

**Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)**

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

FOR THE YEAR ENDED 30 JUNE 2025

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

FINANCIAL STATEMENTS

For the year ended 30 June 2025

| <i>INDEX</i> | <i>Pages</i> |
|-----------------------------------|--------------|
| Independent auditor's report | 2-3 |
| Statement of financial position | 4 |
| Statement of comprehensive income | 5 |
| Statement of changes in equity | 6 |
| Statement of cash flows | 7 |
| Notes to the financial statements | 8-27 |



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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ASHMORE INVESTMENT SAUDI ARABIA (A CLOSED JOINT STOCK COMPANY)

Opinion

We have audited the financial statements of Ashmore Investment Saudi Arabia (the “Company”), which comprise the statement of financial position as at 30 June 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year 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 30 June 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants.

Basis for Opinion

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

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 the 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.

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 i.e. the Audit Committee is 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.



**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ASHMORE INVESTMENT SAUDI ARABIA (A CLOSED JOINT STOCK
COMPANY) (Continued)**

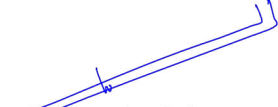
Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

for Ernst & Young Professional Services


Fahad M. Altoaimi
Certified Public Accountant
License No. (354)



Riyadh: 09 Rabi' al-Awwal 1447H
(01 September 2025)

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

| | <i>Notes</i> | 30 June 2025 SR | <i>30 June 2024 SR</i> |
|--|--------------|--------------------------------|--------------------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Furniture and office equipment, net | 5 | 291,506 | 155,188 |
| Right of use assets | 9 | 1,966,046 | - |
| Deferred tax assets | 15 | 716,798 | 2,021,485 |
| TOTAL NON-CURRENT ASSETS | | 2,974,350 | 2,176,673 |
| CURRENT ASSETS | | | |
| Account receivables | 6 | 25,401,243 | 32,546,523 |
| Prepayments and other current assets | 7 | 655,996 | 476,752 |
| Due from related party | 13 | 2,381,257 | 132,459 |
| Investment carried at FVTPL | 8 | 32,334,528 | 25,019,531 |
| Cash and cash equivalents | 10 | 55,220,964 | 26,976,764 |
| TOTAL CURRENT ASSETS | | 115,993,988 | 85,152,029 |
| TOTAL ASSETS | | 118,968,338 | 87,328,702 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Share capital | 11 | 55,555,550 | 51,388,888 |
| Statutory reserve | 19 | - | 3,268,295 |
| Retained earnings | 4.1 | 19,635,157 | 12,879,422 |
| Remeasurement gain on defined benefit obligation reserve | 12 | 469,018 | 247,912 |
| TOTAL EQUITY | | 75,659,725 | 67,784,517 |
| LIABILITIES | | | |
| NON-CURRENT LIABILITIES | | | |
| Employees' defined benefit obligation | 12 | 2,873,235 | 2,509,460 |
| Lease liabilities | 9 | 1,072,643 | - |
| TOTAL NON-CURRENT LIABILITIES | | 3,945,878 | 2,509,460 |
| CURRENT LIABILITIES | | | |
| Due to related parties | 13 | 17,695,274 | 6,817,721 |
| Accrued expenses and other liabilities | 14 | 19,982,703 | 7,626,367 |
| Lease liabilities | 9 | 938,437 | - |
| Provision for taxation | 15 | 746,321 | 2,590,637 |
| TOTAL CURRENT LIABILITIES | | 39,362,735 | 17,034,725 |
| TOTAL LIABILITIES | | 43,308,613 | 19,544,186 |
| TOTAL EQUITY AND LIABILITIES | | 118,968,338 | 87,328,702 |

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

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2025

| | <i>Notes</i> | <i>For the year ended 30 June</i> | |
|---|--------------|-----------------------------------|---------------------|
| | | <i>2025</i> | <i>2024</i> |
| | | <i>SR</i> | <i>SR</i> |
| INCOME | | | |
| Asset management fees income, net | 16 | 26,532,225 | 33,735,694 |
| Advisory fees income | | 1,305,022 | 936,872 |
| Service fees income | | 1,716,345 | 1,221,477 |
| Performance fees income | | 23,749,642 | 3,748,274 |
| Other income | | 3,336,878 | 2,486,668 |
| TOTAL INCOME | | 56,640,112 | 42,128,985 |
| EXPENSES | | | |
| Salaries and employee related expenses | 17 | (32,174,762) | (23,222,513) |
| General and administrative expenses | 18 | (5,125,097) | (5,098,784) |
| Finance Cost | 9 | (81,052) | |
| TOTAL EXPENSES | | (37,380,911) | (28,321,297) |
| NET INCOME BEFORE TAX | | 19,259,201 | 13,807,688 |
| Income tax | 15 | (3,993,986) | (2,714,487) |
| NET INCOME FOR THE YEAR AFTER TAX | | 15,265,215 | 11,093,201 |
| OTHER COMPREHENSIVE LOSS / INCOME | | | |
| <i>Item that will not be reclassified to profit or loss</i> | | | |
| Re-measurement gain / (loss) on employees' defined benefit obligation | | 221,106 | (685,601) |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | 15,486,321 | 10,407,600 |

