English version

Company information

Moelis & Company Saudi Limited (Moelis Saudi) is a single shareholder limited liability company licensed by the Capital Market Authority (CMA) to conduct advising and arranging business with paid up share capital of SAR 10,000,000. Its unified number is 7025398079 and its head office is at Unit T15B, 15th Floor, Al Faisaliah Tower, Riyadh, Kingdom of Saudi Arabia.

Moelis Saudi operates under CMA license number 20209-30 dated 12/05/2020 and was authorised to commence business on 16/02/2023.

Products, services, and markets

The products and services offered by Moelis Saudi include the following:

- **Advising:** advising in relation to a security, including advising on the merits of dealing in a security, exercising any right to deal conferred by it or financial planning and wealth management in relation to it
- **Arranging:** introducing parties in relation to offering of securities or arranging underwriting, and/or advising on corporate finance business

These services will be provided in relation to Saudi and international markets.

Ownership structure

Moelis & Company International Holdings LLC owns 100% of the share capital of Moelis Saudi and is its direct controller. Moelis Saudi does not have any subsidiaries and does not own or control any other company.

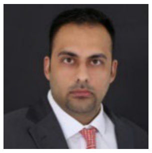
Senior executives

Cyril Tabet, Managing Director, Head of Advising

Cyril Tabet is a Managing Director in KSA Moelis Saudi and specializes in advising a broad range of clients in the Middle East. Cyril has over 15 years of investment banking experience, advising corporates, creditors and sovereigns across the U.S. and Middle East on a broad range of mergers and acquisitions, restructurings, refinancings, debt and equity capital markets and strategic advisory transactions.

Prior to joining Moelis & Company, Cyril worked at Jefferies & Company in New York in the Recapitalization and Restructuring group. Cyril was named one of “Rising Stars of Investment Banking” by *Financial News* in 2018. He holds a Bachelor of Commerce from the Desautels Faculty of Management at McGill University.

Amit Kumar, Senior Officer, Head of Arranging

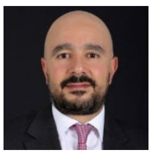


Amit Kumar is the head of Arranging in KSA Moelis Saudi and advises clients across a broad range of industries and products including M&A, restructuring, risk advisory and capital markets. Amit has over 15 years of investment banking experience in the Middle East.

Prior to joining Moelis & Company, he was a Director at EFG Hermes. Amit holds a B.B.A. in Finance from Wilfrid Laurier University.

Board members

Board Member: Rami Touma



Rami Touma is a Board Member of KSA Moelis Saudi and specializes in advising a broad range of clients across the MENA region. Rami has over 20 years of investment banking experience and has advised sovereign, corporate and financial sponsor clients on a variety of strategic and financial transactions including IPOs, debt raisings, M&A transactions and restructurings.

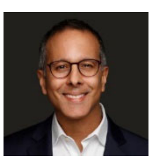
Prior to joining Moelis & Company, Rami was the Head of Investment Banking Department at Credit Suisse in Qatar where he led the origination and execution of several complex cross-border M&A transactions and several multibillion-dollar capital markets transactions.

Rami holds a B.Sc. in Accounting from the Lebanese American University and a M.Sc. in Accounting from the University of Illinois at Urbana-Champaign. He is also a CFA charter holder and a CPA in the State of Illinois.

Managing Director, Head of Advising: Cyril Tabet

Please refer to his bio above.

