Rasan Information Technology Company
and its Subsidiaries
(A Saudi Joint Stock Company)

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

Rasan Information Technology Company and its Subsidiaries
(A Saudi Joint Stock Company)

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
For the year ended 31 December 2024

INDEX	***PAGES***
Independent Auditor's Report	1-6
Consolidated Statement of Financial Position	7
Consolidated Statement of Comprehensive Income	8
Consolidated Statement of Changes in Shareholders' Equity	9
Consolidated Statement of Cash Flows	10
Notes to the Consolidated Financial Statements	11-51

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INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Rasan Information Technology Company
(A Saudi Joint Stock Company)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Rasan Information Technology Company (A Saudi Joint Stock Company) (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion
on the accompanying consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Rasan Information Technology Company
(A Saudi Joint Stock Company) (Continued)

Key Audit Matters (Continued)

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition The Group has recognized revenue for the year ended 31 December 2024 from the following major streams: • Tameeni: SR 245.6 million (2023: SR 198.8 million) • Treza Leasing: SR 107.6 million (2023: SR 53.2 million) Revenue recognition for these streams is a significant area of audit focus due to the following key considerations: ***Judgments in revenue recognition:*** The revenue from Tameeni and Treza Leasing includes multiple stakeholders (e.g., customers, banks, insurers, and service providers), requiring assessment of whether the Group is acting as a principal or an agent. ***Cut-off and Completeness:*** Given the high transaction volumes, ensuring that revenue is recorded in the correct period is critical to the consolidated financial statement integrity. *Refer to note 3 to the consolidated financial statements which contains the material accounting policy relating to revenue from contract with customers; note 4 which contains the disclosure of significant accounting judgments, estimates and assumptions relating to Revenue Recognition – Principal vs. Agent; and note 18 which contains disclosure of revenue*	• We obtained an understanding of the Group's policies, procedures, and controls related to revenue recognition. • We assessed management's application of IFRS 15 - Revenue from Contracts with Customers, including the identification of performance obligations and timing of revenue recognition. • We evaluated whether the Group acts as a principal or agent for Tameeni and Treza revenue streams by; o Reviewing the contractual agreements to determine whether the Group has control over the services provided before transfer to the customer o Assessing the pricing discretion, inventory risk, and fulfillment responsibilities to determine gross vs. net revenue recognition. • We recalculated revenue for each significant stream based on agreed commission rates. • We performed cut-off testing at year-end to confirm that revenue was recognized in the appropriate period. • We performed trend analysis and comparisons with historical data to identify unusual revenue patterns • We recomputed the recoverable costs as per the underlying agreements • We assessed the adequacy of disclosures in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Rasan Information Technology Company
(A Saudi Joint Stock Company) (Continued)

Key Audit Matters (Continued)

Key audit matter	How our audit addressed the key audit matter
Development cost The Group capitalized development costs amounting to SR 27.5 million. The Group capitalizes development costs for projects as intangible assets as per criteria mentioned in Note 3 to the consolidated financial statements. When determining the capitalized amount, management applies judgment regarding the expected future cash flows from the project and the anticipated period of economic benefit. *Refer to note 3 to the consolidated financial statements which contains the material accounting policy relating to research and development costs; note 4 which contains the disclosure of significant accounting judgments, estimates and assumptions relating to development costs of intangible assets; and note 10 which contains disclosure of intangible assets.*	• We reviewed the underlying data used in computing capitalized development costs, including payroll reports and the annual capitalized costs for a sample of developers. • We evaluated and challenged management's assumptions applied in the capitalization of development costs to ensure compliance with IAS 38 – Intangible Asset. • We examined the nature of development costs for selected samples to confirm that only directly attributable expenses were capitalized. • We assessed the development costs incurred during the year by reviewing supporting documentation and discussions with senior technical and financial management to evaluate management's assumptions regarding future cash flows from the related projects. • We reviewed the product roadmaps to gain an understanding of the development work completed during the year and planned activities for the next period, ensuring alignment with the Group's key projects. • We verified the mathematical accuracy of capitalized costs by reviewing calculations and assessing the impact of any reduction (haircut) percentage applied to non-capitalizable development time. • We agreed capitalized costs to the trial balance to ensure the completeness and accuracy of the recorded amounts for the selected sample. • We assessed the adequacy of disclosures in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Rasan Information Technology Company
(A Saudi Joint Stock Company) (Continued)

Other information included in The Group's 2024 Annual Report

Other information consists of the information included in the Group's 2024 annual report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information in its annual report. The Group's 2024 annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Rasan Information Technology Company
(A Saudi Joint Stock Company) (Continued)

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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, actions taken to eliminate threats or safeguards applied.

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INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Rasan Information Technology Company
(A Saudi Joint Stock Company) (Continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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 Ernst & Young Professional Services

Abdulaziz S. Alarifi
Certified Public Accountant
License No. (572)

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CR.1010383821
شركة إرنست ويونغ للخدمات المهنية
(مهنية ذات مسؤولية محدودة)
Ernst & Young Professional Services
(Professional LLC)

Riyadh: 5 Ramadan 1446H
(5 March 2025)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

	Note	***2024 SR***	*2023 SR*
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	**451,030,258**	116,490,434
Restricted cash	6	**22,469,854**	34,317,325
Trade receivables, prepayments and other assets	7	**351,215,797**	37,177,187
Amount due from related parties	8	**26,548,734**	66,795,386
TOTAL CURRENT ASSETS		**851,264,643**	254,780,332
NON-CURRENT ASSETS			
Property and equipment	9	**16,047,347**	16,736,036
Intangible assets	10	**60,028,654**	40,576,208
Right-of-use assets	11	**4,194,322**	4,845,109
Deferred tax asset	13	**308,025**	250,000
TOTAL NON-CURRENT ASSETS		**80,578,348**	62,407,353
TOTAL ASSETS		**931,842,991**	317,187,685
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Trade and other payables	12	**484,465,766**	177,191,083
Amounts due to related parties	8	**2,899,537**	2,580,077
Lease liability – current	11	**1,827,421**	1,539,486
Zakat and income tax payable	13	**15,720,194**	5,542,716
TOTAL CURRENT LIABILITIES		**504,912,918**	186,853,362
NON-CURRENT LIABILITIES			
Employees' defined benefits liabilities	14	**10,007,218**	6,982,412
Lease liability – non current	11	**2,027,220**	2,358,259
TOTAL NON-CURRENT LIABILITIES		**12,034,438**	9,340,671
TOTAL LIABILITIES		**516,947,356**	196,194,033
SHAREHOLDERS' EQUITY			
Share capital	15	**75,800,000**	70,500,000
Share Premium		**188,444,330**	-
Statutory reserve	16	**6,444,542**	4,254,385
Retained earnings		**142,729,873**	47,670,630
Actuarial valuation reserve	14	**(2,710,844)**	(1,702,394)
Currency translation reserve		**4,187,734**	271,031
TOTAL SHAREHOLDERS' EQUITY		**414,895,635**	120,993,652
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**931,842,991**	317,187,685

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	Yazeed Alhayyaf	
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Chief Executive Officer	**Chief Financial Officer**	**Chairman of Board**
Moayad Abdullah AlFallaj	Yazeed Hussam Alhayyaf	Majed Abdullah Albawardi

The attached notes 1 to 32 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2024

	Note	***2024*** ***SR***	*2023* *SR*
Revenue from contract with customers	18	**358,329,900**	256,234,155
Cost of revenue	19	**(120,187,679)**	(107,837,762)
GROSS PROFIT		**238,142,221**	148,396,393
General and administrative expenses	20	**(92,329,463)**	(79,636,517)
Marketing expenses	21	**(46,964,908)**	(18,227,721)
OPERATING PROFIT		**98,847,850**	50,532,155
Finance costs	22	**(522,649)**	(321,684)
Other income	23	**12,064,540**	1,034,571
INCOME BEFORE ZAKAT AND INCOME TAX		**110,389,741**	51,245,042
Zakat	13	**(12,912,301)**	(3,770,720)
Income tax, net	13	**(2,749,643)**	(1,521,996)
NET INCOME FOR THE YEAR		**94,727,797**	45,952,326
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**3,916,703**	500,883
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:			
Re-measurements of employees' defined benefit liabilities	14	**(1,008,450)**	(1,702,394)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**97,636,050**	44,750,815
Earnings per share			
Earnings per share attributable to ordinary equity holders of the Company (basic and diluted)	17	**1.29**	0.65

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Chief Executive Officer
Moayad Abdullah AlFallaj

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Yazeed Alhayyaf
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Chief Financial Officer
Yazeed Hussam Alhayyaf

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Chairman of Board
Majed Abdullah Albawardi

The attached notes 1 to 32 form an integral part of these consolidated financial statements.