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

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2025

| | <i>Share capital SR</i> | <i>Statutory reserve SR</i> | <i>Remeasurement gain / loss on defined benefit obligation reserve SR</i> | <i>Retained earnings SR</i> | <i>Total SR</i> |
|---|---------------------------------|-------------------------------------|---|-------------------------------------|--------------------------|
| Balance at 1 July 2023 | 51,388,888 | 2,158,975 | 933,513 | 9,395,541 | 63,876,917 |
| Net income for the year | - | - | - | 11,093,201 | 11,093,201 |
| Other comprehensive income for the year | - | - | (685,601) | - | (685,601) |
| Total comprehensive income for the year | - | - | (685,601) | 11,093,201 | 10,407,600 |
| Transfer to statutory reserve | - | 1,109,320 | - | (1,109,320) | - |
| Dividend paid | - | - | - | (6,500,000) | (6,500,000) |
| Balance at 30 June 2024 | <u>51,388,888</u> | <u>3,268,295</u> | <u>247,912</u> | <u>12,879,422</u> | <u>67,784,517</u> |
| Balance at 1 July 2024 | 51,388,888 | 3,268,295 | 247,912 | 12,879,422 | 67,784,517 |
| Increase in share capital | 4,166,662 | - | - | - | 4,166,662 |
| Net income for the year | - | - | - | 15,265,215 | 15,265,215 |
| Other comprehensive loss for the year | - | - | 221,106 | - | 221,106 |
| Total comprehensive income for the year | - | - | 221,106 | 15,265,215 | 15,486,321 |
| Transfer from statutory reserve | - | (3,268,295) | - | 3,268,295 | - |
| Dividend paid | - | - | - | (9,000,000) | (9,000,000) |
| Converted to share capital | - | - | - | (2,777,775) | (2,777,775) |
| Balance at 30 June 2025 | <u>55,555,550</u> | <u>-</u> | <u>469,018</u> | <u>19,635,157</u> | <u>75,659,725</u> |

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

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

STATEMENT OF CASH FLOWS

For the year ended 30 June 2025

| | <i>Notes</i> | <i>For the year ended 30 June</i> | |
|---|--------------|-----------------------------------|--------------|
| | | 2025 | 2024 |
| | | SR | SR |
| OPERATING ACTIVITIES | | | |
| Net income before tax for the year | | 19,259,201 | 13,807,688 |
| <i>Adjustments to reconcile net income before income tax to net cash generated from operating activities:</i> | | | |
| Depreciation on furniture and office equipment | 5 | 109,032 | 168,068 |
| Depreciation on right of use assets | 9 | 865,061 | - |
| Provision for employees' end of service benefits | 12 | 720,644 | 460,839 |
| Share-based payment expense | 17.1 | 109,656 | 881,608 |
| Finance cost on lease liability | 9 | 81,052 | - |
| Unrealised gain on investment carried at FVTPL | 8 | (1,514,997) | (19,531) |
| | | 19,629,649 | 15,298,672 |
| <i>Changes in operating assets and liabilities:</i> | | | |
| (Increase) / decrease in account receivables | | 7,145,280 | (10,817,319) |
| (Increase) / decrease in prepayments and other assets | | (179,244) | 1,231,263 |
| Increase in due to related parties, net | | 8,519,099 | 264,410 |
| Increase in accrued expenses and other liabilities | | 12,356,336 | 3,725,895 |
| | | 47,471,120 | 9,702,921 |
| Cash generated from operations | | 47,471,120 | 9,702,921 |
| Income tax paid | 15 | (4,533,615) | (196,613) |
| Employees' end of service benefits paid | 12 | (135,763) | (15,826) |
| | | 42,801,742 | 9,490,482 |
| Net cash generated from operating activities | | | |
| INVESTING ACTIVITIES | | | |
| Purchase of investment carried at FVTPL | 8 | (5,800,000) | (25,000,000) |
| Increase in share capital | | 1,388,887 | - |
| Purchase of furniture and office equipment | 5 | (245,350) | (18,775) |
| | | (4,656,463) | (25,018,775) |
| Net cash used in investing activities | | | |
| FINANCING ACTIVITIES | | | |
| Dividend paid | | (9,000,000) | (6,500,000) |
| Lease liability paid | 9 | (901,079) | - |
| | | (9,901,079) | (6,500,000) |
| Net cash used in financing activities | | | |
| Net increase / (decrease) in cash and cash equivalents | | 28,244,200 | (22,028,293) |
| Cash and cash equivalents at beginning of the year | | 26,976,764 | 49,005,057 |
| Cash and cash equivalents at end of the year | | 55,220,964 | 26,976,764 |

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

Ashmore Investment Saudi Arabia (A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

1 ORGANISATION AND PRINCIPAL ACTIVITIES

Ashmore Investment Saudi Arabia ("the Company") is Closed Joint Stock Company formed under foreign license investment number 1029350637555, issued by the Saudi Arabian General Investment Authority on 13 Juma'da Al Thani 1435H (corresponding to 13 April 2014) and operates under commercial registration no. 1010420651 dated 7 Shawwal 1435H (corresponding to 3 August 2014) and unified number 7001860894.

The principal activities of the Company are to provide asset management services, including managing investment funds, client portfolio management, and advisory services in relation to the securities business pursuant to the Capital Market Authority ("CMA") license number 14174-22 dated 19/3/1435H (corresponding to 20 January 2014) of the Company. In addition to these activities, the CMA approved the Company's application to engage in arranging activities through its letter to the Company dated 29/4/1439H (corresponding to 16 January 2018).

The Company's registered office is located at the following address:

P.O. Box 8022
Riyadh 12213
Kingdom of Saudi Arabia

2 BASIS OF PREPARATION

a) *Statement of compliance*

These financial statements have been prepared in accordance with IFRS Accounting Standards as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements as endorsed by Saudi Organisation for Chartered and Professional Accountants ("SOCPA") and in compliance with the provisions of the Regulations for Companies in the Kingdom of Saudi Arabia and the By-laws of the Company.

b) *Basis of measurement and presentation*

These financial statements have been prepared on a historical cost basis, using the accrual basis of accounting and the going concern concept, except for the employees' benefit obligation which is measured at present value of future obligations using Projected Unit Credit Method and investments which are carried at fair value.

c) *Functional and presentation currency*

These financial statements are presented in Saudi Riyals ("SR"), which is the functional and presentation currency of the Company.

d) *Use of estimates and judgement*

The preparation of these financial requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in future periods affected.

