

TATHEER COMPANY FINANCE (IMPACT 46)
(Previously known as
IMPACT FINANCIAL COMPANY)
(Joint Stock Company)

FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

TATHEER COMPANY FINANCE (IMPACT 46)
Previously known as IMPACT FINANCIAL COMPANY
(Joint Stock Company)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF TATHEER COMPANY FINANCE (IMPACT 46) – PREVIOUSLY (1 /3)
NAMED IMPACT FINANCIAL COMPANY (IMPACT 46)
JOINT STOCK COMPANY

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Tatheer Company Finance (Impact 46) – previously named Impact Financing 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 Saudi Organization for Chartered and Professional Accountants (SOCPA).

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

- The statement of financial position as at 31 December 2025;
- The statement of profit or loss and other 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 the 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 are independent from the Company in accordance with the International Code of Ethics for Professional Accountants that are endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER MATTER

The financial statements of Tatheer Company finance (Impact 46) – previously named Impact financing company for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those financial statements dated 26 March 2025.

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF TATHEER COMPANY FINANCE (IMPACT 46) – PREVIOUSLY (2 /3)
NAMED IMPACT FINANCIAL COMPANY (IMPACT 46)
JOINT STOCK COMPANY

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the SOCPA and Regulations for Companies and the Company's Article of Association and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, i.e. the Board of Directors, are responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF TATHEER COMPANY FINANCE (IMPACT 46) – PREVIOUSLY (3 /3)
NAMED IMPACT FINANCIAL COMPANY (IMPACT 46)
JOINT STOCK COMPANY

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (Continued)

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

PKF Al-Bassam
Chartered Accountants



Ibrahim Al-Bassam
Certified Public Accountant
License No. 337
Riyadh, Kingdom of Saudi Arabia
07 Shawwal 1447H
Corresponding to: 26 March 2026



TATHEER COMPANY FINANCE (IMPACT 46)
Previously known as IMPACT FINANCIAL COMPANY
(JOINT STOCK COMPANY)
STATEMENT OF FINANCIAL POSITION
As at 31 December 2025
(All amounts in Saudi Riyals unless otherwise stated)

ASSETS	Notes	As at 31 December 2025	As at 31 December 2024
Non-current assets			
Investments measured at fair value through profit or loss (FVTPL)	6	70,750,990	5,501,435
Property and equipment, net	4	1,064,776	1,720,276
Right-of-use asset, net	5.1	2,278,459	2,913,296
Total non-current assets		74,094,225	10,135,007
Current assets			
Cash and cash equivalent	8	49,219,177	34,785,392
Prepayments and other receivables	9	4,177,322	2,593,138
Due from related parties	7	2,453,732	3,121,526
Total current assets		55,850,231	40,500,056
TOTAL ASSETS		129,944,456	50,635,063
EQUITY AND LIABILITIES			
EQUITY			
Share capital	10	20,000,000	5,000,000
Other reserve	11	-	1,500,000
Retained earnings		22,545,588	15,965,532
Total Equity		42,545,588	22,465,532
LIABILITIES			
Non-current liabilities			
Lease liability	5.2	2,067,251	2,737,918
Defined benefit obligation	12	1,719,399	1,266,689
Total non-current liabilities		3,786,650	4,004,607
Current liabilities			
Accrued expenses and other liabilities	13	82,424,450	23,041,242
Zakat payable	14	517,231	507,094
Lease liability	5.2	670,537	616,588
Total current liabilities		83,612,218	24,164,924
Total liabilities		87,398,868	28,169,531
TOTAL EQUITY AND LIABILITIES		129,944,456	50,635,063

The accompanying notes from 1 to 24 form an integral part of these financial statements

TATHEER COMPANY FINANCE (IMPACT 46)
Previously known as IMPACT FINANCIAL COMPANY
(JOINT STOCK COMPANY)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 31 December 2025

(All amounts in Saudi Riyals unless otherwise stated)

	Notes	For the year ended 31 December 2025	For the year ended 31 December 2024
OPERATING INCOME			
Asset management fees	15,7	25,360,657	25,224,906
Arranging and Consulting fees	15	600,000	7,050,000
Dividend income	7	170,373,459	26,217,676
Income from Sukuk investments	6	1,827,567	-
Gain on financial assets at FVTPL		472,422	-
Distribution income		388,896	-
TOTAL OPERATING INCOME		199,023,001	58,492,582
OPERATING EXPENSES			
Salaries and employee-related expenses	16	(172,359,520)	(38,428,159)
Depreciation expense	4,5	(1,343,030)	(1,322,684)
Professional and legal expenses	17	(1,061,203)	(1,921,604)
Other expenses	18	(5,747,634)	(4,767,283)
TOTAL OPERATING EXPENSES		(180,511,387)	(46,439,730)
INCOME FROM OPERATIONS		18,511,614	12,052,852
Other income		2,064,307	1,283,127
Finance cost	5.2	(55,282)	(67,913)
INCOME FOR THE YEAR BEFORE ZAKAT		20,520,639	13,268,066
Zakat	16	(453,306)	(507,094)
NET INCOME FOR THE YEAR		20,067,333	12,760,972
OTHER COMPREHENSIVE INCOME			
<i>Items that will not be reclassified to statement of income in subsequent periods:</i>			
- Remeasurement gain / (loss) on defined benefit obligation	14	12,723	(143,258)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		20,080,056	12,617,714

The accompanying notes from 1 to 24 form an integral part of these financial statements

TATHEER COMPANY FINANCE (IMPACT 46)
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(JOINT STOCK COMPANY)
STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
For the Year Ended 31 December 2025
(All amounts in Saudi Riyals unless otherwise stated)

	<u>Note</u>	<u>Share capital</u>	<u>Other reserve</u>	<u>Retained earnings</u>	<u>Total</u>
For the year ended 31 December 2025					
Opening Balance as at 1 January 2025		5,000,000	1,500,000	15,965,532	22,465,532
Net income for the year		-	-	20,067,333	20,067,333
Issuance of Share capital	11	15,000,000	-	(15,000,000)	-
Transfer of Other reserve	12	-	(1,500,000)	1,500,000	-
Other comprehensive income for the year	13	-	-	12,723	12,723
Total comprehensive income for the year		15,000,000	(1,500,000)	6,580,056	20,080,056
Balance as at 31 December 2025		20,000,000	-	22,545,588	42,545,588
For the year ended 31 December 2024					
		<u>Share capital</u>	<u>Other reserve</u>	<u>Retained earnings</u>	<u>Total</u>
Opening Balance as at 1 January 2024		5,000,000	1,500,000	3,347,818	9,847,818
Net income for the year		-	-	12,760,972	12,760,972
Other comprehensive income for the year	13	-	-	(143,258)	(143,258)
Total comprehensive income for the year		-	-	12,617,714	12,617,714
Balance as at 31 December 2024		5,000,000	1,500,000	15,965,532	22,465,532

The accompanying notes from 1 to 24 form an integral part of these financial statements.