Rasan Information Technology Company and its Subsidiaries
(A Saudi Joint Stock Company)

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

	Share capital SR	*Share premium SR*	*Statutory reserve SR*	*Retained earnings SR*	*Actuarial valuation reserve SR*	*Currency translation reserve SR*	*Total shareholders' equity SR*
As at 1 January 2023	25,500,000	-	7,680,000	41,520,693	-	(229,852)	74,470,841
Capital increase (note 15)	45,000,000	-	(7,650,000)	(37,350,000)	-	-	-
Net income for the year	-	-	-	45,952,326		-	45,952,326
Other comprehensive (losses)/ income	-	-	-	-	(1,702,394)	500,883	(1,201,511)
Total comprehensive income for the year	-	-	-	45,952,326	(1,702,394)	500,883	44,750,815
Income tax reimbursed by non-Saudi shareholder (note 8)	-	-	-	1,771,996	-	-	1,771,996
Transfer to statutory reserve (note 16)	-	-	4,224,385	(4,224,385)	-	-	-
Balance at 31 December 2023	70,500,000	-	4,254,385	47,670,630	(1,702,394)	271,031	120,993,652
Net income for the year	**-**	**-**	**-**	**94,727,797**	**-**	**-**	**94,727,797**
Other comprehensive (losses)/ income	**-**	**-**	**-**	**-**	**(1,008,450)**	**3,916,703**	**2,908,253**
Total comprehensive income for the year	**-**	**-**	**-**	**94,727,797**	**(1,008,450)**	**3,916,703**	**97,636,050**
Issue of share capital (note 15)	**5,300,000**	**190,800,000**	**-**	**-**	**-**	**-**	**196,100,000**
Transaction cost related to issue of share capital (note 15)	**-**	**(6,040,452)**	**-**	**-**	**-**	**-**	**(6,040,452)**
Contribution from founding shareholders (note 8)	**-**	**3,684,782**	**-**	**-**	**-**	**-**	**3,684,782**
Income tax reimbursed by non-Saudi shareholder (note 8)	**-**	**-**	**-**	**2,521,603**	**-**	**-**	**2,521,603**
Transfer to statutory reserve (note 16)	**-**	**-**	**2,190,157**	**(2,190,157)**	**-**	**-**	**-**
Balance at 31 December 2024	**75,800,000**	**188,444,330**	**6,444,542**	**142,729,873**	**(2,710,844)**	**4,187,734**	**414,895,635**

Chief Executive Officer
Moayad Abdullah AlFallaj

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Chief Financial Officer
Yazeed Hussam Alhayyaf

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Chairman of Board
Majed Abdullah Albawardi

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The attached notes 1 to 32 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2024

	Note	*2024* *SR*	*2023* *SR*
OPERATING ACTIVITIES			
Income before zakat and income tax		**110,389,741**	51,245,042
Adjustments to reconcile income before zakat and income tax to net cash flows from operating activities:			
Depreciation of property and equipment	9	**4,057,848**	2,895,096
Amortization of intangible assets	10	**8,047,776**	7,945,960
Write-off of intangible assets	10	**-**	235,403
Depreciation of right-of-use assets	11	**2,628,975**	2,260,581
Loss on derecognition of leased asset		**-**	5,531
Interest on call deposits	23	**(4,653,989)**	(518,379)
Interest on short term deposits	23	**(5,609,953)**	-
Provision for expected credit losses on trade and other receivables	7	**2,668,245**	2,168,038
Write-off of amount due from a related party	8	**-**	8,461,961
Provision for expected credit losses on amount due from related party	8	**8,762,412**	-
Provision for employees' defined benefits liabilities	14	**2,442,689**	2,224,757
Finance costs on lease liability	11	**270,776**	273,559
Operating cash flows before working capital changes		**129,004,520**	77,197,549
Working capital changes:			
Trade receivables, prepayments and other current assets		**(314,231,946)**	(24,290,755)
Restricted cash related to payment gateways	6	**11,847,471**	(34,317,325)
Amounts due from related parties		**34,005,843**	(73,485,351)
Trade and other payables		**307,274,683**	135,638,533
Amounts due to related parties		**319,461**	(4,625,040)
Cash from operating activities		**168,220,032**	76,117,611
Zakat paid	13	**(3,770,495)**	(3,305,316)
Income tax paid	13	**(1,771,996)**	-
Finance costs paid on lease liabilities		**(270,776)**	(273,559)
Interest received on short term deposits		**3,135,044**	-
Employees' defined benefits paid	14	**(426,333)**	(776,944)
Net cash from operating activities		**165,115,476**	71,761,792
INVESTING ACTIVITIES			
Purchase of property and equipment	9	**(3,581,962)**	(11,247,227)
Interest received on call deposits	23	**4,653,989**	518,379
Additions to intangible assets	10	**(27,500,222)**	(19,833,950)
Net cash used in investing activities		**(26,428,195)**	(30,562,798)
FINANCING ACTIVITIES			
Proceeds from issue of share capital through IPO, net of transaction cost		**193,744,330**	-
Lease liability paid		**(1,862,019)**	(2,904,610)
Net cash from (used in) financing activities		**191,882,311**	(2,904,610)
INCREASE IN CASH AND CASH EQUIVALENTS		**330,569,592**	38,294,384
Currency translation adjustments		**3,970,232**	798,708
Cash and cash equivalents at the beginning of the year		**116,490,434**	77,397,342
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5	**451,030,258**	116,490,434
Significant non-cash transactions:			
Addition to right-of-use assets and lease liability	11	**1,817,398**	3,507,066

Chief Executive Officer	**Chief Financial Officer**	**Chairman of Board**
Moayad Abdullah AlFallaj	Yazeed Hussam Alhayyaf	Majed Abdullah Albawardi

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The attached notes 1 to 32 form an integral part of these consolidated financial statements.

1 ORGANIZATION AND ACTIVITIES

Rasan Information Technology (the "Company" or the "Parent Company") is a joint stock registered in the Kingdom of Saudi Arabia ("KSA") under commercial registration number 1010476663 dated 5 Sha'ban 1437H (corresponding to 12 May 2016). The Company's head office is located at Riyadh and its registered address is building No. 3413, Al Thumama Road, Qurtubah, Riyadh, Saudi Arabia, 13248.

The Company is engaged in online wholesale, electronic publishing, ready software publishing, systems analysis, design and customization of program software's, software maintenance and web page design, setting up of web page hosting infrastructure, providing SMS design and website design.

Currently, the Company is engaged in providing insurance aggregator, online auto auction and online leasing insurance services. The disaggregation of revenue by product is presented in the note 18.

On 1 November 2022, the shareholders of the Company decided to go for an Initial Public Offering (IPO).

On 25 March 2024, the Capital Market Authority (CMA) Board approved the Company's application for the registration and offering (both primary and secondary) of 22,740,000 shares, representing 30% of the Company's share capital post-listing on the Saudi Stock Exchange (Tadawul).

On 5 May 2024, the Company announced its intention to proceed with the initial public offering (IPO) and listing of its ordinary shares by issuing 5,300,000 new shares. The allotment of shares to new shareholders was completed on 4 June 2024, and the Company's ordinary shares began trading on the Saudi Stock Exchange (Tadawul) on 13 June 2024. The shareholdings pre and post offering are as follows:

Shareholders	*Pre-Offering*			*Post-Offering*		
	No. of shares	*Ownership (%)*	*Nominal Value SR*	*No. of shares*	*Ownership (%)*	*Nominal Value SR*
Founding Shareholders	70,500,000	100%	70,500,000	53,060,000	70%	53,060,000
Public	-	-	-	22,740,000	30%	22,740,000
	70,500,000	100%	70,500,000	75,800,000	100%	75,800,000

1 ORGANIZATION AND ACTIVITIES (continued)

The consolidated financial statements include the financial statements of the Company and its controlled subsidiaries (collectively with the Company referred to as the "Group") listed below:

Subsidiary	*Country of incorporation*	*Nature of business*	*Direct and indirect ownership %*	
			2024	*2023*
Rasan Software House LLC	UAE	Computer systems & communication equipment software design.	**100%**	100%
Rasan LLC	Egypt	Analysis and design of programs, databases and applications and all related services.	**100%** (*)	100% (*)
Awal Mozawadah Information Technology LLC	KSA	The company is engaged in vehicle's auctions, towing and storage.	**100%**	100%
Tameeni Electronic Insurance Brokerage Company	KSA	Electronic insurance brokerage.	**100%**	100%
Treza LLC	KSA	Design and program special software, interface design & user experience and application development.	**100%**	100%

(*) 1% of the shareholding in Rasan LLC – Egypt, is held by Mr. Muaiyad Abdullah Suliman Alfallaj (shareholder in the Company) in the beneficial interest of the Company.

- Rasan Software House LLC is a limited liability company registered under the United Arab Emirates ("UAE") Federal Law No. 2 of 2015 (UAE Companies Law), Dubai, UAE with registration number 779139 issued on 26 March 2020 by the Department of Economic Development – Government of Dubai. The registered address of the company is office 1102, Midas REF Limited, Business Bay, Dubai, UAE.

- Rasan LLC is a limited liability company registered under the Egyptian Law No. 159 of 1981 (Egyptian Companies Law), Cairo, Arab Republic of Egypt ("Egypt") with registration number 137619 issued on 18 July 2020 by Ministry of Supply & Internal Trading – Egypt. The registered address of the company is ground floor, Concord, Building 334 90th South Street, 5th Settlement, New Cairo.

- Awal Mozawadah Information Technology LLC is a limited liability company registered in Kingdom of Saudi Arabia under commercial registration number 1010627669 issued on 24 Jumad Thani 1441H (corresponding to 18 February 2020). The registered address of the company is building No. 3413, Al Thumama Road, Qurtubah, Riyadh, Saudi Arabia, 13248.

- Tamini Electronic Insurance Brokerage Company is a limited liability company registered in Kingdom of Saudi Arabia under commercial registration number 1010838913 issued on 12 Rabi Al-Thani 1444H (corresponding to 6 November 2022). The registered address of the company is 1st Floor, Argan Building, Al Thumamah Road, Al Munisiayah Dist, Riyadh, Saudi Arabia, 13249.

- Treza LLC is a limited liability company registered in Kingdom of Saudi Arabia under commercial registration number 1010867990 issued on 21 Rajab 1444H (corresponding to 13 March 2023). The registered address of the company is 1st Floor, Argan Building, Al Thumamah Road, Al Munisiayah Dist, Riyadh, Saudi Arabia, 13249.

