MANAFA FOR DEBT-BASED CROWDFUNDING COMPANY
(A Single Shareholder Closed Joint Stock Company)

CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 TOGETHER WITH THE INDEPENDENT AUDITOR'S REVIEW REPORT

MANAFA FOR DEBT-BASED CROWDFUNDING COMPANY
(A Single Shareholder Closed Joint Stock Company)
CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025

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Report on review of condensed interim financial information

To the shareholder of Manafa for Debt-Based Crowdfunding Company
(A Single Shareholder Closed Joint Stock Company)

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Manafa for Debt-Based Crowdfunding Company (the "Company") as at 31 March 2025 and the related condensed interim statements of profit or loss, other comprehensive income, changes in shareholder's equity and cash flows for the three-month period then ended and other explanatory notes. (the "condensed interim financial information").

The Board of Directors is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34"), as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", as endorsed in the Kingdom of Saudi Arabia. A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, as endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information are not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

PricewaterhouseCoopers



Waleed bin Abdulaziz Alhidiri
License Number 559

26 November 2025

MANAFA FOR DEBT-BASED CROWDFUNDING COMPANY
(A Single Shareholder Closed Joint Stock Company)
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025
All amounts in Saudi Riyals unless otherwise stated

	Note	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Assets			
Current assets			
Cash and cash equivalents	6	**12,574,193**	23,891,651
Accounts receivable, net	7	**2,354,919**	2,185,209
Prepaid expenses and other receivables		**2,141,478**	450,107
Due from related parties, net	17	**28,641,174**	24,150,884
Total current assets		**45,711,764**	50,677,851
Non-current assets			
Property and equipment, net	8	**5,533,009**	882,163
Right-of-use assets, net	9	**22,566,673**	23,136,858
Intangible assets, net	10	**1,713,604**	1,776,238
Total non-current assets		**29,813,286**	25,795,259
Total assets		**75,525,050**	76,473,110
Liabilities and shareholder's equity			
Liabilities			
Current liabilities			
Accrued expenses and other liabilities	11	**6,100,993**	4,450,137
Lease liabilities - current	12	**1,416,735**	1,490,698
Provision for zakat	16	**265,298**	121,337
Total current liabilities		**7,783,026**	6,062,172
Non-current liabilities			
Employee's end of service benefits		**492,750**	437,000
Lease liabilities - non-current	12	**23,023,343**	22,590,463
Total non-current liabilities		**23,516,093**	23,027,463
Total liabilities		**31,299,119**	29,089,635
Shareholder's equity			
Share capital		**40,000,000**	40,000,000
Statutory reserve		**860,420**	860,420
Retained earnings		**3,365,511**	6,523,055
Total shareholder's equity		**44,225,931**	47,383,475
Total liabilities and shareholder's equity		**75,525,050**	76,473,110

The accompanying notes 1 to 23 form an integral part of this condensed interim financial information.

MANAFA FOR DEBT-BASED CROWDFUNDING COMPANY
(A Single Shareholder Closed Joint Stock Company)
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025
All amounts in Saudi Riyals unless otherwise stated

	Notes	For the three-month period ended 31 March	
		2025 (Unaudited)	2024 (Unaudited)
Revenue	13	**8,397,442**	6,870,844
Cost of revenue	14	**(1,416,312)**	(774,089)
Gross profit		**6,981,130**	6,096,755
General and administrative expenses	15	**(7,206,701)**	(3,528,872)
Marketing expenses		**(2,288,622)**	(1,332,972)
Interest expense		**(358,917)**	-
Finance income		**-**	24,000
Other income		**23,926**	6,000
Charge for allowance for expected credit losses	7, 19	**(164,399)**	-
(Loss) / profit for the period before zakat		**(3,013,583)**	1,264,911
Zakat expense	16	**(143,961)**	(270,273)
(Loss) / profit for the period		**(3,157,544)**	994,638

The accompanying notes 1 to 23 form an integral part of this condensed interim financial information.

