

GREENSTONE SAUDI ARABIA
(Joint Stock Company)
FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2025

GREENSTONE SAUDI ARABIA
(Joint Stock Company)

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

<u>INDEX</u>	<u>PAGES</u>
Independent auditor's report	1-2
Statement of financial position	3
Statement of total comprehensive income	4
Statement of changes in equity	5
Statement of cash flows	6
Notes to the financial statements	7 – 14

INDEPENDENT AUDITOR'S REPORT

To the Shareholder
Greenstone Saudi Arabia
(Joint Stock Company)
Riyadh, Saudi Arabia

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Greenstone Saudi Arabia (Joint Stock Company) ("the Company"), which comprise the statement of financial position as at December 31, 2025, and the statement of total comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

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

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 that are endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the Company's financial statements and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA and Regulations for Companies and the Company's Bylaws 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 Board of Directors, are responsible for overseeing the Company's financial reporting process.

Auditors' 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.

INDEPENDENT AUDITOR'S REPORT (Continued)

To the Shareholder

Greenstone Saudi Arabia

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

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 the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- 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.

BAKER TILLY PROFESSIONAL SERVICES



Majid Muneer Al Nemer

(Certified Public Accountant - License No. 381)

Riyadh on Shawwal 10, 1447H

Corresponding to March 29, 2026



GREENSTONE SAUDI ARABIA

(Joint Stock Company)

STATEMENT OF FINANCIAL POSITION**AS AT DECEMBER 31, 2025**

(All amounts in Saudi Riyals unless otherwise stated)

	Notes	December 31, 2025	December 31, 2024
ASSETS			
Non-current assets			
Equipment	5	<u>3,837</u>	17,856
Total non-current assets		<u>3,837</u>	17,856
Current assets			
Due from related parties	6	19,636,972	20,866,804
Account receivable		-	281,250
Prepayments and other receivables	7	125,016	121,533
Unbilled revenue		307,779	-
Cash at bank		<u>2,154,097</u>	270,926
Total current assets		<u>22,223,864</u>	21,540,513
TOTAL ASSETS		<u>22,227,701</u>	21,558,369
EQUITY AND LIABILITIES			
Equity			
Share capital	8	20,000,000	20,000,000
Statutory reserve	9	17,817	17,817
Retained earnings		<u>1,634,782</u>	698,687
Total equity		<u>21,652,599</u>	20,716,504
LIABILITIES			
Non-current liabilities			
Employees' end of service benefits	10	<u>177,130</u>	114,445
Total non-current liabilities		<u>177,130</u>	114,445
Current liabilities			
Accrued expenses and other payables	11	223,340	509,189
Income tax	12	<u>174,632</u>	218,231
Total current liabilities		<u>397,972</u>	727,420
TOTAL LIABILITIES		<u>575,102</u>	841,865
TOTAL EQUITY AND LIABILITIES		<u>22,227,701</u>	21,558,369



Syed Adil Rehman
CEO

The accompanying notes form an integral part of these financial statements.

GREENSTONE SAUDI ARABIA

(Joint Stock Company)

**STATEMENT OF TOTAL COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2025**

(All amounts in Saudi Riyals unless otherwise stated)

	<u>Notes</u>	<u>2025</u>	<u>2024</u>
Service income	13	1,448,298	1,710,815
General and administrative expenses (Loss) / income from operations	14	(1,543,979) (95,681)	<u>(1,660,253)</u> 50,562
Interest income	6	1,201,064	1,375,472
Other income / (expenses), net		5,346	<u>(4,465)</u>
Net income before tax		1,110,729	1,421,569
Income tax	12	(174,634)	<u>(218,231)</u>
Net income for the year		936,095	1,203,338
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		936,095	<u>1,203,338</u>



Syed Adil Rehman
CEO

The accompanying notes form an integral part of these financial statements.