2 BASIS OF PREPARATION

Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia ("KSA") and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") (collectively referred to as "IFRS Accounting Standards as endorsed in KSA").

Accounting convention

These consolidated financial statements have been prepared on a historical cost basis except for the employees' defined benefit liabilities, which are measured at the present value of the liability using projected unit credit methodology.

Functional and presentation currency

These consolidated financial statements are presented in Saudi Arabian Riyals ("SR"), which is also the Company's functional currency.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its controlled subsidiaries set out in note 1 above and are prepared for the same reporting period as the Parent Company, using consistent accounting policies.

Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

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

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

a) The contractual arrangement(s) with the other vote holders of the investee
b) Rights arising from other contractual arrangements
c) The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The following is the summary of material accounting policies applied by the Group in preparing its consolidated financial statements:

Current versus non-current classification
The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Fair value measurement
The Group measures financial instruments at fair value at each reporting date.

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

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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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 Group 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.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

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

The Group determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement.

At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Group also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For fair value disclosures, the Group has determined classes of assets and liabilities based on the nature, characteristics and risks of an asset or a liability and level of the fair value hierarchy as explained above.

Revenue from contract with customers
The Group provides aggregator services related to motor & health insurance and online auto auction. Furthermore, the group provides an online leasing platform to banks, and also involved in developing insurance analytics software R Solutions that allows it's customers to perform insurance analytics. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. For its insurance aggregator services, the Group has determined that it acts as an agent in such arrangements.

The Group uses the five-step model of revenue recognition as described in IFRS 15 - Revenue from Contracts with Customers. In particular, the Group has the following policies with respect to identification of performance obligations, allocation of the transaction price and recognition of revenue allocated to each performance obligation.

Identification of performance obligations:
At the inception of each contract entered into with a customer, the Group identifies the various goods promised in the contract and assesses whether the same are 'distinct' and, hence, are separate performance obligations. Goods promised to be transferred to the customer are deemed to be distinct when the customer can benefit from the goods either on its own or together with other resources that are readily available to the customer and the Group's promise to transfer the goods to the customer is separately identifiable from other promises in the contract.

Allocation of the transaction price:
The Group determines the transaction price in accordance with the requirements of IFRS 15 and allocates it to each of the performance obligations identified in the contract based on the relative stand-alone selling prices of the services (whether directly observable or estimated).

Recognition of revenue allocated to each performance obligation:
The Group recognizes its sale at the time of issuing the invoice.

Variable consideration
If the consideration promised in a contract includes a variable amount, the Group will adjust at the year end the amount of consideration to which the Group is entitled in exchange for transferring the promised services to a customer.

Other income
Other income is recognized in the consolidated statement of comprehensive income as and when earned.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Zakat and tax

Zakat
The Company and its KSA subsidiaries are subject to zakat in accordance with the regulations of the Zakat, Tax and Customs Authority ("ZATCA"). Zakat is provided on an accrual basis and charged to the consolidated statement of profit or loss. The zakat charge is computed on the higher of zakat base or adjusted net income. Any difference in the estimate is recorded when the final assessment is approved.

Income tax
Non-Saudi based founding owners of the Group in KSA are subject to corporate income tax in KSA based on their share of the results, which is included as a current period expense in the statement of profit or loss and other comprehensive income. Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the relevant tax authorities. The tax rates and tax laws used to compute the amount of corporate income taxes due are those that are enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the Company's tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current income tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax is recognized in the statement of profit or loss and other comprehensive income. Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, except for deferred tax assets which are only recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date.

Value added tax
Revenues, expenses and assets are recognized net of the amount of value added tax ("VAT"), except:
- Where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority in which case, the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- Receivables and payables are stated with the amount of VAT included

The net amount of VAT recoverable from, or payable to ZATCA is included as part of receivables or payables in the consolidated statement of financial position.

Foreign currencies
The Group's consolidated financial statements are presented in Saudi Riyals, which is also the Parent Company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

i) Transactions and balances
Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on the items whose fair value gain or loss is recognized in other comprehensive income or profit or loss are also recognized in other comprehensive income or profit or loss, respectively).

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Foreign currencies (continued)

i) Transactions and balances (continued)
In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

ii) Group companies
On consolidation, the assets and liabilities of foreign operations are translated into Saudi Riyals at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at average exchange rate during the period. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Property and equipment
Property and equipment are stated at cost less accumulated depreciation. The cost less estimated residual value of property and equipment is depreciated on a straight-line basis over the estimated useful lives of the assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to consolidated statement of comprehensive income during the reporting period in which they are incurred.

The estimated useful lives of the property and equipment for the calculation of depreciation are as follow:

	Useful life (in years)
Computers	4
Equipment	5
Furniture and Fixtures	6
Vehicles	5
Servers and network	5

The residual values, useful lives and methods of depreciation of property and equipment are reviewed at each financial year end and adjusted prospectively, as necessary.

Carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use. The excess of carrying value over the estimated recoverable amount is charged to the consolidated statement of comprehensive income.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between net sales proceeds and the carrying amount of the asset and is recognized in the consolidated statement of comprehensive income when the asset is derecognized.

Capital work in progress is stated at cost less impairment loss, if any and consists of expenditures incurred and advances made in the course of installation. Transfers are made to relevant asset category as and when assets are available for intended use.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Intangible assets
Intangible assets are stated at cost less accumulated amortization and write off. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is charged to the profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

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

The amortization expense on intangible assets with finite lives is recognized in the consolidated statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

The cost of the intangible asset is the purchase price together with any incidental expenses of acquisition and staff cost incurred on development of internally generated intangibles. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of intangible assets and the benefits can be measured reliably. All other expenditure is recognized in the consolidated statement of comprehensive income as an expense is incurred.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the consolidated statement of comprehensive income.

Research and development costs
Research costs are expensed as incurred. Development expenditures on an individual project are recognized as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- Its intention to complete and its ability and intention to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset; and
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization, accumulated impairment losses and write-off. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. Amortization is recorded in cost of sales and general and administrative expenses. During the period of development, the asset is tested for impairment annually.

On 1 April 2024, the management conducted a comprehensive review to reassess the useful life of intangible assets, taking into account economic, operational, performance, and other relevant factors. Based on this analysis, it was concluded that the useful life of the intangible assets was changed from 5 years to 7 years starting from 1 April 2024. The amortization charge for the year is calculated on a straight-line basis after taking into account the residual value, if any. The residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Building 2 to 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in- substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group’s lease liabilities are disclosed in consolidated statement of financial position.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low- value assets are recognized as expense on a straight-line basis over the lease term.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

i) Financial assets

Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVPL").

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flow that are not SPPI are classified and measured at fair value through profit or loss, irrespective of business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with an objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Trade receivables
A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:
- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost (debt instruments)
Financial assets at amortized cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost includes trade receivables and amounts due from related parties.

Financial assets at fair value through OCI (debt instruments)
For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the consolidated statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Group does not have any financial assets at fair value through OCI.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

i) Financial assets (continued)

Financial assets designated at fair value through OCI (equity instruments)
Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 - Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by- instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the consolidated statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group does not have any such financial assets in current year and prior years.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in the profit or loss.

The Group does not have any such financial assets in current year and prior years.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; or either (a) the Group has transferred substantially all the risks and rewards of the asset; or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case,

The Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment
The Group recognizes an allowance for expected credit losses (ECLs) for trade receivables and cash and cash equivalents. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group uses minimal PD's and LGD's to calculate ECLs for trade receivables.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

ii) Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities includes trade payables, accruals, amounts due to related parties and lease liabilities.

Subsequent measurement
For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (loans and borrowings)

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the consolidated statement of comprehensive income.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortized cost (loans and borrowings)
This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the consolidated statement of comprehensive income when the liabilities are derecognized as well as through the EIR amortisation process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of comprehensive income.

The Group has no loans and borrowings in the current and comparative financial year.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of profit or loss.

iii) Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Impairment of non-financial assets
The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit ("CGU") fair value less costs of disposal and its value in use.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Impairment of non-financial assets (continued)
The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared at Group level, which is considered as a CGU. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to projected future cash flows after the fifth year.

Impairment losses are recognized in the consolidated statement of comprehensive income in expense categories consistent with the function of the impaired asset.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Cash and cash equivalents
Cash and cash equivalents in the statement of financial position comprise cash at banks, cash in hand and short term deposits with maturity period of three months.

Restricted cash
The restricted cash comprises the proceeds of gross insurance premiums from the customers. These funds are held in an escrow bank account managed by a payment gateway provider. These are presented separately from cash and cash equivalents and cash as the Group has contractual agreement with the insurance companies to keep the proceeds from gross premium in separate bank accounts.

Provisions
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Employees' defined benefit liabilities
The Group primarily has end of service benefits which qualify employees' defined benefit obligation ("DBO"). The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Re-measurements, comprising of actuarial gains and losses, are recognized immediately in the consolidated statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Employees' defined benefit liabilities (continued)
Re-measurements recognized in other comprehensive income are reflected in retained earnings as other reserves and will not be reclassified to consolidated statement of comprehensive income in subsequent periods. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service costs. Interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- interest expense; and
- re-measurements.

The Group presents the first two components of defined benefit costs in profit or loss in relevant line items and the last component in other comprehensive income.

Short-term employee benefits
A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and air tickets that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. The liability is recorded at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Earnings per share (EPS)
Basic and diluted EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Segment reporting
A segment is a distinguishable component of the Group that is engaged in providing products or services (a business segment), which is subject to risks and rewards that are different from those of other segments.

