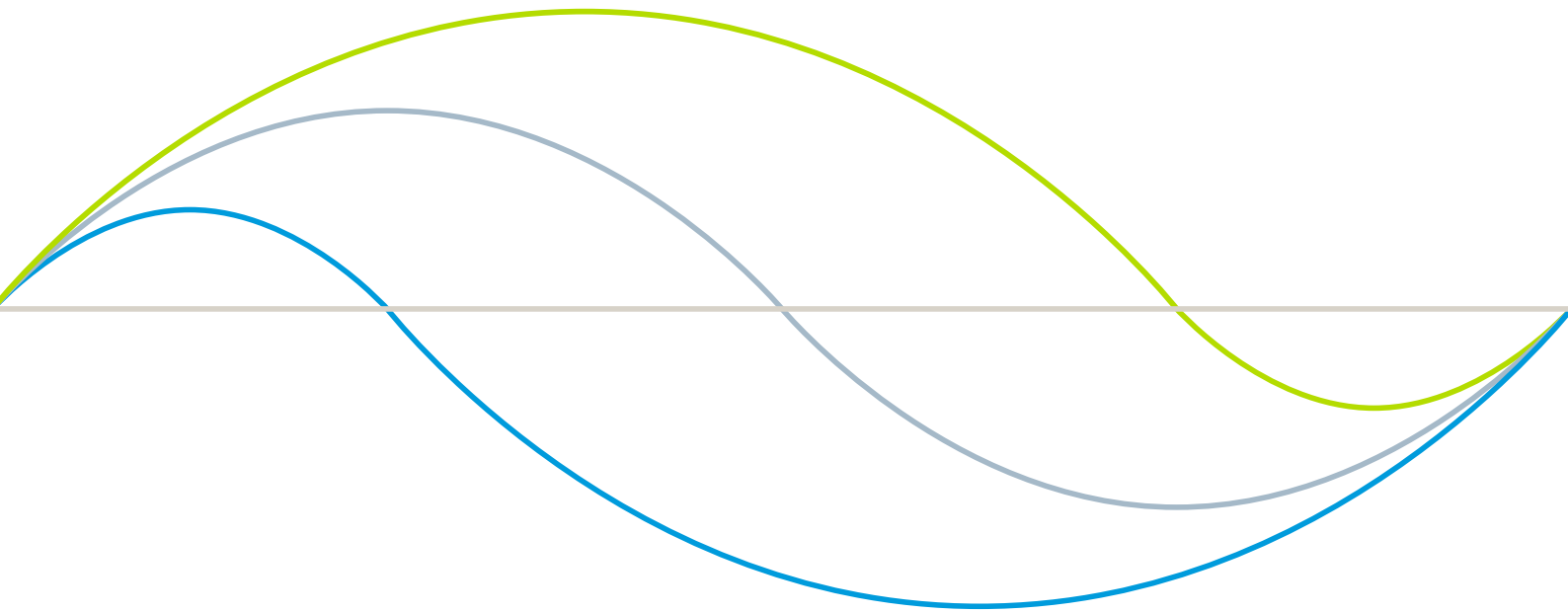


ARCAPITA

# Board of Directors' Report 2025

For the period from 1<sup>st</sup> July 2024 to  
31<sup>st</sup> December 2025

31 March 2026



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# 1. Introduction

The Board of Directors is pleased to present its report issued for Arcapita Capital Company (“ACC” or “Company” or “Arcapita”) for the financial period from 1 July 2024 to 31 December 2025. The report includes information about the Company’s financial and operational performance, in addition to a summary of the business and development that occurred during that period.

## 2. Company Information and Primary Activities

Arcapita Capital Company was established as a Single Person - Closed Joint Stock Company in Riyadh, Saudi Arabia under commercial registration number 1010781192, issued on 16 February 2022 and Ministry of Investment license number 102114212107660 issued on 12 July 2021.

The Company's paid-up capital is **ﷲ** 28,000,000 (twenty million Saudi Riyals) and is subject to the supervision of the Capital Market Authority under license number 22237-32, to provide investment services, including Managing Investments and Operating Funds, as well as advising and arranging in securities.

ACC is a wholly owned subsidiary of Arcapita Global Limited. Arcapita Global Limited, is in turn, a wholly owned subsidiary of Arcapita Group Holdings Limited, which is the ultimate parent of ACC.

The Company's registered address, which is also its principal place of business, is:

**Office 14E&14D, Floor 14**

**Kingdom Center, Riyadh**

**Kingdom of Saudi Arabia**

The Company offers flexible products and services governed by the requirements of Shari'ah principles to meet clients' evolving needs while generating value for each investor. It delivers innovative investment opportunities in a transparent manner.

### 3. Financial period results and assets & liabilities of the company

ACC reported a net loss of **ﷲ** 3.293 million for the fiscal year ending 31 December 2025, compared to the net income of **ﷲ** 0.867 million recorded in the previous year. This change was mainly driven by increased in activities and in preparation for the group's expansion in the MENA portfolio and listing plans

<b>ﷲ</b> '000	<b>1 JUL 2024 TO 31 Dec 2025</b>	<b>1 JUL 2023 TO 30 JUN 2024</b>	<b>16 FEB 2022 TO 30 JUN 2023</b>
Total Value of Asset Under Management	1,302,586	1,136,231	639,405
Gross Revenue	20,590	13,495	9,318
Total Operating Expenses	24,694	12,960	11,532
Net Income (Loss)	(3,293)	867	(1,843)
Total Assets	36,318	34,169	25,442
Total Liabilities	12,586	15,145	7,285
Shareholders' Equity	23,731	19,024	18,157

## 4. Operational Review and Outlook

### 4.1. Operational Review

During the 18-month financial period ending 31 December 2025, the Company continues to develop its business in Saudi Arabia with primary focus on Fund Management. Some highlights for are as follows:

#### 4.1.1. Arcapita signs strategic partnership with King Abdullah Economic City to Develop Industrial Facilities

Arcapita has signed a Memorandum of Understanding (MoU) with King Abdullah Economic City (KAEC) to collaborate on the development of state-of-the-art industrial and warehousing facilities within KAEC's Industrial Valley.

The partnership will leverage Arcapita's expertise in built-to-suit industrial real estate to develop ESG-compliant facilities tailored to tenant requirements, supporting industrial and logistics growth in the Kingdom of Saudi Arabia.

The collaboration is expected to enhance KAEC's operational capabilities, attract foreign direct investment, and provide access to Arcapita's global network of blue-chip tenants.

The MoU supports Saudi Arabia's broader industrialization and economic diversification objectives and strengthens Arcapita's strategic presence in the regional industrial real estate sector.

#### 4.1.2. Arcapita & DSV Strategic Warehouse Development (Dubai)

Arcapita, in partnership with DSV, has commenced the development of a 30,000 sqm build-to-suit, state-of-the-art warehouse in Jebel Ali Free Zone (JAFZA), Dubai, marking the second phase of their strategic collaboration.

The facility is designed to the highest international standards, with a strong focus on sustainability and innovation, including LEED certification, advanced automation, and green building practices.

The warehouse will support key sectors including Healthcare, Consumer & Retail, Technology, Automotive, and Industrial, with capacity for 75,000 pallet positions, specialized hazardous materials handling (including lithium batteries), and white-glove logistics services for high-value and sensitive goods.

Construction has commenced, with completion expected within Quarter1 of year 2026, and Amana appointed as the design-and-build contractor.

The project strengthens Arcapita's industrial real estate footprint in the GCC and reinforces its strategy to expand its logistics platform, which currently comprises over \$1 billion in industrial real estate assets under management.

#### 4.1.3. Human Capital:

The Company has recruited experienced and qualified employees. Qualified employees have also been seconded from the Company's affiliate, Arcapita Investment Management B.S.C (c).

<b>Employees</b>	4
<b>Seconded Employees</b>	6
<b>Contracted Employees</b>	3
<b>Saudization %</b>	75%

#### 4.1.4. Asset Management Activities:

ACC established its first fund, ARC KSA Logistics Fund III (the “Fund”), a private closed-ended Shari’ah-compliant real estate investment fund since 31 December 2022.

The Fund’s objective is to achieve long term capital appreciation with periodic dividend income for Unitholders through the direct or indirect acquisition and operation of income-generating properties in the logistics sector. The Fund targets stabilized and built-to-suit industrial properties, primarily in the Kingdom of Saudi Arabia, with the flexibility to invest in properties within other GCC countries.

The Fund has a term of five (5) years from the expiry of the initial offering period, plus two additional one-year extensions subject to obtaining the approval of the fund’s Board of Directors.

As of 31 December 2025, the fund has a net asset value of **ﷲ1,303 million** (30 June 2024: **ﷲ1,136 million**). The target equity is **ﷲ1.9 billion**.

#### 4.1.5. New Office:

ACC has relocated to a new office space in the Kingdom Center in January 2025. This move is in line with the Company’s continued growth and expansion plans. The new office space, spanning 493 square meters, provides a modern and efficient workspace that better supports the Company’s operations and team. The relocation aligns with the Company’s long-term commitment to the kingdom of Saudi Arabia and reflects its ongoing success and growth.

#### 4.1.6. Arcapita strengthens its Board of Directors with Three New Appointments:

In line with its commitment to robust corporate governance and effective oversight, ACC has expanded its Board of Directors through the appointment of new independent members. These additions bring diverse experience and perspectives, enhancing the Board’s independence, strategic guidance, and overall effectiveness.

**Mr. Abdulatif bin Khalid AlRabi’ah (appointed from 10<sup>th</sup> September 2024)** has extensive experience in finance, investment, and business development. He currently serves as a member of the Audit and Review Committee of AlRabi’ah & AlNassar Group.

He has held senior executive roles, including Head of Business Development at MURO Stone Tech Ltd. and General Manager at Sure Energy Systems Pvt. Ltd., and has previously worked with the Saudi Investment Bank, the National Water Company, and Samba Financial Group. Mr. Al-Rabi’ah holds a Bachelor of Science in Finance from California State University, Long Beach.

**Mr. Badr AlReziza (appointed from 2<sup>nd</sup> July 2025)** is Chief Executive Officer and a Board Member of Al Reziza Trading and Contracting Company, a long-established family-owned group operating across food and beverage trading, real estate, industrial supplies for the oil and gas sector, and investment management.

He began his career in 2002 and has held a range of leadership roles within the group. Mr. AlReziza also served with Oqal Group, Saudi Arabia’s first angel investors network, where he chaired the Investment Committee, and later held senior leadership roles at the regional and national levels. He currently serves as Chairman of the Board of the Eastern Province Chamber of Commerce.