MANAFA FOR DEBT-BASED CROWDFUNDING COMPANY
(A Single Shareholder Closed Joint Stock Company)
CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025
All amounts in Saudi Riyals unless otherwise stated

	For the three-month period ended 31 March	
	2025 (Unaudited)	2024 (Unaudited)
(Loss) / profit for the period	**(3,157,544)**	994,638
Other comprehensive income items:		
Not to be reclassified to profit or loss in subsequent periods:		
Remeasurement loss on employee end of service benefits	**-**	-
Total comprehensive (loss) / income for the period	**(3,157,544)**	994,638

The accompanying notes 1 to 23 form an integral part of this condensed interim financial information.

MANAFA FOR DEBT-BASED CROWDFUNDING COMPANY
(A Single Shareholder Closed Joint Stock Company)
CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025
All amounts in Saudi Riyals unless otherwise stated

	Share capital	Statutory reserve	Retained earnings	Total shareholder's equity
Balance as at 1 January 2024	40,000,000	813,767	6,020,101	46,833,868
Profit for the period	-	-	994,638	994,638
Other comprehensive loss for the period	-	-	-	-
Total comprehensive income for the period	-	-	994,638	994,638
Balance as at 31 March 2024 (Unaudited)	40,000,000	813,767	7,014,739	47,828,506

	Share capital	**Statutory Reserve**	**Retained Earnings**	**Total shareholder's equity**
Balance as at 1 January 2025	**40,000,000**	**860,420**	**6,523,055**	**47,383,475**
Loss for the period	**-**	**-**	**(3,157,544)**	**(3,157,544)**
Other comprehensive income for the period	**-**	**-**	**-**	**-**
Total comprehensive loss for the period	**-**	**-**	**(3,157,544)**	**(3,157,544)**
Balance as at 31 March 2025 (Unaudited)	**40,000,000**	**860,420**	**3,365,511**	**44,225,931**

The accompanying notes 1 to 23 form an integral part of this condensed interim financial information.

MANAFA FOR DEBT-BASED CROWDFUNDING COMPANY
(A Single Shareholder Closed Joint Stock Company
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025
All amounts in Saudi Riyals unless otherwise stated

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit for the period before zakat	**(3,013,583)**	1,264,911
Adjustments for:		
Depreciation - Property and equipment	**43,590**	29,575
Depreciation - Right-of-use assets	**570,185**	-
Amortization of intangible assets	**62,634**	65,325
Provision for employee's end of service benefits obligations	**55,750**	56,257
Charge for allowance for expected credit losses	**164,399**	-
Interest expense	**358,917**	-
Operating (loss) / profit before changes in working capital	**(1,758,108)**	1,416,068
Changes in working capital		
Accounts receivable	**(202,690)**	(536,722)
Prepaid expenses and other receivables	**(1,691,371)**	209
Due from related parties	**(4,621,709)**	185,083
Accrued expenses and other liabilities	**1,650,856**	(2,263,000)
Net cash used in operating activities	**(6,623,022)**	(1,198,362)
CASH FLOWS FROM INVESTING ACTIVITY		
Additions to property and equipment	**(4,694,436)**	(271,222)
Net cash used in investing activity	**(4,694,436)**	(271,222)
Net change in cash and cash equivalent	**(11,317,458)**	(1,469,584)
Cash and cash equivalents at the beginning of the period	**23,891,651**	33,555,491
Cash and cash equivalents at the end of the period	**12,574,193**	32,085,907

The accompanying notes 1 to 23 form an integral part of this condensed interim financial information.