Dividend
The Company recognizes a liability to pay a dividend when the distribution is authorized, and the distribution is no longer at the discretion of the Company. A distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

4 SIGNIFICANT ACCOUNTING JUDGMENT, ESTIMATES AND ASSUMPTIONS

The preparation of Group's consolidated financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future. These estimates and assumptions are based upon experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised or in the revision period and future periods if the changed estimates affect both current and future periods.

Judgements
In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the consolidated financial statements:

Determining the lease term of contracts with renewal and termination options – Group as lessee
The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease.

4 SIGNIFICANT ACCOUNTING JUDGMENT, ESTIMATES AND ASSUMPTIONS (continued)

Determining the lease term of contracts with renewal and termination options – Group as lessee (continued)
That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

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

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

Provision for expected credit losses of trade receivables
The Group uses minimal PD's and LGD's to calculate ECLs for trade receivables. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year, which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the provision for ECLs on the Group's trade receivables is disclosed in note 7.

Provision for expected credit losses of cash and cash equivalents
Provision for expected credit losses for the cash and cash equivalents is based on the international credit rating of the counterparty.

Useful lives and residual values of property and equipment and intangible assets
The Group's management determines the estimated useful lives and residual values of its property and equipment and intangible assets for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the useful lives annually, and the depreciation and amortisation method to make sure that the depreciation method and period are consistent with the expected pattern of the assets' economic benefits. Residual value is determined based on experience and observable data where available.

On 1 April 2024, the management conducted a comprehensive review to reassess the useful life of intangible assets, taking into account economic, operational, performance, and other relevant factors. Based on this analysis, it was concluded that the useful life of the intangible assets was longer than previously estimated due to a change in the consumption pattern of the future economic benefits embodied in the assets. Consequently, management decided to extend (treated as a change in accounting estimates) the useful life of all classes of intangible assets from 5 years to 7 years starting from 1 April 2024. This change resulted in a decrease in amortization expense amounting to SR 2.8 million for the period 1 April 2024 to 31 December 2024.

4 SIGNIFICANT ACCOUNTING JUDGMENT, ESTIMATES AND ASSUMPTIONS (continued)

Defined benefit plans (employees' end of service benefits)
The cost of defined benefit plans and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions, which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and, mortality rates.

Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The most sensitive parameters are discount rate and future salary increases. In determining the appropriate discount rate, management considers the market yield on high quality corporate bonds. Future salary increases are based on the expected future inflation rates, seniority, promotion, demand and supply in the employment market.

The mortality rate is based on publicly available local mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Further details about employees' end of service benefits are provided in note 14.

Development costs of intangible assets
The Group capitalises costs for product development projects. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project and the expected period of benefits.

Leases - Estimating the incremental borrowing rate
The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Revenue Recognition – Principal vs. Agent
Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has assessed its revenue arrangements against specific criteria in order to determine if it is acting as a principal or agent and has concluded that it is the principal in its revenue arrangements because it is the primary obligator in all revenue arrangements, has pricing latitude, typically controls the goods or services before transferring them to the customer and is exposed to credit risks. For its insurance aggregator services, the Group has determined that it acts as an agent in such arrangements.

5 CASH AND CASH EQUIVALENTS

	2024 ***SR***	*2023* *SR*
Bank balances	**248,002,499**	116,459,912
Cash in hand	**27,759**	30,522
Total bank balances and cash	**248,030,258**	116,490,434
Short term deposit	**203,000,000**	-
Total cash and cash equivalents	**451,030,258**	116,490,434

6 RESTRICTED CASH

The restricted cash comprises the proceeds of gross insurance premiums received from the customers. These funds are held in an escrow bank account managed by a payment gateway provider. The funds are utilized to settle payments to insurance companies after deducting the Group's brokerage commission and recoverable costs. Recoverable costs refer to expenses incurred in facilitating customer transactions, which are later recuperated from the insurance companies.

7 TRADE RECEIVABLES, PREPAYMENTS AND OTHER ASSETS

	2024 ***SR***	*2023* *SR*
Trade and other receivables	**343,117,386**	19,830,301
Less: provision for expected credit losses	**(4,845,164)**	(2,176,919)
	338,272,222	17,653,382
Prepayments	**6,477,812**	6,037,760
Advances to suppliers	**2,962,416**	601,593
Accrued Revenue	**2,474,909**	-
Security deposits	**184,302**	224,157
Deferred IPO listing cost	**-**	5,491,250
VAT receivable - net	**-**	5,413,954
Bank guarantee	**-**	1,500,000
Others	**844,136**	255,091
	351,215,797	37,177,187

It is not the practice of the Group to obtain collateral over receivables and the vast majorities are unsecured.

As at 31 December, movement in the provision for expected credit losses is as follows:

	2024 ***SR***	*2023* *SR*
At the beginning of the year	**2,176,919**	8,881
Provided during the year	**2,668,245**	2,168,038
At the end of the year	**4,845,164**	2,176,919

As at 31 December, the ageing analysis of accounts receivable is as follows:

31 December 2024	***Total SR***	***Current SR***	***1–30 days SR***	***31–60 days SR***	***61–90 days SR***	***> 91 days SR***
Expected credit losses rate	**1.41%**	**0.72%**	**0.77%**	**0.50%**	**3.48%**	**10.12%**
Gross carrying amount	**343,117,386**	**108,557,429**	**100,627,375**	**76,707,911**	**43,348,833**	**13,875,838**
Expected credit losses	**4,845,164**	**779,200**	**770,608**	**382,721**	**1,508,711**	**1,403,924**

31 December 2023	*Total SR*	*Current SR*	*1–30 days SR*	*31–60 days SR*	*61–90 days SR*	*> 91 days SR*
Expected credit losses rate	11%	-	-	-	-	84%
Gross carrying amount	19,830,301	5,879,378	3,264,123	4,975,262	3,113,003	2,598,535
Expected credit losses	2,176,919	-	-	-	-	2,176,919

8 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent shareholders (note 15), directors, and key management personnel of the Group and entities controlled or significantly influenced by such parties. Following is the list of related parties of the Group:

Name of related parties	*Nature of relationship*
Samer Mohamad Reslan	Non-Saudi founding shareholder
Insurance House Company ("IHC")	Related party to shareholders
Abuhimed Alsheikh Alhagbani Law Firm (AS&H)	Related party to shareholders
Thiqah Business Services (Watheq)	Related party to shareholders
Arabian Company for Traveller Services	Related party to shareholders

(a) Related party transactions during the year are as follows:

		Amount of transaction	
		2024	*2023*
Related party	***Nature of transaction***	***SR***	*SR*
Insurance House Company (IHC)	Revenue	**43,816,487**	145,363,384
	Collection against the revenue	**(38,981,946)**	(91,645,937)
	Netting off against Payable	**(10,592,839)**	-
	Expenses paid by IHC on behalf of the Group	**-**	(2,198,033)
	Write off of amount due from IHC	**-**	(8,461,961)
	Provision for expected credit losses	**(8,762,412)**	-
	Refunds	**-**	(300,000)
Abuhimed Alsheikh Alhagbani Law Firm (AS&H)	Legal expenses incurred by the Parent Company	**-**	1,036,106
	Payments	**(377,783)**	-
Thiqah Business Services (Watheq)	Data validation cost incurred by the Parent Company	**4,598,171**	4,603,821
	Payments	**(4,164,452)**	-
Arabian Company for Traveller Services	Travel expenses incurred by the Parent Company	**21,641**	785,715
	Payments	**-**	(785,715)
Founding Shareholders	IPO recoverable cost (note 4)	**3,167,242**	28,247,545
	Collection during the year	**(35,341,452)**	-
	Contribution from founding shareholders	**3,684,782**	-
Samer Mohamad Reslan	Income tax receivable (note 13.4)	**2,521,603**	1,771,996

(b) Amounts due from related parties:

	2024	*2023*
	SR	*SR*
Insurance House Company, net	**22,255,135**	36,775,845
Income tax receivable from a non-saudi shareholder (note 13.4)	**4,293,599**	1,771,996
Founding shareholders	**-**	28,247,545
	26,548,734	66,795,386

8 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(c) Amounts due to related parties:

	2024 ***SR***	*2023* *SR*
Thiqah Business Services (Watheq)	**2,636,013**	2,202,294
Founding shareholders	**241,883**	-
Arabian Company for Traveller Services	**21,641**	-
Abuhimed Alsheikh Alhagbani Law Firm (AS&H)	**-**	377,783
	2,899,537	2,580,077

(d) Compensation of key management personnel:

	2024 ***SR***	*2023* *SR*
Short term benefits	**4,889,924**	5,291,520
End of service benefits	**342,295**	370,406
	5,232,219	5,661,926

Pricing policies and terms of payments of transactions with related parties are approved by the management.

