

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

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025**

**CRÉDIT AGRICOLE CIB ARABIA FINANCIAL COMPANY
(A SAUDI CLOSED JOINT STOCK COMPANY)
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Independent auditor's report to the shareholder of Crédit Agricole CIB Arabia Financial Company

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Crédit Agricole CIB Arabia Financial Company (the "Company") as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2025;
- the statement of comprehensive income for the year then ended;
- the statement of changes in shareholder's equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

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

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

Independence

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

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

The board of directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, and the applicable requirements of the Regulations for Companies and the Company's By-laws, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Conclude on the appropriateness of the board of directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

PricewaterhouseCoopers

Waleed A. Alhidiri
License No.559

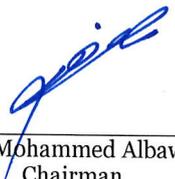


11 March 2026
(22 Ramadan 1447 H)

Crédit Agricole CIB Arabia Financial Company
(A Saudi Closed Joint Stock Company)
STATEMENT OF FINANCIAL POSITION
(All amounts in Saudi Riyals unless otherwise stated)

	Note	As at 31 December	
		2025	2024
ASSETS			
NON-CURRENT ASSETS			
Property and equipment, net	4	988,379	1,623,243
Right of use asset, net	6	435,818	1,016,908
Intangible assets, net	5	-	8,107
Deferred tax assets	7-5	390,700	316,372
TOTAL NON-CURRENT ASSETS		1,814,897	2,964,630
CURRENT ASSETS			
Due from related parties	8-b	17,875,792	17,773,207
Prepayments and other receivables	9	715,472	821,723
Cash and cash equivalents	10	41,643,866	39,867,620
TOTAL CURRENT ASSETS		60,235,130	58,462,550
TOTAL ASSETS		62,050,027	61,427,180
SHAREHOLDER'S EQUITY AND LIABILITIES			
SHAREHOLDER'S EQUITY			
Share capital	11	50,000,000	50,000,000
Statutory reserve	11	541,323	541,323
Retained earnings		4,463,004	3,403,855
Remeasurement reserve of employees' end of service benefits		18,768	(75,629)
TOTAL SHAREHOLDER'S EQUITY		55,023,095	53,869,549
LIABILITIES			
NON-CURRENT LIABILITY			
Employees' end of service benefits	12.2	867,254	866,313
TOTAL NON-CURRENT LIABILITY		867,254	866,313
CURRENT LIABILITIES			
Lease liability	6	-	572,481
Due to related parties	8-b	47,476	79,081
Accruals and other payables	13	5,755,619	5,310,376
Income tax provision	7.3	356,583	729,380
TOTAL CURRENT LIABILITIES		6,159,678	6,691,318
TOTAL LIABILITIES		7,026,932	7,557,631
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES		62,050,027	61,427,180

The accompanying notes (1) to (22) form an integral part of these financial statements.


Khalid Mohammed Albawardi
Chairman


Mohammad Naeem Khan
Chief Executive Officer


Syed Gilani
Finance Manager

Crédit Agricole CIB Arabia Financial Company
(A Saudi Closed Joint Stock Company)
STATEMENT OF COMPREHENSIVE INCOME
(All amounts in Saudi Riyals unless otherwise stated)

	Notes	For the year ended 31 December	
		2025	2024
Revenue from transfer pricing	14, 8	17,887,051	18,698,540
Arrangement fee		-	1,620,000
Other income	16	1,560,533	1,791,166
Impairment reversal reversal / (charge) on financial assets	10.1	5,081	(6,410)
General and administrative expenses	15	(18,169,123)	(19,287,262)
PROFIT BEFORE TAX		1,283,542	2,816,034
Current income tax charge	7.1	(298,721)	(686,631)
Deferred tax	7.1	74,328	112,388
PROFIT FOR THE YEAR		1,059,149	2,241,791
<i>Items that will not be reclassified to statement of income in subsequent years:</i>			
Actuarial Gain / (loss) on remeasurement of employees' end-of-service benefits	12.2	94,397	(75,629)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,153,546	2,166,162

The accompanying notes (1) to (22) form an integral part of these financial statements.