**Mr. Fahad AlMansour (appointed from 2nd July 2025)** has over 16 years of experience across the business and government sectors. He currently serves as Chief Executive Officer of Al-Mutlaq Group and Managing Partner at KSA Catalyst.

He has previously held senior roles including Chief Executive Officer of Zajil Holding, Deputy Minister at the Ministry of Economy and Planning, and positions with Kadi Holding Group, Zajil Logistics, and Ernst & Young. Mr. Al-Mansour also serves on the boards of several public sector entities and holds a bachelor’s degree in accounting from California State University, San Bernardino, and an Executive MBA from London Business School.

## 4.2. Outlook

### 4.2.1. KSA III Logistics Fund:

The Fund completed its third closing in Q3 2025 and successfully raised **ﷲ151** million. These proceeds were utilized to acquire further investment properties located in Riyadh for a total purchase price of **ﷲ68** million in October 2025. The remainder of the amount raised was used to fund ongoing construction activities for the built-to-suit facility in Dubai, of which completion and handover to the tenant is expected in March 2026.

Subsequent to December 31, 2025. The Fund has managed to secure bank financing from Emirates Islamic Bank, proceeds from the first drawdown of the facility were used to acquire additional assets in January and February 2026 in Dammam and Jeddah for a total consideration of **ﷲ80** million. Furthermore, the Fund signed agreements in February 2026 for the forward funding of the development of a new state-of-the-art storage facility in King Salman Energy Park.

### 4.2.2. Strategic Objectives and Future Plans of the Company:

The Company's strategy focuses on:

- Working professionally to achieve growth and maximize returns for all stakeholders.
- Providing innovative investment solutions with rewarding returns by strengthening investments and seizing attractive opportunities.
- Expanding and diversifying investment funds, portfolios, real estate, and private equity products.
- Expanding the client base.
- Adhering to the highest professional standards in business performance.
- Providing a modern and attractive work environment for talented individuals, attracting qualified professionals, and qualifying them through training programs.
- Complying with the requirements of the Capital Market Authority and corporate governance guidelines and following the highest professional standards in performance.

## 5. Board of Directors

The following table provides the names of the members of the ACC Board of Directors as of 31<sup>st</sup> December 2025.

NAME	MEMBERSHIP
ABDULAZIZ HAMAD ALJOMAIH	Non-executive Director & Chairman of the Board
ABDULRAHMAN ABDULAZIZ ALMUHANNA	Non-executive Director & Vice-Chairman of the Board
HISHAM ABDULRAHMAN ALRAEE	Non-executive Director
ABDULLATIF KHALID ALRABIAH	Independent Board Member
BADER SULAIMAN ALREZIZA	Independent Board Member
FAHAD ADNAN ALMANSOUR	Independent Board Member

ACC has six board members, including three independent members appointed by the sole shareholder of the Company and approved by the CMA.

Mr. Mohamed Abdulla Nooruddin has resigned from the board of directors, effective April 2025.

### 5.1. Membership of Other Boards

Members of the Board of Directors also sit on the board of other organizations or hold management positions in other entities. The details are disclosed in “Appendix A” and “Appendix B” of this report.

### 5.2. Board Meetings

The Board of Directors of ACC held 6 meetings of the Board during the year. The dates of the meetings and the members present are as follows:

DIRECTORS' NAME	MEETING DATES					
	Nov 28 2024	Nov 28 2024	Feb 25 2025	Jun 22 2025	Jul 31 2025	Oct 25 2025
ABDULAZIZ HAMAD ALJOMAIH	Present	Present	Present	Present	-	Present
ABDULRAHMAN ABDULAZIZ ALMUHANNA	Present	Present	Present	Present	Present	Present
HISHAM ABDULRAHMAN ALRAEE	-	-	Present	Present	Present	-
ABDULLATIF KHALID ALRABIAH	Present	Present	Present	Present	Present	Present
BADER SULAIMAN ALREZIZA	-	-	-	Present	Present	Present
FAHAD ADNAN ALMANSOUR	-	-	-	Present	Present	Present
MOHAMED ABDULLA NOORUDDIN*	Present	Present	Present	-	-	-

\*Mr. Mohamed Abdulla Nooruddin has resigned from the board of directors, effective April 2025.

### 5.3. Board Committees:

Details of the various Board Committees and a summary of their terms of reference and responsibilities are as follows:

#### 5.3.1. Board Audit Committee:

The main objectives of the Board Audit Committee include the following:

- Review of Company's accounting policies, integrity of the Company's financial statements and effectiveness of internal controls.
- Recommend & approve the appointment, compensation, and oversight of the Company's external auditors.
- Recommend the appointment of the internal auditors and review internal audit observations and recommendations.
- Review of Company's compliance procedures, regulatory matters and risk management framework including systems, processes, and limits.

#### Dates of meetings:

DIRECTORS' NAME	MEETING DATE		
	Sept 24 2024	Oct 24 2024	Oct 6 2025
FAHAD ADNAN ALMANSOUR (Chairman)	-	-	Present
HISHAM ABDULRAHMAN ALRAEE	Present	Present	Present
ABDULLATIF KHALID ALRABIAH	-	-	Present
MOHAMED ABDULLA NOORUDDIN (Chairman)*	Present	Present	-

\*Mr. Mohamed Abdulla Nooruddin has resigned from the board of directors, effective April 2025.

#### 5.3.2. Risk & Compliance Committee:

The main objectives of the Risk & Compliance Committee include the following:

- Assist the Board of Directors in its oversight of the organization's risk management and compliance programs.
- Ensure that the organization has a comprehensive and effective risk management framework in place to identify, assess, monitor, and manage all material risks.
- Oversee the organization's compliance with applicable laws, regulations, and industry standards.
- Promote a strong risk culture and ethical behavior throughout the organization.

#### Dates of meetings:

DIRECTORS' NAME	MEETING DATE		
	Oct 24 2024	Apr 24 2025	Dec 11 2025
HISHAM ABDULRAHMAN ALRAEE (Chairman)	Present	Present	Present
ABDULLATIF KHALID ALRABIAH	-	Present	Present
BADER SULAIMAN ALREZIZA	-	-	Present
MOHAMED ABDULLA NOORUDDIN*	Present	-	-

\*Mr. Mohamed Abdulla Nooruddin has resigned from the board of directors, effective April 2025.

- The CEO Muhannad Buhindi and the compliance officer Deema Baz are part of the Risk Compliance committee.

### 5.3.3. Nominations and Remuneration Committee:

The main objective of this committee includes the following:

- Make recommendations to the Board of Directors on the appointments of the Board of Directors, CEO, and senior executives.
- Annual review of the requirements for appropriate skills for the membership of the Board of Directors.
- Review the structure of the Board of Directors and make recommendations to make the required changes to the Board.
- Ensuring annually that independent members remain independent, establishing clear policies for compensation.
- Recommending remuneration of the Board members and senior executives, and that performance standards are followed in their formulation.

#### Dates of meetings:

DIRECTORS' NAME	MEETING DATE	
	Oct 24 2024	Apr 24 2025
ABDULRAHMAN ABDULAZIZ ALMUHANNA (Chairman)	Present	Present
HISHAM ABDULRAHMAN ALRAEE	Present	Present
BADER SULAIMAN ALREZIZA	-	-
MOHAMED ABDULLA NOORUDDIN*	Present	-

\*Mr. Mohamed Abdulla Nooruddin has resigned from the board of directors, effective April 2025.

#### 5.4. Remuneration paid to the Directors and five senior executives

The following table provides full details of the Board of Directors' remuneration and compensation (Amounts in ₪):

DESCRIPTION	EXECUTIVE BOARD MEMBERS	NON-EXECUTIVE BOARD MEMBERS	INDEPENDENT BOARD MEMBERS
ATTENDANCE ALLOWANCE FOR THE BOARD MEETINGS	-	70,000	75,000
ATTENDANCE ALLOWANCE FOR COMMITTEE MEETINGS	-	50,000	45,000
PERIODIC AND ANNUAL BONUSES	-	-	-
INCENTIVE PLANS	-	-	-
ANY OTHER COMPENSATION OR BENEFITS IN KIND PAID MONTHLY OR ANNUALLY	-	450,000	600,000
<b>TOTAL</b>	<b>-</b>	<b>570,000</b>	<b>720,000</b>

The following table provides details of compensation of senior management (Amounts in ₪):

DESCRIPTION	FIVE TOP EXECUTIVES WHO RECEIVED THE HIGHEST BONUSES AND COMPENSATION, PLUS THE CHIEF EXECUTIVE OFFICER (CEO) AND THE CHIEF FINANCIAL OFFICER (CFO), IF NOT INCLUDED
SALARIES AND WAGES (BASIC SALARY)	5,873,406
ALLOWANCES (HOUSING, TRANSPORTATION, ETC.)	-
PERIODIC AND ANNUAL BONUSES	-
INCENTIVE PLANS	-
COMMISSIONS	-
ANY COMPENSATION OR OTHER BENEFITS IN KIND PAID ON A MONTHLY OR ANNUAL BASIS	1,618,890
<b>TOTAL</b>	<b>7,492,296</b>

## 5.5. Waiver of remuneration by a Board member or a Senior Executive

There were no waivers from the members of the Board of Directors or senior executives of any bonuses and compensation.

## 5.6. Directors' interest in contracts

### **Abdulaziz Hamad AUomiah**

- The Chairman of the Board of Directors of Arcapita Group Holdings Limited.
- Managing Director of Pergola Holding, Inc., which owns 23.38% of the issued capital of Arcapita Group Holdings Limited.
- Sole shareholder of Oxy Investments, which owns 1.17% of the issued capital of Arcapita Group Holdings Limited.

### **Abdulrahman Abdulaziz AlMuhanna:**

- A Member of the Board of Directors of Arcapita Group Holdings Limited.
- Owns 4.60% of the issued capital of Arcapita Group Holdings Limited.
- In addition, his family members own 10.67% of the issued capital of Arcapita Group Holdings Limited.

### **Hisham Abdulrahman AlRae:**

- Director & CEO of Arcapita Investment Management B.S.C.(c) and Arcapita Group Holdings Limited.
- Sole shareholder of Al Rae Investment W.L.L, which owns 1.16% of the issued capital of Arcapita Group Holdings Limited.

ACC has a contract agreement with the following entities which are owned by the ultimate parent Arcapita Group Holdings Company:

- 1- Arcapita Global Limited
- 2- Arcapita Investment Partners Limited

Arcapita Investment Management B.S.C.(c) has entered into a secondment agreement with ACC.