Areas where management has used significant estimates, assumptions and exercised judgements are as follows:

- Valuation of deferred tax assets – notes 4.1(k) and 15;
- Valuation of employees' defined benefit obligation – notes 4.1(j) and 12; and
- Valuation of employees' share based payment plan – notes 4.1(j), 17 and 17.1

3 GOING CONCERN

The Company continues to be cognisant of both, the micro and macroeconomic challenges it faces, and continues to evaluate the business environment through reviewing the funds it manages, its business strategy and risk management practices. Based on their assessment, management believes the Company has sufficient liquidity and financial resources available to meet its financial commitments as and when they become due and has the ability to continue as a going concern in the foreseeable future. As a result, these financial statements have been prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

4.1 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies used in the preparation of these financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 30 June 2024.

a) Current vs. non-current classification

The Company presents assets and liabilities in the statement of financial position based on current / non-current classification.

An asset is current when it is:

Expected to be recognize or intended to be sold or consumed in the normal operating cycle;

- Held primarily for the purpose of trading;
- Expected to be recognize within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets including deferred tax asset are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

b) 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 group, 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).

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

4.1 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

c) Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, cash at banks in current accounts and other short-term highly liquid placements with banks having original maturities of three months or less from the date of its date of original purchase / acquisition.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

d) Assets held in trust or in a fiduciary capacity

Assets held in trust or in a fiduciary capacity are not treated as assets of the Company and accordingly treated as off-balance sheet items.

e) Revenue recognition

The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company. The revenue is recognised when the Company transfers the services to customers at an amount that the Company expects to be entitled to in exchange for those services. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as a principal or as an agent. The Company has concluded that it is acting as a principal in its revenue arrangements since it has exposure to the significant risks and rewards.

The details of the Company's revenues and the method of their recognition in accordance with IFRS 15 are as follows:

Asset management fees

Asset management fees are recognised based on a fixed percentage of net assets under management ("asset-based"), or a percentage of returns from net assets ("return-based") subject to applicable terms and conditions and service contracts with customers and funds. The Company attributes the revenue from management fees to the services provided during the period, because the fee relates specifically to the Company's efforts to transfer the services for that period. As asset management fees are not subject to clawbacks, the management does not expect any significant reversal of revenue previously recognised.

Advisory fee income

Advisory fees are recognised based on the applicable service contract, as the services are rendered under the applicable service contracts using the five-step approach to revenue recognition above.

Special commission revenue

Special commission income is accrued and recognised using the effective commission method.

Service fee income

Service fees are referral fee income for introducing the Company's clients to one of the Company's related parties and are recognized based on agreed rates upon successful referral.

Performance fee income

Performance fees are a type of compensation paid to an investment manager or a fund manager for generating positive returns on the assets they manage. This fee structure is designed to align the interests of the manager with those of the investors by providing an incentive for the manager to achieve higher returns.

f) Offsetting of financial instruments

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

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

4.1 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

g) Foreign currencies transactions and balances

Monetary assets and liabilities denominated in foreign currencies are translated into SAR at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in foreign currencies are also translated into SAR at the exchange rate at the reporting date.

Foreign currency differences arising on translation are recognised in the statement of income as net foreign exchange gains or losses, except for those arising on financial instruments at fair value through Profit and Loss (“FVTPL”), which are recognised as a component of net gain from financial instruments at FVTPL.

h) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a *result of past events*, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made of the amount of obligation.

i) Impairment of non-financial assets

The carrying amounts of the Company’s non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of income. Impairment losses in respect of non-financial assets recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had there been no impairment loss had been recognised.

j) Employees’ benefits

End of service benefits

The Company operates a single post-employment benefit scheme of defined benefit plan driven by the labor laws of the Kingdom of Saudi Arabia which is based on most recent salary and number of service years.

The post-employment benefits plans are not funded. Accordingly, valuations of the obligations under the plan are carried out internally based on the projected unit credit method. The costs relating to such plans primarily consist of the present value of the benefits attributed on an equal basis to each year of service and the interest on this obligation in respect of employee service in previous years.

Current and past service costs related to post-employment benefits are recognized immediately in statement of profit or loss while unwinding of the liability at discount rates used are recorded in profit or loss. Any changes in net liability due to valuations and changes in assumptions are taken as re-measurement in the other comprehensive income.

Share-based payment plan

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards.

The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

4.1 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

k) Taxation

Income tax

The Company is 100% foreign owned and, therefore, not subject to Zakat. The Company's foreign shareholders are subject to income tax in accordance with the regulations of ZATCA as applicable in the Kingdom of Saudi Arabia. Income tax is computed on adjusted net income.

An estimate of income tax provisions are charged to statement of income.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of asset and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date.

Deferred tax liability is recognised for all temporary differences. Deferred tax asset is recognised for unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

l) Withholding tax payable

The Company withholds taxes on transactions with non-resident parties and on dividends paid to foreign shareholders in accordance with ZATCA regulations.

m) Expenses

Salaries and short-term employee benefits are measured on an undiscounted basis and is expensed as the related service is provided.