Khalid Mohammed Albawardi
Chairman



Mohammad Naeem Khan
Chief Executive Officer



Syed Gilani
Finance Manager

Crédit Agricole CIB Arabia Financial Company
(A Saudi Closed Joint Stock Company)
STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
 (All amounts in Saudi Riyals unless otherwise stated)

	Share Capital	Statutory reserve	Retained earnings	Remeasurement reserve of employees' end of service benefits	Total Shareholder's equity
Balance at 1 January 2025	50,000,000	541,323	3,403,855	(75,629)	53,869,549
Profit for the year	-	-	1,059,149	-	1,059,149
Other comprehensive income for the year	-	-	-	94,397	94,397
Total comprehensive income for the year	-	-	1,059,149	94,397	1,153,546
Balance at 31 December 2025	50,000,000	541,323	4,463,004	18,768	55,023,095

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

The accompanying notes (1) to (22) form an integral part of these financial statements.

Crédit Agricole CIB Arabia Financial Company
(A Saudi Closed Joint Stock Company)
STATEMENT OF CASH FLOWS
(All amounts in Saudi Riyals unless otherwise stated)

	Notes	For the year ended 31 December	
		2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		1,283,542	2,816,034
Adjustments for:			
Provision for employees' end of service benefits	12.3	327,769	316,387
Depreciation and amortisation	4, 5	642,971	702,955
Depreciation of right of use assets	6	581,090	586,746
Impairment (reversal) / charge on financial assets	10.1	(5,081)	6,410
Interest expense on lease liability	6	25,119	7,900
		2,855,410	4,436,432
Changes in operating assets and liabilities:			
Due from related parties		(102,585)	12,918,863
Prepayments and other receivables		106,251	(19,017)
Due to related parties		(31,605)	(3,937,372)
Accruals and other payables		445,243	1,029,811
Deferred revenue		-	(213,750)
Cash generated from operating activities		3,272,714	14,214,967
Income tax paid	7.3	(671,518)	(701,719)
Employees' end of service benefits paid	12.2	(232,431)	(126,184)
Net cash generated from operating activities		2,368,765	13,387,064
CASH FLOWS FROM INVESTING ACTIVITY			
Purchase of property and equipment	4	-	(5,405)
Net cash used in investing activity		-	(5,405)
CASH FLOWS FROM FINANCING ACTIVITY			
Payment of lease liability	6	(597,600)	(597,600)
Net cash used in financing activity		(597,600)	(597,600)
Net increase in cash and cash equivalents		1,771,165	12,784,059
Cash and cash equivalents at the beginning of the year		39,883,771	27,099,712
Cash and cash equivalents at the end of the year	10	41,654,936	39,883,771
Supplementary information			
Addition to right of use asset	6	-	1,162,181
Addition to lease liability	6	-	1,162,181

The accompanying notes (1) to (22) form an integral part of these financial statements.

**Crédit Agricole CIB Arabia Financial Company
(A Saudi Closed Joint Stock Company)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025
(All amounts are in Saudi Riyals unless stated otherwise)**

1 GENERAL INFORMATION

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

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

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

2 MATERIAL ACCOUNTING POLICIES

The material accounting policies used in the preparation of these financial statements are consistent with those used in the preparation of financial statements for the year ended 31 December 2024. These policies are consistently applied to all periods presented unless otherwise stated.

2.1 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

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

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

2.2 FUNCTIONAL AND PRESENTATION CURRENCY

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

Transactions and balances

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

2.3 CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTION

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

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

Estimates:

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

Crédit Agricole CIB Arabia Financial Company
(A Saudi Closed Joint Stock Company)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025
(All amounts are in Saudi Riyals unless stated otherwise)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 FINANCIAL INSTRUMENTS

2.4.1 CLASSIFICATION AND MEASUREMENT OF FINANCIAL ASSETS

2.4.1.1 INITIAL RECOGNITION AND MEASUREMENT

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

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

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

- Amortized cost
- Fair value through other comprehensive income ("FVOCI")
- Fair value through profit and loss ("FVPL")

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective.

Classification and subsequent measurement of debt instruments depend on:

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

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

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

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

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

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

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent solely payment of principal and interest (the "SPPI" test). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e., profit (or special commission income) includes only consideration for the time value of resources, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the SPPI test does not pass, and the related financial asset is classified and measured at FVPL.

