
31-60 days	**5,100**	40,711
61-90 days	**1,700,104**	328,242
91-180 days	**1,615,399**	107,381
181-270 days	**9,670,198**	3,734,876
271-360 days	**713,241**	95,322
More than 360 days	**3,859,630**	1,075,270
Total	**29,428,050**	14,841,399

Movement on ECL Provision during the year as follows

	31 December 2023	31 December 2022
Balance at the beginning of the year	-	-
Charged to the year	**161,656**	-
Balance at the end of the year	**161,656**	-

Below is the statement of balances due to related parties:

	31 December 2023	31 December 2022
Investment funds managed by the Company	**8,625**	-
	8,625	-

The following are the compensation of top management, top executives, members of the Board of Directors and its affiliated committees:

	31 December 2023	31 December 2022
Salaries and bonuses for top management and key executives	**8,682,207**	4,285,432
Remuneration and allowances of BOD members and annual committees (Note 18)	**1,176,590**	1,089,000
	9,858,797	5,374,432

9. RECEIVABLES, PREPAYMENTS AND OTHER RECEIVABLES

	31 December 2023	31 December 2022
Receivables	**1,115,854**	156,867
Fees and returns accrued	**1,331,759**	-
Employees advances	**651,285**	26,250
Prepaid expenses	**479,684**	816,619
Prepaid insurance	**167,321**	196,526
Others	**70,097**	42,777
	3,816,000	1,239,039

10. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

These investments are as follows:

	As at 31 December 2023				
	Beginning Balance	Additions During the Year	Disposals During the Year	Unrealized (Losses)/ Gains	Ending Balance
First: funds managed by the company					
Listed					
Mulkia – Gulf Real Estates REIT Fund	**1,208,414**	**29,909,702**	**(5,956,291)**	**(3,060,478)**	**22,101,347**
Mulkia – Alajlan Riviera Fund	**2,735,082**	**-**	**(2,028,012)**	**(159,451)**	**547,619**
Unlisted					
Mulkia Private Equities Opportunities Fund	**71,908**	**14,327,256**	**(5,042,607)**	**(978,448)**	**8,378,109**
Mulkia IPO Fund 2	**88,113**	**-**	**(88,113)**		**-**
Mulkia - Al Narjis Real Estate Fund	**15,999,110**	**-**	**(14,914,269)**	**(590,156)**	**494,685**
Second: local direct investment					
Listed	**353,082**	**2,475,861**	**(1,702,498)**	**(328,341)**	**798,104**
Third: foreign investment					
Listed	**5,470,494**	**-**	**(4,713,362)**	**(70,936)**	**686,196**
Unlisted	**3,561,896**	**562,875**	**-**	**167,515**	**4,292,286**
Fourth: funds not managed by the company					
Listed	**297,826**	**430,204**	**(728,030)**	**-**	**-**
Unlisted	**2,000,000**	**10,100,000**	**(3,972,660)**	**569,187**	**8,696,527**
Fifth: Investments in subsidiary					
Mulkia Investment Company Ltd(Unlisted)	**50,000**	**-**	**-**	**-**	**50,000**
Sixthly: Investments in companies					
Dur Alkuttab Company Ltd (Unlisted)	**2,500,000**	**-**	**-**	**(95,191)**	**2,404,809**
Total Investments	**34,335,925**	**57,805,898**	**(39,145,842)**	**(4,546,299)**	**48,449,682**

As at 31,December 2023, the company owns a 74.7% stake in a Mulkia Private Equities Opportunities Fund and a 100% stake in a Mulkia Investment Company Ltd. According to the exception in International Financial Reporting Standard No. 10 "Consolidated Financial Statements" for investment entities, it is not permissible for investment entities to consolidate their subsidiaries or apply International Standard No. 3 when it gains control. Instead, the investment entity must measure the investment in subsidiaries at fair value through profit or loss ("Note 3")."

10. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

	As at 31 December 2022				
	Beginning Balance	Additions During the Year	Disposals During the Year	Unrealized (Losses) /Gains	Ending Balance
First: funds managed by the company					
Listed					
Mulkia – Gulf Real Estates REIT Fund	20,192,500	1,819,699	(20,621,564)	(182,221)	1,208,414
Mulkia – Alajlan Riviera Fund	2,051,703	-	-	683,379	2,735,082
Unlisted					
Mulkia Fund - for private IPO	1,234,162	-	(1,234,162)	-	-
Mulkia Private Equities Opportunities Fund	4,302,533	8,877,000	(13,088,776)	(18,849)	71,908
Mulkia IPO Fund 2	332,706	1,210,000	(1,441,824)	(12,769)	88,113
Mulkia Al Narjis Real Estate Fund	9,635,986	3,600,000	-	2,763,124	15,999,110
Second: local direct investment					
Listed	4,313,390	3,120,885	(7,025,192)	(56,001)	353,082
Third: foreign investment					
Listed	6,664,312	6,902,241	(6,664,311)	(1,431,748)	5,470,494
Unlisted	1,122,846	2,439,050	-	-	3,561,896
Fourth: funds not managed by the company					
Listed	-	499,160	(199,684)	(1,650)	297,826
Unlisted		2,000,000	-	-	2,000,000
Fifth: Investments in subsidiary					
Mulkia Investment Company Ltd	79,748	-	-	(29,748)	50,000
Sixthly: Investments in companies					
Dur Alkuttab Company Ltd	3,675,000	-	(1,175,000)	-	2,500,000
Total Investments	53,604,886	30,468,035	(51,450,513)	1,713,517	34,335,925

Investments have been classified at fair value through profit or loss as follows:

	31 December 2023	31 December 2022
Non-current protion	**2,454,809**	2,550,000
Current protion	**45,994,873**	31,785,925
	48,449,682	34,335,925

11. CASH AND CASH EQUIVALENT

Cash and cash equivalents are as follows:

	31 December 2023	31 December 2022
Margin deposits*	**6,352,900**	14,500,000
Cash at the bank	**75,376**	4,505,400
Accrued interest on Murabaha*	**18,501**	20,575
	6,446,777	19,025,975

*Margin deposits are deposited with other parties with a good credit rating. (“Note 21”). The disclosed book value above approximates the fair value as at the financial position statement date. Also, all deposits have a margin of less than three months and are as follows:

During the year, the company linked a deposit worth $1,160,000 due on 16,January 2024, and the accrued interest until 31,December 2023, amounted to 9,794 SAR.

During the year, the company linked a deposit worth 2,000,000 SAR due on 6, March 2024, and the accrued interest until 31, December 2023, amounted to 8,707 SAR.

12. SHARE CAPITAL

The company's authorized and paid-up capital is 65 million SAR divided into 6.5 million shares, the nominal value of each share is 10 SAR as at 31,December 2023 (31,December 2022 AD: 65,000,000 SAR divided into 6.5 million shares, the nominal value of each share is 10 SAR).

13. EMPLOYEE DEFINED BENEFIT PLAN OBLIGATIONS

In accordance with the provisions of IAS 19 “Employee Benefits”, management has carried out an exercise to assess the present value of its employees’ defined benefit obligations at the date of statement of financial position, in respect of employees’ end-of-service benefits payable under relevant local regulations and contractual arrangements. The following are the main actuarial assumptions used to calculate the end-of-service indemnity, which are as follows:

	31 December 2023	31 December 2022
Discount rate	**%5.05**	%5.10
Salaries increase rate	**%5.00**	%5.00

The movement in employees benefit liability plan is as follows:

	31 December 2023	31 December 2022
Opening balance of employees defined benefits plan obligations	**622,483**	446,205
Charged to the Statement of profit or loss(P&L)		
Current year cost	**274,604**	305,929
Financing interests	**31,370**	14,791
Charged to the statement of other comprehensive income		
Losses on re-measurement of defined employee benefit plan obligations	**64,215**	12,814
Paid during the year	**(14,778)**	(157,256)
Employees defined benefits plan obligations balance at end of year	**977,894**	622,483

13. EMPLOYEE DEFINED BENEFIT PLANS OBLIGATIONS (CONTINUED)

The analysis of the quantitative sensitivity of assumptions affecting end-of-service benefit obligations as at 31 December 2023 and 2022 is as follows:

	31 December 2023		31 December 2022	
Description	**The value**	The difference	The value	The difference
Basic assumptions	**977,894**	**%0.00**	622,483	%0.00
+1% discount rate	**886,061**	**(%9.39)**	568,688	(%8.64)
-1% discount rate	**1,087,440**	**%11.20**	686,686	%10.31
+1% salary increase rate	**1,091,529**	**%11.62**	689,349	%10.74
-1% salary increase rate	**880,987**	**(%9.91)**	565,455	(%9.16)
+10% mortality rate	**977,672**	**(%0.02)**	622,379	(%0.02)
-10% mortality rate	**978,116**	**%0.02**	622,587	%0.02
+10% turnover rate	**953,618**	**(%2.48)**	607,666	(%2.38)
-10% turnover rate	**1,004,306**	**%2.70**	638,673	%2.60

The above sensitivity analysis was determined based on a method that extrapolates the effect on the end-of-service benefits obligation as a result of reasonable changes in key assumptions that occur at the end of the period for which the financial statements are prepared. Sensitivity analysis is based on a change in one of the main assumptions while keeping all other assumptions constant. The sensitivity analysis may not reflect actual changes in the end-of-service benefit obligation because it is unlikely that changes in assumptions will be isolated.

14. ACCRUED EXPENSES AND OTHER PAYAPLES

	31 December 2023	31 December 2022
VAT accruals	**1,482,480**	1,397,041
Accrued Employee remuneration	**1,225,216**	1,000,000
Accrued dividend to stockholders	**598,357**	598,357
Accrued Expenses	**257,415**	527,609
Service suppliers	**337,684**	310,592
Prepaid insurance	**217,341**	223,242
Accrued social insurance	**54,851**	54,160
Accrued allowances for the meetings of the Board of Directors and committees	**57,000**	33,000
Employee Dues	**24,923**	16,489
Other payable	**576,695**	502,629
	4,831,962	4,663,119

15. ZAKAT PROVISION

a) Components of Zakat base

	31 December 2023	31 December 2022
Stockholders' equity- Opening Balance	**68,094,333**	52,374,582
Provisions and other adjustments	**10,750,494**	5,225,158
The company’s share of Investment funds base*	**12,176,347**	-
book value For long term assets	**(51,369,555)**	(9,108,916)
Amendment net income for the yer	**23,135,332**	21,563,952

15. ZAKAT PROVISION (CONTINUED)

a) Components of Zakat base (continued)

And the company's share of Investment funds base is as follow*

31 December 2023	Fund`s Zakat Base	Number of company`s units	Percentage of ownership in the fund	The company's share of the base
Mulkia – Gulf Real Estates REIT Fund	63,020,256	3,647,087	%3.51	**2,214,988**
Mulkia Private Equities Opportunities Fund	5,496,966	879,065	%74.70	**4,106,058**
Mulkia Private Equities Fund – Water Sector	8,604,534	134,313	%67.16	**5,778,519**
Mulkia Private Equities Fund – Education Sector	3,734,941	111,014	%2.06	**76,782**
				12,176,347

Zakat is calculated in accordance with Ministerial Resolution No. (29791) dated 09/05/1444 AH regarding the rules for collecting zakat from investors in investment funds. The company is considered an investor in the funds as shown in the table above.

b) The movement in Zakat provision for the year

	31 December 2023	31 December 2022
Balance at the beginning of the year	**8,134,111**	4,514,724
charged during the year	**1,591,018**	1,789,039
Prior years zakat differences	**464,600**	3,495,980
Paid during the year	**(5,463,932)**	(1,665,632)
Balance at year-end	**4,725,797**	8,134,111

c) Zakat status

1- The company has submitted all zakat returns for the previous years up to the year 2022 , and obtained a zakat certificate for the year 2022.

2- During the year 2020, the company received the zakat assessment for the year 2015 to the year 2018, at an amount of 6,321,594 SAR, and since the company had paid during the year 2016 the amount of 487,429 SAR when the Authority made the first assessment for the year 2015, so that the net amount of the current assessment amounted to 5,834,165 SAR The company submitted an objection to that assessment, and the objection was rejected by the Authority, and a grievance was submitted to the General Secretariat of the Tax Committees, and the request was rejected.zakat certificate.
During the year, the company submitted a request to pay the due amount in installments, and the request was accepted by the Authority, provided that payment is made in twelve monthly installments, starting from April 2023 until March 2024, and the company is regular in paying the monthly installments on their regular dates.