TATHEER COMPANY FINANCE (IMPACT 46)
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(JOINT STOCK COMPANY)
STATEMENT OF CASH FLOWS
For the Year Ended 31 December 2025
(All amounts in Saudi Riyals unless otherwise stated)

	<u>Note</u>	For the year ended 31 December 2025	For the year ended 31 December 2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Income for the year before zakat		20,520,639	13,268,066
<i>Adjustments:</i>			
Depreciation of property and equipment	4	708,193	687,847
Depreciation of right-of-use assets	5	634,837	634,837
Defined benefit expense	13	489,849	460,953
Finance cost	5	55,282	67,913
Dividend income	7	(170,373,459)	(26,217,676)
		(147,964,659)	(11,098,060)
<i>Changes in operating assets and liabilities</i>			
Prepayments and other receivables		(1,584,184)	(2,218,355)
Due from related parties		667,794	(1,620,608)
Accrued expenses and other liabilities		59,383,208	20,375,876
		(89,497,841)	5,438,853
Zakat paid	15	(443,169)	(263,246)
Employees' defined benefit obligation paid	13	(24,416)	(23,461)
Net cash generated from operating activities		(89,965,426)	5,152,146
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments measured at FVTPL	6	(67,814,420)	(5,501,435)
Purchase of property and equipment	4	(52,693)	(114,777)
Proceeds from sale of investments measured at FVTPL		2,564,865	-
Dividend income received	7	170,373,459	26,217,676
Net cash used in investing activities		105,071,211	20,601,464
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liability – Principle	5.2	(616,718)	(604,087)
Payment of lease liability – Finance cost	5.2	(55,282)	(67,913)
Net cash used in financing activities		(672,000)	(672,000)
Net changes in cash and cash equivalents		14,433,785	25,081,610
Cash and cash equivalents at the beginning of the year		34,785,392	9,703,782
Cash and cash equivalents at the end of the year		49,219,177	34,785,392

The accompanying notes from 1 to 24 form an integral part of these financial statements

TATHEER COMPANY FINANCE (IMPACT 46)
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NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2025
(All amounts in Saudi Riyals unless otherwise stated)

1 GENERAL INFORMATION

TATHEER COMPANY FINANCE (IMPACT 46) Previously known as IMPACT FINANCIAL COMPANY (the "Company") is a Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia under Commercial Registration number 1010519508, National Unified number 7005803346 dated 25 Jumada Al-Awwal 1440H (corresponding to 31 January 2019) and under license number 18196-32 issued by the Capital Market Authority ("CMA") in accordance with resolution number 18/7828/6/1/S dated 25 Rabi' Al-Awwal 1440H (corresponding to 3 December 2018).

The Company's principal activities include investment management and arranging services, encompassing the management of investment portfolios and funds, as well as the structuring and facilitation of investment opportunities between investors and businesses, in accordance with the license granted by the Capital Market Authority.

The registered address of the Company is P.O. Box 4054, Riyadh 12711, Kingdom of Saudi Arabia.

The Company's issued and fully paid share capital is SAR 20 million comprising 2 million shares of SAR 10 each. As at 31 December 2025, the Company is owned by the following major shareholders in the proportion set out below:

<u>Names of shareholders</u>	<u>No. of shares</u>	<u>Value per Share</u>	<u>Total</u>	<u>% holding</u>
Abdulaziz Alomran	1,800,000	10	18,000,000	90.0
Basmah Alsinaidi	200,000	10	2,000,000	10.0
	<u>2,000,000</u>		<u>20,000,000</u>	

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements of the Company 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 endorsed by Saudi Organization for Chartered and Professional Accountants ("SOCPA"), (collectively hereafter referred to as IFRS as endorsed in Kingdom of Saudi Arabia).

2.2 Basis of measurement

These financial statements have been prepared on a historical cost basis, except for measurement at fair value of investments at fair value through income profit and loss using the accrual basis of accounting and the going concern concept. Further, employees' end of service benefits are measured at present value of future obligations using the Projected Unit Credit Method.

2.3 Functional and presentation currency

These financial statements are presented in Saudi Arabian Riyals ("SR"), the Company's functional and presentational currency. All amounts have been rounded to the nearest currency unit.

TATHEER COMPANY FINANCE (IMPACT 46)
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(JOINT STOCK COMPANY)
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2025
(All amounts in Saudi Riyals unless otherwise stated)

2 BASIS OF PREPARATION (Continued)

2.4 Significant accounting estimates and judgments

The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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 and in any future periods affected.

- Fair value measurement

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 Company.

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 best economic interest.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. This is 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

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company 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.

TATHEER COMPANY FINANCE (IMPACT 46)
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NOTES TO THE FINANCIAL STATEMENTS
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(All amounts in Saudi Riyals unless otherwise stated)

2 BASIS OF PREPARATION (Continued)

2.4 Significant accounting estimates and judgements (Continued)

- *Employee defined benefit obligations*

The cost of the employee benefit obligations is determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future.

These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation 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.

Life expectancy is not considered a principal actuarial assumption in measuring employee benefit obligations provision and therefore, possible changes in life expectancy are not expected to have a significant impact on the level of obligation, especially since only a few employees are assumed to serve until the retirement age. Moreover, changes in life expectancy will affect the estimates related to those employees only if life expectancy becomes less than retirement age and, in such cases, the impact is not expected to be significant.

The discount rate was estimated by reference to yields on the governmental bonds, as management assessed that there is no deep market in high quality corporate bonds. The Company used a single discount rate that approximates the estimated timing and amount of benefit payments.

- *Useful lives and residual values of property and equipment*

Management determines the estimated useful lives and residual values of its property and equipment. The estimate is determined after considering the expected usage of the asset or physical wear and tear. The Company periodically reviews estimated useful lives, residual values and depreciation / amortization methods to ensure that the method and periods of depreciation / amortization are consistent with the expected pattern of economic benefits from those assets.

TATHEER COMPANY FINANCE (IMPACT 46)
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NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2025
(All amounts in Saudi Riyals unless otherwise stated)

2 BASIS OF PREPARATION (Continued)

2.4 Significant accounting estimates and judgements (Continued)

- *Leases - estimating the incremental borrowing rate*

The Company 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 Company 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 Company 'would have to pay', which requires estimation when no observable rates are available (such as for entity's 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 entity's functional currency). The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the entity's credit rating).