General and administrative expenses and other expenses are expensed as incurred.

n) Statutory reserve

In line with Articles 123 and 177 of the New Companies Law, Statutory reserve is no longer mandatory. The reserve can only be transferred to retained earnings once the Company's By-laws has been amended by EGM. The management has decided cease maintain the Statutory Reserve and transferred the balance to Retained Earnings reserve.

o) Furniture and office equipment

Furniture and office equipment are stated at cost, net of accumulated depreciation and / or accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. Depreciation is calculated on a straight-line basis over the estimated useful lives of the asset as follows:

- Leasehold improvements 10 Years
- Furniture and office equipment 4 Years
- Motor vehicle 4 Years

The residual values, useful lives and methods of depreciation of property and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

Ashmore Investment Saudi Arabia (A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

4.1 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

p) *Classification and measurement of financial assets*

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

- Amortized cost
- Fair value through other comprehensive income (FVOCI)
- Fair value through statement of profit or loss (FVTPL)

Measurement

At initial recognition, 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 carried at fair value through profit or loss are expensed in statement of profit or loss.

Debt instruments

Classification and subsequent measurement of debt instruments depend on:

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

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

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

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

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent solely payment of principal and interest (the "SPPI" test). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. profit (or special commission income) includes only consideration for the time value of resources, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement.

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

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI), and that are not designated at FVTPL, are measured at amortized cost. Profit earned from these financial assets is recognized in the statement of comprehensive income using the effective commission rate method.

Fair value through profit or loss (FVTPL): If debt instrument's cash flows do not represent solely SPPI or if it not held within the held to collect or the held to collect and sell business model, or if it is designated at FVTPL, then it is measured at FVTPL. A gain or loss on a debt investment measured at FVTPL is recognized in the statement of profit or loss, in the period in which it arises. Special commission income earned from these financial assets is recognized in the statement of comprehensive income using the effective commission rate method.

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

4.1 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

p) Classification and measurement of financial assets (continued)

Debt instruments (continued)

Fair value through other comprehensive income (FVOCI): Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVTPL, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortized cost which are recognized in statement of profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from statement of changes in equity to statement of profit or loss.

Equity instruments

The Company measures all equity investments at FVTPL, except where the Company has elected, at initial recognition, to irrevocably designate an equity investment at FVOCI. The Company's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to trade.

When this election is used, fair value gains and losses are recognized in other comprehensive income and are not subsequently reclassified to the statement of profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value.

Dividends, when representing a return on such investments, continue to be recognized in the statement of profit or loss when the Company's right to receive payments is established.

q) Leases

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

Right-of-use assets

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of the costs of dismantling and removing the underlying asset and restoring the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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

After initial recognition, the lease liability is measured by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Lease liability

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of comprehensive income.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases (less than 12 months) and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

4.2 MATERIAL ACCOUNTING POLICIES, ESTIMATES AND IMPACT OF CHANGES DUE TO ADOPTION OF NEW STANDARDS

4.2.1 New standards, interpretations and amendments adopted by the Company

The material accounting policies adopted in the preparation of the financial statements are consistent with those followed in the Company's annual financial statements for the year ended 30 June 2024, except for the adoption of below new standards.

The following standards, interpretations or amendments are effective from the current year and are adopted by the Company, however, these do not have any impact on the financial statements of the year.

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

The adoption of the amended standards and interpretations applicable to the company did not have any significant impact on the financial statements.

4.2.2 New standards, interpretations and amendments issued but not yet effective

| Standard, interpretation and amendments | Description | Effective date |
|---|---|---|
| Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures | Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system. | Annual periods beginning on or after 1 January 2026 |
| Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full. | Effective date deferred indefinitely |
| IFRS 18, Presentation and Disclosure in Financial Statements | IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences. | Annual periods beginning on or after 1 January 2026 |

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

5 FURNITURE AND OFFICE EQUIPMENT, NET

| | <i>Leasehold Improvement</i> <i>SR</i> | <i>Motor Vehicle</i> <i>SR</i> | <i>Furniture & Office equipment</i> <i>SR</i> | <i>Total 2025</i> <i>SR</i> | <i>Total 2024</i> <i>SR</i> |
|---------------------------------|---|---------------------------------------|--|------------------------------------|------------------------------------|
| <i>Cost</i> | | | | | |
| At the beginning of the year | 1,157,601 | 85,700 | 215,641 | 1,458,942 | 1,440,167 |
| Additions during the year | - | - | 245,350 | 245,350 | 18,775 |
| Disposals | - | - | - | - | - |
| At the end of the year | 1,157,601 | 85,700 | 460,991 | 1,704,292 | 1,458,942 |
| <i>Accumulated depreciation</i> | | | | | |
| At the beginning of the year | 1,098,950 | 85,700 | 119,104 | 1,303,754 | 1,135,686 |
| Depreciation for the year | 58,651 | - | 50,381 | 109,032 | 168,068 |
| Disposals during the year | - | - | - | - | - |
| At the end of the year | 1,157,601 | 85,700 | 169,485 | 1,412,786 | 1,303,754 |
| <i>At 30 June 2025</i> | <i>-</i> | <i>-</i> | <i>291,506</i> | <i>291,506</i> | |
| <i>At 30 June 2024</i> | <i>58,651</i> | <i>-</i> | <i>96,537</i> | <i>155,188</i> | |

6 ACCOUNT RECEIVABLES

| | <i>30 June 2025</i> <i>SR</i> | <i>30 June 2024</i> <i>SR</i> |
|----------------------------|--------------------------------------|--------------------------------------|
| Management fees receivable | 23,733,790 | 31,452,176 |
| Funds under management | 1,667,453 | 1,094,347 |
| | 25,401,243 | 32,546,523 |

7 PREPAYMENTS AND OTHER CURRENT ASSETS

| | <i>30 June 2025</i> <i>SR</i> | <i>30 June 2024</i> <i>SR</i> |
|----------------------|--------------------------------------|--------------------------------------|
| Prepaid expenses | 446,917 | 285,456 |
| Other current assets | 209,079 | 191,296 |
| | 655,996 | 476,752 |