Board Member: Neel Malviya

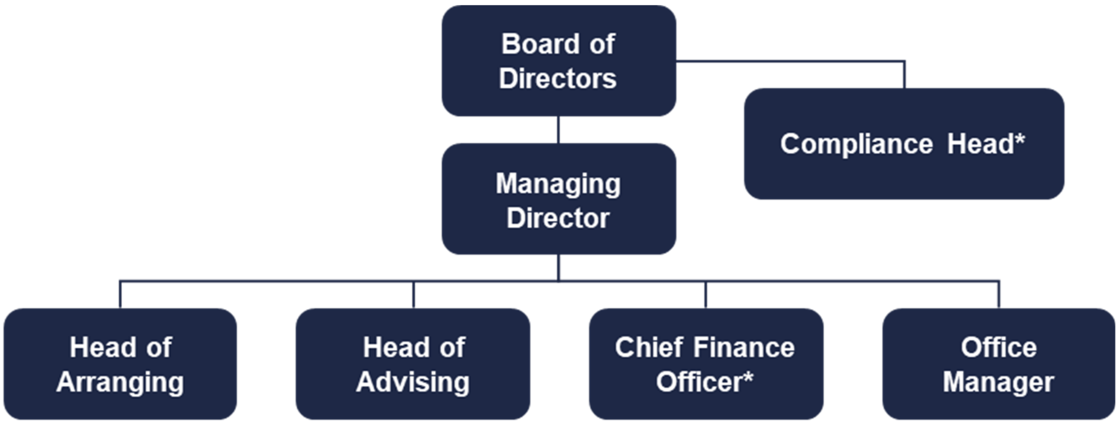


Neel Malviya is a Board Member in KSA Moelis Saudi and serves as General Counsel for EMEA (Europe, Middle East and Africa) and APAC (Asia- Pacific) as well as Chief Operating Officer for Europe at Moelis & Company. Neel has over 25 years of experience as a lawyer in both private practice and the financial services industry. Neel’s responsibilities at the firm include working closely with our senior leadership to help drive the strategy and profitability of our European business as well as providing senior leadership to our businesses across EMEA and APAC.

Prior to joining Moelis & Company in 2010, Neel was head of the EMEA Investment Banking legal team at UBS Investment Bank and also worked at Linklaters in London and Stockholm. Neel holds an L.L.B. from the

University of Leeds and a Diploma in Legal Practice from the College of Law. He is a Qualified Solicitor in England and Wales.

Organizational structure



* Outsource functions

Client complaint contact information and process:

If you have any complaint, please email KSAcomplaints@moelis.com

Audited Financial Statements:

Please see page 5 below.

Client notice

Please note that Moelis Saudi may record telephone communications between Moelis Saudi and its clients (and any of our client's employees, officers, partners, representatives, agents or advisors) in relation to securities business for the purpose of evidencing our client's instructions, monitoring quality of service, for Moelis Saudi’s internal records or as may be required by applicable law or regulation.

Moelis & Company Saudi Limited Company (A single shareholder limited liability company)

Financial statements for the period from 5 August 2021 (date of incorporation) to 31 December 2022 and independent auditor’s report

Financial statements: For the period from 5 August 2021 (date of incorporation) to 31December 2022

Table of contents

Independent auditor’s report 2

Statement of financial position 4

Statement of profit or loss and other comprehensive income 5

Statement of changes in equity 6

Statement of cash flows 7

Notes to the financial statements 8

Independent Auditor's Report

To the Shareholder of
Moelis & Company Saudi Limited Company
(A Single Shareholder Limited Liability Company)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Moelis & Company Saudi Limited Company (A Single Shareholder Limited Liability Company) (the "Company"), which comprise the statement of financial position as at 31 December 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period from 5 August 2021 (date of incorporation) to 31 December 2022, 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 31 December 2022, and its financial performance and its cash flows for the period from 5 August 2021 (date of incorporation) to 31 December 2022 in accordance with International Financial Reporting Standards ("IFRS") that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

Base for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) 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 professional code of conduct and ethics 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 ("TCWG") for the Financial Statements

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

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

The Board of Directors 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 ISAs that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists.

Independent Auditor's Report on the Audit of the Financial Statements of Moelis & Company Saudi Limited Company (A Single Shareholder Limited Liability Company) for the period from 5 August 2021 (date of incorporation) to 31 December 2022

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

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

Report on Other Legal and Regulatory Requirements

As at 31 December 2022, the Company's accumulated losses exceeded 50% of its share capital. The shareholder has resolved to continue with the operations and provide financial support to the Company to meet its obligations as and when required. However, the shareholder's resolution has not been passed within the time period stipulated in the Regulations for Companies.

For Dr. Mohamed Al-Amri & Co.