1 General information and nature of operations

Manafa for Debt-Based Crowdfunding Company (A Single Shareholder Closed Joint Stock Company) ("the Company") was established under the name Manafa Financial Technology Company (A Single Shareholder limited liability company) on 20 Jumada Al-Awwal 1442H corresponding to January 2021 under Commercial Registration No, 1010678388. Based on the decision of the owner of the capital (Osoul Manafa Investment Company), the legal entity of the company was transferred on 6 Safar 1443H, corresponding to September 13, 2021, from a single shareholder company with limited liability to a single shareholder closed joint stock Saudi Company, with its rights, obligations, and employment, classifications, licenses and all its financial, technical and administrative elements with the same capital of 5,000,000 Saudi riyals, while retaining the name and number of the main commercial registry upon conversion.

The Company's main headquarters is located in Riyadh, Al-Qairawan district.

The Company's main activity is to arrange financing in accordance with the provisions of the Companies Law, the Finance Companies Control Law, and its relevant executive rules, regulations and instructions issued by the Saudi Central Bank for practicing and implementing debt crowdfunding in the Kingdom of Saudi Arabia.

2 Basis of preparation

(a) Statement of compliance

The condensed interim financial information of the Company as at and for the period ended 31 March 2025, have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting (IAS 34), as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

This condensed interim financial information does not include all information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements for the year ended 31 December 2024.

(b) Basis of measurement

This condensed interim financial information has been prepared on a going concern basis under the historical cost convention except for employees' end of service benefits which are measured at present value of future obligations using the Projected Unit Credit Method.

(c) Functional and presentation currency

This condensed interim financial information is presented in Saudi Arabian Riyals (SAR), as it is the functional currency of the Company.

(d) Financial year

The financial year of the Company commences on 1 January and ends on 31 December of each calendar year.

3 Use of judgments, estimates and assumptions

The preparation of this condensed interim financial information in accordance with International Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

The significant estimates made by management in applying the Company's accounting policies and the significant sources of estimation uncertainty were similar to those disclosed in the 2024 annual financial statements.

4 Material accounting policies

The accounting policies used in the preparation of this condensed interim financial information are consistent with those followed in the preparation of the Company's annual audited financial statements for the year ended 31 December 2024 unless otherwise stated.

5 Impact of changes due to adoption of new standards

New standards, interpretations and amendments adopted by the Company

Following standards, interpretations and amendments are effective from the current year and are adopted by the Company, however, these does not have any impact on the condensed interim financial information of the Company:

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

Accounting standards issued but not yet effective

The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Standards, Interpretations, Amendments	Description	Effective from periods beginning on or after
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.	1 January 2026
Contracts referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity amends IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to more faithfully reflect the effects of contracts referencing nature-dependent electricity on an entity's financial statements.	1 January 2026
Annual improvements to IFRS – Volume 11	Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards: IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; IFRS 9 Financial Instruments; IFRS 10 Consolidated Financial Statements; and IAS 7 Statement of Cash Flows.	1 January 2026
IFRS 18, Presentation and Disclosure in Financial Statement	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations. It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences.	1 January 2027
IFRS 19, Subsidiaries without Public Accountability: Disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statement provided that, at the reporting date, it does not have public accountability and its parent produces consolidated financial statements under IFRS Accounting Standards.	1 January 2027

5 Impact of changes due to adoption of new standards (continued)

Accounting standards issued but not yet effective (continued)

The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Other standards		
IFRS S1, 'General requirements for disclosure of sustainability-related financial information	This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.	Not yet endorsed by SOCPA
IFRS S2, 'Climate-related disclosures'	This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.	Not yet endorsed by SOCPA

Management is currently assessing the impact of, if any, the adoption of these pronouncements may have on the Company's future reporting periods.