Crédit Agricole CIB Arabia Financial Company
(A Saudi Closed Joint Stock Company)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025
(All amounts are in Saudi Riyals unless stated otherwise)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 FINANCIAL INSTRUMENTS (CONTINUED)

2.4.1 CLASSIFICATION AND MEASUREMENT OF FINANCIAL ASSETS (CONTINUED)

2.4.1.1 INITIAL RECOGNITION AND MEASUREMENT (CONTINUED)

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

Based on these factors, the Company classifies its debt instruments into one of the following three measurement categories:

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and profit ("SPPI"), and that are not designated at FVPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any Allowance for expected credit losses recognized and measured as described in Note 2.4.2. Profit earned from these financial assets is recognized in the statement of profit and loss using the effective commission rate method.

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

Fair value through other comprehensive income ("FVOCI"): Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and profit, and that are not designated at FVPL, are measured at fair value through other comprehensive income ("FVOCI"). When the debt financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of profit and loss.

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

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

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

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

2.4.2 IMPAIRMENT OF FINANCIAL ASSETS

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

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

Crédit Agricole CIB Arabia Financial Company
(A Saudi Closed Joint Stock Company)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025
(All amounts are in Saudi Riyals unless stated otherwise)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 FINANCIAL INSTRUMENTS (CONTINUED)

2.4.2 IMPAIRMENT OF FINANCIAL ASSETS (CONTINUED)

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

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

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

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

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

Definition of default:

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full; or
- the borrower is past due more than 90 days on any material credit obligation to the Company.

In assessing whether a borrower is in default, the Company considers indicators that are:

- qualitative - e.g., breaches of covenant,
- quantitative - e.g., overdue status and non-payment on another obligation of the same issuer to the Company; and
- based on data developed internally and obtained from external sources.

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

Measurement of ECL:

The key inputs into the measurement of ECL are the term structure of the following variables:

- probability of default (PD);
- loss given default (LGD);
- exposure at default (EAD).

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

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

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

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

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

Crédit Agricole CIB Arabia Financial Company
(A Saudi Closed Joint Stock Company)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025
(All amounts are in Saudi Riyals unless stated otherwise)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 FINANCIAL INSTRUMENTS (CONTINUED)

2.4.3 FINANCIAL LIABILITIES

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

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

2.4.4 DERECOGNITION OF FINANCIAL INSTRUMENTS

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

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

2.4.5 OFFSETTING OF FINANCIAL INSTRUMENTS

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

2.5 IMPAIRMENTS OF NON-FINANCIAL ASSETS

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

Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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

2.6 CASH AND CASH EQUIVALENTS

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

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.7 PREPAYMENTS AND OTHER RECEIVABLES

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

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

2.8 PROPERTY AND EQUIPMENT

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

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

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

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

2.9 RIGHT OF USE ASSETS AND LEASE LIABILITIES

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

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

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of the lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Lease liabilities include the net present value of the following lease payments:

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

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

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

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

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.10 PROVISIONS

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

2.11 EMPLOYEES' END OF SERVICE BENEFITS

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

2.12 ACCRUALS AND OTHER PAYABLES

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

2.13 REVENUE

- Revenue from transfer pricing

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

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

- Arrangement fees

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

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

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

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

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2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.14 EXPENSES

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

2.15 INCOME TAX

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

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

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

2.16 VALUE ADDED TAX (VAT)

Output VAT related to revenue is payable to tax authorities on the earlier of (a) collection of receivables from customers or (b) delivery of services to customers. Input VAT is generally recoverable against output VAT upon receipt of the VAT invoice. The tax authorities permit the settlement of VAT on a net basis. VAT related to sales and purchases is recognized in the statement of financial position on a net basis.

2.17 WITHHOLDING TAX

The Company withhold taxes on certain transactions with non-resident parties, including payments of dividends to foreign shareholders, if any, in the Kingdom of Saudi Arabia as required under Saudi Arabian Income Tax Law. Withholding taxes paid on behalf of non-resident parties, which are not recoverable from such parties, are expensed.

3 NEW STANDARDS, AMENDMENT TO STANDARDS AND INTERPRETATIONS

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

The Company has adopted the following amendments, interpretations and revisions to existing standards, which were issued by the IASB and are applicable from 1 January 2025. The management has assessed that the below amendments have no significant impact on the financial statements.

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

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

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

The accounting standards, amendments and revisions which have been published and are mandatory for compliance for the Company's accounting year beginning after 1 January 2026 are listed below. The Company has opted not to early adopt these pronouncements and they do not have a significant impact on the financial statements.