Gihad Al-Amri
Certified Public Accountant
Registration No. 36

Riyadh, on /11/1444H
Corresponding to: May 2023G

Statement of financial position

As at 31 December 2022
(All amounts are stated in Saudi Riyals unless otherwise stated)

	Note	31 December 2022
Assets		
Non-current assets		
Property and equipment	5	835,346
Right-of-use asset	6	558,959
Deferred tax asset	16	645,749
		2,040,054
Current assets		
Cash and cash equivalents	7	5,520,000
Prepayments and other receivables	8	322,256
Total assets		5,842,256
		7,882,310
Equity and liabilities		
Equity		
Share capital	9	2,000,000
Accumulated losses		(2,582,999)
Total equity		(582,999)
Liabilities		
Non-current liabilities		
Lease liability – non current portion	11	209,890
Employees' end of service benefits	12	13,861
		223,751
Current liabilities		
Due to related parties	13	7,350,582
Accruals and other payables	14	659,096
Lease liability – current portion	11	231,880
		8,241,558
Total liabilities		8,465,309
Total equity and liabilities		7,882,310

Cyril Tabet
Chief Executive Officer

Statement of profit or loss and other comprehensive income

For the period from 5 August 2021 (date of incorporation) to 31 December 2022
(All amounts are stated in Saudi Riyals unless otherwise stated)

	Note	For the period from 5 August 2021 to 31 December 2022
General and administrative expenses	15	**(2,575,541)**
Depreciation on property and equipment	5	**(348,796)**
Depreciation on right-of-use asset	6	**(271,494)**
Interest on lease liability	11	**(32,917)**
Loss before tax for the period		**(3,228,748)**
Tax charge for the period	16	**645,749**
Net loss for the period		**(2,582,999)**
Other comprehensive income for the period		**-**
Total comprehensive loss for the period		**(2,582,999)**

Statement of changes in equity

For the period from 5 August 2021 (date of incorporation) to 31 December 2022
(All amounts are stated in Saudi Riyals unless otherwise stated)

	Share capital	Accumulated losses	Total deficit
Balance as at 5 August 2021 (date of incorporation)	**-**	**-**	**-**
Share capital issued	**2,000,000**	**-**	**2,000,000**
Total comprehensive loss for the period	**-**	**(2,582,999)**	**(2,582,999)**
Balance as at 31 December 2022	**2,000,000**	**(2,582,999)**	**(582,999)**

Statement of cash flows

For the period from 5 August 2021 (date of incorporation) to 31 December 2022
(All amounts are stated in Saudi Riyals unless otherwise stated)

	Note	For the period from 5 August 2021 to 31 December 2022
Cash flow from operating activities		
Loss before tax for the period		**(3,228,748)**
Adjustments for non-cash items:		
Depreciation on property and equipment	5	**348,796**
Depreciation on right-of-use asset	6	**271,494**
Interest on lease liability	11	**32,917**
Employee's end of service benefits	12	**13,861**
		(2,561,680)
Changes in working capital:		
Prepayments and other receivables		**(322,256)**
Due to related parties		**7,350,582**
Accruals and other payables		**659,096**
Net cash flows generated from operating activities		**5,125,742**
Cash flow from investing activities		
Purchase of property and equipment	5	**(1,184,142)**
Net cash used in investing activity		**(1,184,142)**
Cash flow from financing activities		
Share capital issued	9	**2,000,000**
Payment of lease liability	11	**(421,600)**
Net cash generated from financing activities		**1,578,400**
Net change in cash and cash equivalents		**5,520,000**
Cash and cash equivalents at the beginning of the period		**-**
Cash and cash equivalents at the end of the period	7	**5,520,000**

Notes to the financial statements

For the period from 5 August 2021 (date of incorporation) to 31 December 2022 (All amounts are stated in Saudi Riyals unless otherwise stated)

1. Legal status and principle activities

Moelis & Company Saudi Limited Company is a Single Shareholder Limited Liability Company (the "Company"), registered in Riyadh, Kingdom of Saudi Arabia under Commercial Registration Number 1010734560 dated 12/26/1442H, corresponding to 05/08/2021G, wholly owned by Moelis & Company International Holdings LLC (the "Parent company" or the "Shareholder").

The principal activities of the Company are arranging and advising in securities in accordance with Ministry of Investment rules and regulations under the license number 102114207102506 dated 09/07/1442H, corresponding to 21/02/2021G. Subsequent to the year end, on 16 February 2023, the Company obtained its operating license from the Capital Market Authority.

The Company's registered office is located at Unit T15B, 15th Floor, Al Faisaliah Tower, Riyadh, Kingdom of Saudi Arabia.

During the period ended 31 December 2022, the Company has not started any revenue generating activities.