- *Zakat*

The calculation of the Company's zakat charge necessarily involves a degree of estimation and judgment in respect of certain items whose treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits or losses and/or cash flows.

TATHEER COMPANY FINANCE (IMPACT 46)
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NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2025
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3 MATERIAL ACCOUNTING POLICIES

The material accounting policies and risk management policies used in the preparation of these financial statements are set out below. These policies have consistently been consistently applied to all years presented, unless otherwise stated

3.1 New standards, interpretations and amendments

a. New standards, interpretations and amendments adopted by the Company effective in current year

The following standards, interpretations, or amendments are effective from the beginning of the current year and are adopted by the Company. The management has assessed that the amendments have no significant impact on the Company's financial statements:

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of the amendment	Management assessment
IAS 21	Lack of Exchangeability	1 January 2025	The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments introduce new disclosures to help financial statement users assess the impact of using an estimated exchange rate.	Management has assessed the adoption of these amendments and concluded that they did not have a material impact on the Company's financial position, financial performance, or cash flows for the current reporting period.

TATHEER COMPANY FINANCE (IMPACT 46)
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(All amounts in Saudi Riyals unless otherwise stated)

3 MATERIAL ACCOUNTING POLICIES (Continued)

3.1 New standards, interpretations and amendments (Continued)

b. New standards not yet effective and not early adopted by the Company

The listing of standards and interpretations issued which are applicable at a future date are as follows. The Fund intends to adopt these standards when they become effective. These amendments and standards are not expected to have any impact on the financial statements of the Fund.

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of the standards and amendments	Management assessment
IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026	The amendments clarify the recognition and derecognition of financial assets and financial liabilities, including settlement date accounting for certain electronic payment systems. They also provide additional guidance on assessing contractual cash flow characteristics of financial assets, including contingent cash flows arising from environmental, social and governance (ESG)-linked features. The amendments also introduce new and updated disclosure requirements in IFRS 7	Management has performed a preliminary assessment and does not expect the adoption of these amendments to have a impact on the Company's financial statements, as the Company's financial instruments and settlement arrangements are not expected to be significantly affected.
IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026	These amendments modify the 'own use' requirements and hedge accounting provisions in IFRS 9 for contracts that expose entities to variability in electricity prices due to uncontrollable natural conditions such as weather. Targeted disclosure requirements are introduced in IFRS 7.	Based on the nature of the Company's operations and contractual arrangements, management does not expect these amendments to have a impact on the Company's financial statements upon initial application.

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NOTES TO THE FINANCIAL STATEMENTS
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(All amounts in Saudi Riyals unless otherwise stated)

3 MATERIAL ACCOUNTING POLICIES (Continued)

3.1 New standards, interpretations and amendments (Continued)

b. New standards not yet effective and not early adopted by the Company

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of the amendment	Management assessment
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027	IFRS 18 replaces IAS 1 and establishes a new framework for the presentation and disclosure of financial statements. The standard introduces new categories for income and expenses (operating, investing and financing) and requires presentation of new subtotals, including operating profit or loss and profit or loss before financing and income taxes. It also enhances guidance on aggregation and disaggregation, introduces disclosure requirements for management-defined performance measures, and removes classification options for interest and dividends in the statement of cash flows.	Management is currently assessing the impact of IFRS 18. While the standard is expected to result in changes to presentation and disclosures, it is not expected to have a material impact on the recognition or measurement of the Company's assets, liabilities, income or expenses.
IFRS 19	Subsidiaries without Public Accountability	1 January 2027	IFRS 19 permits eligible subsidiaries without public accountability to apply reduced disclosure requirements while continuing to apply full IFRS recognition and measurement principles. The standard affects disclosure requirements only and does not impact recognition or measurement.	Management has assessed the impact of IFRS 19 and concluded that the standard is not applicable to the Company, as the relevant criteria for its application are not met.

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For the Year Ended 31 December 2025
(All amounts in Saudi Riyals unless otherwise stated)

3 MATERIAL ACCOUNTING POLICIES (Continued)

3.2 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand and at banks and short-term highly liquid deposits, if any, with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

3.3 Financial instruments

All financial assets and financial liabilities are initially recognized on the trade date i.e. the date on which the Company becomes party to the contractual provisions of the instrument.

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 statement of profit or 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 statement of profit or loss, the transaction costs are expensed in the statement of profit or 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 or loss.

Classification and measurement of financial assets

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 statement of profit or loss (FVTPL)

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 FVTPL.

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3 MATERIAL ACCOUNTING POLICIES INFORMATION (Continued)

3.3 Financial Instruments (Continued)

Classification and measurement of financial assets (Continued)

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 FVTPL.

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 profit (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 FVTPL.

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 FVTPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any ECL allowance recognized and measured as described above. Profit earned from these financial assets is recognized in the statement of profit or loss using the effective interest rate method.

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3 MATERIAL ACCOUNTING POLICIES INFORMATION (Continued)

3.3 Financial Instruments (Continued)

Classification and measurement of financial assets (Continued)

Fair value through statement of profit or loss ("FVTPL"): 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 FVTPL, then it is measured at FVTPL. A gain or loss on a debt investment measured at FVTPL, where cashflows do not represents solely SPPI, is recognized in the statement of profit or loss, within "Net gain / (loss) on investments mandatorily measured at FVTPL", in the period in which it arises. A gain or loss from debt instruments that were designated at fair value, or which are held for trading are presented separately from debt investments that are mandatorily measured at FVTPL, within "Net gain / (loss) in investments designated at FVTPL or held for trading".

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 FVTPL, are measured at fair value through other comprehensive income ("FVOCI"). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortized cost which are recognized in statement of income. When the debt financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of income.

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 bank balances, margin lending financing receivables, investment in sukuks and other receivables are classified as held at amortized cost. There are no debts securities classified as FVTPL.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The Company subsequently measures all equity investments at FVTPL, except where the Company has elected, at initial recognition, to irrevocably designate an equity investment at FVOCI. The Company's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to trade. When this election is used, fair value gains and losses are recognized in other comprehensive income and are not subsequently reclassified to the statement of profit or loss, including on disposal. On disposal, fair value gains/losses are transferred directly from fair value reserve to retained earnings. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognized in the statement of profit or loss when the Company's right to receive payments is established.

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3 MATERIAL ACCOUNTING POLICIES INFORMATION (Continued)

3.3 Financial Instruments (Continued)

Impairment

The Company applies a simplified approach in calculating ECLs for amounts due from related parties and other receivables. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

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

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

De-recognition of financial instruments

A financial asset is derecognized, when the contractual rights to 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.