Standard/ interpretation	Description	Effective from periods beginning on or after
Contracts referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity amends IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to more faithfully reflect the effects of contract referencing nature-dependent electricity on an entity's financial statements.	1 January 2026
Annual improvements to IFRS – Volume 11	Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards: IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; IFRS 9 Financial Instruments; IFRS 10 Consolidated Financial Statements; and IAS 7 Statement of Cash Flows.	1 January 2026
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognised and derecognised and to provide an exception for certain financial liabilities settled using an electronic payment system.	1 January 2026
IFRS 19 Subsidiaries without Public Accountability: Disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date it does not have public accountability and its parent produces consolidated financial statements under IFRS Accounting Standards.	1 January 2027
IFRS 18 Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations. It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences.	1 January 2027
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognised in full.	Effective date deferred indefinitely
IFRS S1, 'General requirements for disclosure of sustainability-related financial information	This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.	Not yet endorsed by SOCPA
IFRS S2, 'Climate-related disclosures'	This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.	Not yet endorsed by SOCPA

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4 PROPERTY AND EQUIPMENT, NET

	Leasehold improvements	IT equipment	Furniture and fixtures	Vehicles	Total
Cost:					
At the beginning of the year	1,924,361	419,511	499,014	440,000	3,282,886
Additions during the year	-	-	-	-	-
At the end of the year	<u>1,924,361</u>	<u>419,511</u>	<u>499,014</u>	<u>440,000</u>	<u>3,282,886</u>
Accumulated depreciation:					
At the beginning of the year	829,790	287,868	230,318	311,667	1,659,643
Charge for the year	384,872	40,189	99,803	110,000	634,864
At the end of the year	<u>1,214,662</u>	<u>328,057</u>	<u>330,121</u>	<u>421,667</u>	<u>2,294,507</u>
Net book value:					
As at 31 December 2025	<u>709,699</u>	<u>91,454</u>	<u>168,893</u>	<u>18,333</u>	<u>988,379</u>

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

5 INTANGIBLE ASSETS, NET

	As at 31 December 2025	As at 31 December 2024
Cost:		
At the beginning of the year	41,692	41,692
Additions during the year	-	-
At the end of the year	<u>41,692</u>	<u>41,692</u>
Accumulated amortisation:		
At the beginning of the year	33,585	19,688
Charge for the year	8,107	13,897
At the end of the year	<u>41,692</u>	<u>33,585</u>
Net book value at 31 December	<u>-</u>	<u>8,107</u>

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6 RIGHT OF USE ASSETS AND LEASE LIABILITY

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

	As at 31 December 2025	As at 31 December 2024
Cost:		
Balance at the beginning of the year	2,928,075	1,765,894
Additions during the year	-	1,162,181
Balance at the end of the year	<u>2,928,075</u>	<u>2,928,075</u>
Accumulated depreciation:		
Balance at the beginning of the year	1,911,167	1,324,421
Charge for the year	581,090	586,746
Balance at the end of the year	<u>2,492,257</u>	<u>1,911,167</u>
Net book value	<u>435,818</u>	<u>1,016,908</u>

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

	As at 31 December 2025	As at 31 December 2024
Lease liability at the beginning of the year	572,481	-
Additions during the year	-	1,162,181
Interest expense on lease liability	25,119	7,900
Payment during the year	(597,600)	(597,600)
Lease liability at the end of the year	<u>-</u>	<u>572,481</u>

Analyzed as:

	As at 31 December 2025	As at 31 December 2024
Lease liability – current portion	-	572,481
Lease liability – non-current portion	-	-
	<u>-</u>	<u>572,481</u>

7 INCOME TAX

7.1 Charge for the year

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

	As at 31 December 2025	As at 31 December 2024
Current tax		
current year	356,583	686,631
Adjustment of Prior Period Tax	(57,862)	-
Current income tax charge	<u>298,721</u>	<u>686,631</u>
Deferred tax		
current year	<u>(74,328)</u>	<u>(112,388)</u>
	<u>224,393</u>	<u>574,243</u>

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7 INCOME TAX (continued)