GREENSTONE SAUDI ARABIA

(Joint Stock Company)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2025**

(All amounts in Saudi Riyals unless otherwise stated)

	<u>Share capital</u>	<u>Statutory reserve</u>	<u>Retained earnings</u>	<u>Total equity</u>
<u>For the year ended December 31, 2025</u>				
As of January 1, 2025	20,000,000	17,817	698,687	20,716,504
Net income for the year	-	-	936,095	936,095
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	936,095	936,095
Balance at December 31, 2025	20,000,000	17,817	1,634,782	21,652,599
<u>For the year ended December 31, 2024</u>				
As of January 1, 2024	20,000,000	17,817	(504,651)	19,513,166
Net income for the year	-	-	1,203,338	1,203,338
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	1,203,338	1,203,338
Balance at December 31, 2024	20,000,000	17,817	698,687	20,716,504

The accompanying notes form an integral part of these financial statements.

GREENSTONE SAUDI ARABIA
(Joint Stock Company)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

(All amounts in Saudi Riyals unless otherwise stated)

	Notes	<u>2025</u>	<u>2024</u>
OPERATING ACTIVITIES			
Net income before tax		1,110,729	(Refer Note 17) 1,421,569
Adjustments for non-cash items			
Depreciation of equipment	5	5,007	8,439
Write off of equipment	5	9,012	-
Provision for employees' end of service benefit	10	62,685	28,475
Interest income	6	(1,201,064)	(1,375,472)
Changes in working capital			
Due from a related party		1,056,176	(1,599,050)
Account payables		-	(2,701)
Account receivable		281,250	(281,250)
Unbilled revenue		(307,779)	-
Prepayments and other receivables		(3,483)	26,494
Accrued expenses and other payables		(285,849)	205,590
Cash flows from/ (used in) operations		726,684	(1,567,906)
Income tax paid	12	(218,233)	-
Net cash flows from/ (used in) operating activities		508,451	(1,567,906)
INVESTING ACTIVITIES			
Interest income received against loan to related party		1,374,720	1,387,621
Net cash flows from investing activities		1,374,720	1,387,621
Net change in cash at bank			
Cash at bank at beginning of the year		270,926	(180,285) 451,211
Cash at bank at end of the year		2,154,097	270,926

The accompanying notes form an integral part of these financial statements.

GREENSTONE SAUDI ARABIA

(Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

(All amounts in Saudi Riyals unless otherwise stated)

1. ORGANIZATION AND ACTIVITIES:

Greenstone Saudi Arabia ("the Company") is a Joint Stock Company. The Company is licensed under foreign investment license number 10211391184152 issued by the Ministry of Investment (MISA) on Thul-Qi'dah 13, 1439H (corresponding to July 26, 2018), and operating in the Kingdom of Saudi Arabia under commercial registration number 1010565842 and national unified number 7006736917 issued in Riyadh dated Rajab 11, 1440H (corresponding to March 18, 2019).

The Company is mainly engaged in arranging and investment management and Fund operations under license number 18190-30 dated Jumada I 27, 1441H (corresponding to January 22, 2020) issued by Capital Market Authority ("CMA"). The Company's operations are conducted principally in Saudi Arabia.

On Rajab 16, 1445H (corresponding to January 28, 2024), the CMA issued its approval to the Company to commence business under the managing investment and operating funds ("MIOF") activity.

The Company's capital base sufficiently covers all material risks meeting the minimum capital requirement and the Company intends to maintain a healthy capital ratio to cater future business growth. The Company's objectives when managing capital are, to comply with the capital requirements set by the CMA to safeguard the Company's ability to continue as a going concern and to maintain a strong capital base. As at December 31, 2025, the Company was in compliance with the externally imposed capital restrictions.

The Company's principal place of business is located at Office 204, 6948 Eastern Ring Branch Rd, Ar Rabwah, Riyadh – 12824, Kingdom of Saudi Arabia.

2. BASIS OF PREPARATION:

The financial statements of the Company for the year ending December 31, 2025 have been prepared in accordance with the 'International Financial Reporting Standard for Small and Medium-sized Entities' ("IFRS for SMEs") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements adopted by the Saudi Organization for Certified Public Accountants ("SOCPA"). Details of the Company's significant accounting policies are disclosed in note 4.