9 PROPERTY AND EQUIPMENT

	Computers SR	*Equipment SR*	*Furniture and fixture SR*	*Vehicles SR*	*Servers and network SR*	*Work in progress SR*	*Total 2024 SR*
Cost:							
At 1 January 2024	**3,020,110**	**760,281**	**5,878,985**	**153,945**	**11,708,462**	**1,595,167**	**23,116,950**
Additions during the year	**617,031**	**191,913**	**78,948**	**-**	**2,484,742**	**209,328**	**3,581,962**
Transfer during the year	**-**	**-**	**-**	**-**	**786,798**	**(786,798)**	**-**
Exchange rate difference	**(365,066)**	**(21,868)**	**62,730**	**211**	**(144,962)**	**-**	**(468,955)**
At 31 December 2024	**3,272,075**	**930,326**	**6,020,663**	**154,156**	**14,835,040**	**1,017,697**	**26,229,957**
Depreciation:							
At 1 January 2024	**1,344,863**	**269,615**	**1,382,278**	**82,104**	**3,302,054**	**-**	**6,380,914**
Charge for the year	**617,121**	**162,822**	**967,184**	**30,807**	**2,279,914**	**-**	**4,057,848**
Exchange rate difference	**(136,895)**	**(8,357)**	**(99,193)**	**137**	**(11,844)**	**-**	**(256,152)**
At 31 December 2024	**1,825,089**	**424,080**	**2,250,269**	**113,048**	**5,570,124**	**-**	**10,182,610**
Net carrying amount:							
At 31 December 2024	**1,446,986**	**506,246**	**3,770,394**	**41,108**	**9,264,916**	**1,017,697**	**16,047,347**

9 PROPERTY AND EQUIPMENT (continued)

	Computers *SR*	*Equipment* *SR*	*Furniture and fixture* *SR*	*Vehicles* *SR*	*Servers and network* *SR*	*Work in progress* *SR*	*Total 2023* *SR*
Cost:							
At 1 January 2023	2,115,186	441,303	3,211,906	154,179	5,687,994	514,453	12,125,021
Additions during the year	1,098,903	331,326	2,714,028	-	6,022,256	1,080,714	11,247,227
Exchange rate difference	(193,979)	(12,348)	(46,949)	(234)	(1,788)	-	(255,298)
At 31 December 2023	3,020,110	760,281	5,878,985	153,945	11,708,462	1,595,167	23,116,950
Depreciation:							
At 1 January 2023	875,992	140,952	634,242	51,326	1,900,043	-	3,602,555
Charge for the year	553,462	136,088	772,434	30,784	1,402,328	-	2,895,096
Exchange rate difference	(84,591)	(7,425)	(24,398)	(6)	(317)	-	(116,737)
At 31 December 2023	1,344,863	269,615	1,382,278	82,104	3,302,054	-	6,380,914
Net carrying amount:							
At 31 December 2023	1,675,247	490,666	4,496,707	71,841	8,406,408	1,595,167	16,736,036

The depreciation charge for the year was allocated as follows:

	2024 ***SR***	*2023* *SR*
Cost of revenue (note 19)	**541,311**	170,388
General and administrative expenses (note 20)	**3,516,537**	2,724,708
	4,057,848	2,895,096

10 INTANGIBLE ASSETS

	Tameeni *SR*	*Awal Mazad* *SR*	*Treza IHC lease* *SR*	*Treza direct lease* *SR*	*IT license & software* *SR*	*R Solutions* *SR*	*Warshati* *SR*	*Medical Malpractice* *SR*	*Travel Insurance Tech* *SR*	*Value Added Services (VAS)* *SR*	*Domestic Worker Insurance* *SR*	*Work in progress* *SR*	*Total 2024* *SR*
Cost:													
At 1 January 2024	**37,329,556**	**6,018,190**	**3,941,256**	**3,502,777**	**373,696**	**1,354,106**	**4,138,103**	**1,734,505**	**-**	**-**	**-**	**9,025,855**	**67,418,044**
Transfer	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**701,373**	**248,288**	**626,076**	**(1,575,737)**	**-**
Additions during the year	**9,246,071**	**1,338,523**	**1,848,686**	**1,497,225**	**-**	**357,823**	**551,142**	**921,976**	**827,439**	**546,605**	**1,785,559**	**8,579,173**	**27,500,222**
At 31 December 2024	**46,575,627**	**7,356,713**	**5,789,942**	**5,000,002**	**373,696**	**1,711,929**	**4,689,245**	**2,656,481**	**1,528,812**	**794,893**	**2,411,635**	**16,029,291**	**94,918,266**
Amortization:													
At 1 January 2024	**21,107,535**	**2,922,134**	**1,319,622**	**1,276,130**	**86,456**	**128,342**	**469**	**1,148**	**-**	**-**		**-**	**26,841,836**
Charge for the year	**4,376,367**	**841,102**	**692,522**	**599,419**	**54,625**	**238,476**	**691,697**	**337,751**	**127,259**	**54,637**	**33,921**	**-**	**8,047,776**
At 31 December 2024	**25,483,902**	**3,763,236**	**2,012,144**	**1,875,549**	**141,081**	**366,818**	**692,166**	**338,899**	**127,259**	**54,637**	**33,921**	**-**	**34,889,612**
Net carrying amount:													
At 31 December 2024	**21,091,725**	**3,593,477**	**3,777,798**	**3,124,453**	**232,615**	**1,345,111**	**3,997,079**	**2,317,582**	**1,401,553**	**740,256**	**2,377,714**	**16,029,291**	**60,028,654**

10 INTANGIBLE ASSETS (continued)

	Tameeni SR	*Awal Mazad SR*	*Treza IHC lease SR*	*Treza direct lease SR*	*IT license & software SR*	*R Solutions SR*	*Warshati SR*	*Medical Malpractice SR*	*Work in progress SR*	*Total 2023 SR*
Cost:										
At 1 January 2023	29,743,552	4,489,360	2,580,703	2,474,616	341,638	-	-	-	8,189,628	47,819,497
Transfer	-	-	-	-	-	270,981	3,570,430	899,563	(4,740,974)	-
Write off	-	-	-	-	-	-	-	-	(235,403)	(235,403)
Additions during the year	7,586,004	1,528,830	1,360,553	1,028,161	32,058	1,083,125	567,673	834,942	5,812,604	19,833,950
At 31 December 2023	37,329,556	6,018,190	3,941,256	3,502,777	373,696	1,354,106	4,138,103	1,734,505	9,025,855	67,418,044
Amortization:										
At 1 January 2023	15,672,465	1,864,820	664,261	680,476	13,854	-	-	-	-	18,895,876
Charge for the year	5,435,070	1,057,314	655,361	595,654	72,602	128,342	469	1,148	-	7,945,960
At 31 December 2023	21,107,535	2,922,134	1,319,622	1,276,130	86,456	128,342	469	1,148	-	26,841,836
Net carrying amount:										
At 31 December 2023	16,222,021	3,096,056	2,621,634	2,226,647	287,240	1,225,764	4,137,634	1,733,357	9,025,855	40,576,208

The amortization charge for the year was allocated as follows:

	2024 SR	*2023 SR*
Cost of revenue (note 19)	**7,993,151**	7,873,358
General and administrative expenses (note 20)	**54,625**	72,602
	8,047,776	7,945,960

10 INTANGIBLE ASSETS (continued)

Following is the description of the major intangible assets:

- **Tameeni Motors** - Tameeni is the online insurance aggregator in the Kingdom of Saudi Arabia. Tameeni has made it easier and quicker for customers compare quotations and to buy motor insurance anytime and anywhere. Tameeni is integrated with more than 20 insurance companies.

- **Tameeni SME Health –** Similar to Motors, Tameeni Health is also the online insurance aggregator in the Kingdom of Saudi Arabia, supported by Monsha'at (Small and Medium Enterprises General Authority). Tameeni SME Health platform provides small and medium enterprises with a wider choice and fully automated experience making their life easier in buying health insurance needs for their employees. Tameeni SME Health is integrated with more than 11 insurance companies. Platform also provides easy and simple experience to add or cancel members or even to cancel a policy. The platform offers immediate and systematic upload to Cooperative Health Insurance Council "CCHI"

- **Awal Mazad** - Awal Mazad is the online auto auction platform connecting banks and insurance companies with buyers. Empowered with experienced team and innovative technology, it provides one stop solution for individuals and car traders to buy vehicles from multiple sources such as banks and insurance companies.

- **Treza -** Treza is an online leasing insurance platform, that allows lessors to ensure their leased vehicles by providing them with instant quotes from all Insurance Companies. Treza currently helping 16+ banks/financial institutions in KSA to get quotations and issue policies in a seamless process. Through Treza, every lessor has their own customized Treza platform to fulfil their business needs. The seamless connection that Treza provides with the Insurance Companies eliminates any delay or hassle created by using traditional means for purchasing leasing insurance. Treza also offers auto renew the issued policies as per the defined tenure.

- **R solutions –** The R solutions is designed for data analytics, portfolio performance monitoring and predictive modelling insurance software.

- **Warshati –** Warshati (also known as "my workshop"), it is a concept where customers will be able to generate multiple repair quotations from various registered workshops online. Customers will be able to compare and chose the right option for them through the platform.

- **Medical Malpractice –** This product supports medical malpractice insurance. Medical Malpractice insurance is mandatory for all healthcare professionals practicing in the Kingdom Saudi Arabia. Proof of coverage must be presented upon registration with the Ministry of Health (MOH). This insurance can be obtained through Medical Malpractice in two ways: either on a Group basis, wherein a healthcare facility procures a policy covering all employed practitioners; or on an Individual basis, wherein practitioners secure their own coverage when their employer does not offer this service.

- **Domestic Worker Insurance –** Domestic worker insurance platform provides worker insurance quotation comparison for the sponsoring employers.

- **VAS -** VAS (Value Added Services) is marketplace administration system that defines a set products and services from different suppliers, and give any connected platform (such as Tameeni, Warshati, Awal Mazad etc.) the ability to sell these products and services as add-ons to their main offers. VAS has all market administration features, including the ability to define products along with their primary information and set different prices for them. VAS handles all sales transactions from ordering and reserving goods through tracking the delivery to the consumers.

- **Travel -** Travel insurance is an insurance product for covering unforeseen losses incurred while travelling, either internationally or domestically.