2. Basis of preparation

2.1 Statement of compliance

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention using the accrual method of accounting and the going concern concept in accordance with IFRS.

2.3 Functional and presentation currency

These financial statements are presented in Saudi Riyals (SAR) which is also the Company's functional currency.

2.4 Financial year

The Company's first financial period commenced on 5 August 2021 (date of incorporation) and ended on 31 December 2022 and thereafter every financial year will be starting from 1 January to 31 December each Gregorian calendar year.

2.5 Going concern

As at 31 December 2022, the Company's accumulated losses exceeded 50% of its share capital, given the entity is yet to start its revenue generating activities, pre-operating costs have resulted in a negative equity position. However, management has prepared these financial statements on a going concern basis as this is the first year of operations and the shareholder of the Company has resolved to continue with the operations and provide financial support to the Company to meet its obligations as and when required.

2.6 New standards, interpretations and amendments

New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2023.

a) Disclosure of accounting policies (Amendments to IAS 1 and IFRS practice statement 2);

b) Definition of accounting estimates (Amendments to IAS 8); and

c) Deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12).

New standards, interpretations and amendments not yet effective (continued)

The following amendments are effective for the period beginning 1 January 2024.

a) IFRS 16 Leases (Amendment – Liability in a Sale and Leaseback)

b) IAS 1 Presentation of financial statements (Amendment – Classification of liabilities as current or non-current)

c) IAS 1 Presentation of financial statements (Amendment – Non-current liabilities with covenants)

The Company is currently assessing the impact of these new accounting standards and amendments issued by the IASB, but not yet effective, but do not expect those standards to have a material impact on the financial statements.

3. Significant accounting estimates, assumptions and judgments

3.1 Judgments and key sources of estimation uncertainty

In the ordinary course of business, the preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income, and expense. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected. Major areas where estimates or judgements made are significant to the Company's financial statements or where judgement was exercised in the application of accounting policies are as follows:

3.2 Going concern

In the course of applying the Company's accounting policies, the management has evaluated the Company's ability to continue as a going concern. The management is convinced that it has resources in order to continue the business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may lead to the Company's inability to continue as a going concern.

3.3 Recognition and measurement of accruals and provisions

Recognition and measurement of accruals and provisions requires key assumptions about likelihood and magnitude of an outflow of resources.

3.4 Useful lives and residual values of property and equipment

An estimate of the useful lives and residual values of property and equipment is made for the purposes of calculating depreciation expense. These estimates are made based on the expected useful lives of relevant assets. Residual value is determined based on experience and observable data where available.

3.5 Impairment of non-financial assets

An impairment loss is recognized for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flow management makes assumptions about future operating results. These assumptions are related to future events and circumstances. The actual results may vary and may cause significant adjustments to the Company's assets within the next financial year.

3.6 Measurement of fair values

A number of the Company's accounting policies and disclosures require fair values measurement for both financial and non-financial assets and liabilities. When measuring an asset or liability's fair value, the Company uses observable market 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 and liabilities.
- Level 2: inputs other than quoted priced 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).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between the levels of the fair value hierarchy at the end of the reporting perid during which the change has occurred.

3.7 Current and deferred tax

The Company's tax charge on ordinary activities is the sum of current and deferred tax charges. The calculation of the Company's total taxes charge involves a degree of estimation and judgment regarding certain items whose treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

The final resolution of some of these items may give rise to material profits / (losses) and/or cash flows. The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future and that other item considered as deductible temporary differences, against which the reversal of temporary differences can be deducted. Reference to the latest available profit forecasts is made to determine the future taxable profits. Where the temporary differences are related to losses, the tax law is considered to determine the availability of the losses to offset future taxable profits.

4. Summary of significant accounting policies

Significant accounting policies adopted in the preparation of the financial statements are as below:

4.1 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current and non-current classification. An asset is current when it is;

- expected to be realised or intended to be sold or consumed in the normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised 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.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

4.2 Property and equipment

Property and equipment are initially recognized at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Company's management. The cost of an item of property and equipment is recognized as an asset when:

- it is probable that future economic benefits associated with the item will flow to the Company; and
- the cost of the item can be measured reliably

Depreciation is recognized on a straight-line basis to write down the cost less estimated residual value of property and equipment. Property and equipment are depreciated over their estimated rates as follows:

- Office equipment 3 years
- Furniture and fixtures 7 years
- Leasehold improvements lesser of the useful life or the lease terms

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

4.3 Leases

Right of use assets

The Company recognises right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right of use assets are depreciated on a straight-line basis over the lease term

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees, if any. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the respective lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in- substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of certain stores (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets (SAR 25,000) are recognised as expense on a straight-line basis over the lease term.