Off-setting 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 an intent to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

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3 MATERIAL ACCOUNTING POLICIES INFORMATION (Continued)

3.4 Property and equipment

Property and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the property and equipment if the recognition criteria are met.

Subsequent costs are included in the asset's carrying amount or recognised 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. Major renovations are depreciated over the remaining useful life of the related asset or to the date of the next major renovation, whichever is sooner. Repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follow

The estimated useful lives of the Company's property and equipment are as follows:

	<u>Years</u>
Office equipment	5
Furniture and fixtures	5
Computer equipment	3
Leasehold improvements (subject to lower of lease term or useful life)	5

An item of property and equipment and any significant part initially recognised is derecognised 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 on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of income when the asset is derecognised.

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.

3.5 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of identified asset for a period of time in exchange for consideration.

The Company recognizes right-of-use asset and lease liability at the lease commencement date.

(i) Right-of-use assets

The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred at and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

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3 MATERIAL ACCOUNTING POLICIES INFORMATION (Continued)

3.5 Lease (Continued)

(i) Right-of-use assets (Continued)

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

(ii) Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

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.

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

3.6 Employee benefit obligations

The level of benefit provided is based on the length of service and earnings of the person entitled and computed in accordance with the rules stated under the Saudi Arabian Labor Law. The liability for employee terminal benefit obligations, being a defined benefit plan, is determined using the projected unit credit method with actuarial valuations being conducted at end of annual reporting periods. The related liability recognised in the statement of financial position is the present value of employee benefit obligations at the end of the reporting period.

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3 MATERIAL ACCOUNTING POLICIES INFORMATION (Continued)

3.6 Employee benefit obligations (Continued)

The discount rate applied in arriving at the present value of employee benefit obligations represents the yield on government bonds, by applying a single discount rate that approximately reflects the estimated timing and amount of benefit payments.

Employee benefit obligations costs are categorised as follows:

- i. current service cost (increase in the present value of employee benefit obligations resulting from employee service in the current period)
- ii. interest expense (calculated by applying the discount rate at the beginning of the period to employee benefit obligations); and remeasurement

Current service cost and the interest expense arising on employee benefit obligations are included in the same line items in profit or loss as employee-related costs.

Remeasurement, comprising actuarial gains and losses, is recognised in full in the period in which they occur, in OCI without recycling to the profit or loss in subsequent periods. Amounts recognised in OCI are recognised immediately in retained earnings.

Past service costs are recognised in profit or loss on the earlier of:

- i) The date of the plan amendment or curtailment, and
- ii) The date that the Company recognises related restructuring costs.

3.7 Revenue from contract with customers

The Company is in the business of providing asset management services. Revenue from contracts with customers is recognised when rendering of the services is provided to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for these services.

Asset management fees are recognised based on a fixed percentage of assets under management ("asset-based"), or a percentage of capital contributions committed subject to applicable terms and conditions and service contracts with funds. The Company attributes the revenue from management fees to the services provided during the period, because the fee relates specifically to the Company's efforts to transfer the services for that period. As asset management fees are not subject to clawbacks, the management does not expect any significant reversal of revenue previously recognised. Asset management fees is recognised on an accrual basis over time against rendering of asset management services that the Company is providing on an on-going basis.

Carried interest fee and dividend income is 20% percent of realised gains of the related management, after the exit and liquidation of each related investment from the fund's investments.

Arranging fee income is recognised when the services are determined as complete in accordance with the underlying agreement, agreed with the customer and invoices, as generally set forth under the terms of the engagement. There are no multiple performance obligations, and no corresponding asset or liability is recorded against the fulfillment of the obligation.

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3 MATERIAL ACCOUNTING POLICIES INFORMATION (Continued)

3.8 Zakat

Current tax and zakat

The Company is subject to tax and zakat in accordance with the Regulations for Zakat, Tax and Customs Authority (“ZATCA”) as applicable in the Kingdom of Saudi Arabia. The Zakat charge is computed on the Zakat base and is charged to the statement of profit or loss. The provision for income tax is charged to the statement of profit or loss using tax rates enacted or substantively enacted at the end of the reporting.

Additional amounts, if any, that may become due on finalization of an assessment are accounted for in the year in which assessment is finalized.

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 gross basis and disclosed separately as an asset and a liability. Where provision has been made for ECL of receivables, the impairment loss is recorded for the gross amount of the receivable, including VAT.

3.9 Foreign currency transactions and balances

Transactions in a foreign currency are initially recorded at the rate prevailing in the functional currency at the date on which the transaction qualifies for recognition. Monetary assets and liabilities in foreign currencies are re-translated into the functional currency at the rate prevailing at the date of preparing the financial statements. All differences arising from settlements or transactions on monetary items are recorded in statement of income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated primarily at the rate of exchange prevailing at the dates of the transactions. Non-monetary items in a foreign currency that are measured at fair value are translated at the currency rate prevailing at the date their fair value was determined. Gains or losses arising from the translation of non-monetary items measured at fair value are treated in line with the recognition of gain and losses resulting from a change in the fair value of that item. Thus, translation differences for items whose fair value changes are recognised in the statement of comprehensive income are recognized in other comprehensive income, and items whose fair value changes recognized in through statement of income are recognized in the statement of income.

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4 PROPERTY AND EQUIPMENT

	Office equipment	Furniture and fixtures	Computer equipment	Leasehold improvements	Total
Cost					
As at 1 January 2025	13,101	573,930	253,103	3,142,399	3,982,533
Additions	-	-	52,693	-	52,693
As at 31 December 2025	<u>13,101</u>	<u>573,930</u>	<u>305,796</u>	<u>3,142,399</u>	<u>4,035,226</u>
Accumulated depreciation					
As at 1 January 2025	13,101	317,182	226,916	1,705,058	2,262,257
Charge for the year	-	103,754	26,435	578,004	708,193
As at 31 December 2025	<u>13,101</u>	<u>420,936</u>	<u>253,351</u>	<u>2,283,062</u>	<u>2,970,450</u>
Net book value					
As at 31 December 2025	<u>-</u>	<u>152,994</u>	<u>52,445</u>	<u>859,337</u>	<u>1,064,776</u>

	Office equipment	Furniture and fixtures	Computer equipment	Leasehold improvements	Total
Cost					
As at 1 January 2024	13,101	563,768	237,008	3,053,879	3,867,756
Additions	-	10,162	16,095	88,520	114,777
As at 31 December 2024	<u>13,101</u>	<u>573,930</u>	<u>253,103</u>	<u>3,142,399</u>	<u>3,982,533</u>
Accumulated depreciation					
As at 1 January 2024	13,101	213,291	203,798	1,144,220	1,574,410
Charge for the year	-	103,891	23,118	560,838	687,847
As at 31 December 2024	<u>13,101</u>	<u>317,182</u>	<u>226,916</u>	<u>1,705,058</u>	<u>2,262,257</u>
Net book value					
As at 31 December 2024	<u>-</u>	<u>256,748</u>	<u>26,187</u>	<u>1,437,341</u>	<u>1,720,276</u>