10 INTANGIBLE ASSETS (continued)

Below are some of the major software which are under development as at 31 December 2024 and presented under work in progress:

- **Auto Loan –** It is a new online solution, which will enable customers, showroom sales agents, and bank sales agents to submit auto leasing requests and receive the final approval for loan disbursal digitally, reduce the allocated time and resources, and provide a full-fledged system that can integrate with the existing banking system to submit requests and receive loan approvals. Also, customers will be able to buy cars online without physical presence.

- **Corporate Health Insurance –** The corporate health insurance platform is being developed to streamline corporate health insurance administration processes. It aims to simplify tasks such as requesting quotations, creating contracts, signing agreements, reviewing quotations, and managing policies. This platform will facilitate efficient collaboration among users, brokers, and insurance providers, ultimately enhancing overall workflow efficiency.
- **Claim -** Claims Solution/Platform is being designed for the benefit of the insurance companies, customers, and the workshops to improve the overall claim process experience. The platform will offer an automated efficient way to manage Motor claims throughout the life cycle.

- **Life Insurance -** The new life insurance aggregator platform offered by Tameeni aims to revolutionize the life insurance market in KSA by providing a comprehensive digital platform for individuals to compare, purchase, and manage life insurance policies from multiple insurance providers. The platform initially will offer protection & saving products (child education, child marriage, retirement, investment) later the protection-only products will be supported.

11 RIGHT-OF-USE ASSETS AND LEASE LIABILITY

The Group has lease contracts for offices. The Group's obligations under its leases are unsecured.

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the year:

	2024 ***SR***	*2023* *SR*
At the beginning of the year	**4,845,109**	3,776,155
Additions	**1,817,398**	3,507,066
Derecognition	**-**	(18,648)
Depreciation (note 20)	**(2,628,975)**	(2,260,581)
Exchange rate difference	**160,790**	(158,883)
At the end of the year	**4,194,322**	4,845,109

11 RIGHT-OF-USE ASSETS AND LEASES LIABILITY (continued)

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

	2024 ***SR***	*2023* *SR*
At the beginning of the year	**3,897,745**	3,308,023
Accretion of interest	**270,776**	273,559
Additions	**1,817,398**	3,507,066
Derecognition	**-**	(13,117)
Payments	**(2,132,795)**	(3,178,169)
Exchange rate difference	**1,517**	383
At the end of the year	**3,854,641**	3,897,745
Current	**1,827,421**	1,539,486
Non-current	**2,027,220**	2,358,259
	3,854,641	3,897,745

Below is the maturity analysis of discounted and undiscounted lease liabilities:

For the year ended 31 December 2024	***Total*** ***SR***	***Within 1 year*** ***SR***	***1-3 years*** ***SR***
Lease payments – Gross	**4,147,579**	**2,020,384**	**2,127,195**
Finance costs	**(292,938)**	**(192,963)**	**(99,975)**
Net present value	**3,854,641**	**1,827,421**	**2,027,220**

For the year ended 31 December 2023	*Total* *SR*	*Within 1 year* *SR*	*1-3 years* *SR*
Lease payments – Gross	4,255,797	1,760,447	2,495,350
Finance costs	(358,052)	(220,961)	(137,091)
Net present value	3,897,745	1,539,486	2,358,259

The following are the amounts recognized in consolidated statement of comprehensive income:

	2024 ***SR***	*2023* *SR*
Depreciation expense of right-of-use assets (note 20)	**2,628,975**	2,260,581
Finance costs on lease liabilities (note 22)	**270,776**	273,559
Loss on derecognition	**-**	5,531
Total amount recognized in the consolidated statement of comprehensive income	**2,899,751**	2,539,671

The Group had total cash outflows for leases of SR 2,132,795 in 2024 (2023: SR 3,178,169). The Group also had non-cash additions to right-of-use assets and lease liabilities of SR 1,817,398 in 2024 (2023: SR 3,507,066).

12 TRADE AND OTHER PAYABLES

	2024 *SR*	*2023* *SR*
Trade and other payables	**386,676,621**	113,936,934
Accruals	**94,198,975**	61,130,376
Refundable deposits	**1,690,040**	1,690,702
VAT payable	**1,617,265**	-
Accrued salaries and benefits	**82,590**	133,382
Others	**200,275**	299,689
	484,465,766	177,191,083

Trade and other payables represent amounts payable to ELM, payment gateways and other suppliers, which are typically settled within 30 to 60 days and do not accrue interest. Further, it also includes payable to insurance companies related to Tameeni amounting to SR 44 million and payables related to leasing amounting to SR 290 million.

13 ZAKAT AND INCOME TAX

13.1 Amounts recognized in statement of comprehensive income

	2024 *SR*	*2023* *SR*
Income before zakat and income tax	**110,389,741**	51,245,042
Income before zakat and income tax - attributable to a non-Saudi founding shareholder @ 7.81% (2023: 9.43%) (note 13.1, note 15)	**8,617,910**	4,832,407
Zakat expense:		
Charge for the year	**12,912,301**	3,770,720
	12,912,301	3,770,720
Tax expense:		
Charge for the year (note 13.4)	**2,807,668**	1,771,996
Deferred tax benefit - Current year (note 13.3)	**(58,025)**	(250,000)
	2,749,643	1,521,996
Zakat and income tax expense	**15,661,944**	5,292,716

The principal elements of the zakat base attributable to Saudi shareholders are as follows:

	2024 *SR*	*2023* *SR*
Adjusted Equity	**553,363,977**	128,520,769
Adjusted income chargeable to zakat	**29,201,650**	80,699,198
Provisions and other opening allowances	**(66,073,604)**	(58,391,167)
Zakat base	**516,492,023**	150,828,800
Zakat @ 2.5%	**12,912,301**	3,770,720

13 ZAKAT AND INCOME TAX (continued)

13.2 Zakat and current tax provision during the year

The movement in the zakat and tax provision for the year is as follows:

	Zakat payable SR	***Income tax payable SR***	***Total SR***
31 December 2024			
At 1 January	**3,770,720**	**1,771,996**	**5,542,716**
Charge for the year (13.1)	**12,912,301**	**2,807,668**	**15,719,969**
Payments during the year	**(3,770,495)**	**(1,771,996)**	**(5,542,491)**
At 31 December	**12,912,526**	**2,807,668**	**15,720,194**

	Zakat payable SR	*Income tax payable SR*	*Total SR*
31 December 2023			
At 1 January	3,323,091	-	3,323,091
Charge for the year (13.1)	3,770,720	1,771,996	5,542,716
Payments during the year	(3,305,316)	-	(3,305,316)
Zakat adjustment	(17,775)	-	(17,775)
At 31 December	3,770,720	1,771,996	5,542,716

13.3 Deferred tax

The movement in the deferred tax asset for the year as follows:

	2024 SR	*2023 SR*
At 1 January	**250,000**	-
Deferred tax asset originated during the year	**58,025**	250,000
At 31 December	**308,025**	250,000

Deferred tax relates to the following:

	Statement of financial position	
	2024 SR	*2023 SR*
Property and equipment	**184,219**	142,904
Provision for expected credit losses on trade and other receivables	**63,965**	41,054
Employees' defined benefits liabilities	**59,841**	56,030
Re-measurements of employees' defined benefit liabilities	**-**	10,012
Deferred tax asset	**308,025**	250,000

13 ZAKAT AND INCOME TAX (continued)

13.3 Deferred tax (continued)

	Statement of comprehensive income	
	2024	*2023*
	SR	*SR*
Property and equipment	**41,315**	142,904
Provision for expected credit losses on trade and other receivables	**22,911**	41,054
Employees' defined benefits liabilities	**3,811**	56,030
Re-measurements of employees' defined benefit liabilities	**(10,012)**	10,012
Deferred tax credits during the year	**58,025**	250,000

13.4 Income tax reconciliation

Reconciliation of tax expense and the accounting income multiplied by Kingdom of Saudi Arabia's domestic tax rate for 2024 and 2023 is as follows.

	2024	*2023*
	SR	*SR*
Income before zakat and income tax - attributable to a non-Saudi founding shareholder @ 7.81% (2023: 9.43%) (note 13.1, note 15)	**8,617,910**	4,832,407
Tax adjustments:		
Subsidiaries losses not deductible for tax purposes	**2,671,759**	2,340,331
Items not deductible for tax purposes	**1,318,348**	1,687,244
Adjusted income before zakat and income tax - attributable to a non-Saudi shareholder	**12,608,017**	8,859,982
At the effective income tax rate of 20%	**2,521,603**	1,771,996
Rasan Software House LLC (Subsidiary) corporate income tax at the effective rate of 9%	**286,065**	-
Total income tax	**2,807,668**	1,771,996

Status of assessments

The Group submit zakat return on standalone basis for the Company and its local subsidiaries separately. Below is the status of assessment of the Company and its subsidiaries.

Rasan Information Technology Company

The Company has submitted its Zakat return for all prior years up to 31 December 2023 to Zakat, Tax and Custom Authority ("ZATCA"). Zakat returns up to year ended 31 December 2021 is finalized by ZATCA.

Rasan Software House LLC

The company is yet to submit its first income tax return as the income tax became applicable in United Arab Emirates in 2024.

Awal Mozawadah LLC

The company has submitted its Zakat return for all prior years up to 31 December 2023 to ZATCA. Zakat assessment for all years is yet to be reviewed by ZATCA.

13 ZAKAT AND INCOME TAX (continued)

Status of assessments (continued)

Rasan Egypt
The company has submitted its Tax returns for all prior years up to 31 December 2023 to Egyptian Tax Authority. Tax assessment is yet to be reviewed by Egyptian Tax Authority.

