

# Board of Directors' Report **2025**



**The Custodian of the Two Holy Mosques**  
King Salman Bin Abdulaziz Al Saud



**His Royal Highness**  
Mohammad Bin Salman Bin Abdulaziz Al Saud  
**Crown Prince and Prime Minister**







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# At a Glance

## Awards and Recognition

-  **Best Shariah-compliant GCC equity fund for 3 years – Lipper Fund Awards**
-  **Best Shariah-compliant GCC equity fund for 5 years – Lipper Fund Awards**
-  **Best Innovative Investment Fund – SAB Invest Alternative Financing Fund**
-  **Best Multi-Asset Investment Fund (for the 3-year period) – SAB Invest Multi-Asset Defensive Fund**

-  **Best Conventional Saudi Equity Investment Fund (for the 3-year period) – SAB Invest Saudi Conventional Freestyle Fund**
-  **Best Sukuk and Murabaha Investment Fund – SAB Invest Sukuk & Murabaha Fund**
-  **Best GCC Equity Investment Fund (for the 3-year period) – SAB Invest GCC Equity Fund**

## Financial Highlights

Total operating incomes (S.Mn.)	Net income after zakat and income tax (S.Mn.)	Assets under management (S.Bn.)
'22 108.3	'22 34.5	'22 15.7
'23 411.0 ↑ 280%	'23 96.4 ↑ 180%	'23 27.3 ↑ 72.8%
'24 566.5 ↑ 37.8%	'24 203 ↑ 111%	'24 35.5 ↑ 28.2%
'25 564.6 ↓ -0.3%	'25 180.1 ↓ -11.6%	'25 34.2 ↓ -2.3%

## Operational Highlights

Launched SAB Invest's new **Digital Wealth** app with innovative tools, including MAL – Mustasharak Alawwal robo-advisor.

Launched global brokerage platform, WorldTrader, giving digital access to **50+** exchanges and options/derivatives trading.

Introduced **Employee Thrift and Investment Plan** platform, allowing corporates and institutions to incentivise employees to invest part of their salaries in SAB Invest's suitable strategies.

Launched the first MENA Private Credit Strategy for SAB Invest clients, with the first fund raising round of **S 350 million**.

Launched an activation process for **US trading options contracts** through online channels.

Signed agreement to launch 3 real estate funds with a combined asset value of **S 4.8 billion**.

Made the **first real estate exits** from two funds with attractive return on investments.

**Launched** a Saudi equity quantitative strategy and listed the strategy on the Saudi Exchange as the first ETF of its kind.

Expanded **graduate and internship** programs to provide Saudi talent with practical work experience.



# Chairman's Message

## ﷲ 34.2 Bn.

Assets under Management

## //

**Assets under management remained stable ending the year at ﷲ 34.2 billion despite challenging market conditions and the sizeable real estate divestments.**

**Mr. Khalid Al Molhem**  
Chairman



**Last year marked another significant milestone in SAB Invest's transformation journey, which began three years ago with the launch of its 5-year corporate strategy. While the earlier stages focused on building human capabilities and enhancing product offerings, 2025 witnessed major digital and technological advancements.**

State-of-the-art systems and digital tools were introduced, strengthening both the front- and back-end capabilities and positioning SAB Invest strongly to serve clients with greater efficiency and reliability. These capabilities will further enhance the Company's offerings enabling it to reach new client segments. With the majority of the initiatives under the strategy now delivered, a refresh was conducted to identify new initiatives focused on growth and maximization of return on investment going forward.

SAB Invest continued its strategic push to diversify its offering, ensuring that clients across different segments can access investment strategies tailored to their specific objectives. Several differentiated products were introduced during the year covering public equity quantitative strategies, regional and global private credit and real estate. The introduction of these new strategies further diversifies SAB Invest's investment offerings across public and private markets, both regionally and globally.

On the real estate front, two funds were successfully exited during the year representing the first divestments since the launch of the real estate asset class three years ago. The total assets exited were valued at approximately ﷲ 1.4 billion reflecting strong market demand and generating attractive returns for our investors. Additionally, two new real estate funds were launched strengthening the Company's position in the asset class despite its recent entry.