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5 RIGHT-OF-USE ASSET AND LEASE LIABILITY

5.1 Right-of-use asset

The Company has a lease contract for its office premises. Lease of office premises has lease term of 8 years. Set out below are the carrying amounts of right-of-use asset recognized and the movements during the year ended:

	31 December 2025	31 December 2024
Cost		
Balance at the beginning of the year	5,082,177	5,082,177
Additions	-	-
Balance at the end of the year	<u>5,082,177</u>	<u>5,082,177</u>
Accumulated Depreciation		
Balance at the beginning of the year	2,168,881	1,534,044
Charge for the year	634,837	634,837
Balance at the end of the year	<u>2,803,717</u>	<u>2,168,881</u>
Net Book Value		
Balance at the end of the year	<u>2,278,459</u>	<u>2,913,296</u>

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

	As at 31 December 2025	As at 31 December 2024
Balance at the beginning of the year	3,354,506	3,958,593
Finance cost on lease liability	55,282	67,913
Finance cost on lease liability paid	(55,282)	(67,913)
Principle of lease liability paid	(616,718)	(604,087)
Balance at the end of the year	<u>2,737,788</u>	<u>3,354,506</u>

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5 RIGHT-OF-USE ASSET AND LEASE LIABILITY (Continued)

	As at 31 December 2025	As at 31 December 2024
Amounts recognized in statement of financial position		
Lease liability – current portion	670,537	616,588
Lease liability – non-current portion	2,067,251	2,737,918
	2,737,788	3,354,506
	For the year ended 31 December 2025	For the year ended 31 December 2024
Amounts recognized in statement of income		
Depreciation charge on right-of-use asset	634,837	634,837
Finance cost on lease liability	55,282	67,913

The following tables sets out a maturity analysis of lease liability, showing the undiscounted lease payments to be paid after the reporting date.

	31 December 2025	31 December 2024
Less than 1 year	712,320	672,000
1-2 years	712,320	712,320
More than 2 years	1,424,640	2,136,960
Total lease liability	2,849,280	3,521,280

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6 INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

Financial assets measured at fair value through profit or loss represent private equity investments in Funds and Sukuk investments carried at fair value:

	Note	As at 31 December 2025	As at 31 December 2024
Venture Capital Funds Units	6.1	30,750,990	501,435
Sukuk investments	6.2	40,000,000	5,000,000
		70,750,990	5,501,435

6.1 Venture Capital Funds Units as of 31 December 2025 comprise the following:

	No. of Units	Cost (SR)	Fair Value (SR)
Impact Growth Fund	10	151	151
Impact Seed Fund	10	250	250
VC E-Commerce, and Online sales sector	10	100	100
VC Fintech Fund	10	97	97
VC Fund in Electronic Stores Sector Fund	10	97	97
VC Fund in Electronic Services Sector Fund	10	97	97
Impact Fund Third Version	10	100	100
VC Emerging Technologies Fund	10	98	98
VC Fund in Electronic Games and Sports	275,000	2,750,000	2,750,000
Direct Financing Fund	800,000	8,000,000	8,000,000
VC Fund in Gaming technology	2,000,000	20,000,000	20,000,000
		30,750,990	30,750,990

Venture Capital Funds Units as of 31 December 2024 comprises the following:

	No. of Units	Cost (SR)	Fair Value (SR)
Impact Growth Fund	10	151	151
Impact Seed Fund	10	250	250
VC E-Commerce, and Online sales sector	10	100	100
VC Insurtech Fund	10	445	445
VC Fintech Fund	10	97	97
VC Fund in Electronic Stores Sector Fund	10	97	97
VC Fund in Electronic Services Sector Fund	10	97	97
Impact Fund Third Version	10	100	100
VC Emerging Technologies Fund	10	98	98
VC Fund in Electronic Games and Sports	500	500,000	500,000
		501,435	501,435

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6 INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (Continued)

6.2 Sukuk investments consist of an investment of SR 40,000,000 in the Capital Sukuk Programme “SR 500,000,000 Additional Tier 1/Series Number 1,” issued by Tamweel Aloula Company (a Saudi Arabian joint-stock company with commercial registration no. 2050055043, established on 2 July 2015) on 20 September 2024.

Income earned from Sukuk investments amounted to SR 1,827,567 for the year ended 31 December 2025 (31 December 2024: Nil).

Investment	Maturity	Periodic distribution rate	No. of Sukuk	Face Value of Sukuk	Fair Value of Sukuk	As at 31 December 2025
Sukuk investment	No fixed maturity date	8.50%	400	100,000	100,000	40,000,000
						40,000,000

Investment	Maturity	Periodic distribution rate	No. of Sukuk	Face Value of Sukuk	Fair Value of Sukuk	As at 31 December 2024
Sukuk investment	No fixed maturity date	8.50%	50	100,000	100,000	5,000,000
						5,000,000

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7 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties of the Company include the funds under management, the Company's shareholders and affiliated companies and directors and key management personnel. Terms and conditions of these transactions are approved by the Company's management.

a) Significant year-end balances arising from transactions with related parties are as follows:

Name of related party	Relationship	Nature of transactions	As at 31 December 2025	As at 31 December 2024
<i>Due from related parties</i>				
Impact Seed Fund	Fund under management	Accrued management fees	419,284	471,189
Venture Capital Insurtech Fund	Fund under management	Accrued management fees	-	2,226,019
Venture Capital in Electronic Stores Sector Fund	Fund under management	Accrued management fees	192,401	188,667
Venture Capital in Electronic Services Sector Fund	Fund under management	Accrued management fees	68,223	69,232
Venture Capital Fintech Fund	Fund under management	Accrued management fees	117,155	64,685
Venture Capital Emerging Technologies Fund	Fund under management	Accrued management fees	101,733	101,734
Venture Capital in Gaming technology Fund	Fund under management	Accrued management fees	404,936	-
Direct Financing Fund	Fund under management	Accrued management fees	1,150,000	-
			2,453,732	3,121,526

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7 RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