6 Cash and cash equivalents

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Cash at banks	**12,574,193**	23,891,651

7 Accounts receivable, net

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Gross accounts receivable	**2,462,565**	2,259,875
Less: Allowance for expected credit losses (Note 7.1)	**(107,646)**	(74,666)
	2,354,919	2,185,209

7.1 The movement in allowance for expected credit losses during the period/ year is as follows:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Opening balance as at the beginning of the period / year	**74,666**	27,438
Charge for the period / year	**32,980**	47,228
Closing balance at the end of the period / year	**107,646**	74,666

8 Property and equipment, net

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Cost		
As at 1 January	**1,108,093**	414,076
Additions during the period / year (Note 8.1)	**4,694,436**	694,017
As at the end of the period / year	**5,802,529**	1,108,093
Accumulated depreciation		
As at 1 January	**225,930**	80,433
Charge for the period / year	**43,590**	145,497
As at the end of the period / year	**269,520**	225,930
As at the end of the period / year	**5,533,009**	882,163

8.1 Additions represent mainly amount paid for capital work in progress in relation to the construction of new office building.

9 Right-of-use assets, net

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Cost		
As at 1 January	**23,719,714**	-
Additions during the period / year	**-**	23,719,714
As at the end of the period / year	**23,719,714**	23,719,714
Accumulated amortization		
As at 1 January	**582,856**	-
Charge for the period / year	**570,185**	582,856
As at the end of the period / year	**1,153,041**	582,856
Net book value		
As at the end of the period / year	**22,566,673**	23,136,858

10 Intangible assets, net

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Cost		
As at 1 January and end of the period / year	**2,505,386**	2,505,386
Accumulated amortization		
As at 1 January	**729,148**	475,919
Charge for the period / year	**62,634**	253,229
As at the end of the period / year	**791,782**	729,148
Net book value		
As at the end of the period / year	**1,713,604**	1,776,238

11 Accrued expenses and other liabilities

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Accounts payable	**3,059,869**	967,770
Accrued employee bonus	**1,131,254**	696,156
Leave salary payable	**860,615**	687,400
Accrued professional fees	**605,179**	730,544
Accrued social insurance payable	**141,713**	105,284
Value added tax payable	**141,533**	902,418
Accrued salaries and wages	**116,899**	34,314
Customer liabilities	**9,001**	287,360
Others	**34,930**	38,891
	6,100,993	4,450,137

12 Lease liabilities

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
As at 1 January	**24,081,161**	-
Additions during the period / year	**-**	23,719,714
Interest on lease liabilities	**358,917**	361,447
As at the end of the period/year	**24,440,078**	24,081,161
Current portion	**1,416,735**	1,490,698
Non-current portion	**23,023,343**	22,590,463
As at the end of the period / year	**24,440,078**	24,081,161

13 Revenue

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Commission income - point in time	**5,861,395**	4,748,573
Wakalah fees – over time	**2,536,047**	2,122,271
	8,397,442	6,870,844

14 Cost of revenue

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Service and data providers expenses	**1,064,419**	437,471
Salaries and wages	**289,259**	271,293
Amortization of intangible assets	**62,634**	65,325
	1,416,312	774,089

15 General and administrative expenses

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Salaries and wages	**2,469,341**	1,102,318
Service and data providers expenses	**1,225,698**	831,041
Professional fees	**866,014**	319,806
Information technology related expenses	**623,340**	255,961
Depreciation - Right-of-use asset	**570,185**	-
Bonus	**435,098**	205,500
Social insurance	**272,687**	295,019
Vacation allowance	**201,128**	149,500
Medical insurance	**199,959**	70,102
Employee's end of service benefits	**71,660**	56,257
Depreciation – Property and equipment	**43,590**	29,575
Others	**228,001**	213,793
	7,206,701	3,528,872

16 Zakat payable

a) Movement in provision for zakat is as follows:

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Balance at the beginning of the period	**121,337**	1,139,434
Charge for the period	**143,961**	270,273
Payments made during the period	**-**	-
Balance as at end of the period	**265,298**	1,409,707

b) Status of assessments

Zakat declaration for all the years up till 2024 have been filed with the ZATCA and acknowledgement certificates have been obtained. During the period, the Company has received final zakat assessment for the year 2024 from ZATCA and no additional demand has been raised for the assessed year.