7.2 Reconciliation of tax expense

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

	As at 31 December 2025	As at 31 December 2024
Accounting profit before tax	1,283,542	2,816,034
Income tax expense computed at applicable tax rates (i.e.20%)	256,708	563,207
Tax credit on losses	-	-
Non-deductible expenses	25,547	11,036
Adjustment of Prior Period Tax	(57,862)	-
	224,393	574,243
	As at 31 December 2025	As at 31 December 2024
Profit before tax	1,283,542	2,816,034
Depreciation differences	357,015	360,023
Provisions	14,625	204,533
Other	127,730	52,563
Adjusted profit before tax	1,782,912	3,433,153
Current year income tax expense	356,583	686,631
Adjustment of Prior Period Tax	(57,862)	-
Income tax expense charged to profit or loss	298,721	686,631

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

7.3 Income tax provision

The movement in income tax provision is as follows:

	As at 31 December 2025	As at 31 December 2024
Balance at the beginning of the year	729,380	744,468
Current tax for the year	356,583	686,631
Paid during the year	(671,518)	(701,719)
Adjustment of Prior Period Tax	(57,862)	-
Balance at the end of the year	356,583	729,380

7.4 Status of assessment

The Company has filed its income tax return up to and for the year ended December 31, 2024. No assessments have been received against the company till date.

7.5 Deferred tax asset

	As at 31 December 2025	As at 31 December 2024
Property and equipment	200,411	129,008
Allowance for expected credit losses	2,214	3,230
Employees' end of service benefits provision	177,204	173,263
Other provisions	10,871	10,871
Deferred tax asset	390,700	316,372

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8 RELATED PARTY TRANSACTIONS AND BALANCES

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

a Related party transactions

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

Name	Relationship	Nature of transactions	As at 31 December 2025	As at 31 December 2024
Crédit Agricole CIB – France	Parent Company	Service fees charged by the Company (a)	17,887,051	18,698,540
Crédit Agricole CIB – France	Parent Company	Expenses charged by Crédit Agricole CIB France (a)	375,861	439,614
Crédit Agricole CIB – DIFC	Affiliate	Expenses charged by Crédit Agricole CIB DIFC (b)	225,000	225,000
Crédit Agricole CIB – Singapore	Affiliate	Expenses charged by Crédit Agricole CIB Singapore (c)	84,280	75,834
Crédit Agricole CIB – Hong Kong	Affiliate	Expenses charged by Crédit Agricole CIB Hong Kong (d)	27,651	26,948
Credit Agricole CIB Services Private Limited	Affiliate	Expenses charged by Credit Agricole CIB Services Private Limited	8,712	-
Board of Directors		Board of Directors fees (Note 15)	650,000	650,000

The benefits of key management personnel are as follows:

	For the year ended 31 December 2025	For the year ended 31 December 2024
Short-term employee benefits (f)	8,450,141	8,473,445
Employee end of service benefits	264,655	215,128

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

- a) The Company has a transfer pricing agreement for the provision of general administrative and representative services in Saudi Arabia on behalf of Crédit Agricole CIB France. The service fee is charged to Crédit Agricole CIB France at cost plus 5% of all expenses (excluding global investment banking costs and other expenses) incurred by the Company. The Company also has a service level agreement with Crédit Agricole CIB France for provision of information technology and global referential management services to the Company.
- b) The Company has a service level agreement with Crédit Agricole CIB DIFC for provision of human resource, legal, administration, book keeping and information technology services to the Company.
- c) The Company has a service level agreement with Crédit Agricole CIB Singapore for information technology services and global referential management services.
- d) The Company has a service level agreement with Crédit Agricole CIB, Hong Kong for provision of internal audit services
- e) The company has a service level agreement with Crédit Agricole CIB Services Private Limited for performance of service contract for accounting controls.
- f) Short term employee benefits of the Company’s key management personnel include salaries, allowances, bonuses and contributions to the General Organization for Social Insurance.