Name of related party	Relationship	Nature of transactions	As at 31 December 2025	As at 31 December 2024
<u>Units Acquired in Fund</u>				
Impact Growth Fund	Fund under management	Units acquired	151	151
Impact Seed Fund	Fund under management	Units acquired	250	250
Venture Capital E-Commerce, and Online sales sector	Fund under management	Units acquired	100	100
Venture Capital Fintech Fund	Fund under management	Units acquired	97	97
Venture Capital in Electronic Stores Sector Fund	Fund under management	Units acquired	97	97
Venture Capital in Electronic Services Sector Fund	Fund under management	Units acquired	97	97
Impact Fund Third Version	Fund under management	Units acquired	100	100
Venture Capital Emerging Technologies Fund	Fund under management	Units acquired	98	98
Venture Capital Insurtech Fund	Fund under management	Units acquired	-	445
Venture Capital Fund in Electronic Games and Sports	Fund under management	Units acquired	2,750,000	500,000
Venture Capital in Gaming technology Fund	Fund under management	Units acquired	20,000,000	-
Direct Financing Fund	Fund under management	Units acquired	8,000,000	-
			30,750,990	501,435

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7 RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

b) The following transactions were carried out with the related parties during the year:

Name of related party	Relationship	Nature of transactions	For the year ended 31 December 2025	For the year ended 31 December 2024
<u>Asset management fees</u>				
Impact Growth Fund	Fund under management	Management fee	4,479,210	4,896,000
Impact Seed Fund	Fund under management	Management fee	1,458,380	1,909,730
Venture Capital Insurtech Fund	Fund under management	Management fee	1,724,265	5,520,062
Venture Capital Fintech Fund	Fund under management	Management fee	409,635	226,376
Venture Capital in Electronic Stores Sector Fund	Fund under management	Management fee	672,237	658,879
Venture Capital in Electronic Services Sector Fund	Fund under management	Management fee	238,458	241,978
Impact Fund Third version	Fund under management	Management fee	11,672,500	10,618,028
Venture Capital Emerging Technologies Fund	Fund under management	Management fee	353,854	353,853
Venture Capital Fund in Electronic Games and Sports	Fund under management	Management fee	3,000,000	800,000
Venture Capital in Gaming technology Fund	Fund under management	Management fee	352,118	-
Direct Financing Fund	Fund under management	Management fee	1,000,000	-
			25,360,657	25,224,906
<u>Dividend income</u>				
Impact Growth Fund	Fund under management	Dividend income	43,497,220	6,706,234
Venture Capital Insurtech Fund	Fund under management	Dividend income	126,553,564	19,511,442
Direct Financing Fund	Fund under management	Dividend income	322,675	-
			170,373,459	26,217,676

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7 RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

c) Compensation to key management personnel transaction:

	For the year ended 31 December 2025	For the year ended 31 December 2024
Bonus for the year	42,525,000	-
Short term employee benefits	3,508,500	3,415,200
	46,033,500	3,415,200

Compensation to key management personnel payable:

	As at 31 December 2025	As at 31 December 2024
Post-employment benefits	823,759	572,966
	823,759	572,966

8 CASH AND CASH EQUIVALENTS

		As at 31 December 2025	As at 31 December 2024
Cash at banks		719,177	34,785,392
Short-term deposit	8.1	48,500,000	-
		49,219,177	34,785,392

8.1 This represents short-term deposit placed with a local bank with an original maturity of less than 3 months and carried an average profit rate of 5% (2024: Nil). The expected credit loss on this balance is considered minimal.

9 PREPAYMENTS AND OTHER RECEIVABLES

		As at 31 December 2025	As at 31 December 2024
Prepaid expenses		352,530	251,296
Advances to employees		465,465	139,000
Investment receivable	9.1	403,315	2,000,000
Other receivables	9.2	2,956,012	202,842
		4,177,322	2,593,138

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9 PREPAYMENTS AND OTHER RECEIVABLES (Continued)

- 9.1 The investment receivable of SR 403,315 (2024: 2,000,000) represents the outstanding amount from Impact Financial Company's total participation of SR 3 million in the Crowd Lending Platform with Hala Financing Company, as per the agreement dated 10 July 2024, until the first close of the Impact Direct Financing Fund, after which Hala Financing Company will commence repayment of the amount to the Company.
- 9.2 This amount includes the related party payments paid by the Fund manager on behalf of the fund.

10 SHARE CAPITAL

The Company's authorized and issued share capital amounted to SR 20 million as at 31 December 2025 (31 December 2024: SR 5 million), comprising 2,000,000 fully paid shares of SR 10 each (31 December 2024: 500,000 shares).

During the year ended 31 December 2025, the shareholders approved the capitalization of SR 15,000,000 from the Company's retained earnings for the purpose of issuing bonus shares to existing shareholders in proportion to their shareholdings. Accordingly, the Company issued 1,500,000 ordinary shares with a nominal value of SR 10 per share.

As a result of this transaction, the issued and paid-up share capital increased from SR 5 million (500,000 shares) to SR 20,000,000 (2,000,000 shares). This transaction represents a reclassification within equity, whereby retained earnings were transferred to share capital, and therefore did not have any impact on the total equity of the Company.

11 OTHER RESERVE

The statutory reserve was previously established in accordance with the requirements of the Companies Law 2015. With the enactment of the Companies Law 2023, companies are no longer required to maintain a statutory reserve. Accordingly, during the year, the shareholders approved the transfer dated 30 June 2025 of the statutory reserve balance to retained earnings.

12 DEFINED BENEFIT OBLIGATIONS

The Company provides a post-employment defined benefit plan in accordance with Saudi Labor Law. The benefits are determined based on employees' final salaries, allowances, and their cumulative years of service, as outlined in the Saudi Labor Law. The liability for end-of-service benefits is estimated using actuarial techniques, specifically the projected unit credit method.

12.1 Amounts recognized in statement of financial position

	<u>31 December 2025</u>	<u>31 December 2024</u>
Present value of defined benefit obligation	<u>1,719,399</u>	<u>1,266,689</u>

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12 DEFINED BENEFIT OBLIGATIONS (Continued)

12.2 Net benefit expense recognized in statement of income

	<u>31 December 2025</u>	31 December 2024
Current service cost	442,643	435,779
Finance cost	47,206	25,174
Net benefit expense	<u>489,849</u>	<u>460,953</u>

12.3 Movement in defined benefit obligation:

	<u>31 December 2025</u>	31 December 2024
As at 1 January	1,266,689	685,939
Interest cost	47,206	25,174
Current service cost	442,643	435,779
Remeasurement loss / (gain) on end of service benefits - recognized in other comprehensive income	(12,723)	143,258
Benefits paid	(24,416)	(23,461)
As at 31 December	1,719,399	<u>1,266,689</u>