Details of these agreements are disclosed in section 11 – Related party transactions.

## 6. Arcapita Capital Company subsidiaries

The Company does not have any subsidiary or branch either inside or outside the Kingdom.

## 7. Penalty or restriction imposed on the Company

No penalties or restrictions were imposed by any regulatory or judicial authority during the period, except for the following matters:

- The Company assessed its capital requirements and initiated actions to increase its capital by ~~₹~~ 8,000,000, including obtaining the necessary shareholder approval on 3 October 2025 and submitting the required regulatory filings by 20 November 2025. However, as the CMA approval was received on 14 December 2025, the capital increase was not reflected in the November 2025 capital adequacy calculation, resulting in a reported capital adequacy ratio of 7.3%, below the minimum required ratio of 8%.
- A penalty of ~~₹~~ 250 was imposed by the Riyadh Municipality in relation to the absence of the office QR code.

All matters were duly reported to the Board of Directors and have since been resolved following the implementation of appropriate corrective actions.

## 8. Results of the internal audit of the company

### 8.1. Internal Audit

During the year, Protiviti, the Company's Internal Auditor, conducted a wide risk assessment to identify and prioritize key risks across the Company's regulated activities and support functions.

The assessment, performed using a structured risk-based methodology, identified Compliance and Anti-Money Laundering as a high-risk area, while Asset Management, Information Technology, Financial Control and Administration, and Advising activities were assessed as medium risk, and Arranging activities as lower risk.

Based on risk assessment results, a three-year risk-based internal audit plan was developed to ensure appropriate coverage of higher-risk areas.

#### Opinion of the Board of Audit Committee

Based on the periodic reports presented by the internal audit, compliance, risk management and external auditors during the financial period ending 31st December 2025, the board audit committee would like to confirm its satisfaction with the effectiveness of the internal control systems while several measures are being taken to strengthen it further.

## 9. Major observations in the external auditor's report

In addition to the internal audit, the company's financial statements were subjected to annual audit by the external auditors (Ernst & Young) of the company.

Their report and the audited financial statements are published on the company's web site. The auditor's report did not contain any reservations on the annual financial statements.

## 10. Major risks faced by the Company

The Company's activities expose it to a variety of financial risks that include:

### 10.1. Credit risk

Credit risk is the risk of suffering financial loss should any of the Company's customers, clients or market counterparties fail to fulfil their contractual obligations to the Company. Credit risk arises mainly from bank balances, trade receivables and amounts due from related parties.

- Risk management

Credit risk is the single largest risk for the Company's business; therefore, the management carefully manages its exposure to credit risk.

- Impairment of financial assets

The Company has the following types of financial instruments that are subject to expected credit loss:

- Bank balances; and
- Trade and other receivables - receivable from related parties.

- Trade receivables

The Company applies the simplified approach for measuring ECL for trade receivables which uses a lifetime expected loss allowance.

- Financial assets at amortized cost

The Company assesses on a forward-looking basis the Expected Credit Losses ("ECL") associated with its financial assets, carried at amortized cost, the ECL is based on a 12-month ECL and lifetime ECL. The 12-month ECL is the portion of lifetime ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance increase in credit risk since origination will be based on the lifetime ECL. For due from related parties, the Company applies the simplified approach.

### 10.2. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Deposits are generally placed for short periods to manage the Company's liquidity requirements.

All liabilities on the Company's statement of financial position, other than end of service benefits, are contractually payable on a current basis. Liquidity risk at an investment fund level is being managed through appropriate liquidity limits and is monitored for each fund.

The Company's liquidity management process is monitored by the management, including:

- Day-to-day funding is managed by the finance department to ensure that requirements can be met, and this includes replenishment of funds as they mature or are invested.
- Monitoring the statement of financial position liquidity ratios against internal and regulatory requirements.
- Managing the concentration and profile of debt maturities; and
- Liquidity management and asset and liability mismatching.

### 10.3. Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Company is not subject to fluctuations in foreign exchange rates in the normal course of its business. The Company did not undertake significant transactions in currencies other than Saudi Riyals and US Dollars during the year. As the Saudi Riyal is pegged to the US Dollar, balances in US Dollar are not considered to represent significant currency risk.

#### 10.4. 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 not exposed to market risk.

## 11. Related Party Transactions

The company has not entered any significant transactions (business or contracts) with any member of the Board, Senior executives, Chief Financial Officer, or any person related to any of them other than those disclosed below.

### Related Party Transactions

Related parties represent shareholders, funds managed by the Company, entities controlled, jointly controlled, or significantly influenced by such parties, key management personnel and the Board of Directors.

The transactions with related parties are carried out on mutually agreed terms approved by the management of the Company.

Following are the details of related parties and their relationship with the Company:

RELATED PARTIES	RELATIONSHIP
Arcapita Global Limited	Parent
Arcapita Investment Partners Limited	Owned by Ultimate Parent
Arcapita Investment Management B.S.C	Owned by Ultimate Parent
Arcapita KSA Logistics Fund III	Fund managed by the Company
Board of Directors ("BOD")	BOD
Key Management Personnel	Executives

The following are the major related party transactions that have occurred during the period:

RELATED PARTIES	NATURE OF TRANSACTIONS	AMOUNTS OF TRANSACTIONS (SAR '000)		
		Dec 2025	Jun 2024	Jun 2023
Arcapita Global Limited	Service charge expense	38	38	38
	Payment on behalf	7,561	-	-
Arcapita Investment Partners Limited	Arranging fees	7,625	4,028	3,934
Arcapita Investment Management B.S.C	Secondment of staff expense	12,877	6,928	6,900
Arcapita KSA Logistics Fund III	Management fee	22,552	13,376	4,245
Arcapita KSA Logistics Fund III	Acquisition fee	850	5,669	7,075
Board of Directors ("BOD")	Remuneration	1,290	590	715
Key Management Personnel	Remunerations & benefits	7,492	5,977	6,429

### Amount due from a related party

RELATED PARTIES	AMOUNTS OF TRANSACTIONS (SAR '000)		
	Dec 2025	Jun 2024	Jun 2023
ARCAPITA KSA LOGISTICS FUND III	8,220	14,319	4,245
ARCAPITA GLOBAL LIMITED	6,959	-	-

Amount due to a related party

RELATED PARTIES	AMOUNTS OF TRANSACTIONS (₹ '000)		
	Dec 2025	Jun 2024	Jun 2023
ARCAPITA GLOBAL LIMITED	-	4,940	3,457

## 12. Details of loans of the company

ACC has no loans.



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**Chairman of the Board of Directors**  
Arcapita Capital Company  
Abdulaziz Hamad Aljomaih

## Appendix A - Board membership in other companies

DIRECTORS' NAME	BOARD MEMBERSHIP IN OTHER COMPANIES
ABDULAZIZ HAMAD ALJOMAIH	Arcapita Group Holdings Limited AUomaih Holding Co. Pergola Holding Inc. Oxy Investments
ABDULRAHMAN ABDULAZIZ ALMUHANNA	Arcapita Group Holdings Limited Saudi Kuwait Finance House
MOHAMED ABDULLA NOORUDDIN	Bahrain Islamic Bank B.S.C. Newbury Investments WLL
HISHAM ABDULRAHMAN ALRAEE	Al Raee Investment W.L.L Arcapita Management Limited Arcapita Investment Partners Limited AIM Group Limited AGL Bahrain W.L.L AHLF Holdings Limited AHP Management Limited AIPP Limited ARC AI Capital I Limited ARC AI Capital II Limited ARC AI Capital III Limited ARC AI Capital IV Limited ARC AI Holdings Limited ARC AI Holding Company Limited ARC AI Acquisition GP Limited ARC AI Co-Investment (Figure Series C) Capital I Limited ARC AI Co-Investment (Figure Series C) Capital II Limited ARC AI Co-Investment (Figure Series C) Capital III Limited ARC AI Co-Investment (Figure Series C) Capital IV Limited ARC AI Co-Investment (Figure Series C) Holdings Limited ARC AI Co-Investment (Figure Series C) Holding Company Limited ARC AI Co-Investment (Figure Series C) Acquisition LP ARC AMC WCF Limited ARC Fintech Portfolio I Capital II Limited ARC Fintech Portfolio I Capital III Limited ARC Fintech Portfolio I Capital IV Limited ARC Fintech Portfolio I Capital Limited ARC Fintech Portfolio I Holding Company Limited ARC Fintech Portfolio I Holdings Limited ARC Fintech Portfolio I Investments Limited ARC Investments 1 SPV Limited ARC ILS Capital I Limited ARC ILS Capital II Limited

DIRECTORS' NAME	BOARD MEMBERSHIP IN OTHER COMPANIES
	<p>ARC ILS Capital III Limited  ARC ILS Capital IV Limited  ARC ILS Holdings Limited  ARC ILS Holding Company Limited  ARC Logistics Portfolio IV Holdings Limited  ARC Logistics IV SPV 1 Limited  ARC Logistics IV SPV 2 Limited  ARC Logistics Portfolio II Capital Limited  ARC Logistics Portfolio II Equity Limited  ARC Logistics Portfolio II Holding Company Limited  ARC Logistics Portfolio II Holdings Limited  ARC Logistics Portfolio III Capital Limited  ARC Logistics Portfolio III Holding Company Limited  ARC Logistics Portfolio III Holdings Limited  ARC Logistics Portfolio III Investments Limited  ARC Logistics Portfolio IV Capital Limited  ARC Logistics Portfolio IV Holding Company Limited  ARC Logistics Portfolio IV Investments Limited  ARC Logistics Portfolio V Capital Limited  ARC Paving Capital I Limited  ARC Paving Capital II Limited  ARC Paving Capital III Limited  ARC Paving Capital IV Limited  ARC Paving Holdings Limited  ARC Paving Holding Company Limited  ARC Portfolio III SPV Limited  ARC PSV Acquisitions Limited  ARC PSV Capital I Limited  ARC PSV Capital II Limited  ARC PSV Capital III Limited  ARC PSV Capital IV Limited  ARC PSV Holding Company Limited  ARC PSV Holdings Limited  ARC PSV Investments Limited  ARC Neo Capital I Limited  ARC Neo Capital II Limited  ARC Neo Capital III Limited  ARC Neo Capital IV limited  ARC Neo Holding Company Limited  ARC Neo Holdings Limited  ARC UK Industrial Fund Holdings Limited  ARC UK Industrial Fund SLP Limited  ARC UK Industrial Portfolio I Capital I Limited  ARC UK Industrial Portfolio I Capital II Limited  ARC UK Industrial Portfolio I Capital III Limited  ARC UK Industrial Portfolio I Cayman HoldCo Limited  ARC UK Industrial Portfolio I FinCo</p>