Tamini Electronic Insurance Brokerage Company
The company has submitted its first Zakat and income tax return for the year ended 31 December 2023 to Zakat, Tax and Custom Authority ("ZATCA"). Zakat and income tax assessment for 2023 is yet to be reviewed by ZATCA.

Treza LLC
The company was registered in March 2023 and has not filed Zakat return to ZATCA as at year end 31 December 2024.

14 EMPLOYEES' DEFINED BENEFIT LIABILITIES

A) Net benefit expense recognized in the consolidated statement of comprehensive income:

	2024 ***SR***	*2023* *SR*
Current service cost	**2,442,689**	2,224,757
Re-measurements of employees' defined benefit liabilities	**1,008,450**	1,702,394
	3,451,139	3,927,151

B) Changes in the present value of the defined benefit obligation:

	2024 ***SR***	*2023* *SR*
At the beginning of the year	**6,982,412**	3,832,205
Current service cost	**2,442,689**	2,224,757
Re-measurements of employees' defined benefit liabilities	**1,008,450**	1,702,394
Benefits paid	**(426,333)**	(776,944)
At the end of the year	**10,007,218**	6,982,412

C) Allocation of current service cost

	2024 ***SR***	*2023* *SR*
Cost of sales	**552,661**	290,275
General and administrative expense (note 20)	**1,890,028**	1,934,482
At the end of the year	**2,442,689**	2,224,757

14 EMPLOYEES' DEFINED BENEFIT LIABILITIES (continued)

D) Significant assumptions

	2024 **%**	*2023* %
Discount rate	**5.50**	5.00
Future salary increases	**5.50**	5.00
Death in service	**100% WHO (2019)**	100% WHO (2019)
Withdrawal before normal retirement life	**Age based**	Age based

A quantitative sensitivity analysis for salary change assumption on the defined benefit obligation as at 31 December:

31 December 2024		***Impact on employees' end-of-service benefits***	
Sensitivity level	***Change in assumption***	***Increase in assumption***	***Decrease in assumption***
Discount rate	**1%**	**(997,668)**	**1,227,122**
Future salary increases	**1%**	**1,214,673**	**(1,105,231)**

31 December 2023		*Impact on employees' end-of-service benefits*	
Sensitivity level	*Change in assumption*	*Increase in assumption*	*Decrease in assumption*
Discount rate	1%	(1,097,192)	1,372,269
Future salary increases	1%	1,381,885	(1,122,166)

15 SHARE CAPITAL

Share capital is divided into 75,800,000 shares (31 December 2023: 70,500,000 shares) of SR 1 each, divided among the shareholders as follows:

	31 December 2024		*31 December 2023*	
	Number of shares	***Ownership %***	*Number of Shares*	*Ownership %*
Founding Shareholders	**53,060,000**	**70%**	70,500,000	100%
Public	**22,740,000**	**30%**	-	-
	75,800,000	**100%**	70,500,000	100%

As a result of IPO (Note 1), The Company issued 5,300,000 new shares at an offer price of SR 37. The differential of offer price over the nominal value of SR 1 has been recorded as share premium amounting to SR 190.8 million, after offsetting the issuance cost amounting to SR 6 million.

16 STATUTORY RESERVE

In accordance with the bye-laws, the Company has transferred 10% of the profit for the year to a statutory reserve until such reserve equals 30% of its share capital. This reserve is not available for distribution.

17 EARNINGS PER SHARE

The following table reflects the income and share data used in the basic and diluted EPS calculations:

	2024 ***SR***	*2023* *SR*
Net income for the year	**94,727,797**	45,952,326
Weighted average number of shares for basic and diluted EPS	**73,555,464**	70,500,000
Earnings per share (basic and diluted)	**1.29**	0.65

18 REVENUE FROM CONTRACT WITH CUSTOMERS

Disaggregation of revenue
Below is the disaggregation of revenue by product:

	2024 ***SR***	*2023* *SR*
Tameeni	**245,691,352**	198,832,930
Treza Leasing	**107,610,975**	53,241,665
Awal Mazad	**3,096,828**	3,534,560
R Solutions	**975,000**	625,000
Medical Malpractice	**630,351**	-
Domestic Helper	**250,899**	-
Value Added Services	**39,779**	-
Travel insurance	**32,779**	-
Warshati	**1,937**	-
Total revenue	**358,329,900**	256,234,155

Tameeni gross revenue before discounts amounts to SR 256,189,458 (2023: SR 203,041,568).

Timing of revenue recognition
All revenue is recognized at a point in time.

Performance obligations
The performance obligation is satisfied upon providing services to the customers.

19 COST OF REVENUE

	2024 ***SR***	*2023* *SR*
Data validation and other direct cost	**53,366,822**	55,010,131
Payment gateways and bank charges	**31,188,564**	26,737,356
Employees' salaries and other benefits	**21,720,446**	14,397,909
Amortization of intangible assets (note 10)	**7,993,151**	7,873,358
Communication expenses	**4,824,724**	3,358,345
Employees' defined benefit liabilities (note 14)	**552,661**	290,275
Depreciation of property and equipment (note 9)	**541,311**	170,388
	120,187,679	107,837,762

20 GENERAL AND ADMINISTRATIVE EXPENSES

	2024 ***SR***	*2023* *SR*
Employees' salaries and other benefits	**48,809,699**	44,997,873
IT Licenses, subscriptions and maintenance	**10,211,748**	7,176,728
Provision for expected credit losses on amount due from related party	**8,762,412**	-
Realized Exchange Loss	**6,079,749**	-
Professional and legal fees	**4,114,005**	4,539,322
Depreciation of property and equipment (note 9)	**3,516,537**	2,724,708
Provision for expected credit losses on trade receivables (note 7)	**2,668,245**	2,168,038
Depreciation of right of use assets (note 11)	**2,628,975**	2,260,581
Employees' defined benefit liabilities (note 14)	**1,890,028**	1,934,482
Withholding tax	**1,209,072**	729,870
Utilities and communication	**918,436**	882,370
Rental charges	**329,866**	346,689
Amortization of intangible assets (note 10)	**54,625**	72,602
Write-off of amount due from a related party	**-**	8,461,961
Write-off of intangible assets related to discontinued project (note 10)	**-**	235,403
Other	**1,136,066**	3,105,890
	92,329,463	79,636,517

21 MARKETING EXPENSES

	2024 ***SR***	*2023* *SR*
Advertisement and marketing campaigns	**22,444,071**	-
Advertising on social media	**14,867,283**	7,620,537
Football sponsorships	**8,719,985**	8,986,438
Other marketing campaigns	**933,569**	1,620,746
	46,964,908	18,227,721

22 FINANCE COSTS

	2024 ***SR***	*2023* *SR*
Finance costs on lease liabilities (note 11)	**270,776**	273,559
Other costs	**251,873**	48,125
	522,649	321,684

23 OTHER INCOME

	2024 ***SR***	*2023* *SR*
Interest on short term deposits	**5,609,953**	-
Interest on call deposit	**4,653,989**	518,379
Governmental incentives	**1,382,851**	504,000
Other	**417,747**	12,192
	12,064,540	1,034,571

24 CONTINGENCIES AND COMMITMENTS

As at 31 December 2024, the Group has letter of guarantee amounting to SR nil (31 December 2023: SR 1,500,000). There are no other contingencies and commitments reported as at the date of consolidated statement of financial position except as reported above.

25 FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities, comprise trade and other payables, accruals, amounts due to related parties and lease liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, cash and cash equivalents and due from related parties that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk.

The senior management provides assurance to the Board of Directors that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, price risk and Interest rate risk.

i) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Group is subject to fluctuations in foreign exchange rates in the normal course of its business. The Group did not undertake significant transactions in currencies other than Saudi Riyals therefore the Group's exposure to currency risk is nil.

ii) Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest/ mark up rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. The Group is not exposed to the price risk because Group is not engaged in any commodity market nor it has any investments in equity instruments.

iii) Interest rate risk

Interest rate risk is the risk that value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest rates. The Group is not exposed to interest rate risk as there are no loans with floating interest rates.

b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) other current financial assets and related parties' balances) and from its financing activities, including deposits with banks.

Trade receivables

Customer credit risk is managed according to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed, and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 7. The Group does not hold collateral as security.