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

8 INVESTMENT CARRIED AT FVTPL

This represents investment in a mutual fund managed by the company

| | <i>30 June 2025 SR</i> | <i>30 June 2024 SR</i> |
|------------------------------------|--------------------------------|--------------------------------|
| Ashmore GCC Diversified Trade Fund | 32,334,528 | 25,019,531 |
| | 32,334,528 | 25,019,531 |

8.1 The following is the movement of investments during the year:

| | <i>30 June 2025 SR</i> | <i>30 June 2024 SR</i> |
|--------------------------------------|--------------------------------|--------------------------------|
| Balance at the beginning of the year | 25,019,531 | - |
| Additions during the year | 5,800,000 | 25,000,000 |
| Unrealized gain during the year | 1,514,997 | 19,531 |
| | 32,334,528 | 25,019,531 |

9 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

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

| | <i>30 June 2025 SR</i> | <i>30 June 2024 SR</i> |
|----------------------------------|--------------------------------|--------------------------------|
| Cost: | | |
| Balance as at 1 July 2024 | - | - |
| Additions during the year | 2,831,107 | - |
| Balance as at 30 June 2025 | 2,831,107 | - |
| Accumulated depreciation: | | |
| Balance as at 1 July 2024 | - | - |
| Charge for the year | 865,061 | - |
| Balance as at 30 June 2025 | 865,061 | - |
| Net carrying amounts: | | |
| Balance as at 30 June 2025 | 1,966,046 | - |

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

9 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Continued)

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

| | <i>30 June 2025 SR</i> | <i>30 June 2024 SR</i> |
|---|--------------------------------|--------------------------------|
| Balance as at 1 July 2024 | - | - |
| Additions during the year | 2,831,107 | - |
| Interest expense on lease liabilities | 81,052 | - |
| Payments made during the year | (901,079) | - |
| Balance as at 30 June 2025 | 2,011,080 | - |
| Presented in the statement of financial position is as follows: | | |
| Current | 938,437 | - |
| Non-current | 1,072,643 | - |
| | 2,011,080 | - |

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

| | <i>30 June 2025 SR</i> | <i>30 June 2024 SR</i> |
|---|--------------------------------|--------------------------------|
| Depreciation of right-of-use assets charged to: | | |
| General and administrative expenses (Note 18) | 865,061 | - |
| Interest expense on lease liabilities | 81,052 | - |
| | 946,113 | - |

10 CASH AND CASH EQUIVALENTS

| | <i>30 June 2025 SR</i> | <i>30 June 2024 SR</i> |
|---------------------|--------------------------------|--------------------------------|
| Cash at banks | 55,215,964 | 14,095,964 |
| Short term deposits | - | 12,875,800 |
| Cash in hand | 5,000 | 5,000 |
| | 55,220,964 | 26,976,764 |

**Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

11 SHARE CAPITAL

The authorised share capital of the Company consists of 5.55 million shares of SAR 10 each which is fully paid. During the year, the Company injected SAR 1.38 million cash to increase the share capital and remaining SAR 2.77 million was increased by converting retained earnings of the Company after obtaining Board approval dated 15 July 2024.

| <i>Shareholders</i> | <i>2025</i> | | | <i>2024</i> | | |
|----------------------------------|----------------------|------------------------|-------------------|----------------------|------------------------|-------------------|
| | <i>No. of Shares</i> | <i>Value per share</i> | <i>Total</i> | <i>No. of shares</i> | <i>Value per share</i> | <i>Total</i> |
| Ashmore Investment (UK) Limited. | 5,000,000 | 10 | 50,000,000 | 5,000,000 | 10 | 50,000,000 |
| Ashmore AISA (Cayman) Limited | 555,555 | 10 | 5,555,550 | 138,888 | 10 | 1,388,888 |
| Total | 5,555,555 | | 55,555,550 | 5,138,888 | | 51,388,888 |

12 EMPLOYEES' DEFINED BENEFIT OBLIGATION

The benefit liability recognized in the statement of financial position in respect of defined benefit end-of-service plan is the present value of the defined benefit obligation (“DBO”) at the reporting date. The DBO is calculated periodically by qualified actuaries using the projected unit credit method.

The movement of the employee benefits obligation is as follows:

| | <i>30 June 2025</i> | <i>30 June 2024</i> |
|--|-------------------------|-------------------------|
| Balance at the beginning of the year | 2,509,460 | 1,378,846 |
| Current service cost | 588,659 | 404,631 |
| Interest cost | 131,985 | 56,208 |
| Re-measurement gain on employees' defined benefit obligation | (221,106) | 685,601 |
| Benefits paid | (135,763) | (15,826) |
| Balance at the end of the year | 2,873,235 | 2,509,460 |

12.1 Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages):

| | <i>30 June 2025</i> | <i>30 June 2024</i> |
|-----------------------------------|-------------------------|-------------------------|
| Discount rate | 5.25% | 5.25% |
| Salary increases rate (long term) | 5.85% | 6.00% |

Assumptions regarding future mortality are set based on actuarial advice in accordance with the published statistics and experience in the region. Attrition rates have been determined using benchmarks and adjusted for Company's own experience.

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

12 EMPLOYEES' DEFINED BENEFIT OBLIGATION (Continued)

12.2 Sensitivity of actuarial assumptions

The table below illustrates the sensitivity of the defined benefit obligation valuation as at 30 June 2025 and 30 June 2024 to the key assumptions mentioned in 11.1 above.

| | 30 June 2025 | | 30 June 2024 | |
|------------------------------|---|-------------------------------|-------------------------------|-------------------------------|
| | SR | | SR | |
| | <i>Impact on defined benefit obligation – Increase / (Decrease)</i> | | | |
| | <i>Increase in assumption</i> | <i>Decrease in assumption</i> | <i>Increase in assumption</i> | <i>Decrease in assumption</i> |
| Discount rate (+/- 1.00%) | (228,357) | 266,396 | (198,672) | 231,933 |
| Long Term Salary (+/- 1.00%) | 269,295 | (235,327) | 234,268 | (204,579) |

13 RELATED PARTIES TRANSACTIONS AND BALANCES

In the ordinary course of its activities, the Company transacts business with related parties.