4.4 Cash and cash equivalents

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

4.5 Financial instruments

i. Financial assets

Company classifies its financial assets into one of the categories described below, depending on the purpose for which the asset was acquired. The Company’s accounting policy for each category is as follows:

Fair value through profit or loss (FVTPL)

Financial assets fair valued through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of profit or loss. The Company does not have any such financial assets.

Fair value through other comprehensive income (FVOCI)

Financial assets fair valued through other comprehensive income are carried at fair value with changes in fair value recognized in other comprehensive income and accumulated in the fair value through other comprehensive income reserves. Upon disposal, any balance within fair value through other comprehensive income reserve is reclassified directly to retained earnings and is not reclassified to statement of profit or loss and other comprehensive income.

Purchases and sales of financial assets measured at fair value through other comprehensive income are recognized on the settlement date. Any change in fair value between trade date and settlement date is recognized in the fair value through other comprehensive income reserves. The Company does not have any such financial assets.

Amortized cost

These assets arise principally from the provision of goods and services to customers and incorporate other types of financial assets where the objective is to hold these assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They have initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortized cost using the effective interest rate method, less provision for impairment. The Company's financial assets measured at amortized cost comprise, cash at bank and other receivables, in the statement of financial position.

Subsequent measurement of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

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

Debt instruments that meet the following conditions are measured subsequently at FVOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at FVTPL.

Presentation of impairment

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. Impairment losses related to assets are presented separately in the statement of profit or loss account.

De-recognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains all the risks and rewards of ownership substantially and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

ii. Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss

Financial liabilities fair valued through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of profit or loss. The Company does not have any liabilities held for trading, nor has it designated any financial liabilities as being at fair value through profit or loss.

Other financial liabilities

Finance cost bearing liabilities are initially recognized at fair value net of any transaction costs directly attributable to the issue of the instrument. Such finance cost bearing liabilities are subsequently measured at amortized cost using the effective interest rate method, which ensures that any finance cost over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, finance cost includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Other short-term monetary liabilities, which are initially recognized at fair value and subsequently carried at amortized cost using the effective interest method.

The Company's financial liabilities measured at amortized cost comprises of due to related parties, lease liability and accrued and other payables.

De-recognition

When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

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

4.6 Employee benefits

Short term employee benefits

Short-term employee benefits that are expected to be settled wholly within 12 months after the reporting period in which the employees render the related service are recognized (undiscounted) in respect of employees' services as an expense and a liability recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. A liability is recognized when there is legal obligation and can be reasonably estimated.

Employees' end of service benefits

The provision for employees' end of service benefits is calculated in accordance with the Saudi Labor Law and is based on the liability that would arise if the employment of all the Company's staff were terminated as at the reporting date.

4.7 Current and deferred tax

The Company is subject to the regulations of Zakat, Tax and Customs Authority ("ZATCA") in the Kingdom of Saudi Arabia. Income tax is charged to the statement of profit or loss on an accrual basis. The income tax is computed on the foreign shareholder's share in the adjusted net income. Additional amounts, if any, that may become due on finalization of an assessment are accounted for in the year in which assessment is finalized. Total income tax comprises current and deferred tax.

Current tax

The current tax comprises the expected tax payable or receivable on the taxable income or loss for the period. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that future taxable profits will probably be available against which they can be used. Future taxable profits are determined based on business plans of the Company and the reversal of temporary differences. 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 realized; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from how the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

5. Property and equipment

	Leasehold improvements	Furniture & fixtures	Office equipment	Total
Cost				
As at 5 August 2021	-		-	-
Additions during the period	913,829	190,075	80,238	1,184,142
As at 31 December 2022	**913,829**	**190,075**	**80,238**	**1,184,142**
Accumulated depreciation				
As at 5 August 2021	-	-	-	-
Charge for the period	310,838	4,526	33,432	348,796
As at 31 December 2022	**310,838**	**4,526**	**33,432**	**348,796**
Net book value				
As at 31 December 2022	**602,991**	**185,549**	**46,806**	**835,346**

Note to the financial statements:

For the period from 5 August 2021 (date of incorporation) to 31 December 2022 (All amounts are stated in Saudi Riyals unless otherwise stated)

6. Right-of-use asset

	2022
As at 5 August 2021	-
Additions during the period	830,453
Depreciation for the period	(271,494)
As at 31 December 2022	558,959

The Company has entered into a five years lease agreement for office premises in Kingdom of Saudi Arabia. The lease is for a period of five years with an extension option of five years which is not to expected to be exercised.