DIRECTORS' NAME	BOARD MEMBERSHIP IN OTHER COMPANIES
	<p>ARC UK Industrial Portfolio I GP Limited  ARC UK Industrial Portfolio I Holdings Limited  ARC US AMC Capital I Limited  ARC US AMC Capital II Limited  ARC US AMC Capital III Limited  ARC US AMC Capital IV Limited  ARC US AMC Holding Company Limited  ARC US AMC Holdings Limited  ARC US Data Center Capital I Limited  ARC US Data Center Capital III Limited  ARC US Data Center Capital IV Limited  ARC US Data Center Cayman Holdings Limited  ARC US data Center Holdings Limited  ARC US Data Center Investment Holdings Limited  ARC US Harmonics Capital Limited  ARC US Harmonics Holding Company Limited  ARC US Harmonics Holdings Limited  ARC US Harmonics Investment Holdings Limited  ARC US Industrial Portfolio IV Capital I Limited  ARC US Industrial Portfolio IV Capital II Limited  ARC US Industrial Portfolio IV Capital III Limited  ARC US Industrial Portfolio IV Holdings Limited  ARC US Industrial Portfolio IV Investment Holdings Limited  ARC US Industrial Portfolio V Capital I Limited  ARC US Industrial Portfolio V Capital II Limited  ARC US Industrial Portfolio V Capital III Limited  ARC US Industrial Portfolio V Capital IV Limited  ARC US Industrial Portfolio V Capital V Limited  ARC US Industrial Portfolio V Capital VI Limited  ARC US Industrial Portfolio V Holdings Limited  ARC US Industrial Portfolio V Investment Holdings Limited  ARC US Industrial Portfolio VI ARC Holdings Limited  ARC US Industrial Portfolio VI Capital I Limited  ARC US Industrial Portfolio VI Holdings Limited  ARC US Industrial Portfolio VII Capital I Limited  ARC US Industrial Portfolio VII Capital II Limited  ARC US Industrial Portfolio VII Holding Company Limited  ARC US Industrial Portfolio VII Holdings Limited  ARC US Industrial Portfolio VIII Capital I Limited  ARC US Industrial Portfolio VIII Capital II Limited  ARC US Industrial Portfolio VIII Capital III Limited  ARC US Industrial Portfolio VIII Capital IV Limited  ARC US Industrial Portfolio VIII Holding Company Limited  ARC US Industrial Real Estate II Limited  ARC US Industrial Real Estate III Capital Limited  ARC US Logistics Cayman Holdings Limited  ARC US Logistics Equity Limited  ARC US Logistics Funding Limited  ARC US NDT Capital I Limited  ARC US NDT Capital II Limited  ARC US NDT Capital III Limited</p>

DIRECTORS' NAME	BOARD MEMBERSHIP IN OTHER COMPANIES
	<p>ARC US NDT Capital IV Limited  ARC US NDT Holding Company Limited  ARC US NDT Holdings Limited  ARC US NDT WCF Limited  ARC US Real Estate MA GP Limited  ARC US Senior Living WCF Limited  ARC US Student Housing I Capital I Limited  ARC US Student Housing I Capital II Limited  ARC US Student Housing I Capital III Limited  ARC US Student Housing I Capital IV Limited  ARC US Student Housing I Capital V Limited  ARC US Student Housing I Holdings Limited  ARC US Student Housing I Investment Holdings Limited  ARC US Student Housing II Capital I Limited  ARC US Student Housing II Capital II Limited  ARC US Student Housing II Capital III Limited  ARC US Student Housing II Capital IV Limited  ARC US Student Housing II Capital V Limited  ARC US Student Housing II Holdings Limited  ARC US Student Housing II Investment Holdings Limited  Arcapita Agency Limited  Arcapita Funding Limited  Arcapita Global Limited  Arcapita Investment Limited  El Mar UK Industrial Portfolio I Capital Limited  El Mar US Data Center Capital Limited  El Mar US Industrial Real Estate Capital Limited  El Mar US Industrial Real Estate II Capital Limited  El Mar US Student Housing Limited  HealthServ Capital Limited  HealthServ Holding Company Limited  HealthServ Holdings Limited  KSA Logistics Capital Limited  KSA Logistics Holding Company Limited  KSA Logistics Holdings Limited  KSA Logistics III Capital II Limited  KSA Logistics III Capital III Limited  KSA Logistics III Capital Limited  KSA Logistics III Holding Company Limited  KSA Logistics III Holdings Limited  KSA Logistics III Investments Limited  KSA Logistics Investments Limited  KSAFitness Capital Limited  KSAFitness Holding Company Limited  KSAFitness Holdings Limited  KSAFitness Investments Limited  KSAFitness WCF Limited</p>

DIRECTORS' NAME	BOARD MEMBERSHIP IN OTHER COMPANIES
	NuYu for Sports SBA Capital II Limited SBA Capital Limited SBA Holding Company Limited SBA Holdings Limited Senior Living Capital I Limited Senior Living Capital II Limited Senior Living Capital III Limited Senior Living Capital IV Limited Senior Living Capital V Limited Senior Living Capital VI Limited Senior Living Holdings Limited Senior Living VI Capital I Limited Senior Living VI Capital II Limited Senior Living VI Capital III Limited Senior Living VI Capital IV Limited Senior Living VI Capital V Limited Senior Living VI Capital VI Limited Senior Living VI Holdings Limited Senior Living VII ARC Holdings Limited Senior Living VII Capital I Limited Senior Living VII Capital II Limited Senior Living VII Capital III Limited Senior Living VII Capital IV Limited Senior Living VII Capital V Limited Senior Living VII Capital VI Limited Senior Living VII Holdings Limited Strategic Investors Facility II (2024) Limited Strategic Investors Facility III (2024) Limited Strategic Investors Facility III (2026) Limited Strategic Investors Facility IV (2025) Limited Strategic Investors Facility Limited Strategic Investors Facility V (2024) Limited Strategic Investors Facility V (2026) Limited Strategic Investors Facility V (2028) Limited Strategic Investors Facility VI (2025) Limited Strategic Investors Facility VI (2027) Limited Strategic Investors Facility VI (2028) Limited Strategic Investors Facility VI (2029) Limited Strategic Investors Facility VII (2029) Limited Strategic Investors Facility April 2027 Limited Strategic Investors Facility December 2030 Limited UAE Logistics Capital II Limited UAE Logistics Capital Limited UAE Logistics Holding Company Limited UAE Logistics Holdings Limited US Harmonics GP Intermediate Holdings Limited

DIRECTORS' NAME	BOARD MEMBERSHIP IN OTHER COMPANIES
	US Signage Capital I Limited US Signage Capital II Limited US Signage Capital III Limited US Signage Capital IV Limited US Signage Capital V Limited US Signage GP Intermediate Holdings Limited US Signage Holding Company Limited US Signage Holdings Limited US Signage Investment Holdings Limited Whitewood US Industrial Real Estate Limited Whitewood US Student Housing Limited
<b>ABDULLATIF KHALID ALRABIAH</b>	Rabiah & Nassar Group Sure Energy Systems Pvt. Ltd. (India)
<b>BADER SULAIMAN ALREZIZA</b>	AlReziza Trading & Contracting Co. (Closed Joint Stock Company)
<b>FAHAD ADNAN ALMANSOUR</b>	United Electronics Company NAPCO National – <i>Closed Joint-Stock Company</i> AlMutlaq Real Estate Investment Company Zajil Holding Company - <i>Closed Joint-Stock Company</i>

## Appendix B - Management position in other Companies

DIRECTORS' NAME	MANAGEMENT POSITION IN OTHER COMPANIES
ABDULAZIZ HAMAD ALJOMAIH	None
ABDULRAHMAN ABDULAZIZ ALMUHANNA	None
HISHAM ABDULRAHMAN ALRAEE	Arcapita Investment Management B.S.C.(c) –Director & CEO Arcapita Group Holdings Limited –Director & CEO
MOHAMED ABDULLA NOORUDDIN	None
ABDULLATIF KHALID ALRABIAH	MURO Stone Tech Ltd. — General Manager
BADER SULAIMAN ALREZIZA	AlReziza Trading & Contracting Co. - CEO
FAHAD ADNAN ALMANSOUR	AlMutlaq Group – CEO KSA Catalyst - Managing Partner

# Financial Statements

For the period from 1<sup>st</sup> July 2024 to  
31<sup>st</sup> December 2025

**Arcapita Capital Company**  
**(A Foreign Closed Joint Stock Company -**  
**Owned by One Person)**

**FINANCIAL STATEMENTS AND INDEPENDENT**  
**AUDITOR'S REPORT**

**For the period from 1 July 2024 to 31 December 2025**

Arcapita Capital Company  
(A Foreign Closed Joint Stock Company - Owned by One Person)

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FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT  
For the period from 1 July 2024 to 31 December 2025

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Statement of Cash Flows	7
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**ERNST & YOUNG PROFESSIONAL SERVICES (PROFESSIONAL LLC)**  
**Paid-Up Capital: ﷲ 5,500,000** (Five Million Five Hundred Thousand Saudi Riyals)

Head Office  
Financial Boulevard 3126, Al Aqeeq Dist. 6717, Riyadh 13519  
KAFD 1.11 B, South Tower, 8<sup>th</sup> Floor  
P.O. Box 2732, Riyadh 11461  
Kingdom of Saudi Arabia

C.R. No. 1010383821  
Unified No. 7000117205

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[ey.ksa@sa.ey.com](mailto:ey.ksa@sa.ey.com)  
[ey.com](http://ey.com)

**INDEPENDENT AUDITOR'S REPORT**  
**To the Shareholder of Arcapita Capital Company**  
**(A Foreign Closed Joint Stock Company - Owned by One Person)**

**Opinion**

We have audited the financial statements of Arcapita Capital Company (the "Company"), which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in shareholder's equity and statement of cash flows for the period then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the period then ended in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants.

**Basis for Opinion**

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

**Emphasis of Matter**

As draw attention to note 2 to the financial statements. As stated therein, in prior years, the Company's financial year end was 30 June, and accordingly, the previous financial statements were prepared for the year ended 30 June 2024 (covering the period from 1 July 2023 to 30 June 2024). During the current period, the shareholders approved a change in the Company's fiscal year end to 31 December. As a result, the financial statements have been prepared for an extended period of eighteen months, covering the period from 1 July 2024 to 31 December 2025. The comparative financial information presented in the financial statements are for twelve-month period from 1 July 2023 to 30 June 2024 and, accordingly, is not directly comparable with the current period figures. Our opinion is not modified in respect of this matter.