17 Related party transactions and balances

In the ordinary course of business, the Company enters into transactions with its related parties, and these transactions are based on the agreed terms between the parties. The principal related parties of the Company are Osoul Manafa Investment Company (the parent company) and its affiliate (these entities are owned by the parent company), executive members of the Company's Board of Directors, key management personnel and companies of which these related parties have control or exercise significant influence.

a) Significant transactions and related amounts during the three-month period ended 31 March were as follows:

Name of related parties	Nature of relationship	Nature of transaction	**31 March 2025 (Unaudited)**	31 March 2024 (Unaudited)
Manafa Capital Company	Affiliate	Expense paid on behalf	**(373,612)**	(3,450,052)
		Financing	**1,000,000**	1,650,000
Osoul Manafa Investment Company	Shareholder / Parent Company	Expenses paid on behalf	**(604,679)**	18,052
		Financing	**4,600,000**	4,045,000

b) Related party transactions and relationships resulted in the following related balances as at:

Due from related parties	**31 March 2025 (Unaudited)**	31 December 2024 (Audited)
Osoul Manafa Investment Company	**18,095,886**	14,100,565
Manafa Capital Company (Note b.1)	**10,274,899**	9,648,511
Sukuk Capital Company - Affiliate	**311,131**	311,131
Abyan Capital Company - Affiliate	**139,682**	139,682
Less: Allowance for expected credit losses (Note b.2)	**(180,424)**	(49,005)
	28,641,174	24,150,884

b.1 On 14 August 2025, the Board of Directors of Osoul Manafa Investment Company (the parent company) resolved to assume the debt owed by Manafa Capital to Manafa for debt-based crowdfunding, amounting to SAR 9.49 million, subject to completion of the required legal formalities. Once these formalities are finalized, the debt will be transferred to Osoul Manafa and recognized as payable to Manafa Debt.

b.2 The following shows the movement in the allowance for expected credit losses:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Opening balance as at the beginning of the period / year	**49,005**	2,821
Charge during the period / year	**131,419**	46,184
Closing balance as at the end of the period / year	**180,424**	49,005

Transactions with key management personnel

Key Management Personnel ("KMP") are those having the authority and responsibility for planning, directing and controlling the activities of the Company. Accordingly, the Company's KMP includes the Board of Directors (including executive and non-executive directors) and selected key employees who meet the above criteria.

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Key management personnel's compensation	**1,181,496**	1,059,931

18 Customers' accounts

In accordance with the rules and regulations governing crowdfunding activities issued by the Saudi Central Bank in December 2021, pursuant to Article 42075986 relating to the treatment of collection accounts, the Company maintain collection accounts with a local financial institution (Arab National Bank). The balance of these accounts amounted to SAR 51 million as at 31 March 2025 (31 December 2024: SAR 40.5 million). In addition, the Company has outstanding financing agreements amounting to SAR 433 million as at 31 March 2025 (31 December 2024: SAR 439.2 million). Such balances are not included in the Company's condensed interim financial information.

19 Financial risk management

The Company is exposed to multiple risks, including market risks, currency risks, fair value risks, cash flow interest rate risks, price risks, credit risks and liquidity risks. The Company's senior management oversees the management of these risks, supported by a Financial Risk Committee that advises it on financial risks and the appropriate framework for their governance. This committee also provides the Company's senior management with guarantees and assurances that the Company's financial risk activities are subject to appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and its risk appetite. The Board of Directors reviews and approves the policies for managing each of these risks, a summary of which is provided below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices include risks such as equity price risk, interest rate risk and currency risk.

Currency risk

It is a risk represented by the fluctuation of the value of a financial instrument due to changes in foreign exchange rates. Given that the company's transactions are mainly conducted in Saudi riyals and US dollars, and the Saudi riyal is linked and fixed to the US dollar, the Company is not exposed to currency risks in a significant and fundamental way.