3- During the year 2022 AD, the company received a Zakat assessment for the years 2019 and 2020 with the amount of 1,021,813 SAR The company submitted an objection to that assessment with the Authority, and the decision was issued to partially accept the objection so that the amount of the assessment was reduced to become to 975,507 SAR, and the company objected to that decision with the General Secretariat. To the tax committees, the request was rejected, and an appeal request was submitted to the appeal committees, and the request is still under study by the appeal committees to the date of the financial position. During the year, the company confirmed a zakat allocation of 464,600 SAR (year ending 31,December 2022: amount of 510,907 SAR) in order to meet any obligations that may result in return for that zakat assessment.

16. CREDIT FACILITIES

The company offers a Sharia-compliant credit facility through a local bank, with a withdrawal limit of 25 million Saudi riyals. The credit facility history is as follows:"

	31 December 2023	31 December 2022
Balance at the beginning of the year	**-**	-
Facilities recieved during the year	**25,300,000**	-
Finance interest during the year	**216,782**	
Paid from facilities during the year	**(25,516,782)**	-
Balance at year-end	**-**	-

These credit facilities incurred finance costs during the year ending 31, December 2023 in the amount of 216,782 SAR
.

17. INCOME FROM INVESTMENT SERVICES AND ASSET MANAGEMENT

	For the year ended 31 December 2023	For the year ended 31 December 2022
Income from asset management services	**42,751,578**	30,405,079
Services fees provided to funds	**753,962**	680,748
Funds and private portfolios performance fees	**3,647,369**	385,358
	47,152,909	31,471,185
Timing of Revenue Recognition:		
Time-proportional	**34,011,911**	20,042,956
At point in time	**13,140,998**	11,428,229
	47,152,909	31,471,185

*****The geographical area of income from contracts with customers is represented in the Saudi market.

18. OTHER ADMINISTRATIVE EXPENSES

	For the period year 31 December 2023	For the year ended 31 December 2022
Allowances and remunerations to BOD members and related annual committees(Note 8)	**1,176,590**	1,089,000
General utilities	**58,844**	92,654
Repairs and maintenance expenses	**25,140**	27,566
Other expenses	**386,866**	778,883
	1,647,440	1,988,103

19. OTHER REVENUE AND EXPENSES RELATEDO THE OFFERING

Other revenues related to the offering include the claims submitted by shareholders, specifically carring the expenses of the company's stock offering in the parallel market – Nomu. The total amount of these claims reached 4,039,299 Saudi riyals. Additionally, all expenses related to the company's stock offering amounted to 4,064,150 SAR, with a difference of approximately 24,851 SAR. This difference has been included in other administrative expenses (Note 18).
The company considered these expenses as a special decision for shareholders, and therefore, any costs associated with this transaction are not accounted for in the company's financial statements."

20. EARNINGS PER SHARE

Earnings per share out of net income for the year and earnings per share from main operations are calculated by dividing net income for the year and net income from main operations by weighted average number of shares outstanding as at end of the period, amounting to 6,500,000 shares (31 December 2022: 6,500,000 shares).

21. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value

Fair value is 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. Fair value definition includes the assumption that the Company will continue its operations where there is no intention or condition to physically limit the volume of its operations or conduct a transaction with negative terms.

Fair values are categorized into different levels in the fair value hierarchy based on the inputs used in the valuation methods as follows:

Level 1: Quoted prices (unadjusted) in an active financial market for identical assets and liabilities that can be accessed on the measurement date.

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

Level 3: Asset or liability inputs that are not based on observable market data (unobservable inputs).

The table below presents the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments. It does not include fair value information for financial assets and financial liabilities that are not measured at fair value if the carrying amount reasonably approximates fair value.

21. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Fair value(continued)

As at 31 December 2023	fair value through profit or loss	fair value through other comprehensive income	amortized cost	Total	Level 1	Level 2	Level 3	Total
financial assets								
Financial assets measured at fair value								
investments	48,449,682	7,448,069	-	55,897,751	23,585,647	8,378,109	23,933,995	55,897,751
Financial assets not measured at fair value								
Cash and cash equivalents	-	-	6,446,777	6,446,777	-	-	-	-
Due from related parties,net	-	-	29,266,394	29,266,394	-	-	-	-
Receivable, prepayments and other receivables	-	-	3,816,000	3,816,000	-	-	-	-
	48,449,682	7,448,069	39,529,171	95,426,922	23,585,647	8,378,109	23,933,995	55,897,751
Financial liabilities not measured at fair value								
Accrued expenses and other payables	-	-	4,831,962	4,831,962	-	-	-	-
Zakat provision	-	-	4,725,797	4,725,797	-	-	-	-
	-	-	9,557,759	9,557,759	-	-	-	-

21. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Fair value(continued)

As at 31 December 2022	fair value through profit or loss	fair value through other comprehensive income	amortized cost	Total	Level 1	Level 2	Level 3	Total
financial assets								
Financial assets measured at fair value								
investments	34,335,925	6,246,907	-	40,582,832	7,329,816	160,021	33,092,995	40,582,832
Financial assets not measured at fair value								
Cash and cash equivalents	-	-	19,025,975	19,025,975	-	-	-	-
Due from related parties	-	-	14,841,399	14,841,399	-	-	-	-
Receivable, prepayments and other receivables	-	-	1,239,039	1,239,039	-	-	-	-
	34,335,925	6,246,907	35,106,413	75,689,245	7,329,816	160,021	33,092,995	40,582,832
Financial liabilities not measured at fair value								
Accrued expenses and other payables	-	-	4,663,119	4,663,119	-	-	-	-
Zakat provision	-	-	8,134,111	8,134,111	-	-	-	-
	-	-	4,663,119	4,663,119	-	-	-	-

21. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Fair evaluation methods

- Financial assets at fair value through profit or loss and through other comprehensive income classified as Level 2 include investments in open-ended public and private investment funds whose fair values are determined based on the last recorded net asset value as of the reporting date. The net asset value consists of the total Assets minus the total liabilities of the fund, and in more detail: it is the market value of all securities owned, plus any receivables to the fund that are pending collection and any other cash amounts after deducting any obligations of the fund. The unit price is calculated by dividing the net asset value by the number of units issued.

- Financial assets at fair value through profit or loss and through other comprehensive income classified within Level 3 include investments in closed-ended public and private real estate funds whose fair values are determined based on the last recorded net asset value as of the reporting date. As well as equity instruments of unlisted foreign companies, where the fair value was estimated according to the last investment round for those companies, which the company believes is the best estimate of the fair value, as well as equity instruments of unlisted local companies, where the fair value was estimated according to an independent evaluator using the cash flow method. Likewise, equity instruments of an unlisted company are insignificant

Financial risk management

The activities of the Company may be exposed mainly to financial risks resulting from the following:

Foreign currency risk management

The Company is not exposed to significant risks related to exchange prices, as the Company's main transactions are in Saudi riyals and US dollars. Therefore, no need to manage such exposure effectively.

Interest rate risk management

Special interest rate risk arises from the possibility that changes in future cash flows or in the fair values of financial instruments will affect at the reporting date. The company was not exposed to interest rate risk.

market price risk

The company is exposed to market price risk as a result of changes in the fair value of financial assets held at fair value as a result of changes in the level of market indicators.

a) Investments at fair value through profit or loss
At the reporting date, investments at fair value through profit or loss include corporate shares and mutual funds. The Company monitors the market risk on these investments on an investment-by-investment basis.
On the reporting date, a change of 10% (31 December 2022: 10%) in the net asset values of the relevant investments could increase or decrease net income by 4,844,968 SAR (31 December 2022: 3,433,593 SAR).

b) Investments at fair value through the statement of other comprehensive income
At the reporting date, investments at fair value through other comprehensive income include corporate shares and investment funds. The Company monitors the market risk on these investments on an investment-by-investment basis.

At the reporting date, a change of 10% (31 December 2022: 10%) in the net asset values of the related investments would increase or decrease other comprehensive income by 744,807 SAR (31 December 2022: 624,691SAR).

21. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Credit risk management

Credit risk is the risk that one party may fail to discharge an obligation and will cause the other party to incur a financial loss. The Company is exposed to credit risk on its balances as follows:

	31 December 2023		31 December 2022	
	exposure	**Expected credit losses**	exposure	Expected credit losses
Cash and cash equivalents	**6,446,777**	**-**	19,025,975	-
Due from related parties	**29,266,394**	**161,656**	14,841,399	-
Other receivables	**2,853,717**	**-**	379,643	-
	38,566,888	**161,656**	34,247,017	-

The company seeks to monitor credit risks by monitoring credit exposure, in addition to identifying and analyzing risks, setting appropriate limits and controls, monitoring risks and adhering to limits through reliable management information data in a timely manner. The company also takes the necessary measures to recover overdue debts. Moreover, it The company reviews the recoverable amount of all receivables and other assets on an individual basis at the end of the financial period in order to ensure that an adequate loss allowance is set aside for the non-recoverable amounts.

The Company uses the simplified approach by measuring the loss allowance for receivables and other assets at an amount equal to lifetime expected credit losses.

The following is a statement of the aging of the balances due to related parties (note 8):

	31 December 2023	31 December 2022
1-30 days	**11,864,378**	9,459,597
31-60 days	**5,100**	40,711
61-90 days	**1,700,104**	328,242
91-180 days	**1,615,399**	107,381
181-270 days	**9,670,198**	3,734,876
271-365 days	**713,241**	95,322
More than 365 days	**3,859,630**	1,075,270
Total	**29,428,050**	14,841,399

As for cash and cash equivalents, the credit risks are low as they are kept with financial institutions with a good credit rating and there is no history of default for any of these balances, which is explained as follows:

Rating of Financial institution	**31 December 2023**
Cash at the banks	
A2 (Moody`s)	**56,153**
Aaa3(Moody`s)	**14,752**
A3 (Moody`s)	**3,596**
A(Fitch)	**100**
Unrated	**775**
	75,376
Margin deposites	
A2 (Moody`s)	**2,008,707**
A3 (Moody`s)	**4,362,694**
	6,371,401
Total cash and cash equivalents	**6,446,777**

21. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Credit risk management(continued)

The company conducted an assessment of the expected credit losses for other receivables and other debtors, and after considering the nature of these balances and the history of default, the company found that it does not require making an allowance for expected credit losses, and according to management's estimation, the expected credit losses, if any, will not be material.

credit focus

Concentrations of credit risk arise when a number of counterparties are engaged in similar activities, or activities within the same geographic region, or have similar economic characteristics due to changes in economic policies or other conditions.

At the statement of financial position date, management has not identified any significant concentrations of credit risk.

Liquidity risks management

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments that the company undertakes for the benefit of others..

To reduce the liquidity risk and associated losses which may affect the business of the Company, the company maintains, wherever possible, sufficient highly liquid current assets in all business conditions. The company avoids financing long-term capital requirements and its activities related to current accounts with related parties through short-term borrowings. The Company has a highly dynamic cash flow policy and a system by which it can estimate the maturity dates of its liabilities and develop appropriate plans to provide the required funding to meet these liabilities in a timely manner.

a) Below is a statement of maturity of liabilities as at 31 December 2023:

31 December 2023	book value of the liabilities	3 months or less	More than 3 months to 1 year	More than 1 year up to 10 years	No specific maturity dates
Liabilities					
Accrued expenses and other creditors	**4,831,962**	**4,831,962**	**-**	**-**	**-**
Lease liabilities	**6,874,253**	**306,400**	**612,800**	**9,130,720**	**-**
Employees defined benefits plan obligations	**977,894**	**-**	**-**	**-**	**977,894**

b) Below is a statement of maturity of liabilities as at 31 December 2022:

31 December 2022	book value of the liabilities	3 months or less	More than 3 months to 1 year	More than 1 year up to 10 years	No specific maturity dates
Liabilities					
Accrued expenses and other creditors	4,663,119	4,663,119	-	-	-
Lease liabilities	1,488,760	-	584,530	904,230	-
Employees defined benefits plan obligations	622,483	-	-	-	622,483

22. ASSETS HELD AS TRUST

The Company maintains assets on behalf of its clients through the management of special portfolios and funds (managed by the Company). The Company acts a custodian of assets, therefore, these assets were not included in the statement of financial position. As of 31 December 2023, the Company manages assets worth 3,108 million SAR on behalf of and for its clients (31 December 2022:5,887 million SAR).