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

Related parties include:

- Shareholders and its affiliated companies
- Funds managed by the Company
- Board of Directors
- Key management personnel

The following are the details of the Company's Shareholders and their affiliated companies

| <i>Name of related parties</i> | <i>Nature of Relationship</i> |
|--|-------------------------------|
| Ashmore Group PLC | Ultimate Parent |
| Ashmore AISA (Cayman) Limited | Shareholder |
| Ashmore Investment (UK) Limited | Shareholder |
| Ashmore Investment Advisors limited | Affiliate |
| Ashmore Investment Management Limited. | Affiliate |

The significant transactions for the year ended are as follows:

| <i>Related parties</i> | <i>Nature of transaction</i> | <i>Notes</i> | <i>Amount of transaction</i> | |
|--|---------------------------------|--------------|------------------------------|-------------|
| | | | <i>2025</i> | <i>2024</i> |
| | | | <i>SR</i> | <i>SR</i> |
| Funds managed by the Company | Asset management fee income | | 43,502,065 | 43,306,971 |
| Ashmore Investment Management Limited and Funds managed by the company | Asset management fee expense | 13.1 | 16,969,840 | 9,571,277 |
| Ashmore Group Plc | Advisory and service fee income | 13.2 | 2,414,589 | 1,660,589 |
| | IT related expense | 13.3 | 1,753,396 | 1,780,945 |
| | Miscellaneous expense | | 56,249 | 755,589 |
| Ashmore Cayman Limited | Share based Payment Plan | | 109,656 | 881,608 |
| Ashmore Investment Advisors Limited | Advisory fee income | | 606,778 | 497,881 |
| Board of Directors | Directors' remuneration | | 407,500 | 480,945 |
| | Short term benefits | 13.4 | 6,241,000 | 9,985,000 |
| Key management personal of the company | Post employment benefits | | 272,381 | 282,525 |
| | Share-based payment expense | | 530,021 | 1,251,558 |

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

13 RELATED PARTIES TRANSACTIONS AND BALANCES (continued)

Amounts due to related parties

| | <i>30 June 2025</i> | <i>30 June 2024</i> |
|---------------------------------------|-------------------------|-------------------------|
| Ashmore Investment Management limited | 14,586,507 | 2,736,543 |
| Ashmore Group Plc | 1,527,680 | 1,220,305 |
| Ashmore Cayman Limited | 1,581,087 | 2,860,873 |
| | 17,695,274 | 6,817,721 |

Amounts due from related parties

| | <i>30 June 2025</i> | <i>30 June 2024</i> |
|---------------------------------------|-------------------------|-------------------------|
| Ashmore Investment Management Limited | 1,921,770 | - |
| Ashmore Investment Advisors limited | 459,487 | 132,459 |
| | 2,381,257 | 132,459 |

13.1 Based on agreements between the Company, Ashmore Investment Management Limited and Clients, the Company pays fund management fee to Ashmore Investment Management Limited for receiving professional advice in the management of the funds it manages and pays rebates to qualifying Clients.

13.2 Based on the agreement between the Company, Ashmore Investment Management Limited and Ashmore Investment Advisors Limited, the Company receives service / referral fee for introducing clients to Ashmore Investment Management Limited / Ashmore Investment Advisors Limited.

13.3 The Company has outsourced its IT operations to Ashmore Group Plc and signed service level agreement based on which the Company receives invoices on a quarterly basis for the IT services provided.

13.4 Key management personnel includes executives and heads of departments.

14 ACCRUED EXPENSES AND OTHER LIABILITIES

| | <i>30 June 2025 SR</i> | <i>30 June 2024 SR</i> |
|----------------------------|--------------------------------|--------------------------------|
| Accrued staff bonus | 13,819,217 | 2,458,545 |
| Rebate payable | 4,423,364 | 2,658,119 |
| VAT payable | 926,414 | 1,139,246 |
| Board remuneration payable | 407,500 | 442,349 |
| Accrued professional fees | 255,358 | 240,808 |
| Others | 150,850 | 687,300 |
| | 19,982,703 | 7,626,367 |

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

15 PROVISION FOR TAXATION

The Company is 100% owned by non-GCC shareholders and subject to taxation in accordance with the regulation of the Zakat, Tax and Customs Authority (“ZATCA”) as applicable in the Kingdom of Saudi Arabia.

The movement in income tax provision is as follows:

| | <i>30 June</i> <i>2025</i> <i>SR</i> | <i>30 June</i> <i>2024</i> <i>SR</i> |
|---|--|--|
| Balance at beginning of the year | 2,590,637 | 196,613 |
| Provision for income taxes for the year | 2,689,299 | 2,590,637 |
| Payments during the year | (4,533,615) | (196,613) |
| Balance at end of the year | 746,321 | 2,590,637 |

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

| | <i>30 June</i> <i>2025</i> <i>SR</i> | <i>30 June</i> <i>2024</i> <i>SR</i> |
|--------------------------------------|--|--|
| Balance at beginning of the year | 2,021,485 | 2,145,335 |
| Deferred tax expense during the year | (1,304,687) | (123,850) |
| Balance at end of the year | 716,798 | 2,021,485 |