Assets under management remained stable ending the year at ﷲ 34.2 billion despite challenging market conditions and the sizeable real estate divestments. This stability was supported by organic inflows from clients and growth in global strategies driven by both performance and new investments. Growth in assets under advisory was another highlight rising from ﷲ 800 million to ﷲ 3 billion which demonstrates our clients' trust in SAB Invest as a fiduciary for corporates, endowments, families, and high-net-worth individuals.

On the digital and technology front, SAB Invest completed the implementation of its asset management core system and client relationship management (CRM) system, introduced a new corporate saving plan system, and soft-launched the new wealth platform. This transformation positions the company on a state-of-the-art technological foundation enabling growth with reliability and a highly improved client experience.

Building and investing in the team remains a top priority for the Board and is deeply rooted in the organisational culture. During the year, key hires were made to strengthen the talent bench and team capacity. Over 6,500 training sessions were conducted to ensure the team continuously builds skills and remains prepared for current and future industry trends.

The company generated ﷲ 564.6 million in revenues during the year compared to ﷲ 566.5 million in the previous year and an after-zakat net profit of ﷲ 180.1 million compared to ﷲ 203.8 million in 2024.

Finally, I extend my sincere thanks to our clients for the trust and partnership over the years. The Board remains committed to supporting the company's long-term mission to meet our clients' evolving needs through product innovation, performance and consistency. I also thank the team at SAB Invest for the outstanding efforts during the year as well as my colleagues on the Board for their continued commitment and support towards the long-term success of the company.

Growth in assets under advisory was another highlight rising from ﷲ 800 million to

## ﷲ 3 billion

which demonstrates our clients' trust in SAB Invest as a fiduciary for corporates, endowments, families and high-net-worth individuals.

# Managing Director and CEO's Message

ﷲ 564.6 Mn.

Total Revenue

ﷲ 180.1 Mn.

Net Profit after Zakat

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**We soft-launched the new wealth platform, which integrates robo-advisor capabilities to intelligently guide investors toward suitable investment strategies.**

**Mr. Ali Al Mansour**  
Managing Director and CEO



**2025 was another year of intensive delivery under the 2027 Strategy building on the achievements of the two prior years. Our initiatives were particularly focused on digital and technology with major front-end channels, core systems, and infrastructure deployed.**

This positions us strongly to leverage advanced digital capabilities serving clients faster and more efficiently while scaling reliably. With most foundational strategy initiatives now delivered, a strategy update was conducted later in the year to shift focus from building the foundations to driving business growth and maximising return on investments. The new initiatives are growth-oriented and incremental to the original strategy, including the adoption of advanced artificial intelligence tools and targeting new client segments as the Saudi market continues to open for regional and global investors.

Product innovation was another key theme in 2025, with a number of well-designed and differentiated products launched receiving strong investor uptake. First, two regional private credit funds were introduced: one focused on venture capital with a Shari'ah-compliant structure in partnership with a leading Saudi venture firm; the second is a multi-strategy regional private credit fund targeting various sectors launched with an initial investment of ﷲ 350 million and expected to reach ﷲ 1 billion in 2026. Following the successful launch of SAB Invest's flagship global private credit fund in 2024, an opportunistic global private credit fund was also launched focusing on CLOs and specialty

finance strategies to generate higher returns for investors willing to take higher risk and duration. Third, in collaboration with HSBC Asset Management, we launched a Saudi equity quantitative strategy – the first-ever listed quant ETF on the Saudi Exchange.

On the real estate side, we continued to build SAB Invest's brand as a highly selective and leading real estate fund manager, prioritizing both the quality of opportunities and partners. Two new real estate funds were launched with an expected size of ﷲ 2.8 billion and several MOUs were signed for funds to launch in 2026 creating a healthy growth pipeline. Additionally, we successfully exited two real estate funds – the first divestments since the launch of this asset class three years ago – with an aggregate value of approximately ﷲ 1.4 billion. Both funds were exited ahead of the intended hold period and delivering ROIs well above initial expectations. These successful exits demonstrate the quality of our assets and the effectiveness of our management approach.

Assets under management ended the year at ﷲ 34.2 billion. While the overall level remained flat, the composition has become more diversified through the launch of new products, particularly in real estate and private markets with further global diversification. This enhances the business's resilience and stability amid market volatility. Assets under advisory also grew significantly from ﷲ 800 million to ﷲ 3 billion reflecting our role as a trusted fiduciary for corporates, family offices, and high-net-worth individuals.