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8 RELATED PARTY TRANSACTIONS (continued)

b Related parties balances

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

Amounts due from related parties

	As at 31 December 2025	As at 31 December 2024
Crédit Agricole CIB – France	17,844,409	17,773,207
Crédit Agricole CIB – DIFC Branch	21,870	-
Credit Agricole CIB Services Private Limited	9,513	-
	17,875,792	17,773,207

Amounts due to related parties

	As at 31 December 2025	As at 31 December 2024
Crédit Agricole CIB – Hong Kong	27,604	27,240
Crédit Agricole CIB – DIFC	2,790	-
Crédit Agricole CIB - Singapore Branch	6,709	6,841
Crédit Agricole CIB - France	10,373	-
Crédit Agricole - Egypt	-	45,000
	47,476	79,081

9 PREPAYMENTS AND OTHER RECEIVABLES

	As at 31 December 2025	As at 31 December 2024
Prepaid expenses	372,379	478,630
Advances to employees	283,333	283,333
Security deposit	59,760	59,760
	715,472	821,723

10 CASH AND CASH EQUIVALENTS

	As at 31 December 2025	As at 31 December 2024
Balances with bank	17,875,078	495,935
Cash on hand	10,000	10,000
Term deposit with maturity less than 90 days	23,769,858	39,377,836
	41,654,936	39,883,771
Less: allowance for expected credit losses	(11,070)	(16,151)
	41,643,866	39,867,620

10.1 The movement in allowance for ECL is as follows:

	As at December 31, 2025	As at December 31, 2024
Balance at the beginning of the year	16,151	9,741
Charge / (Reversal) during the year	(5,081)	6,410
Balance at the end of the year	11,070	16,151

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11 SHARE CAPITAL AND STATUTORY RESERVE

The authorized, issued and paid-up share capital consists of 5,000,000 shares (2024: 5,000,000 shares) of SR 10 each.

In 2023 the Company Law was amended, eliminating the requirement to maintain a statutory reserve. Consequently, the Company updated its By-laws in 2025. As a result, no transfer from net income to the statutory reserve was made during the current year.

12 EMPLOYEES' END OF SERVICE BENEFITS

12.1 Principal actuarial assumptions

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

	As at 31 December 2025	As at 31 December 2024
Discount rate	4.18%	5.28%
Long term expected rate of salary increases in future	2.00%	4.00%

12.2 Movements in employees' end of service benefits

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

	As at 31 December 2025	As at 31 December 2024
Net liability at the beginning of the year	866,313	600,481
Current service cost	282,028	289,197
Interest cost	45,741	27,190
End of service benefits paid	(232,431)	(126,184)
Remeasurement Gain/(loss) on employees' end of service benefits	(94,397)	75,629
Net liability at the end of the year	867,254	866,313

12.3 Amounts recognized in the statement of comprehensive income

	For the year ended 31 December 2025	For the year ended 31 December 2025
Current service cost	282,028	289,197
Interest cost	45,741	27,190
	327,769	316,387

12.4 Sensitivity analysis for significant actuarial assumptions

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

	Change in assumption	Increase / (decrease) in present value of employees' end of service benefits liability			
		Amount		Amount	
		31 December 2025		31 December 2024	
Discount rate	1%	(58,157)	(6.71%)	(47,331)	(5.5%)
	-1%	69,501	8.01%	49,947	5.8%
Salary increase rate	1%	71,919	8.29%	49,926	5.8%
	-1%	(61,383)	(7.08%)	(47,341)	(5.5%)
Mortality Rate	1%	(90)	(0.01%)	(8,622)	1.0%
	-1%	89	0.01%	8,201	(1.0%)
Withdrawal Rates	1%	(8,630)	(1.00%)	(12,088)	(1.4%)
	-1%	8,780	1.01%	12,501	1.4%

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12 EMPLOYEES' END OF SERVICE BENEFITS (continued)

12.4 Sensitivity analysis for significant actuarial assumptions (continued)

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

13 ACCRUALS AND OTHER PAYABLES

	As at 31 December 2025	As at 31 December 2024
Accrued expenses	5,105,619	4,660,376
Director remuneration payable	650,000	650,000
	5,755,619	5,310,376

14 REVENUE FROM TRANSFER PRICING

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

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

15 GENERAL AND ADMINISTRATIVE EXPENSES

	For the year ended 31 December 2025	For the year ended 31 December 2024
Salaries and employee related expenses (Note 15.1)	12,642,221	14,145,172
Depreciation and amortisation (Notes 4, 5 and 6)	1,224,061	1,289,701
Board of Directors fees (Note 8)	650,000	650,000
Head office expenses	310,302	439,614
Professional and consulting fees (Note 15.2)	826,531	554,460
Traveling	338,376	311,459
Withholding tax and VAT	351,766	415,573
IT related expenses	201,435	143,716
Postage and communication	183,009	193,242
Marketing and public relations	171,162	68,648
Office occupancy expenses	157,804	160,530
Insurance	61,493	52,890
Other	1,050,963	862,257
	18,169,123	19,287,262