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



Shape the future  
with confidence

## **INDEPENDENT AUDITOR'S REPORT**

To the Shareholder of Arcapita Capital Company

(A Foreign Closed Joint Stock Company- Owned by One Person) (continued)

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements (continued)**

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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance 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 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 skepticism 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 management.



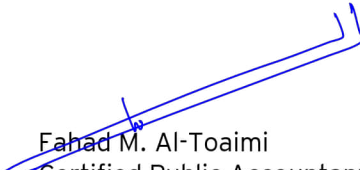
**INDEPENDENT AUDITOR'S REPORT**  
**To the Shareholder of Arcapita Capital Company**  
**(A Foreign Closed Joint Stock Company- Owned by One Person) (continued)**

**Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

- 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 the 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.

for Ernst & Young Professional Services

  
Fahad M. Al-Toaimi  
Certified Public Accountant  
License No. (354)



Riyadh: 11 Shawwal 1447H  
(30 March 2026)

Arcapita Capital Company  
(A Foreign Closed Joint Stock Company - Owned by One Person)

STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	<b>2025</b> ¥	<b>2024</b> ¥
<b>ASSETS</b>			
Cash and cash equivalent	6	<b>14,615,546</b>	17,982,080
Accounts receivables, prepayments and others	7	<b>8,731,129</b>	15,408,218
Amount due from a related party	11	<b>6,959,261</b>	-
Right-of-use asset	8	<b>3,551,416</b>	198,282
Property and equipment	9	<b>2,460,308</b>	580,675
<b>TOTAL ASSETS</b>		<b>36,317,660</b>	34,169,255
<b>LIABILITIES</b>			
Accounts payable, accrued expenses and others	10	<b>9,483,439</b>	9,861,620
Lease liability	8	<b>2,978,326</b>	-
Amount due to a related party	11	-	4,939,665
Income tax payable	12	-	291,091
Employee's end of service benefits		<b>124,836</b>	52,448
<b>TOTAL LIABILITIES</b>		<b>12,586,601</b>	15,144,824
<b>SHAREHOLDER'S EQUITY</b>			
Share capital	13	<b>20,000,000</b>	20,000,000
Proposed increase in share capital	13	<b>8,000,000</b>	-
Accumulated losses		<b>(4,268,941)</b>	(975,569)
<b>TOTAL SHAREHOLDER'S EQUITY</b>		<b>23,731,059</b>	19,024,431
<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>		<b>36,317,660</b>	34,169,255

The attached notes 1 to 25 form part of these financial statements.

Arcapita Capital Company  
(A Foreign Closed Joint Stock Company - Owned by One Person)

STATEMENT OF COMPREHENSIVE INCOME

For the period from 1 July 2024 to 31 December 2025

	<i>Notes</i>	<i>1 July 2024 to 31 December 2025</i>	<i>30 June 2024</i>
		<b>€</b>	<b>€</b>
<b>REVENUE</b>			
Management fees	14	12,878,038	7,969,505
Arranging fees	14	7,625,745	4,027,677
Acquisition fee	14	86,090	1,497,878
<b>TOTAL REVENUE</b>		<b>20,589,873</b>	<b>13,495,060</b>
<b>EXPENSES AND OTHER INCOME</b>			
Salaries and other employees' related expenses		(17,174,062)	(9,197,176)
General and administration expenses	15	(7,519,853)	(3,762,837)
<b>TOTAL EXPENSES</b>		<b>(24,693,915)</b>	<b>(12,960,013)</b>
<b>OPERATING (LOSS) / INCOME</b>		<b>(4,104,042)</b>	<b>535,047</b>
Finance income	6	953,534	623,111
Other expenses		(142,864)	-
<b>(LOSS) / INCOME BEFORE INCOME TAX</b>		<b>(3,293,372)</b>	<b>1,158,158</b>
Income tax expense	12	-	(291,091)
<b>(LOSS) / INCOME FOR THE PERIOD / YEAR</b>		<b>(3,293,372)</b>	<b>867,067</b>
Other comprehensive income		-	-
<b>Total comprehensive (loss) / income for the period / year</b>		<b>(3,293,372)</b>	<b>867,067</b>

The attached notes 1 to 25 form part of these financial statements.

Arcapita Capital Company  
(A Foreign Closed Joint Stock Company - Owned by One Person)

STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

For the period from 1 July 2024 to 31 December 2025

	<i>Share capital</i> ₺	<i>Accumulated losses</i> ₺	<i>Total</i> ₺
Balance at 1 July 2023	20,000,000	(1,842,636)	18,157,364
Income for the year	-	867,067	867,067
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	867,067	867,067
Balance at 30 June 2024	<u>20,000,000</u>	<u>(975,569)</u>	<u>19,024,431</u>
Increase in share capital (note 13)	<b>8,000,000</b>		<b>8,000,000</b>
Loss for the period	-	(3,293,372)	(3,293,372)
Other comprehensive income	-	-	-
Total comprehensive loss for the period	-	(3,293,372)	(3,293,372)
<b>Balance at 31 December 2025</b>	<b><u>28,000,000</u></b>	<b><u>(4,268,941)</u></b>	<b><u>23,731,059</u></b>

The attached notes 1 to 25 form part of these financial statements.

Arcapita Capital Company  
(A Foreign Closed Joint Stock Company - Owned by One Person)

STATEMENT OF CASH FLOWS

For the period from 1 July 2024 to 31 December 2025

		<i>1 July 2024 to 31 December 2025</i>	<i>30 June 2024</i>
	<i>Notes</i>	<i>₺</i>	<i>₺</i>
<b>OPERATING ACTIVITIES</b>			
Income (loss) before tax		<b>(3,293,372)</b>	1,158,158
<i>Adjustments to reconcile income (loss) before income tax to net cash flows:</i>			
Depreciation of right-of-use asset	8	<b>1,435,292</b>	432,617
Finance charge on lease liabilities	8	<b>408,130</b>	15,025
Depreciation of property and equipment	9	<b>956,846</b>	505,094
Loss on disposal of property and equipment		<b>142,864</b>	-
Provision for employees' defined benefit liabilities		<b>72,388</b>	52,448
		<b>(277,852)</b>	2,163,342
<i>Changes in operating assets and liabilities:</i>			
Accounts receivables, prepayments and others		<b>6,677,089</b>	(10,652,029)
Amount due from related party		<b>(6,959,261)</b>	-
Amount due to a related party		<b>3,060,335</b>	1,482,602
Accounts payable, accrued expenses and others		<b>(378,181)</b>	6,478,845
Cash used in operations		<b>2,122,130</b>	(527,240)
Income tax paid	12	<b>(291,091)</b>	-
<b>Net cash from (used in) operating activities</b>		<b>1,831,039</b>	(527,240)
<b>INVESTING ACTIVITIES</b>			
Purchase of property and equipment	9	<b>(2,979,343)</b>	(30,604)
Mudaraba deposit		-	10,000,000
<b>Net cash (used) from investing activities</b>		<b>(2,979,343)</b>	9,969,396
<b>FINANCING ACTIVITY</b>			
Lease liability paid	8	<b>(2,218,230)</b>	(459,816)
<b>Net cash used in financing activities</b>		<b>(2,218,230)</b>	(459,816)
Net (decrease) increase in cash and cash equivalents during the period/year		<b>(3,366,534)</b>	8,982,340
Cash and cash equivalents at the beginning of the period/year	6	<b>17,982,080</b>	8,999,740
<b>Cash and cash equivalents at the end of the period/ year</b>		<b>14,615,546</b>	17,982,080
<b>SIGNIFICANT NON-CASH TRANSACTION:</b>			
Addition of right-of-use asset and lease liability	8	<b>4,788,426</b>	-
Increase of share capital through transfer from amount due to shareholder	13	<b>8,000,000</b>	-

The attached notes 1 to 25 form part of these financial statements.

# Arcapita Capital Company

## (A Foreign Closed Joint Stock Company - Owned by One Person)

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### NOTES TO THE FINANCIAL STATEMENTS

At 31 December 2025

#### 1. GENERAL

Arcapita Capital Company (the “Company”) is a Foreign Closed Joint Stock Company owned by a one person and is incorporated in Kingdom of Saudi Arabia with commercial registration number 1010781192 and unified identifier number 7027898449 dated 15/7/1443H (corresponding to 16 February 2022).

The Company’s principal activities according to the Capital Market Authority license numbered 22237-32 and dated 18/05/1443H (corresponding to 22 December 2021) are summarized as follows:

- 1.1. Arranging in securities;
- 1.2. Advising in securities; and
- 1.3. Managing investments and operating funds.

The Company is a subsidiary of Arcapita Global Limited, a company incorporated in Cayman Islands, which is the sole shareholder in the Company. The ultimate parent of the Company is Arcapita Group Holding Limited which is incorporated in Cayman.

*The Company’s registered office:*  
P.O. Box 22390, Riyadh 12214  
Kingdom Tower, King Fahad Road  
Kingdom of Saudi Arabia

#### 2. CHANGE IN COMPANY’S FINANCIAL YEAR

In prior years, the Company’s financial year end was 30 June, and accordingly, the previous financial statements were prepared for the year ended 30 June 2024 (covering the period from 1 July 2023 to 30 June 2024). During the current period, the shareholders approved a change in the Company’s fiscal year end to 31 December. As a result, these financial statements have been prepared for an extended period of eighteen months, covering the period from 1 July 2024 to 31 December 2025.

The comparative financial information presented in these financial statements are for twelve-month period from 1 July 2023 to 30 June 2024 and, accordingly, is not directly comparable with the current period figures.

#### 3. BASIS OF PREPARATION

##### 3.1 *Statement of compliance*

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

The Company presents its statement of financial position in order of liquidity. An analysis in respect of recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note 16.

##### 3.2 *Basis of measurement*

These financial statements are prepared under the historical cost convention.

##### 3.3 *Functional and presentation currency*

The Company’s financial statements are presented in Saudi Riyals (“**ﷲ**”), which is also the Company’s functional currency.

#### 4. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

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

Arcapita Capital Company  
(A Foreign Closed Joint Stock Company - Owned by One Person)

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

**4. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)**

These judgments, estimates and assumptions are based upon experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised or in the revision period and future periods if the changed estimates affect both current and future periods.