The financial statements have been prepared on a historical cost basis. The financial statements are presented in Saudi Riyals which is also the functional currency of the Company and all values are rounded to the nearest Saudi Riyal (SR), except when otherwise indicated.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:

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

3.1 Judgments

No judgments were made during the preparation of these financial statements that had a significant impact.

3.2 Estimates and assumptions

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial for the year ended December 31, 2025, is as follows:

Uncertain tax provisions

The Company's current income tax relates to management's assessment of the amount of income tax on open tax positions where the liabilities remain to be agreed with the Zakat, Tax and Customs Authority (ZATCA). Due to the uncertainty associated with such tax items, it is possible that, on the finalization of open tax assessments at a future date, the final outcome may differ significantly.

GREENSTONE SAUDI ARABIA

(Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED DECEMBER 31, 2025

(All amounts in Saudi Riyals unless otherwise stated)

4. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies applied by the Company:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

EQUIPMENT

Equipment is recognized initially at cost. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. When significant parts are required to be replaced on intervals, the Company recognizes those parts as individual parts with a specific useful life and depreciates accordingly. All other repair and maintenance costs are recognized in statement of comprehensive income as incurred.

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

	<u>Useful life</u>
Furniture and office equipment	5 years
Improvement to leased buildings	5 years

FOREIGN CURRENCIES

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). These financial statements are presented in Saudi Riyals which is the Company's functional and presentation currency.

(b) Transactions and balances

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

CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of financial position comprise cash at banks.

GREENSTONE SAUDI ARABIA

(Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED DECEMBER 31, 2025

(All amounts in Saudi Riyals unless otherwise stated)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

TRADE AND OTHER RECEIVABLES

Trade and other receivables are stated at original amount less allowance made for amounts which, in the opinion of the management, are uncollectable. Bad debts are written off when identified and approved by the management.

ACCOUNTS PAYABLE AND ACCRUALS

Liabilities are recognized for amounts to be paid in the future for goods/ services when risks and rewards attributable to goods/ services are transferred to the Company or services are received, whether or not billed to the Company.

PROVISIONS

Provisions are recognized when the Company has a present obligations (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. The expense relating to a provision is presented in statement of comprehensive income net of any reimbursement.

EMPLOYEES' END OF SERVICE BENEFITS

The employee end of service benefits of the Company cannot be calculated using the projected unit credit method without undue cost or effort. Therefore, the provision is made for amounts payable under the Saudi Arabian labor law applicable to employees' accumulated periods of service at the statement of financial position date.

REVENUE

Revenue comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of activities. Revenue is shown net of value-added tax, returns, rebates and discounts.

Revenue is recognized when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the Company; and specific criteria have been met for each of the Company's activities.

EXPENSES

Expenses related to operations are allocated on a consistent basis to general and administrative expenses in accordance with consistent allocation factors.

TAX

Income tax

Income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to Zakat, Tax and Customs Authority (the "ZATCA").

Value added tax

Revenues, expenses and assets are recognized net of the amount of value added tax. Receivables and payables are stated with the amount of value added tax included.

GREENSTONE SAUDI ARABIA

(Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (Continued)**FOR THE YEAR ENDED DECEMBER 31, 2025**

(All amounts in Saudi Riyals unless otherwise stated)

5. EQUIPMENT

	Furniture and office equipment	Improvement to leased office	Total
Cost:			
As at January 1, 2024	16,446	25,750	42,196
As at December 31, 2024	16,446	25,750	42,196
Write off during the year	-	(25,750)	(25,750)
As at December 31, 2025	16,446	-	16,446
Accumulated depreciation:			
As at January 1, 2024	6,030	9,871	15,901
Charge for the year	3,289	5,150	8,439
As at December 31, 2024	9,319	15,021	24,340
Charged during the year	3,290	1,717	5,007
Write off during the year	-	(16,738)	(16,738)
As at December 31, 2025	12,609	-	12,609
Net book value:			
As at December 31, 2025	3,837	-	3,837
As at December 31, 2024	7,127	10,729	17,856

6. RELATED PARTIES' TRANSACTIONS AND BALANCES

Related parties of the Company include the shareholder and the companies where the shareholder control, jointly control, or have significant influence.