Deferred tax relates to the followings:

| | <i>Statement of financial position 30 June</i> | | <i>Statement of comprehensive income 30 June</i> | |
|---|--|-------------|--|-------------|
| | <i>2025</i> | <i>2024</i> | <i>2025</i> | <i>2024</i> |
| Property and equipment | 116,038 | 114,346 | 1,693 | 21,864 |
| Employees' defined benefits liabilities | 574,647 | 501,892 | (418,954) | 226,123 |
| Right of use asset | 9,007 | - | 9,007 | - |
| Provision for bonus | - | 491,709 | - | 491,709 |
| Brought forward loss | 17,106 | 913,538 | (896,433) | (863,546) |
| Deferred tax expense | | | (1,304,687) | (123,850) |
| Deferred tax asset | 716,798 | 2,021,485 | | |

The management reassessed future profitability of the Company on 30 June 2025. In line with the Company’s business plan, the management expects that there will be sufficient future taxable profit in the subsequent years to which these deferred tax assets will be utilized. Thus, the Company recognised deferred tax assets on temporary differences amounting to SAR 0.72 million as at 30 June 2025 (30 June 2024: SAR 2.02 million).

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

15 PROVISION FOR TAXATION (Continued)

Income tax charge for the year

The income tax charge comprises of the followings,

| | <i>30 June</i> <i>2025</i> <i>SR</i> | <i>30 June</i> <i>2024</i> <i>SR</i> |
|-----------------------------------|--|--|
| Current income tax for the year | 2,689,299 | 2,590,637 |
| Deferred tax expense for the year | 1,304,687 | 123,850 |
| Total income tax expense | <u>3,993,986</u> | <u>2,714,487</u> |

Status of assessment

The Company has filed its income tax returns up to the year ended 30 June 2024 with Zakat, Tax and Customs Authority (“ZATCA”).

16 ASSET MANAGEMENT FEE INCOME- NET

| | <i>For the year ended</i> | |
|--------------------------|--|--|
| | <i>30 June</i> <i>2025</i> <i>SR</i> | <i>30 June</i> <i>2024</i> <i>SR</i> |
| Asset management fee | 43,502,065 | 43,306,971 |
| Asset management expense | (15,106,588) | (8,186,444) |
| Rebates | (1,863,252) | (1,384,833) |
| | <u>26,532,225</u> | <u>33,735,694</u> |

17 SALARIES AND EMPLOYEE RELATED EXPENSES

| | | <i>For the year ended</i> | |
|--|-------------|--|--|
| | <i>Note</i> | <i>30 June</i> <i>2025</i> <i>SR</i> | <i>30 June</i> <i>2024</i> <i>SR</i> |
| Staff bonus | | 18,095,172 | 8,999,145 |
| Employee salaries | | 12,159,924 | 11,036,454 |
| Directors fees | | 407,500 | 480,945 |
| Medical insurance | | 325,562 | 252,721 |
| Share- based payment expense | <i>17.1</i> | 109,656 | 881,608 |
| Employees’ end of service benefits expense | <i>12</i> | 720,644 | 460,839 |
| Others | | 356,304 | 1,110,801 |
| | | <u>32,174,762</u> | <u>23,222,513</u> |

17.1 SHARE-BASED PAYMENT ARRANGEMENT

On 30 September 2019, the Company introduced equity-settled share-based payment plan (“the Plan”) that entitles employees to receive Class B shares (each with grant date fair value of SAR 10) of Ashmore AISA (Cayman) Limited (“Ashmore Cayman”) established for the purpose of owning a share of the Company.

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

17.1 SHARE-BASED PAYMENT ARRANGEMENT (Continued)

In accordance with the Plan, the Company has issued shares representing 10% of the Company's share capital outstanding as of 30 June 2022 to Ashmore Cayman. Class B shares to be granted to employees shall correspond to the equity interest to be owned by Ashmore Cayman in the Company. All of the above shares are awarded to eligible employees. Vesting condition is service of 5 years.

Equity settled share based payment arrangement

Awards outstanding under the plan are as follows:

| | <i>Number of shares subject to awards</i> | <i>Fair value at grant date</i> | <i>Number of shares subject to awards</i> | <i>Fair value at grant date</i> |
|-------------------------------------|---|-------------------------------------|---|-------------------------------------|
| | 2025 | | 2024 | |
| Balance as at beginning of the year | 329,498 | 11.10 | 211,720 | 10.15 |
| Granted | 63,892 | 10.80 | 117,778 | 12.80 |
| Vested | - | - | - | - |
| Lapsed | (126,668) | - | - | - |
| Award outstanding at year end | <u>266,722</u> | | <u>329,498</u> | |

During the year 63,892 new shares were granted at a weighted average value of SAR 10.80 and 126,668 shares lapsed.

During the year the Company recognised total share-based payment expense of SAR 0.11 million (2024: SAR 0.88 million) in relation to the equity-settled share plan.

18 GENERAL AND ADMINISTRATIVE EXPENSES

| | <i>For the year ended</i> | |
|-------------------------------------|---------------------------|-------------------------|
| | <i>30 June 2025</i> | <i>30 June 2024</i> |
| | <i>SR</i> | <i>SR</i> |
| IT-related services fee | 1,744,165 | 1,739,275 |
| Communication expense | 1,318,478 | 824,392 |
| Depreciation right of used asset | 865,061 | - |
| Legal professional fee | 438,679 | 1,018,020 |
| Insurance expense | 132,836 | 167,849 |
| Depreciation | 109,032 | 168,068 |
| Rent and related | 281,403 | 1,033,791 |
| Travelling and entertaining expense | 58,495 | 74,332 |
| Others | 176,948 | 73,057 |
| | <u>5,125,097</u> | <u>5,098,784</u> |

19 STATUORY RESERVE

In line with Articles 123 and 177 of the New Companies Law, statutory reserve is no longer mandatory. The reserve can only be transferred to retained earnings once the Company's By-laws has been amended by the EGM. The management has transferred the statutory reserve to the retained earnings based on the amended Company's By-laws after resolution of EGM passed during the year.