Digital and technology deployments remained a core focus throughout 2025 covering both front-end and back-end capabilities. We introduced a state-of-the-art Employee Thrift and Investment Plan system enabling employers to launch customisable defined-contribution plans for employees, enhancing employee loyalty and financial wellbeing. We soft-launched the new wealth platform, which integrates robo-advisor capabilities to intelligently guide investors toward suitable investment strategies. The platform will ultimately serve as a one-stop hub delivering a seamless and efficient experience for all investors. We also completed the implementation of the CRM system enhancing the quality and effectiveness of client relationship management.

ﷲ 3 Billion

Assets under Advisory

Our team remains the driving force behind our achievements and its strength and resilience are key to SAB Invest's transformation into the leading regional investment management firm. We invest significantly in retaining and nurturing in-house talent to drive growth and success. In

2025, more than 6,500 hours of high-quality training were delivered covering technical, leadership, and behavioral competencies. We also conducted the organisational culture survey, achieving high participation levels by regional and global benchmarks, which informed initiatives to further strengthen SAB Invest's culture.

The company generated ﷲ 564.6 million in revenues during 2025 compared to ﷲ 566.5 million in 2024 with after-zakat net profit of ﷲ 180.1 million compared to ﷲ 203.8 million in the prior year.

In closing, I extend my sincere thanks to the team for their dedication and focus on realising our clients' and shareholders' long-term ambitions, to our clients for their continued trust, and to the Board for providing valuable guidance and insights throughout the year, which have been key enablers for the company's progress and success.

# Overview of SAB Invest

# 01

SAB Invest is staffed by a team of professionals with extensive experience in the investment management and brokerage services fields across local and global markets.



# Company Profile

SAB Invest was established on 30th Dhu Al-Hijjah 1428 corresponding with 9 January 2008. It is an independent (100% owned) investment subsidiary of the Saudi Awwal Bank (SAB). The Company was launched with a vision to become a leading provider of innovative investment management solutions for private and institutional clients, providing superior products and services in the Kingdom of Saudi Arabia and the region. SAB Invest is a closed joint stock company with a paid-up capital of ﷲ 840 million and CR No. 1010242378.

SAB Invest is licensed to carry out securities business as authorised by the Saudi Arabian Capital Market Authority including dealing, managing, arranging, advisory and custody as both principal and agent on 8th Rajab 1428, corresponding with 22 July 2007 (No.: 07077-37), and commenced its business on 2nd Rabi Al-Thani 1429, corresponding with 8 April 2008.

SAB Invest is staffed by a team of professionals with extensive experience in the investment management and brokerage services fields across local and global markets.

The team is well qualified and prepared to offer solutions to meet clients' specific investment needs through a wide range of products and services. Combining the in-depth knowledge and experience of Saudi Awwal Bank (SAB) in the Saudi market, SAB Invest will strive to deliver first-class investment performance and quality of services to its clients.

## Business Activities

SAB Invest provides a comprehensive range of products and financial services for institutions and individuals including Securities Brokerage, Asset Management and Global Investment Solutions. It aims to provide its clients with high-quality conventional and Shari'ah-compliant investment products and services that meet their particular requirements in terms of capital growth and returns. Its services are based on solid values and vast investment experience.

## SAB Invest Strategy

2025 was year three of SAB Invest's 5-year 17-initiative strategic transformation plan launched shortly after the acquisition of HSBC Saudi Arabia's Asset Management and Retail Brokerage businesses at the end of 2022. In 2025, SAB Invest was again successful in delivering multiple high-impact execution milestones of its strategy implementation plan, ending the year with 16 strategic initiatives completed while also generating sustained business performance despite a challenging local equity market backdrop. As a result, SAB Invest's business today operates on a modernised, scalable infrastructure from back-office systems to customer channels and offers a more diversified customer proposition more aligned with investors' evolving needs. To capitalise on its achievements, SAB Invest conducted a strategy refresh exercise during the 4th quarter of 2025. The refresh resulted in several additional initiatives underpinned by continuous investment in the business building on its original 2027 business objectives and extending its growth trajectory through 2030.