The key judgments, estimates and assumptions that have a significant impact on the financial statements of the Company are discussed below:

***Judgments***

*Going concern*

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

*Determining the lease term of contracts with renewal and termination options – Company as a lessee*

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company's lease contract includes extension and termination options. The Company applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., significant leasehold improvements or significant customization to the leased asset).

The Company included the renewal period as part of the lease term for lease of its office commercial space with shorter non-cancellable period (i.e., three to five years).

***Estimations and assumptions***

*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 or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The 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 subsidiary's stand-alone credit rating).

*Useful lives of property and equipment*

The Company's management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

*Impairment of non-financial assets*

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)  
At 31 December 2025

**5. MATERIAL ACCOUNTING POLICY INFORMATION**

The following are the material accounting policy information applied by the Company in preparing its financial statements.

**5.1 Foreign currency translation**

*(i) Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”) which is Saudi Riyals (“~~ﷲ~~”).

*(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

**5.2 Cash and cash equivalent**

Cash and cash equivalent comprise of cash in hand and bank balances.

**5.3 Property and equipment**

Property and equipment is stated at historical cost less accumulated depreciation and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of comprehensive income during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost net of their residual values, over their estimated useful lives or, in the case of leasehold improvements, the shorter of their estimated useful lives and lease term.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

**5. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**5.3 Property and equipment (continued)**

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

<i>Description</i>	<i>Number of years</i>
Computers and equipments	3
Motor vehicles	4
Furniture and fixtures	5
Leasehold improvements	5

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

**5.4 Impairment of non-financial assets**

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of a CGU's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

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

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

For assets an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or 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 comprehensive income and other comprehensive income unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

**5.5 Financial instruments**

**Initial recognition – financial assets and financial liabilities**

The Company recognizes a financial asset or a financial liability in its statement of financial position when, and only when, the Company becomes party to the contractual provisions of the instrument.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

**5. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**5.5 Financial instruments (continued)**

**Financial assets**

*Initial measurement*

At initial recognition, except for the accounts receivables and other assets which do not contain a significant financing component, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets at fair value through profit or loss are expensed in the statement of comprehensive income.

The accounts receivables and other assets that do not contain a significant financing component are measured at the transaction price.

*Classification and subsequent measurement*

The Company classifies its financial assets in the following measurement categories:

- a) Those to be measured subsequently at fair value (either through other profit or loss and other comprehensive income or through profit or loss); and
- b) Those to be measured subsequently at amortized cost.

The classification depends on the Company's business model for managing its financial assets and the contractual terms of the cash flows.

*Financial assets at amortized cost*

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate ("EIR") method, less impairment (if any). The amortization is included in commission income in the statement of comprehensive income. The losses arising from impairment are recognized in the statement of comprehensive income.

The Company classifies bank balances, accounts receivable, other receivables, amounts due from related parties and term deposit as financial assets at amortized cost.

*Derecognition*

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

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

The Company applies a simplified approach in calculating ECLs. 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.

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

**5. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**5-5 Financial instruments (continued)**

***Financial liabilities***

*Initial measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or payables (measured at amortized cost), as appropriate.

All financial liabilities are recognized initially at fair value net of directly attributable transaction costs.

*Classification and subsequent measurement*

An entity shall classify all financial liabilities as subsequently measured at amortized cost, except for:

- a) Financial liabilities at fair value through profit or loss;
- b) Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies;
- c) Financial guarantee contracts;
- d) Commitments to provide a loan at a below-market interest rate; and
- e) Contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies. Such contingent consideration shall subsequently be measured at fair value with changes recognized in the statement of comprehensive income.

The Company's financial liabilities include accounts payable, amount due to related party and other payables. All the Company's financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the statement of profit or loss and other comprehensive income when the liabilities are derecognized as well as through the EIR amortization process.

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

*Derecognition*

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

***Offsetting of financial instruments***

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

**5. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**5.6 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. Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry Company, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

When measuring the fair value, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**5.7 Trade and other payables**

Accounts payable are recognized once the goods are received and services are rendered. These are recorded at fair value less trade discounts (if any) and subsequently at the higher of cost or payment or settlement amounts. Where the time value of money is material, payables are carried at amortized cost.

**5.8 Provisions**

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

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

**5.9 Tax**

Tax is provided for in accordance with Saudi Arabian fiscal regulations. The provision is recognized in the statement of comprehensive income.

**5.10 Employee benefits**

**Short-term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**Long-term employee benefits**

**Employees' defined benefit liabilities**

The Company operates a defined benefit plan under the Saudi Arabian Law applicable based on employees' accumulated periods of service at the statement of financial position date.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

**5. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**5.11 Leases**

*The Company as a lessee*

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

*i) Right-of-use asset*

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

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

The right-of-use asset is also subject to impairment.

*ii) Lease liability*

At the commencement date of the lease, the Company recognises lease liability measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liability is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liability is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

**5. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**5.12 Revenue recognition**

The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations, where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Revenue is recognized in the statement of comprehensive income to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

Revenue should only be recognized for a performance obligation satisfied over time if the Company can reasonably measure its progress towards complete satisfaction. The Company must have reliable information that can be applied to an appropriate method of measuring progress to meet this objective. When the Company cannot reasonably measure the outcome of a performance obligation, but expects to recover the costs incurred, it recognises revenue only to the extent of the costs until a reliable measure of progress can be made.

***Income from asset management activities***

***Income from management fees***

Fees charged for managing investment funds are recognized as revenue as the services are provided, based on the applicable service contracts. Such management fees are presented net of rebates and generally calculated as a percentage of net assets of respective funds. Income from management fees is recognized over time.

***Income from acquisition activities***

Income from acquisition activities represents fees charged to the fund under management against the properties arranged for the fund. Income from acquisition activities is recognized in the statement of comprehensive income when the respective services are rendered (i.e., related performance obligation is satisfied) to the customers. Such management fees are presented net of rebates. Income from management fees is recognized point in time.

***Income from arranging fees***

Income from arranging fees is recognized in the statement of comprehensive income when the respective services are rendered (i.e. related performance obligation is satisfied) to the customers (note 11). Income from arranging fees is recognized over time.

***Profit from Mudaraba income***

Profit from Mudaraba income is recognized in the statement of comprehensive income based on EIR on a time proportionate basis, as the services are rendered. Profit from Mudaraba income is recognized over time.

**5.13 Expenses**

Expenses are allocated on a consistent basis to operating expenses and general and administrative expenses as appropriate.

**5.14 Fiduciary assets**

Assets held in trust or in a fiduciary capacity are not treated as assets of the Company, and accordingly, are not included in the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

6. CASH AND CASH EQUIVALENT

	<i>31 December</i> <i>2025</i> ₺	<i>30 June</i> <i>2024</i> ₺
Cash in hand	1,252	1,000
Bank balances	4,614,294	17,981,080
Mudaraba deposit	10,000,000	-
	<u>14,615,546</u>	<u>17,982,080</u>

Bank balances are assessed to have low credit risk as they are held with reputable and high credit rating domestic banking institutions and there has been no history of default with any of the Company's bank balances.

As at 31 December 2025, the Company had mudaraba deposits with local banks which have a maturity of one month. The average profit rate on these mudaraba deposits was 5.03% per annum. Profit on mudaraba deposits during the period ended 31 December 2025 amounting to ₺ 0.954 million which is recognised in statement of comprehensive income.

7. ACCOUNTS RECEIVABLES, PREPAYMENTS AND OTHERS

	<i>31 December</i> <i>2025</i> ₺	<i>30 June</i> <i>2024</i> ₺
Management and acquisition fees receivable from a related party (note 11)	8,219,573	14,319,032
Prepaid expenses	348,849	242,307
Accrued profit on mudaraba deposit (note 6)	19,593	-
Advance to suppliers	-	765,226
Others	143,114	81,653
	<u>8,731,129</u>	<u>15,408,218</u>

8. RIGHT OF USE ASSET AND LEASE LIABILITY

The Company has entered into new lease contract for an office with a lease term of 5 years during the period.

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

	<i>31 December</i> <i>2025</i> ₺	<i>30 June</i> <i>2024</i> ₺
At the beginning of the period/year	198,282	630,899
Addition	4,788,426	-
Depreciation	(1,435,292)	(432,617)
At the end of the period/year	<u>3,551,416</u>	<u>198,282</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

**8. RIGHT OF USE ASSET AND LEASE LIABILITY (continued)**

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

	<i>31 December</i> <i>2025</i> ₺	<i>30 June</i> <i>2024</i> ₺
At the beginning of the period/year	-	444,791
Addition	<b>4,788,426</b>	-
Accretion of finance charges	<b>408,130</b>	15,025
Payment during the period/year	<b>(2,218,230)</b>	(459,816)
At the end of the period/year	<b>2,978,326</b>	-

The maturity analysis of the Company's lease liability is disclosed in note 16.

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

	<i>31 December</i> <i>2025</i> ₺	<i>30 June</i> <i>2024</i> ₺
Depreciation expense on right-of-use asset	<b>1,435,292</b>	432,617
Finance charges on lease liability	<b>408,130</b>	15,025
	<b>1,843,422</b>	447,642

**9. PROPERTY AND EQUIPMENT**

	<i>Leasehold</i> <i>improvements</i> ₺	<i>Computers</i> <i>and</i> <i>equipment's</i> ₺	<i>Furniture and</i> <i>fixtures</i> ₺	<i>Motor</i> <i>vehicles</i> ₺	<i>Total</i> ₺
<b>Cost:</b>					
At 1 July 2024	694,500	227,702	83,683	278,174	<b>1,284,059</b>
Additions	1,510,435	191,194	665,310	612,404	<b>2,979,343</b>
Disposals	(694,500)	(20,204)	-	-	<b>(714,704)</b>
<b>At 31 December 2025</b>	<b>1,510,435</b>	<b>398,692</b>	<b>748,993</b>	<b>890,578</b>	<b>3,548,698</b>
<b>Accumulated depreciation:</b>					
At 1 July 2024	390,190	159,830	28,186	125,178	<b>703,384</b>
Charge for the period	472,952	100,906	137,506	245,482	<b>956,846</b>
Disposals	(563,815)	(8,025)	-	-	<b>(571,840)</b>
<b>At 31 December 2025</b>	<b>299,327</b>	<b>252,711</b>	<b>165,692</b>	<b>370,660</b>	<b>1,088,390</b>
<b>Net book amounts:</b>					
<b>At 31 December 2025</b>	<b>1,211,108</b>	<b>145,981</b>	<b>583,301</b>	<b>519,918</b>	<b>2,460,308</b>
At 30 June 2024	304,310	67,872	55,497	152,996	580,675

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

**10. ACCOUNTS PAYABLE, ACCRUED EXPENSES AND OTHERS**

	<i>31 December</i> <i>2025</i> <i>ﷲ</i>	<i>30 June</i> <i>2024</i> <i>ﷲ</i>
Accruals against waiver of acquisition and management fees (note 14)	<b>6,334,660</b>	6,987,796
Value added Tax (VAT) payable	<b>1,004,385</b>	1,234,850
Accrued expenses	<b>1,564,083</b>	964,793
Employees related accruals	<b>523,819</b>	342,731
Other payables	<b>56,492</b>	331,450
	<b><u>9,483,439</u></b>	<b><u>9,861,620</u></b>

Terms and conditions of the above financial liabilities are as follows:

- Accounts payables are non-interest bearing and are normally settled on 30 – 90 days terms.
- Other payables are non-interest bearing and have an average payment term of six months.