The terms of transactions with the related parties have been approved by the Company's management. The transactions with related parties are within the ordinary course of the Company's business. These balances are expected to be paid in the ordinary course of business.

6.1 Related Parties' Transactions:

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

Related party	Nature of relationship	Type of transactions	2025	2024
Greenstone Placement Management FZ-LLC	Affiliate	Interest income received	1,374,720	1,387,621
		Interest income	1,201,064	1,375,472
Greenstone Group FZ LLC	Parent	Service fees	772,746	1,466,250
		Expenses paid on behalf of Parent	16,025	-
		Collections	1,844,947	132,800

6.2 Key Management Personnel Compensation

	2025	2024
Total key management compensations	19,792	11,645

GREENSTONE SAUDI ARABIA

(Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED DECEMBER 31, 2025

(All amounts in Saudi Riyals unless otherwise stated)

6. RELATED PARTIES TRANSACTIONS AND BALANCES (Continued)

6.3. Due from related parties

<u>Related party</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Greenstone Placement Management FZ-LLC (Note 6.4)	19,094,098	19,267,754
Greenstone Group FZ LLC	542,874	1,599,050
	<u>19,636,972</u>	<u>20,866,804</u>

6.4 Loan to a related party

On January 1, 2023, the Company signed an agreement with Greenstone Placement Management FZ-LLC with a limit of SR 22.5 million which is repayable on demand. This loan accrues interest at rate of SOFR plus two (2%) percent per annum.

7. PREPAYMENTS AND OTHER RECEIVABLES

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Prepaid licenses	40,000	70,008
Prepaid medical insurance	27,521	23,991
Prepaid rent	20,359	12,300
Security deposit	19,200	12,835
Other prepaid balance	17,936	2,399
	<u>125,016</u>	<u>121,533</u>

8. SHARE CAPITAL

The share capital of the Company comprises of 20,000 shares stated at SR 1,000 per share owned as follows:

<u>Shareholder Name</u>	<u>Nationality</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Greenstone Group FZ LLC	United Arab Emirates	<u>20,000,000</u>	<u>20,000,000</u>
		<u>20,000,000</u>	<u>20,000,000</u>

9. STATUTORY RESERVE

The new Saudi Companies law which became effective on January 19, 2023 removed the requirement of maintaining a statutory reserve which existed in the previous law. The Company updated its Bylaws to align it with the new law. Consequently, the balance of the old statutory reserve is now subject to shareholder's discretion.

10. EMPLOYEES' END OF SERVICE BENEFITS

The movement in the employees' end of service benefits, is as follows:

	<u>2025</u>	<u>2024</u>
Balance at January 1	114,445	85,970
Provision during the year	62,685	28,475
Balance at December 31	<u>177,130</u>	<u>114,445</u>

GREENSTONE SAUDI ARABIA
(Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS *(Continued)*
FOR THE YEAR ENDED DECEMBER 31, 2025
(All amounts in Saudi Riyals unless otherwise stated)

11. ACCRUED EXPENSES AND OTHER PAYABLES

	December 31, 2025	December 31, 2024
Employee related accruals	69,542	65,762
General accrued expenses	63,989	297,310
Social insurance	57,541	56,185
Value added tax payable	32,268	89,932
	223,340	509,189

12. INCOME TAX

	2025	2024
Balance at January 1	218,231	-
Provision for the year	174,634	218,231
Payments during the year	(218,233)	-
Balance at December 31	174,632	218,231

The Company has received the income tax certificates for the years through to 2024. The ZATCA has not finalized the Company's income tax assessments since inception.