23. REGULATORY CAPITAL REQUIREMENTS AND CAPITAL ADEQUACY RATIOS

“Below are the capital base, minimum capital requirements, and capital adequacy ratios for the company according to the financial adequacy rules issued by the Capital Market Authority:

	31 December2023
Capital base	
Main capital	**89,169,334**
Total capital base	**89,169,334**
Risk-weighted assets	
Market risk	**67,746,768**
Credit risk	**139,957,296**
Operational risks	**100,396,099**
Total	**308,100,163**
capital ratio	
Total capital ratio	**%28.94**
Tier 1 capital ratio	**%28.94**
Capital surplus	**64,521,321**

	31 December 2022
Share capital base:	
Main capital	67,243,436
Total capital base	67,243,436
Minimum capital requirements	
Market risk	2,217,670
Credit risks	22,682,714
Operational risks	5,132,805
Total minimum capital requirements	30,033,189
Capital adequacy ratio:	
Total capital ratio (times)	2.24
Tier 1 capital ratio (times)	2.24
Capital surplus	37,210,247

a) The Company's capital base consists of Tier-1 capital (including capital and accumulated profits or losses).The Company does not have Tier-2 capital, in accordance with the provisions of the financial adequacy rules.

b) The objectives of the company in managing the capital adequacy are to adhere to the capital requirements set by the Capital Market Authority to maintain the Company's ability to continue as going concern and maintain a strong capital base.

23. REGULATORY CAPITAL REQUIREMENTS AND CAPITAL ADEQUACY RATIOS(CONTINUED)

c) According to article 6 (g) of the Authorized Persons Regulations issued by the Capital Market Authority in the Kingdom of Saudi Arabia, the minimum capital required for the activities of the Company is SAR 50 million.

24. SIGNIFICANT EVENTS

On 6 June 2023, it was approved to list the company's securities submitted through Aljazira capital, provided that the approval is conditional on the issuer obtaining CMA approval on the relevant registration and offerings in accordance with the relevant regulations and rules and meeting liquidity requirements.

CMA board has raised its resolution dated 3 Dhu al-Hijjah 1444H corresponding to 21 June 2023, approaving the company's application to register its shares and offer (1,300,000) shares representing (20%) of its shares in the parallel market..
On 12, November 2023, the company's shares were listed and trading began on the parallel market (Nomu).

25. SEGMENT INFORMATION

The company consists of the following main business sectors:

a) investment

The investment division manages the ownership of the investments in the company.

b) Assets management

The asset management sector manages the assets in the investment portfolios of the company's clients, as well as managing the assets of investment and real estate funds managed by the company.

c) Others

It represents the remaining sector of the company and includes the rest of the services provided by the company such as advisory, arrangement, Subscription and custody services.

The following is a statement of the segment information as of December 31, 2023, 2022:

	Investment	Asset Management	Others	Total
As at 31 December 2023				
Total operating income	**(3,325,363)**	**47,152,909**	**-**	**43,827,546**
Total operating expenses	**(5,082,462)**	**(16,019,601)**	**-**	**(21,102,063)**
Net operating income	**(8,407,825)**	**31,133,308**	**-**	**22,725,483**
Total assets	**69,831,842**	**36,089,488**	**790,009**	**106,711,339**
Total liabilities	**4,939,353**	**11,655,952**	**823,226**	**17,418,531**
As at 31 December 2022				
Total operating income	5,364,682	31,471,185	-	36,835,867
Total operating expenses	(4,431,247)	(10,814,954)	-	(15,246,201)
Net operating income	933,435	20,656,231	-	21,589,666
Total assets	61,856,459	20,022,302	369,400	82,248,161
Total liabilities	4,235,810	9,966,694	705,969	14,908,473

25. SEGMENT INFORMATION (CONTINUED)

Below is the presentation of the geographic concentration of segment assets disclosures based on the location of the assets held:

	KSA	USA	Europe	Total
As at 31 December 2023				
ASSETS				
Property and equipment, net	**4,500,393**	**-**	**-**	**4,500,393**
Intangible assets, net	**123,477**	**-**	**-**	**123,477**
Right-of-use assets, net	**6,660,547**	**-**	**-**	**6,660,547**
Investments at fair value through other comprehensive income	**6,514,751**	**933,318**	**-**	**7,448,069**
Investments at fair value through profit or loss	**43,471,200**	**4,292,286**	**686,196**	**48,449,682**
Due from related parties, net	**29,266,394**	**-**	**-**	**29,266,394**
Receivables prepayments and other receivables	**3,816,000**	**-**	**-**	**3,816,000**
Cash and cash equivalents	**2,069,332**	**-**	**4,377,445**	**6,446,777**
Total Assets	**96,422,094**	**5,225,604**	**5,063,641**	**106,711,339**
LIABILITIES				
Due to related parties	**8,625**	**-**	**-**	**8,625**
Accrued expenses and other payables	**4,831,962**	**-**	**-**	**4,831,962**
Zakat provision	**4,725,797**	**-**	**-**	**4,725,797**
Lease liabilities	**6,874,253**	**-**	**-**	**6,874,253**
Employee defined benefits plan obligation	**977,894**	**-**	**-**	**977,894**
Total liabilities	**17,418,531**	**-**	**-**	**17,418,531**
OPERATING INCOME	**47,152,909**	**-**	**-**	**47,152,909**
Income from investment services and asset management	**(219,544)**	**-**	**121,286**	**(98,258)**
Realized (losses) / gains on sale of investments through profit or loss	**(4,642,878)**	**167,515**	**(70,936)**	**(4,546,299)**
Dividends income	**1,016,972**	**-**	**68,636**	**1,085,608**
Special commission income	**222,092**		**11,494**	**233,586**
Total Operating Income	**43,529,551**	**167,515**	**130,480**	**43,827,546**

All operating expenses are essentially concentrated in the Kingdom of Saudi Arabia.

25. SEGMENT INFORMATION (CONTINUED)

	KSA	USA	Europe	Total
As at 31 December 2022				
ASSETS				
Property and equipment, net	4,921,826	-	-	4,921,826
Intangible assets, net	96,252	-	-	96,252
Right-of-use assets, net	1,540,838	-	-	1,540,838
Investments at fair value through other comprehensive income	5,842,789	404,118	-	6,246,907
Investments at fair value through profit or loss	25,303,535	3,561,896	5,470,494	34,335,925
Due from related parties	14,841,399	-	-	14,841,399
Prepayments and other receivables	1,239,039	-	-	1,239,039
Cash and cash equivalents	19,025,975	-	-	19,025,975
Total Assets	72,811,653	3,966,014	5,470,494	82,248,161
LIABILITIES				
Accrued expenses and other payables	4,663,119	-	-	4,663,119
Zakat provision	8,134,111	-	-	8,134,111
Lease liabilities	1,488,760	-	-	1,488,760
Employee defined benefits plan obligation	622,483	-	-	622,483
Total liabilities	14,908,473	-	-	14,908,473
OPERATING INCOME				
Income from investment services and asset management	31,471,185	-	-	31,471,185
Realized (losses) / gains on sale of investments through profit or loss	2,884,152	-	-	2,884,152
Unrealized (losses) / gains on investments through profit or loss	3,145,265		(1,431,748)	1,713,517
Dividends income	340,103	-	94,034	434,137
Special commission income	332,876	-	-	332,876
Total Operating Income	38,173,581	-	(1,337,714)	36,835,867

All operating expenses are essentially concentrated in the Kingdom of Saudi Arabia.

26. SUBSEQUENT EVENTS

Management believes that no significant subsequent events after 31 December 2023 until approval date of the financial statements may have a material impact on the financial statements as of 31 December 2023.

27.. COMPARATIVE FIGURES

Certain of the comparative period figures have been reclassified to conform with the current classification in the financial statements.

28. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These financial statements have been approved by the Board of Directors on 7 March 2024 corresponding 26 Shaaban 1445 H.