**11. RELATED PARTY BALANCES AND TRANSACTIONS**

Related parties represent shareholder, funds managed by the Company, entities controlled, jointly controlled or significantly influenced by such parties, key management personnel and Board of Directors.

The following are the major related party transactions that have occurred during the year/period:

<i>Related Parties</i>	<i>Type</i>	<i>Nature of transactions</i>	<i>Amounts of transactions</i>	
			<i>from 1 July</i> <i>2024 to 31</i> <i>December</i> <i>2025</i> <i>ﷲ</i>	<i>For the year</i> <i>ended 30 June</i> <i>2024</i> <i>ﷲ</i>
Arcapita Global Limited	Parent	Service charges	<b>(37,500)</b>	(37,500)
		Payment on behalf	<b>7,561,257</b>	-
Arcapita Investment Partners Limited	Owned by Ultimate Parent	Arranging fees earned*	<b>7,625,745</b>	4,027,677
Arcapita Investment Management B.S.C	Affiliate of the Ultimate Parent	Secondment of staff	<b>(12,877,190)</b>	(6,927,571)
Arcapita KSA Logistics Fund III	Fund managed by the Company	Management fee earned (note 14.1)	<b>22,552,153</b>	13,376,292
		Acquisition fee earned (note 14.2)	<b>850,000</b>	5,669,995
Board of Directors (“BOD”)	BOD	Remuneration	<b>1,290,000</b>	590,000
Key management personnel	Executive	Remunerations & benefits**	<b>7,492,296</b>	5,977,381

\*The Company has an agreement for the provision of marketing services in Saudi Arabia on behalf of Arcapita Investment Partners Limited. Arranging fees is recognised when expenses are incurred and is measured in accordance with the service level agreement with the related party. As per the agreement, the related party have agreed to reimburse the expenses incurred/accrued by the Company plus a mark-up for providing support services to the related parties. Accordingly, revenue is recognized over time in the amount to which the Company has the right to invoice.

\*\* The amount is included in the Secondment of staff presented on the related parties transactions above.

Prices and terms of these transactions are approved by the management of the Company and are considered to be within the normal course of the Company's business.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

**11. RELATED PARTY BALANCES AND TRANSACTIONS (continued)**

*Amount due from a related party classified under Accounts receivables, prepayments and others*

Amounts due from a related party which are presented under accounts receivables, prepayments and other receivables in the statement of financial position is as follows (note 7):

	<i>31 December 2025</i>	<i>30 June 2024</i>
	<i>ﷲ</i>	<i>ﷲ</i>
Arcapita KSA Logistics Fund III	<u>8,219,573</u>	<u>14,319,032</u>

Amount due from a related party balances aged below 12 months.

*Amount due from a related party presented in statement of financial position*

	<i>31 December 2025</i>	<i>30 June 2024</i>
	<i>ﷲ</i>	<i>ﷲ</i>
Arcapita Global Limited	<u>6,959,261</u>	<u>-</u>

*Amount due to a related party*

	<i>31 December 2025</i>	<i>30 June 2024</i>
	<i>ﷲ</i>	<i>ﷲ</i>
Arcapita Global Limited	<u>-</u>	<u>4,939,665</u>

Amount due from a related party and amount due to related party is unsecure.

**12. INCOME TAX**

The income tax charge for the period/year consists of the following:

	<i>For the period from 1 July 2024 to 31 December 2025</i>	<i>For the year ended 30 June 2024</i>
	<i>ﷲ</i>	<i>ﷲ</i>
Current income tax	-	291,091

Movements in the income tax provision were as follows:

	<i>2025</i>	<i>2024</i>
	<i>ﷲ</i>	<i>ﷲ</i>
At the beginning of the period/year	291,091	-
Provided during the period/year	-	291,091
Payment during the period/year	<u>(291,091)</u>	<u>-</u>
At the end of the period/year	<u>-</u>	<u>291,091</u>

*Status of assessment*

The Company has submitted its first tax return for the first period ended from 16 February to 30 June 2023 and for the year ended 30 June 2024 to Zakat, Tax and Customs Authority (“ZATCA”) however no assessment has been raised by ZATCA yet.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

**13. SHARE CAPITAL AND PROPOSED INCREASE IN SHARE CAPITAL**

The authorized, issued and paid-up share capital of the Company amounts to ₡ 20,000,000 divided into 2,000,000 shares of ₡ 10 each. Share capital of the Company is distributed as follows:

	<i>Ownership %</i>		<i>31 December</i>	<i>30 June</i>
	<i>31 December</i>	<i>30 June</i>	<i>2025</i>	<i>2024</i>
	<i>2025</i>	<i>2024</i>	<i>₡</i>	<i>₡</i>
Arcapita Global Limited (Cayman Islands)	<u>100%</u>	<u>100%</u>	<u>20,000,000</u>	<u>20,000,000</u>

During the period, the Company's Sole Shareholder resolved to increase the Company's share capital from ₡ 20,000,000 to ₡ 28,000,000 through the transfer of balance from amount due to the shareholder to Share capital. However, as at 31 December 2025, the legal formalities required to complete the increase in share capital had not been finalized. Accordingly, the related amount has been presented as "Proposed increase in share capital" within shareholder's equity in the statement of financial position. Subsequent to the period ended 31 December 2025, the Company completed all legal formalities relating to the increase in share capital.

**14. REVENUE**

	<i>Notes</i>	<i>For the period from 1 July 2024 to 31 December 2025</i>	<i>For the year ended 30 June 2024</i>
		<i>₡</i>	<i>₡</i>
Management fees	7 & 14.1	12,878,038	7,969,505
Arranging fee		7,625,745	4,027,677
Acquisition fees	7 & 14.2	86,090	1,497,878
		<u>20,589,873</u>	<u>13,495,060</u>

**14.1 Management fees**

	<i>For the period from 1 July 2024 to 31 December 2025</i>	<i>For the year ended 30 June 2024</i>
	<i>₡</i>	<i>₡</i>
Gross management fee	22,552,153	13,376,292
Less: Waiver of management fees to strategic investors*	(9,674,115)	(5,406,787)
	<u>12,878,038</u>	<u>7,969,505</u>

\* This represents the partial waiver of management fee to certain strategic investors in the fund managed by the Company.

**14.2 Acquisition fees**

	<i>For the period from 1 July 2024 to 31 December 2025</i>	<i>For the year ended 30 June 2024</i>
	<i>₡</i>	<i>₡</i>
Gross acquisition fee	850,000	5,669,995
Less: Waiver of acquisition fees to strategic investors*	(763,910)	(4,172,117)
	<u>86,090</u>	<u>1,497,878</u>

\* This represents the partial waiver of acquisition fees to certain strategic investors in the fund managed by the Company.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

15. GENERAL AND ADMINISTRATION EXPENSES

	<i>For the period from 1 July 2024 to 31 December 2025</i>	<i>For the year ended 30 June 2024</i>
	¥	¥
Professional and consultancy fees	1,787,829	1,331,667
Depreciation on right of use asset (note 8)	1,435,293	432,617
Board of Directors remunerations (note 11)	1,290,000	590,000
Depreciation of property and equipment (note 9)	956,845	505,094
Office supplies	424,316	75,351
Finance cost on lease liability (note 8)	408,130	15,025
IT services and communication cost	366,710	478,634
Subscriptions expenses	84,285	78,660
Others	766,445	255,789
	<u>7,519,853</u>	<u>3,762,837</u>

16. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The tables below show an analysis of assets and liabilities according to when they are expected to be recovered or settled, respectively:

<i>As at 30 June 2024</i>	<i>Current</i>	<i>Non-current</i>	<i>Total</i>
	¥	¥	¥
<b>ASSETS</b>			
Cash and cash equivalents	17,982,080	-	17,982,080
Accounts receivables, prepayments and others	15,326,565	81,653	15,408,218
Right-of-use asset	-	198,282	198,282
Property and equipment	-	580,675	580,675
Total assets	<u>33,308,645</u>	<u>860,610</u>	<u>34,169,255</u>
<b>LIABILITIES</b>			
Accounts payable, accrued expenses and others	9,861,620	-	9,861,620
Amount due to a related party	4,939,665	-	4,939,665
Income tax payable	291,091	-	291,091
Employee's end of service benefits	-	52,448	52,448
Total liabilities	<u>15,092,376</u>	<u>52,448</u>	<u>15,144,824</u>
<i>As at 31 December 2025</i>	<i>Current</i>	<i>Non-current</i>	<i>Total</i>
	¥	¥	¥
<b>ASSETS</b>			
Cash and cash equivalents	14,615,546	-	14,615,546
Accounts receivables, prepayments and others	8,588,015	143,114	8,731,129
Right-of-use asset	-	3,551,416	3,551,416
Property and equipment	-	2,460,308	2,460,308
Amount due from related party	6,959,261	-	6,959,261
<b>TOTAL ASSETS</b>	<u>30,162,822</u>	<u>6,154,838</u>	<u>36,317,660</u>
<b>LIABILITIES</b>			
Accounts payable, accrued expenses and others	9,483,439	-	9,483,439
Lease liability	877,619	2,100,707	2,978,326
Employee's end of service benefits	-	124,836	124,836
<b>TOTAL LIABILITIES</b>	<u>10,361,058</u>	<u>2,225,543</u>	<u>12,586,601</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

**17. CAPITAL ADEQUACY**

CMA has prescribed the framework and guidance regarding the minimum regulatory capital requirement and its calculation methodology as prescribed under Pillar I. In accordance with this methodology, the Company has calculated its minimum capital required and capital adequacy ratios as follows:

	<i>31 December 2025</i>	<i>30 June 2024</i>
	<i>₺ in '000'</i>	<i>₺ in '000'</i>
<b>Capital base</b>		
Tier I	23,731	18,157
Tier II	-	-
<b>Total</b>	<u>23,731</u>	<u>18,157</u>
<b>Risk weighted asset</b>		
Market risk	-	-
Credit risk	60,206	46,698
Operational risk	50,258	24,947
Concentration risk	33,531	91,121
<b>Total</b>	<u>143,995</u>	<u>162,766</u>
<b>Surplus</b>	<b>12,211</b>	5,136
<b>Capital adequacy ratio (times)</b>	<b>16.48%</b>	11.16%

a) Capital Base of the Company comprises of:

- Tier-1 capital consists of paid-up share capital, retained earnings, share premium (if any), reserves excluding revaluation reserves.
- Tier-2 capital consists of subordinated loans, cumulative preference shares and revaluation reserves.

b) The minimum capital requirements for market, credit and operational risk are calculated as per the requirements specified in part 3 of the Prudential Rules issued by the CMA.