	<u>31 December 2025</u>	31 December 2024
Re-measurement: Actuarial (gain)/ loss on obligation		
(Gain) / loss due to change in financial assumptions	12,901	31,298
(Gain) / loss due to change in demographic assumptions	-	-
(Gain) / loss due to change in experience adjustments	(25,624)	111,960
Remeasurements due to actuarial (gain) / loss	<u>(12,723)</u>	<u>143,258</u>

12.4 Significant assumptions:

The following range of significant actuarial assumptions were used by the Company for the valuation of post-employment benefit liability:

	<u>31 December 2025</u>	31 December 2024
Discount rate	4.10%	4.20%
Long term salary increases	2.50%	2.20%
Weighted average future number of years of service	4.21	3.77

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12 DEFINED BENEFIT OBLIGATIONS (Continued)

The employee benefit obligations typically expose the Company to actuarial risks such as interest risk, longevity risk and future salary risk as follows:

a. Interest rate risk

As explained in notes 2.4 & 3.6, the discount rate used to calculate the present value of the employee benefit obligations is estimated by reference to yields on the governmental bonds. A decrease in the bond interest rate will increase the employee benefit obligations.

b. Longevity risk

The present value of the employee benefit obligations is calculated by reference to the best estimate of the number of years of employment. An increase in the number of the remaining years of employment will increase the employee benefit obligations.

c. Future salary risk

The employee benefit obligations are calculated by reference to the best estimate of future salaries of employees. An increase in the salary of employees will increase the employee benefit obligations.

12.5 Sensitivity analysis of actuarial assumptions

The impact of changes in sensitivities on present value of defined benefit obligation is as follows:

	31 December 2025	31 December 2024
Actuarial assumptions		
- Discount rate + 1%	(1,645,906)	(1,212,928)
- Discount rate - 1%	1,824,012	1,366,002
- Long term salary increase + 1%	1,803,184	1,327,354
- Long term salary decrease - 1%	(1,624,865)	(1,197,357)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the employee benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the employee benefit obligations as it is unlikely that changes in assumptions would occur in isolation of one another.

In presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the employee benefit obligations recognized in the statement of financial position.

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13 ACCRUED EXPENSES AND OTHER LIABILITIES

	As at 31 December 2025	As at 31 December 2024
Accrued employees leave	760,885	798,565
Employee incentive & bonus provision	80,000,000	20,000,000
Unearned revenue	1,161,007	1,516,000
Value added tax payable	114,120	384,816
Others	388,438	341,861
	82,424,450	23,041,242

14 ZAKAT PAYABLE

Movement of the Company's Zakat provision as follows:

	As at 31 December 2025	As at 31 December 2024
As at 1 January	507,094	263,246
Payments during the year	(443,169)	(263,246)
	63,925	-
Charge for the year	453,306	507,094
Prior year charges	-	-
	517,231	507,094
As at 31 December	517,231	507,094

The significant components of the Company's Zakat base comprise of the following:

	31 December 2025	31 December 2024
Adjusted shareholders' equity	22,997,091	10,211,654
Adjusted net income	20,065,728	12,760,972
Provisions	7,746,016	3,806,477
Other additions to Zakat base	-	-
<i>Less:</i>		
Property and equipment	(1,064,777)	(1,720,276)
Other investments	(48,000,000)	(5,000,000)
Other deductions from Zakat base	(2,278,458)	(2,913,296)
Zakat base	(534,400)	17,145,531

Zakat are calculated in accordance with the Zakat, Tax and Customs Authority (ZATCA) regulations and charged to the statement of comprehensive income. The Provision for zakat is calculated at the rate of 2.5% based on the Saudi shareholder's share of equity or net income using the basis defined under the zakat regulations issued by ZATCA. The Company has submitted its Zakat returns to ZATCA up to year ended 31 December 2024 and has obtained the certificate valid until 13 Dhu'l-Qi'dah 1447H corresponding to 30 April 2026. There is no tax zakat assessment until the year ended 31 December 2024.

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15 REVENUE FROM CONTRACTS WITH CUSTOMERS

The disaggregation of the Company's revenue from contracts with customers is as follows:

		For the year ended 31 December 2025	For the year ended 31 December 2024
<u>Types of services</u>			
Asset management fee	15,7	25,360,657	25,224,906
Arranging fee	15	600,000	7,050,000
		25,960,657	32,274,906
		For the year ended 31 December 2025	For the year ended 31 December 2024
<u>Types of customers</u>			
Related party	15,7	25,360,657	25,224,906
Third party	15	600,000	7,050,000
		25,960,657	32,274,906

All revenue is generated in the Kingdom of Saudi Arabia.

		For the year ended 31 December 2025	For the year ended 31 December 2024
<u>Timing of revenue recognition</u>			
Services transferred over time		25,360,657	25,224,906
Services transferred at point in time		600,000	7,050,000
		25,960,657	32,274,906

16 SALARIES AND EMPLOYEES RELATED EXPENSES

		For the year ended 2025	For the year ended 2024
Salaries and employee benefits		170,791,949	37,029,530
Social security expense		1,077,722	937,676
Defined benefit obligation expense (note 12.2)		489,849	460,953
		172,359,520	38,428,159

17 PROFESSIONAL AND LEGAL EXPENSES

		For the year ended 31 December 2025	For the year ended 31 December 2024
Consultancy fees		175,617	1,106,237
Professional fees		479,600	622,417
Audit fees		100,000	145,000
Legal fees		305,986	47,950
		1,061,203	1,921,604

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18 OTHER EXPENSES

	For the year ended 31 December 2025	For the year ended 31 December 2024
Marketing and advertising expenses	3,097,440	2,309,808
Write-off	-	763,895
Insurance	435,682	431,874
Subscriptions fees	867,676	366,168
Meals and entertainment	107,987	205,149
Governmental expenses	139,775	169,602
Training expenses	242,225	71,773
Travel expenses	123,803	67,679
Maintenance expenses	436,390	119,269
Withholding tax expenses	105,024	133,648
Stationery & printing expenses	46,744	34,254
Bank charges	40,147	6,474
Utilities	104,741	87,692
	5,747,634	4,767,283

19 FINANCIAL RISK MANAGEMENT

The Company's objective in managing risk is the creation and protection of shareholder value. Risk management is an ongoing process which requires continuous identification, analysis, mitigation and monitoring of risks and controls.

The Company's Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. These risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Company has dedicated Risk and Compliance function. Day-to-day risk management activities are managed within each respective business unit. The Board of Directors meets on a quarterly basis and is updated on all relevant aspects of the business, including risk management matters.

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19 FINANCIAL RISK MANAGEMENT (Continued)

The Company is exposed through its operations to the following financial risks:

- Credit risk
- Interest rate risk
- Foreign exchange risk
- Other market price risk, and
- Liquidity risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

- Cash and cash equivalents
- Trade receivables
- Short term deposits
- Financial assets at fair value through other comprehensive income
- Other liabilities

General objectives, policies and processes

The Board has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority to the management for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility.