13. SERVICE INCOME

	2025	2024
Fund management fees	739,660	-
Service fees	671,953	1,466,250
Fund structuring fees	36,685	244,565
	1,448,298	1,710,815

14. GENERAL AND ADMINISTRATIVE EXPENSES

	2025	2024
Employees cost	974,695	760,521
Fund management expense (Note 14.1)	(120,652)	214,402
Government and license fees	118,009	189,938
Rent	232,934	147,603
Legal and professional fee	95,000	86,225
Social insurance	62,570	48,486
Medical insurance	40,095	36,135
End of service benefits (Note 10)	62,685	28,475
Depreciation (Note 5)	5,007	8,439
Write off (Note 5)	9,012	-
Others	64,624	140,029
	1,543,979	1,660,253

14.1 Fund management expense for the year ended December 31, 2025 includes a reversal of SR 120,652 relating to an accrual recognized in the prior year for a revenue-sharing arrangement with an affiliate. During the year, the affiliate waived its right to charge the amount and, accordingly, the accrual was reversed and recognized as a reduction in expenses.

GREENSTONE SAUDI ARABIA

(Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED DECEMBER 31, 2025

(All amounts in Saudi Riyals unless otherwise stated)

15. FINANCIAL RISK MANAGEMENT

The Company's management bears the whole responsibility of establishing and monitoring the framework of the Company's risks management, the Company's management submits orderly reports to the Partner about its activities.

The Company risks management policies are set to determine and analysis the risks that the Company encounters, to set limits and regulations appropriate to the risks and monitoring the risks and adhere to the limits, policies and systems of risks' management regularly reviewed to reflect the changes in the market's circumstance and Company's activities.

The Company aims through standards, procedures, training and management to maintain a disciplined and regulatory environment, make all employees understand their roles and responsibilities.

The management's general objective is to set policies to limit the risks to the extent possible, without affecting the Company's competitive ability and flexibility, the following are the details of the policies:

Credit risk

Credit risk is the risk that one party to financial instruments will fail to discharge an obligation and cause the Company to incur a financial loss. The maximum Company's exposure to credit risks is limited to the carrying amounts of the financial assets recognized at the reporting date.

Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risks may result from the inability to sell a financial asset quickly at an amount approximate to its fair value. Liquidity risks are managed by ensuring the availability of adequate liquidity for fulfilling the financial liabilities when they occur.

The financial statements have been prepared on an ongoing concern basis, which assuming that the Company will be able to fulfil the enforceable repayment terms for the liabilities.

Market risk

Market price risk is the risk of fluctuating the value of financial instruments as a result of changes in market prices, such as foreign exchange rates and interest rates, which affect a Company's profit or the value of its financial assets. The goal of market risk management is to manage and keep market risk exposure within acceptable limits, while improving return.

- Commission rate risks

Commission rate risks represent the risks resulting from the fluctuations in the financial instruments value due to the changes in the prevailing commission rates in the market. The Company have no bank facilities or financial assets bearing commissions, thus the Company is not exposed to commission rate risks.

- Currency risk

Foreign currency risk is the risk of changes and fluctuations in the value of a financial instrument due to changes in foreign exchange rates. Management monitors the fluctuations in the foreign exchange rates and believes that its not significantly exposed to the currency risks as the company does not perform any significant transactions in foreign currencies.

16. SUBSEQUENT EVENTS

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

GREENSTONE SAUDI ARABIA

(Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS *(Continued)***FOR THE YEAR ENDED DECEMBER 31, 2025**

(All amounts in Saudi Riyals unless otherwise stated)

17. RECLASSIFICATION

During the year, management reassessed the presentation of balances with related parties. As a result of this reassessment, amounts previously classified as due from related parties have been reclassified in the statement of cash flows to segregate the interest income received against loan to related party, to better reflect the nature and substance of the arrangement.

To maintain consistency in presentation, the comparative information has been reclassified accordingly. The table below summarizes the impact of the reclassification on the comparative information in the statement of cash flows for the year ended December 31, 2024:

	31 December 2024	Reclassification	31 December 2024
	(Audited)		(Audited)
Net cash used in operating activities	(180,285)	(1,387,621)	(1,567,906)
Net cash flows from investing activities	-	1,387,621	1,387,621

These reclassifications had no impact on the prior year's net profit or net equity.

18. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board of Directors of the Company for issuance on Shawwal 05, 1447H (corresponding to March 24, 2026).