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

**18. ASSET UNDER MANAGEMENT**

The assets under management with the Company at the end of the period amounted to ₺ 1,303 million (30 June 2024: ₺ 1,136 million).

**19. FINANCIAL RISK MANAGEMENT**

The Company's objective in managing risk is the creation and protection of shareholder value. Risk is inherent in the Company's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Company's continuing profitability.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

**19. FINANCIAL RISK MANAGEMENT (continued)**

The Company's Board of Directors has 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's activities expose it to a variety of financial risks that include:

- Credit risk;
- Liquidity risk;
- Currency risk; and
- Price risk.

**19.1 Credit risk**

Credit risk is the risk of suffering financial loss, should any of the Company's customers, clients or market counterparties fail to fulfil their contractual obligations to the Company. Credit risk arises mainly from bank balances, trade receivables and amounts due from related parties.

*(i) Risk management*

Credit risk is the single largest risk for the Company's business, therefore, the management carefully manages its exposure to credit risk. The credit risk management and control are centralized in a credit management team which reports regularly to the Board of Directors and head of each business unit.

*(ii) Impairment of financial assets*

The Company has the following types of financial instruments that are subject to expected credit loss:

- Bank balances; and
- Trade and other receivables - receivable from related parties.

*Trade receivables*

The Company applies the simplified approach for measuring ECL for trade receivables which uses a lifetime expected loss allowance.

*Financial assets at amortized cost*

The Company assesses on a forward looking basis the Expected Credit Losses ("ECL") associated with its financial assets, carried at amortized cost, the ECL is based on a 12-month ECL and life time ECL. The 12-month ECL is the portion of lifetime ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance increase in credit risk since origination, will be based on the lifetime ECL. For due from related parties, the Company applies the simplified approach

**19.2 Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Deposits are generally placed for short periods to manage the Company's liquidity requirements.

All liabilities on the Company's statement of financial position, other than end of service benefits, are contractually payable on a current basis. Liquidity risk at an investment fund level is being managed through appropriate liquidity limits and is monitored for each fund.

The Company's liquidity management process is monitored by the management, including:

- a) Day-to-day funding managed by the finance department to ensure that requirements can be met and this includes replenishment of funds as they mature or are invested;
- b) Monitoring the statement of financial position liquidity ratios against internal and regulatory requirements;
- c) Managing the concentration and profile of debt maturities; and
- d) Liquidity management and asset and liability mismatching.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

**19. FINANCIAL RISK MANAGEMENT (continued)**

**19.2 Liquidity risk (continued)**

*Exposure to liquidity risk*

	<i>Less than 3 months</i> ﷲ	<i>3 to 12 months</i> ﷲ	<i>1 - 5 years</i> ﷲ	<i>Greater than 5 years</i> ﷲ	<i>No fixed maturity</i> ﷲ	<i>Total</i> ﷲ
<i>30 June 2024</i>						
Trade and other payables	9,861,620	-	-	-	-	9,861,620
Amount due to a related party	-	-	-	-	4,939,665	4,939,665
	<u>9,861,620</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,939,665</u>	<u>14,801,285</u>
 <i>31 December 2025</i>						
Trade and other payables	<b>9,483,439</b>	-	-	-	-	<b>9,483,439</b>
Lease liability	-	<b>1,109,115</b>	<b>2,316,818</b>	-	-	<b>3,425,933</b>
	<u><b>9,483,439</b></u>	<u><b>1,109,115</b></u>	<u><b>2,316,818</b></u>	<u>-</u>	<u>-</u>	<u><b>12,909,372</b></u>

**19.3 Currency risk**

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Company is not subject to fluctuations in foreign exchange rates in the normal course of its business. The Company did not undertake significant transactions in currencies other than Saudi Riyals and US Dollars during the year. As the Saudi Riyal is pegged to the US Dollar, balances in US Dollar are not considered to represent significant currency risk.

**19.4 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 not exposed to market risk.

**20. FAIR VALUE MEASUREMENT**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

	<i>At amortized cost</i> ﷲ	<i>Fair Value</i>			
		<i>Level 1</i> ﷲ	<i>Level 2</i> ﷲ	<i>Level 3</i> ﷲ	<i>Total</i> ﷲ
<i>30 June 2024</i>					
<i>Financial assets</i>					
<i>Classified at amortized cost:</i>					
Cash and cash equivalents	17,982,080	17,982,080	-	-	17,982,080
Accounts receivables and others	14,400,685	-	14,400,685	-	14,400,685
	<u>32,382,765</u>	<u>17,982,080</u>	<u>14,400,685</u>	<u>-</u>	<u>32,382,765</u>
 <i>Financial liabilities</i>					
Accounts payable and others	1,505,150	-	1,505,150	-	1,505,150
Amount due to a related party	4,939,665	-	4,939,665	-	4,939,665
	<u>6,444,815</u>	<u>-</u>	<u>6,444,815</u>	<u>-</u>	<u>6,444,815</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

20. FAIR VALUE MEASUREMENT (continued)

31 December 2025	At amortized cost ⌘	Fair Value			Total ⌘
		Level 1 ⌘	Level 2 ⌘	Level 3 ⌘	
<b>Financial assets</b>					
<i>Classified at amortized cost:</i>					
Cash and cash equivalents	14,615,546	14,615,546	-	-	14,615,546
Accounts receivables and others	8,382,280	-	8,382,280	-	8,382,280
Amount due from a related party	6,959,261	-	6,959,261	-	6,959,261
	<u>29,957,087</u>	<u>14,615,546</u>	<u>15,341,541</u>	<u>-</u>	<u>29,957,087</u>
<b>Financial liabilities</b>					
Accounts payable and others	9,483,439	-	9,483,439	-	9,483,439
	<u>9,483,439</u>	<u>-</u>	<u>9,483,439</u>	<u>-</u>	<u>9,483,439</u>

21. COMMITMENTS AND CONTINGENCIES

The Company, in the normal course of business, has not committed any guarantees during the period/year.

As at 31 December 2025 and 30 June 2024, the Company does not have any capital commitments.

22. NEW AND AMEDNED STANDARDS AND INTERPRETATIONS

The accounting policies adopted in the preparation of these financial statements are consistent with those used in the previous year, except for certain amendments to standards adopted by the Company as of 1 July 2025. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

*Lack of exchangeability – Amendments to IAS 21*

For annual reporting periods beginning on or after 1 January 2025, Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments did not have a material impact on the Company's financial statements.

23. STANDARDS ISSUED BUT NOT YET EFFECTIVE

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

**23.1 IFRS 18 Presentation and Disclosure in Financial Statements**

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

**23. STANDARDS ISSUED BUT NOT YET EFFECTIVE (continued)**

**23.1 IFRS 18 Presentation and Disclosure in Financial Statements (continued)**

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Company is currently working to identify all impacts the amendments will have on the financial statements and notes to the financial statements.

**23.2 IFRS 19 Subsidiaries without Public Accountability: Disclosures**

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

The Company is currently working to identify all impacts the amendments will have on the financial statements and notes to the financial statements.

**23.3 Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7**

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and the introduction of an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

The Amendments are effective for annual periods starting on or after 1 January 2026 with early adoption permitted for classification of financial assets and related disclosures only. The Company does not anticipate that the amendments will have a material effect on the Company's financial statements.

**23.4 Annual Improvements to IFRS Accounting Standards - Volume 11**

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Financial Statements and IAS 7 Statements of Cash Flows.

The amendments will be effective for reporting periods beginning on or after 1 January 2026. Earlier application is permitted and must be disclosed.

The amendments are not expected to have a material impact on the Company's financial statements.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

**23. STANDARDS ISSUED BUT NOT YET EFFECTIVE (continued)**

**23.5 Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7**

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity; the amendments:

- Clarify the application of the 'own-use' requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows

The amendments will take effect for annual reporting periods starting on or after 1 January 2026. Early adoption is allowed, but it must be disclosed. The amendments concerning the own-use exception are to be applied retrospectively, while the hedge accounting amendments should be applied prospectively to new hedging relationships designated from the initial application date. Additionally, the IFRS 7 disclosure amendments must be implemented alongside the IFRS 9 amendments. If an entity does not restate comparative information, it cannot present comparative disclosures.

The Company does not expect that the amendments will have a material impact on financial statements.

**24. EVENTS AFTER THE REPORTING PERIOD**

Subsequent to the reporting date, geopolitical tensions in parts of the Middle East have increased. Public communications from government and regulatory authorities have continued to emphasise the resilience of the economy and the continuation of business operations across key sectors, supported by established business continuity and risk management frameworks.

These developments arose after the reporting period and have therefore been assessed as non-adjusting events in accordance with IAS 10 Events after the Reporting Period. Accordingly, no adjustments have been made to the amounts recognised in the financial statements as at 31 December 2025, which reflect conditions existing at that date.

The Company has assessed the potential implications of these events on its operations, financial position and performance. Based on information currently available, including the continuation of core business activities, it is not practicable to reliably estimate the full financial effect of these non-adjusting events on future periods.

Management has also considered the impact of these events on the Company's ability to continue as a going concern and has concluded that the going concern basis of preparation remains appropriate.

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

**25. APPROVAL OF THE FINANCIAL STATEMENTS**

These financial statements were approved and authorized for issue by the Board of Directors on 10 Shawwal 1447H (corresponding to 29 March 2026).

## Arcapita global presence

### Bahrain

Arcapita Investment  
Management B.S.C. (c)

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United States

Tel: +1 404 920 9000

### United Kingdom

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Advisors UK Limited

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United Kingdom

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Company

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### United Arab Emirates

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Management Limited

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