25 FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

iii) Interest rate risk (continued)
b) Credit risk (continued)
Trade receivables (continued)

Credit risk from balances with banks and is managed in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the senior management on an annual basis and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

As at 31 December 2024 and 31 December 2023, the credit risk exposure of Group trade receivables is as follows:

31 December 2024	***Total SR***	***Current SR***	***1–30 days SR***	***31–60 days SR***	***61–90 days SR***	***> 91 days SR***
Expected credit losses rate	**1.41%**	**0.72%**	**0.77%**	**0.50%**	**3.48%**	**10.12%**
Gross carrying amount	**343,117,386**	**108,557,429**	**100,627,375**	**76,707,911**	**43,348,833**	**13,875,838**
Expected credit losses	**4,845,164**	**779,200**	**770,608**	**382,721**	**1,508,711**	**1,403,924**

31 December 2023	*Total SR*	*Current SR*	*1–30 days SR*	*31–60 days SR*	*61–90 days SR*	*> 91 days SR*
Expected credit losses rate	11%	0%	0%	0%	0%	84%
Carrying amount	19,830,301	5,879,378	3,264,123	4,975,262	3,113,003	2,598,535
Expected credit losses	2,176,919	-	-	-	-	2,176,919

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group continuously monitors its risk of a shortage of funds.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and loans from shareholders.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual discounted payments:

31 December 2024	***Total SR***	***Less than 1 month SR***	***1 – 3 months SR***	***3 – 6 months SR***	***6 months – 1 year SR***	***More than 1 year SR***
Trade and other payable (note 12)	**482,848,501**	**482,848,501**	**-**	**-**	**-**	**-**
Due to related parties (note 8)	**2,899,537**	**2,899,537**	**-**	**-**	**-**	**-**
Lease liability (note 11)	**3,854,641**	**-**	**282,700**	**649,258**	**895,463**	**2,027,220**
	489,602,679	**485,748,038**	**282,700**	**649,258**	**895,463**	**2,027,220**

25 FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

c) Liquidity risk (continued)

31 December 2023	*Total SR*	*Less than 1 month SR*	*1 – 3 months SR*	*3 – 6 months SR*	*6 months – 1 year SR*	*More than 1 year SR*
Trade and other payable	177,191,083	177,191,083	-	-	-	-
Due to related parties	2,580,077	2,580,077	-	-	-	-
Lease liability	3,897,745	-	112,987	644,479	782,020	2,358,259
	183,668,905	179,771,160	112,987	644,479	782,020	2,358,259

26 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

26.1 FINANCIAL ASSETS

	2024 SR	*2023 SR*
Financial assets at amortized cost:		
Trade and other receivables (note 7)	**338,272,222**	17,653,382
Restricted cash (note 6)	**22,469,854**	34,317,325
Due from related parties (note 8)	**26,548,734**	65,023,390
Other current financial assets	**2,659,211**	1,724,157
	389,950,021	118,718,254
Cash and cash equivalents (note 5)	**451,030,258**	116,490,434
Total financial assets	**840,980,279**	235,208,688

26.2 FINANCIAL LIABILITIES

	Effective Interest rate	*Maturity*	***2024 SR***	*2023 SR*
Current liabilities				
Trade and other payables (note 12)	Interest free	Less than 1 year	**482,848,501**	177,191,083
Lease liabilities (note 11)	6.50% -10.50%	Less than 1 year	**1,827,421**	1,539,486
Due to related parties (note 8)	Interest free	Less than 1 year	**2,899,537**	2,580,077
			487,575,459	181,310,646
Non-current liabilities				
Lease liabilities	6.50% -10.50%	1-3 years	**2,027,220**	2,358,259
			2,027,220	2,358,259

26.3 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	1 January 2024 SR	***Cash flows SR***	***New lease SR***	***Others SR***	***31 December 2024 SR***
Lease liabilities	**3,897,745**	**(2,132,795)**	**1,817,398**	**272,293**	**3,854,641**
Total liabilities from financing activities	**3,897,745**	**(2,132,795)**	**1,817,398**	**272,293**	**3,854,641**

26 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

26.3 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES (continued)

	1 January 2023 SR	*Cash flows SR*	*New lease SR*	*Others SR*	*31 December 2023 SR*
Lease liabilities	3,308,023	(3,178,169)	3,507,066	260,825	3,897,745
Total liabilities from financing activities	3,308,023	(3,178,169)	3,507,066	260,825	3,897,745

27 CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued capital, statutory reserve, and all other equity reserves attributable to the equity holders of the parent.

The primary objective of the Group's capital management is to maximise the shareholder value.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for partners and benefits for other stakeholders and to maintain an optimal capital structure.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares or sell assets to reduce debt.

The Group is not subject to any external imposed capital requirements and following are the elements of capital that are managed by the Group:

	2024 SR	*2023 SR*
Trade and other payables (note 12)	**484,465,766**	177,191,083
Due to related parties (note 8)	**2,899,537**	2,580,077
Zakat and income tax payable (note 13)	**15,720,194**	5,542,716
Lease liability (note 11)	**3,854,641**	3,897,745
Employees' defined benefits liabilities (note 14)	**10,007,218**	6,982,412
Less: Cash and cash equivalents (note 5)	**(451,030,258)**	(116,490,434)
Less: Restricted cash (note 6)	**(22,469,854)**	(34,317,325)
Net debt/(surplus)	**43,447,244**	45,386,274
Equity	**414,895,635**	120,993,652
Capital and net debt/(surplus)	**458,342,879**	166,379,926
Gearing ratio	**9.48%**	27.28%

28 SEGMENT INFORMATION

An operating segment is a component of an entity:

a. that engages in business activities from which it may earn revenue and incur expenses (including revenues and expenses relating to transactions with other components of the same entity).
b. whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
c. for which discrete financial information is available.

For management purposes, the Group is organised into the following primary operating segments:

	2024	*2023*
	SR	*SR*
Tameeni – Motors	**197,394,232**	160,611,036
Tameeni – Health	**48,297,121**	38,221,894
Leasing	**107,610,975**	53,241,665
Others	**5,027,572**	4,159,560
Total revenue from contracts with customers	**358,329,900**	256,234,155
Cost of revenues	**(120,187,679)**	(107,837,762)
Expenses	**(139,817,020)**	(98,185,922)
Other income	**12,064,540**	1,034,571
Segment profit before zakat and income tax	**110,389,741**	51,245,042

At 31 December 2024	***Tameeni – Motors and Health SR***	***Leasing SR***	***Unallocated SR***	***Total SR***
Total assets	**567,172,051**	**43,961,826**	**320,709,114**	**931,842,991**
Total liabilities	-	-	**516,947,356**	**516,947,356**

At 31 December 2023	*Tameeni – Motors and Health SR*	*Leasing SR*	*Unallocated SR*	*Total SR*
Total assets	128,488,949	10,769,599	177,929,137	317,187,685
Total liabilities	-	-	196,194,033	196,194,033

Details of the above segments are disclosed in note 10 to the consolidated financial statements.

The Group only operates in the Kingdom of Saudi Arabia where majority of operating assets are held. Therefore, no geographical segment information presented.

29 FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets and financial liabilities.

Financial assets consist of cash and cash equivalents, trade and other receivables, restricted cash, other current assets and amounts due from related parties.

Financial liabilities consist of trade and other payables, lease liabilities, and amounts due to related parties.

The fair values of financial instruments are not materially different from their carrying values.

During the year ended 31 December 2024 and 31 December 2023, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

30 NEW AND AMENDED STANDARDS AND INTERPRETATIONS

New standards, interpretations and amendments thereof, adopted by the Group
The following new and amended IFRSs, which became effective for annual periods beginning on or after 1 January 2024, have been adopted in these consolidated financial statements.

Standard, interpretation, and amendments	***Description***	***Effective date***
Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Group's consolidated financial statements.	Annual periods beginning on or after 1 January 2024.
Amendments to IFRS 16: Lease Liability in a Sale and Leaseback	In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments had no impact on the Group's consolidated financial statements.	Annual periods beginning on or after 1 January 2024.
Amendments to IAS 1, Non-current Liabilities with Covenants	Non-current Liabilities with Covenants amends IAS 1 Presentation of Financial Statements. The amendments improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The amendments also respond to stakeholders' concerns about the classification of such a liability as current or non-current. The amendments had no impact on the Group's consolidated financial statements.	Annual periods beginning on or after 1 January 2024.

30 NEW AND AMENDED STANDARDS AND INTERPRETATIONS (continued)

Standards Issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Standard, interpretation, and amendments	***Description***	***Effective date***
Lack of exchangeability – Amendments to IAS 21	In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information. The amendments are not expected to have a material impact on the Group's consolidated financial statements.	Annual reporting periods beginning on or after 1 January 2025.
IFRS 18 Presentation and Disclosure in Financial Statements	In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes. In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. IFRS 18, and the amendments to the other standards, is effective, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.	Annual reporting periods beginning on or after 1 January 2027

30 NEW AND AMENDED STANDARDS AND INTERPRETATIONS (continued)

Standards Issued but not yet effective (continued)

Standard, interpretation, and amendments	*Description*	*Effective date*
	The Group is currently working to identify all impacts the amendments will have on the Group's consolidated financial statements and notes to the consolidated financial statements.	
IFRS 19 Subsidiaries without Public Accountability: Disclosures	In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares financial statements, available for public use, which comply with IFRS accounting standards. As the Group's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.	Annual reporting periods beginning on or after 1 January 2027

31 EVENTS AFTER REPORTING PERIOD

Group has made below announcements on Tadawul (Saudi Stock Exchange) after the reporting date:

1. In the Company's Extraordinary General Assembly meeting held on Thursday, 7 Shaban 1446H (corresponding to 6 February 2025), the shareholders have approved the following:

    - The recommendation of board of directors to increase the company's capital from SR 75,800,000 to SR 77,507,000 by capitalizing a portion of the retained earnings, and the issuance of 1,707,000 ordinary shares for the purpose of allocating them to the employee share program (long-term incentive plan).

    - The recommendation of the board of directors to approve the long-term incentive plan for employees, which can be extended for a period from three to five years, and its funding with a maximum of 1,707,000 shares, and on authorizing the board of directors to manage the plan and link its mechanism with the performance, and to do the required amendments whenever necessary.

2. Company has signed a memorandum of understanding (non-binding) on Monday 25 Sha'ban 1446H, corresponding to 24 February 2025 with "Holoul Financing for Financial Technology" to acquire 55% of "Holoul Financing for Financial Technology".

Other than above, no other events have occurred subsequent to the reporting date and before the issuance of these consolidated financial statements which requires adjustment to, or disclosure, in these consolidated financial statements.

32 APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been approved by Board of Directors on 25 February 2025 (corresponding to 26 Sha'ban 1446H).