In 2025, SAB Invest replaced its legacy Asset Management core system with state-of-the-art technology covering unit registry, transfer agency, valuation, regulatory and client reporting supported by superior performance and analytics capabilities. This enabled the launch of SAB Invest's new Digital Wealth app which provides customers with a modern design and access to innovative tools, including MAL – Mustasharak Alawwal proposition offering one-off or systematic investment into model portfolios managed by our portfolio managers and automatically rebalanced to a chosen risk profile by a robo engine in case of market drift. Capitalising on the Kingdom's open banking framework, the app is accessible to SAB and non-SAB customers alike, as well as non-resident foreign investors in line with recent regulatory developments. In addition, SAB Invest launched its global brokerage platform WorldTrader, opening up digital access to 50+ exchanges and options/derivatives trading. Finally, SAB Invest launched its Employee Thrift and Investment Plan platform allowing corporates and institutions to incentivise employees to invest part of their salaries in SAB Invest's suitable strategies with customisable/ tiered employer top-up contributions.

## People

During the 3rd year of SAB Invest's 5-year strategy, the company continued to strengthen its human capital framework to support sustainable growth and organisational performance. Recognising the importance of attracting and retaining high-calibre talent, SAB Invest enhanced its rewards framework to align with market benchmarks and industry best practices. The updated compensation and benefits structure emphasises internal equity, competitiveness, and performance-based incentives, contributing to improved employee motivation, satisfaction, and talent attraction.

Investment in employee capability development remained a strategic priority. In 2025, SAB Invest launched a structured learning and development framework encompassing both technical and behavioural competencies. A comprehensive learning calendar was introduced, leveraging internal subject-matter experts and external industry specialists. In addition, the company sponsored the Financial Academy Forum and established a strategic partnership with the CFA Society, reinforcing its commitment to professional excellence and continuous learning within the financial services sector. Collectively, these initiatives contributed to enhanced employee skills, increased productivity, and the development of a stronger internal talent pipeline.

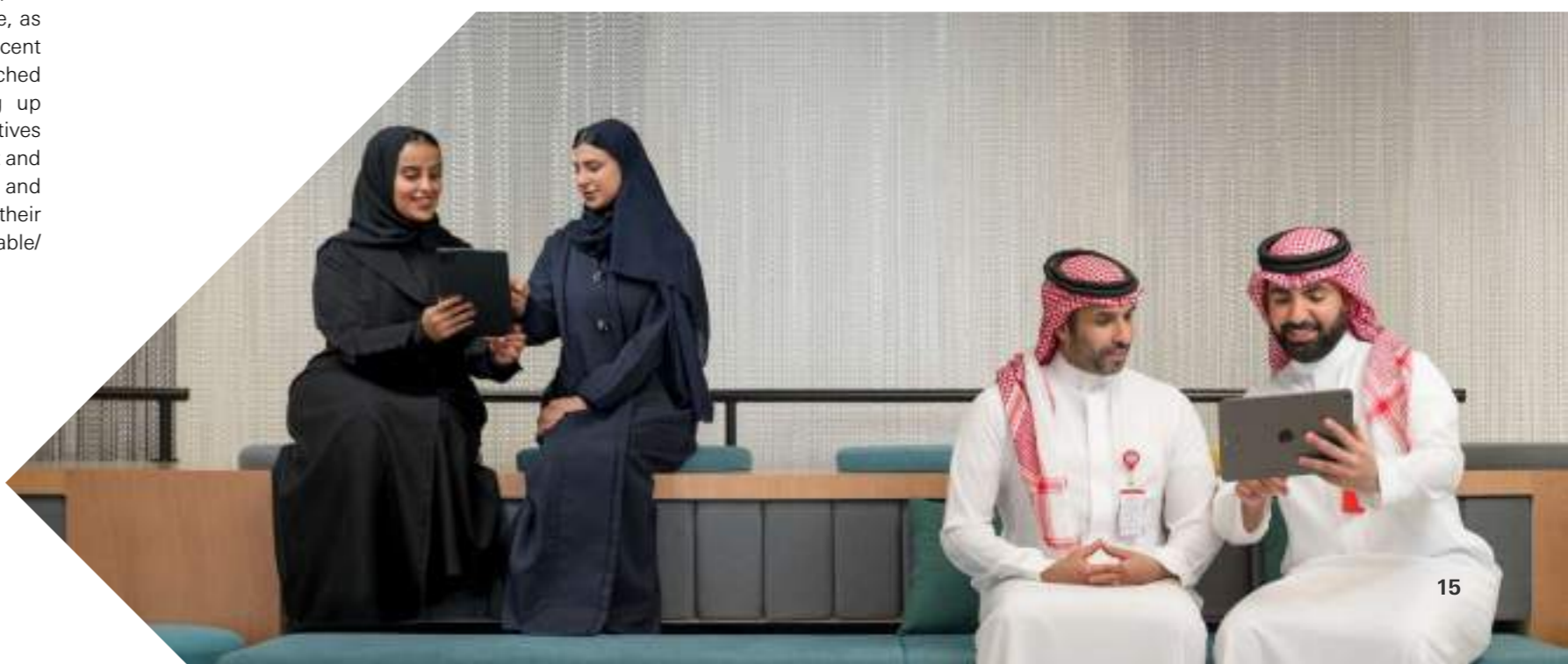
Employee engagement continued to be a key focus area. SAB Invest launched the Culture Health Index survey to assess organisational culture, measure engagement levels, and identify areas for improvement. Based on survey