15.1 GENERAL AND ADMINISTRATIVE EXPENSES

	As at 31 December 2025	As at 31 December 2024
Wages and salaries	5,733,676	6,203,903
Other benefits	6,193,210	7,203,610
Contribution to defined contribution plan	387,566	421,272
Charge for end of service benefits (note 12)	327,769	316,387
	12,642,221	14,145,172

15.2 Professional and consulting fees

The auditor's remuneration Included within the professional and consulting fee for the statutory audit of the Company financial statements for the year ended December 31, 2025 amounts to SAR 140,000 (2024: SAR 125,000).

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16 Other income

Other income comprises of interest income earned on Murabaha deposit with a local bank.

17 FAIR VALUES OF FINANCIAL INSTRUMENTS

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

18 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

18.1 Financial risk factors

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

Financial instruments carried on the statement of financial position include cash and cash equivalents, due to a related party, other receivables, due from related parties, accruals and other payables, employees' end of service benefits, income tax provision and lease liability. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Financial assets and liabilities are offset, and net amounts are reported in the financial statements, when the Company has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and liability simultaneously.

(a) Market risk

(i) Foreign exchange risk

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

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

(ii) Interest rate risk

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

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

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

(iii) Price Risk

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

(b) Credit risk

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

	As at 31 December 2025	As at 31 December 2024
Cash and cash equivalents	41,643,866	39,867,620
Due from a related party	17,875,792	17,773,207

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18 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

18.1 Financial risk factors (continued)

(b) Credit risk (continued)

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

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

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

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

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

(c) Liquidity risk

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

Maturity Profiles

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

As at 31 December 2025

	Less than 3 months	Between 3 months to 1 year	More than 1 year	Total
Cash and cash equivalents	41,643,866	-	-	41,643,866
Due from a related party	-	17,875,792	-	17,875,792
TOTAL ASSETS	41,643,866	17,875,792	-	59,519,658

LIABILITIES

Due to related parties	47,476	-	-	47,476
Accruals and other liabilities	5,755,619	-	-	5,755,619
TOTAL LIABILITIES	5,803,095	-	-	5,803,095

As at 31 December 2024

	Less than 3 months	Between 3 months to 1 year	More than 1 year	Total
Cash and cash equivalents	39,867,620	-	-	39,867,620
Due from a related party	-	17,773,207	-	17,773,207
TOTAL ASSETS	39,867,620	17,773,207	-	57,640,827

LIABILITIES

Due to related parties	79,081	-	-	79,081
Accruals and other liabilities	5,310,376	-	-	5,310,376
TOTAL LIABILITIES	5,389,457	-	-	5,389,457

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18 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

18.1 Financial risk factors (continued)

(d) Operational Risk

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

19 CATEGORIES OF FINANCIAL INSTRUMENTS

As at 31 December 2025	Total
Financial assets (at amortised cost)	
Cash and cash equivalents	41,643,866
Due from related party	17,875,792
Total financial assets	59,519,658
Financial liabilities (at amortised cost)	
Due to related parties	47,476
Accruals and other liabilities	5,755,619
Total financial liabilities	5,803,095
As at 31 December 2024	Total
Financial assets (at amortised cost)	
Cash and cash equivalents	39,867,620
Due from related party	17,773,207
Total financial assets	57,640,827
Financial liabilities (at amortised cost)	
Due to related parties	79,081
Accruals and other liabilities	5,310,376
Total financial liabilities	5,389,457

20 CAPITAL MANAGEMENT

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

The minimum paid up capital required as per Article 6 (g) of the Capital Market Institution Regulations issued by CMA in the Kingdom of Saudi Arabia in respect of licensed activities of the Company is SR 50 million Saudi riyal. As at 31 December, 2025, the Company was in compliance with the externally imposed capital requirements.

21 SUBSEQUENT EVENTS

There were no subsequent events after the statement of financial position date which require adjustments to/or disclosure in the financial statements.

22 APPROVAL OF FINANCIAL STATEMENTS

The Board of Directors has approved and authorised for issue these financial statements on 6 March 2026 (corresponding to 17 Ramadan 1447 H).