7. Cash and equivalent

	31 December 2022
Cash at bank	5,520,000

Cash at bank is held in a non interest bearing current account with a commercial bank in Kingdom of Saudi Arabia.

8. Prepayments and other receivables

	31 December 2022
VAT receivable	289,484
Security deposit	21,186
Prepayments	11,586
	322,256

9. Share capital

The authorized and paid up share capital of the Company is SAR 2,000,000 divided into 200,000 shares of SAR 10 each.

10. Statutory reserve

In accordance with the Articles of Association of the Company, at least 10% of the net profit is transferred to statutory reserve annually. Transfers to the reserve are required to be made until such time it equals at least 30% of the paid-up share capital. During the period ended 31 December 2022, the Company has not transferred any amount to the reserve since the Company has incurred loss for the period.

Notes to the financial statements

For the period from 5 August 2021 (date of incorporation) to 31 December 2022
(All amounts are stated in Saudi Riyals unless otherwise stated)

11. Lease liability

	2022
As at 5 August 2021	-
Additions during the period	830,453
Interest for the period	32,917
Paid during the period	(421,600)
As at 31 December 2022	441,770

Presented on the statement of financial position as follows.

Current	231,880
Non-current	209,890
	441,770

The Company has entered into a five years lease agreement for office premises in Kingdom of Saudi Arabia. The lease is for a period of five years with an extension option of five years which is not to expected to be exercised.

12. Employees' end of service benefits

The provision for employees' end of service benefits is calculated in accordance with the Saudi Labor Law as below.

	2022
As at 5 August 2021	-
Expense for the period	13,861
As at 31 December 2022	13,861

13. Related parties

The Company, in the normal course of business, carries out transaction with other entities that fall within the definition of a related party. Parties are considered to be related to the Company if the party has the ability, directly or indirectly, to exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or significant influence. The Company's related parties include the shareholder, affiliate companies under common control and key management personnel. These transactions are carried out in the normal course of operations and are measured at amounts agreed by both parties. Balances with related parties included in the statement of financial position are as follows:

	31 December 2022
Due to related parties	
Shareholder	
Moelis & Company International Holdings LLC	7,111,367
Entities under common control	
Moelis & Company UK LLP DIFC Branch (Dubai)	123,628
Moelis & Company Group LP	115,587
	7,350,582

Notes to the financial statements

For the period from 5 August 2021 (date of incorporation) to 31 December 2022
(All amounts are stated in Saudi Riyals unless otherwise stated)

Transactions with related parties

Payments made by related parties on behalf of the Company	(3,830,582)
Payment made by the Company on behalf of the related parties	154,763

Compensation of key management personnel

Key management personnel of the Company consist of CEO and managing director. The Company recorded below expenses for the period in respect of key management compensation.

Short term benefits	99,566
End of service benefits	3,624
	103,190

14. Accruals and other payables

	31 December 2022
Accrued liabilities	651,064
Accrued bonus	8,032
	659,096

15. General and administrative expenses

	For the period from 5 August 2021 to 31 December 2022
Legal and professional fees	1,423,022
Staff salaries and related costs	439,823
IT related costs	288,242
Rent expense*	210,800
Repairs and Maintenance	83,263
Utilities	76,604
Office supplies	36,419
Travelling expenses	5,898
Others	11,470
	2,575,541

*Rent expense relates to the pre-incorporation period and was borne by a related party of the Company.

16. Deferred tax

Deferred tax is calculated using a rate of 20% in respect of all tax losses and temporary differences giving rise to deferred tax assets where management believes, it is probable that these assets will be recovered. The movement on the deferred tax asset is as shown below.