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

20 RISK MANAGEMENT

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

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

The Company's financial operations are subject to the following risks:

Credit risk

Credit risk is the risk that one party will fail to discharge an obligation and may cause the other party to incur a financial loss. The Company is exposed to credit risk mainly arising from cash and cash equivalents, due from related parties, accounts receivables, investments and other current assets.

The Company's risk management policies and processes are designed to identify and analyse risk, to set appropriate limits and controls, and to monitor the risks and adherence to limits by means of timely and reliable management information data.

The Company's maximum exposure to credit risk is as follows:

| | <i>30 June</i> <i>2025</i> <i>SR</i> | <i>30 June</i> <i>2024</i> <i>SR</i> |
|---------------------------|--|--|
| Account receivable | 25,401,243 | 32,546,523 |
| Due from a related party | 2,381,257 | 132,459 |
| Investments | 32,334,528 | 25,019,531 |
| Cash and cash equivalents | 55,220,964 | 26,976,764 |
| Other current assets | 209,079 | 191,296 |
| | <u>115,547,071</u> | <u>84,866,573</u> |

Account receivable

The Company's account receivable mainly consists of management fee. Management believes that these receivables are low credit risk since these are receivable from the funds managed by the company.

Due from related party

Company's credit risk on due from a related party is limited as these are settled by the Ashmore Company Plc on behalf of its subsidiaries.

Bank balances

Credit risk on bank balances is limited as same are held with banks with sound credit ratings.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Company has access to credit facilities.

Ashmore Investment Saudi Arabia
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

20 RISK MANAGEMENT (continued)

Liquidity risk (continued)

The table below summarizes the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

| 30 June 2025 | <i>Contractual cash flows</i> | | | | |
|--|-------------------------------|-------------------|------------------------------|-----------------------------|--------------------------------|
| | <i>Carrying Amount SR</i> | <i>Total SR</i> | <i>Less than one year SR</i> | <i>One to five years SR</i> | <i>More than five years SR</i> |
| Amounts due to related parties | 17,695,274 | 17,695,274 | 17,695,274 | - | - |
| Accrued expenses and other liabilities | 19,982,703 | 19,982,703 | 19,982,703 | - | - |
| Lease liabilities | 2,071,090 | 2,071,090 | 990,723 | 1,080,367 | - |
| | <u>39,749,067</u> | <u>39,749,067</u> | <u>38,668,700</u> | <u>1,080,367</u> | <u>-</u> |

| 30 June 2024 | <i>Contractual cash flows</i> | | | | |
|--|-------------------------------|-------------------|------------------------------|-----------------------------|--------------------------------|
| | <i>Carrying Amount SR</i> | <i>Total SR</i> | <i>Less than one year SR</i> | <i>One to five years SR</i> | <i>More than five years SR</i> |
| Amounts due to related parties | 6,817,721 | 6,817,721 | 6,817,721 | - | - |
| Accrued expenses and other liabilities | 7,626,365 | 7,626,365 | 7,626,365 | - | - |
| | <u>14,444,086</u> | <u>14,444,086</u> | <u>14,444,086</u> | <u>-</u> | <u>-</u> |

Market risk

Market risk is the risk that changes in the market prices, such as foreign exchange rates and interest rates, will affect the Company's income or cash flows. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return. The Company's only commission bearing assets are short-term deposits placements maintained with a local bank carrying fixed rates. Hence, the Company is not exposed to special commission rate fluctuations.

Foreign currency risk

Currency risk is the risk that the value of a financial instrument may fluctuate due to changes in foreign exchange rates. The Company's transactions are principally denominated in Saudi Riyals, United States Dollars and Pound Sterling. Other transactions in foreign currencies are not material. Currency risk is managed on a regular basis by monitoring movements in currency exchange rates. Management believes that there is insignificant risk of losses due to exchange rate fluctuation as most of the Company's monetary assets and liabilities are primarily in US dollars which is pegged with the Saudi Riyal.

Ashmore Investment Saudi Arabia (A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

21 ASSETS HELD UNDER MANAGEMENT

Assets under management (“AUM”) represent investment funds and discretionary and non- discretionary portfolio assets managed by the Company in its capacity as the Fund Manager. As at 30 June 2025, AUM amounted to SAR 7.02 billion (30 June 2024: SAR 8.17 billion).

The funds under management of the Company are as follows:

- Ashmore Saudi Equity Fund
- Ashmore GCC Diversified Trade Fund
- Ashmore Saudi Food Fund
- Ashmore Short Duration Fund
- Ashmore Health Care Fund 1
- Ashmore Health Care Fund 2
- Ashmore Saudi Equity Sharia Fund
- Ashmore Active Emerging Market Sharia Equity Fund
- Ashmore Saudi Real Estate Income Generating Fund
- Ashmore Saudi Industrial Fund
- Ashmore Investment Fund 4
- Ashmore Saudi Education Fund

22 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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.

The fair value for financial instruments traded in active markets is based on quoted market prices at the close of trading on the financial reporting date. Instruments for which no sales was reported on the valuation day are valued at the most recent bid price. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing 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).

The Company has only investments at fair value through profit or loss which is measured at fair values and are classified within level 1 of the fair value hierarchy. All other financial assets and financial liabilities are classified as amortized cost and management believes that the fair value of all other financial assets and liabilities at the reporting date approximate their carrying values owing to their short-term tenure and the fact that these are readily liquid. There were no transfers between various levels of fair value hierarchy during the current period or prior year

23 SUBSEQUENT EVENTS

There are no material events subsequent to the reporting date that requires adjustment or disclosure in these financial statements.

24 APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors on 27 August 2025 (corresponding to 4 Rabi' al-Awwal 1447H).