The most significant financial risks to which the Company is exposed are described below.

Market risk

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market prices. Market risk applicable to the Company comprises: price risk, interest rate risk and foreign currency risk.

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19 FINANCIAL RISK MANAGEMENT (Continued)

Commissions rate risk

Commission rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in commission rates.

The Company is not exposed to commission rate risk as it does not have significant financial assets or financial liabilities bearing a floating interest rate as at 31 December 2025 and 31 December 2024.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. 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 during the reporting years.

Price Risk

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

The Company is exposed to market risk with respect to its investments in mutual funds. The Company limits market risks by only investing in the mutual funds managed by the Company.

Management's best estimate of the effect on statement of profit & loss due to a reasonably possible change in aggregate NAV of all the mutual funds invested in, with all other variables held constant is indicated in the table below. In practice, the actual trading results may differ from the sensitivity analysis below and the difference could be material.

Variable	Change in %	Effect on statement of comprehensive income for the year ended	
		31 December 2025	31 December 2024
Investment held at FVTPL	+/- 1	+/- 707,510	+/- 55,014

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19 FINANCIAL RISK MANAGEMENT (Continued)

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Cash is placed with a bank having sound credit ratings. The Company seeks to limit its credit risk with respect to counterparties by setting credit limits for individual counterparties and by monitoring outstanding receivables.

The table below shows the Company's maximum exposure to credit risk for the components of the statement of financial position:

	As at 31 December 2025	As at 31 December 2024
Cash at bank	49,219,177	34,785,392
Due from related parties	2,453,732	3,121,525
Other receivables	3,824,792	341,842
	55,497,701	43,750,194

The Company applies IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss. As at 31 December 2025, the Company has outstanding balances with related parties, which is being settled as per the agreed terms with no prior historical credit loss experience. For other financial assets, management considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognized.

Credit quality analysis

The following table sets out the credit analysis for financial assets:

As at 31 December 2025	Investment grade	Non- Investment grade	Unrated	Total
Financial assets				
Cash and cash equivalents	49,219,177	-	-	49,219,177
Due from related parties	-	-	2,453,732	2,453,732
Other receivables	-	-	3,421,477	3,421,477
Total	49,219,177	-	5,875,209	55,094,386
As at 31 December 2024	Investment grade	Non- Investment grade	Unrated	Total
Financial assets				
Cash and cash equivalents	34,785,392	-	-	34,785,392
Due from related parties	-	-	3,121,526	3,121,526
Other receivables	-	-	341,842	341,842
Total	34,785,392	-	3,463,368	38,248,760

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19 FINANCIAL RISK MANAGEMENT (Continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to realize financial assets quickly at an amount close to its fair value. The Company manages its liquidity risk by monitoring working capital and cash flow requirements on a regular basis. The Company limits its liquidity risk by ensuring that sufficient funds are available from its shareholders.

Commission rate risk	Within 3 Months	3-12 months	More than 1 year	No fixed maturity	Total
As at 31 December 2025					
Cash and cash equivalents	48,500,000	-	-	719,177	49,219,177
Investments held at FVTPL	-	-	30,750,990	40,000,000	70,750,990
Due from related parties	-	-	-	2,453,732	2,453,732
Other receivables	-	-	-	3,421,477	3,421,477
Total	48,500,000	-	30,750,990	37,345,376	125,845,376
Other liabilities	1,161,007	-	-	81,149,323	82,310,330
Lease liability	-	670,537	2,067,251	-	2,737,788
Total	1,161,007	670,537	2,067,251	81,149,323	85,048,118
	Within 3 months	3-12 months	More than 1 year	No fixed maturity	Total
As at 31 December 2024					
Cash and cash equivalents	34,785,392	-	-	-	34,785,392
Investments held at FVTPL	-	-	5,000,000	501,435	5,501,435
Due from related parties	3,121,526	-	-	-	3,121,526
Other receivables	341,842	-	-	-	341,842
Total	38,248,760	-	5,000,000	501,435	43,750,195
Other liabilities	-	22,656,426	-	-	22,656,426
Lease liability	-	616,588	2,737,918	-	3,354,506
Total	-	23,273,014	2,737,918	-	26,010,932

20 FAIR VALUE OF FINANCIAL INSTRUMENTS

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 are accessible by the Company.

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20 FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows the fair value of financial assets, including their levels in the fair value hierarchy. There were no transfers between levels during the year.

Financial assets	Level 1	Level 2	Level 3	Total
31 December 2025				
FVTPL	-	-	70,750,990	70,750,990
Financial assets				
31 December 2024				
FVTPL	-	-	5,501,435	5,501,435
Financial assets / financial liabilities	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship and sensitivity of unobservable inputs to fair value	
FVTPL	Cost	N/A	N/A	

The Company holds an investment in Additional Tier 1 Sukuks with a fair value of SR 40,000,000 as at 31 December 2025. As at 31 December 2025, the investment was classified as Level 3 in the fair value hierarchy due to the absence of observable market quotations for the Sukuks.

As at the reporting period, the carrying values of the financial assets not carried at fair value such as cash and cash equivalents, prepayments and other receivables, and amounts due from related parties. Financial liabilities consist of other liabilities. The fair values of financial assets and financial liabilities approximate their carrying values at the reporting date mainly due to the short-term maturities of these instruments. The investment measured at FVTPL are categorized within level 3 in fair hierarchy.

21 ASSETS HELD UNDER FIDUCIARY CAPACITY

Assets under management

Assets under management represent the private equity funds' assets and investments managed by the Company on behalf of its customers amounting to SR 1,445 million (31 December 2024: SR 2,081 million). Consistent with the Company's accounting policy, such balances are not included in the Company's financial statements.

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22 CONTINGENCIES AND COMMITMENTS

Capital commitments

As at the reporting date, the Company has total capital commitments of SR 21,000,000 in investment funds. Out of this total commitment, SR 10,750,000 has been called and contributed, while the remaining SR 10,250,000 represents uncalled commitments that may be required to be funded in the future in accordance with the respective fund agreements. These commitments relate to SR 16,000,000 in the Direct Financing Fund (SR 8,000,000 contributed) and SR 5,000,000 in the Electronic Games and Sports Fund (SR 2,750,000 contributed).

23 SUBSEQUENT EVENTS

There have been no subsequent events after 31 December 2025, which would have material impact on these financial statements and require adjustments or additional disclosures in these financial statements.

24 APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Board of Directors of the Company on 15 March 2026 corresponding to 26 Ramadan 1447H.