	2022
Balance as at 5 August 2021	-
Recognised in profit and loss during the period	645,749
As at 31 December 2022	645,749

Details of the deferred tax asset and amount recognised in the statement of profit or loss are as follows:

2022	Temporary differences	(Charged)/ credited to statement of profit or loss at 20%
Assets		
Property and equipment	283,571	56,714
Right-of-use assets	(558,959)	(111,792)
Liabilities		
Lease liability	441,770	88,354
Employees' end of service benefits	13,861	2,772
Unrealized foreign exchange on due to related parties	(10,628)	(2,126)
		33,922
Deferred tax amount on un used tax losses		611,827
		645,749

17. Financial risk management

The financial instruments comprise financial assets and financial liabilities. The Company's financial assets and liabilities consists of cash at bank, other receivables, due to related parties, lease liability and accrued and other payables. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Management believe that the fair values of the Company's financial assets and liabilities do not differ materially from their carrying values.

Categories of financial assets and financial liabilities

The carrying amounts presented in the statement of financial position relate to the following categories of financial assets and financial liabilities:

	31 December 2022
Financial assets:	
Cash at bank (note 7)	5,520,000
Security deposit (note 8)	21,186
	5,541,186
Financial liabilities:	
Accruals and other payables (note 14)	659,096
Due to related parties (note 13)	7,350,582
Lease liability (note 11)	441,770
	8,451,448

General objectives, policies and processes

The management has overall responsibility for determining the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. The overall objective of the management is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility.

Credit risk

Credit risk is the risk that other parties will fail to discharge their obligations and cause the Company to incur a financial loss. Financial instruments subject to concentrations of credit risk consist of bank balance and other receivables. The Company deposits its cash balances with a major high credit-rated financial institution and does not believe that there is a significant risk of non-performance by this financial institution. Management monitors this exposure and does not believe that the credit risk is material.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity is managed by the management periodically ensuring its availability of amounts sufficient to meet any future commitments. The Company does not consider itself exposed to significant risks in relation to liquidity.

Market risk

Market risk arises from the Company's use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (equity price risk).

Interest rate risk

Fair value and cash flow interest rate risks are the exposures to various risk associated with the effect of fluctuations in the prevailing interest rates on the Company's financial position and cash flows. The Company is not materially exposed to interest rate risk as at period end.

Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is predominantly exposed to currency risk on purchases made from major suppliers based in US Dollars. Saudi Riyal is pegged against US Dollar.

Equity price risk

Equity price risk is the risk of unfavorable changes in the fair values of equities as the result of changes in the levels of equity indices and the value of individual shares. The Company is not materially exposed to equity price risk as at period end.

18. Commitments and contingencies

At 31 December 2022, the Company has no commitments and contingent liabilities.

19. Subsequent events

On 16 February 2023, the Company has received its operating license from the Capital Market Authority. There are no other events that require adjustments or additional disclosures to the financial statements.

20. Approval of the financial statements

These financial statements have been approved by the Board of Directors on 10/11/1444H (corresponding to 30 May 2023G).

Circular No: 15/25/6/1 Date: 29-Oct-2015

Circular to authorised person

Based on the CMA's strategic goal to improve the disclosure of authorized persons In order to increase the level of transparency in the market and enhance investor protection, we inform you of the issuance of decision of the Capital Market Authority Board dated 28-10-2015, which includes the following:

A. The authorized person must have a website to publish the information specified in Paragraph (B) of this Circular.

B. The authorized person must disclose on his website the information specified in the following table and update it according to the following:

The Information that the authorized person must disclose on his website	Update
Audited financial statements	Annually
The information that must be disclosed according to the requirements of the third pillar of the prudential rules (for Authorized person license of Dealing, Managing, Custody)	Annually
Board report (for Authorized person license of Dealing, Managing, Custody)	Annually
The date of obtaining the license and the date of practicing the license activity	When any change happens
Type of securities licenses	When any change happens
Paid up capital	When any change happens
CR details	When any change happens
Products and services	When any change happens
List of direct controllers	When any change happens
Organization structure	When any change happens
Senior management and their CVs	When any change happens
list of the financial markets and exchanges that it deals with	When any change happens
Head office address and contact details	When any change happens
Branches and contact details	When any change happens
Contact details of compliant department with clarification of the complaints process	When any change happens
Bord members name and CVs or board of director member name and CVs	When any change happens