Fair value risk and cash flow interest rate risk

It is represented by exposure to various risks related to the impact of fluctuations in prevailing interest rates on financial conditions and cash flows. The company monitors and tracks fluctuations in commission rates on an ongoing basis and acts accordingly, and they are subject to change on a periodic basis.

Price risk

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

Credit risk

Credit risk is represented by the failure of a counterparty to meet its obligations under a financial instrument or contract concluded with customers, which leads to a financial loss. The company places its cash and funds with banks with good and sound credit ratings and consider accounts receivable and amounts due from related parties in the net provision for expected losses, if any.

The table below shows the maximum exposure to credit risk for the components of the statement of financial position.

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Cash and cash equivalents	**12,574,193**	23,891,651
Accounts receivable, net	**2,354,919**	2,185,209
Due from related parties, net	**28,641,174**	24,150,884
Total exposure for credit risk	**43,570,286**	50,227,744

The Company maintains its cash and cash equivalents with reputable financial institutions. As at 31 March 2025, the balance of cash held at banks amounted to SAR 12.57 million (31 December 2024: SAR 23.89 million). The Company only engages with banks that are independently rated.

19 Financial risk management (continued)

Credit risk (continued)

Accounts receivables are shown net of allowance for expected credit losses. The Company applies the IFRS 9 simplified approach for measuring expected credit losses on accounts receivable. To measure the expected credit losses, accounts receivable are grouped based on shared credit risk characteristics and the days past due. The ECL on accounts receivable are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, days past due, expected recovery, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Due from related parties amounting to SAR 28.7 million are expected to be settled within the next 12 months. Related party receivables are callable overnight if payment is required earlier. Given the short life of the receivables and the fact they are with group entities with no history of default, the related party balances are considered to have low credit risk, therefore ECL was assessed to be negligible on these receivables.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulties in raising funds to meet obligations associated with financial instruments. Liquidity risk may result from the inability to sell a financial asset quickly at a price close to its fair value. Liquidity risk is managed by regularly monitoring and observing that sufficient funds are available through committed credit facilities to meet any future obligations.

Below are the amounts expected to be recovered or settled in no more than 12 months and those after more than 12 months after the reporting date.

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Assets		
Less than 12 months		
Due from related parties, net	**28,641,174**	24,150,884
Cash and cash equivalents	**12,574,193**	23,891,651
Accounts receivable, net	**2,354,919**	2,185,209
Other receivables	**28,500**	42,600
	43,598,786	50,270,344
Liabilities		
Less than 12 months		
Accrued expenses and other liabilities	**6,100,993**	4,450,137
Lease liability	**1,416,735**	1,490,698
Provision for zakat	**265,298**	121,337
	7,783,026	6,062,172
More than 12 months		
Lease liability	**23,023,343**	22,590,463
Employee's end of service benefits	**492,750**	437,000
	23,516,093	23,027,463

20 Subsequent events

On 14 August 2025, the Board of Directors proposed an increase in share capital from SAR 40 million to SAR 200 million to support borrowings from global strategic investors. The proposal is subject to achieving a minimum valuation of SAR 1 billion for Manafa, a debt-based crowdfunding company, and obtaining final approval from the Board.

21 Contingencies

There were no contingent liabilities as at 31 March 2025. Additionally, there are no legal cases pending against the Company that could have an impact on its condensed interim financial information.

22 Capital commitments

The Company has a lease commitment for its head office. The undiscounted lease payments to be made under non-cancellable leases under IFRS 16 are as follows:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Periods		
Within 1 year	**3,118,752**	1,559,376
2 to 5 years	**12,475,008**	12,475,008
More than 5 years	**17,153,140**	18,712,516
Total undiscounted lease payments	**32,746,900**	32,746,900

23 Date of approval of the condensed interim financial information

This condensed interim financial information was approved and authorized for issue by the Board of Directors of the Company on 23 November 2025.