outcomes, several initiatives were implemented, including a structured engagement framework, enhanced employee recognition programs, team-building activities, and wellbeing initiatives. These efforts positively impacted employee satisfaction and workplace culture. Engagement activities throughout the year included national celebrations, International Women's Day, the annual company offsite function, ManCom offsite trip, and Ramadan Iftar events.

In alignment with Saudi Vision 2030, SAB Invest continued to prioritise Saudisation and workforce diversity. Saudisation levels reached 85%, while female workforce participation stood at 28%. Through partnerships with local universities and educational institutions, the company expanded its graduate and internship programs to provide Saudi talent with practical work experience. These initiatives resulted in enhanced employment branding and a higher proportion of Saudi nationals across the organisation and continued progress in gender diversity.

## Overview of 2025 Awards, Recognitions, and Accolades

Awarded with 7 recognitions from prestigious organisations, such as LSEG Lipper Fund Awards and Sanadeeq for best asset manager and top-tier performance across equity, fixed income (Sukuk), multi-asset, VC and Murabaha strategies.



# Economic Backdrop

# 02

A key strategic highlight for 2025 was the rationalisation and re-phasing of capital spending.



# Global Economic Landscape in 2025

The global economic landscape in 2025 demonstrated remarkable resilience, expanding by an **estimated 2.8%**, contrary to earlier recessionary fears. This performance was defined by a balancing of divergent forces: the headwinds of a sharp rise in protectionism were offset by an unprecedented boom in AI-related capital expenditure. While the “April Tariff Tantrum” saw US effective tariff rates jump by approximately 11%, the global economy absorbed the shock, driven by the adaptability of the private sector and fiscal buffers.

Inflationary pressures cooled sufficiently to allow central banks to pivot toward easing. Global inflation receded or moved sideways to 4.1%, enabling the commencement of rate-cutting cycles in major economies such as the United States and the United Kingdom. However, the benefits of this growth were **unevenly distributed, creating a fragmented market landscape where performance varied significantly by sector and region.**

Advanced economies displayed renewed strength with distinct drivers. The United States saw AI transition spending — specifically in data centers, grids, and chips — become a dominant macro-driver, contributing more to GDP growth than consumption in key quarters. This winner-takes-all dynamic pushed US equities to record highs, despite a federal shutdown in Q4 that mechanically depressed GDP. Meanwhile, the Euro area defied expectations, growing by 1.5% against a 0.8% forecast, supported by resilient domestic demand despite trade-related drags.

Emerging markets experienced a “Realisation Rally”, particularly in China. While the broader Chinese economy continued to face headwinds from the property sector, **the technology sector staged a massive comeback.** Chinese tech stocks surged approximately 34% as fears about AI obsolescence faded, driving a sharp repricing in the sector and contributing to strong outperformance in broader emerging markets.

## KSA Economic Landscape in 2025

In 2025, Saudi Arabia’s economic landscape demonstrated resilience through a great divergence, **expanding by 4.5% despite significant headwinds from the energy sector.** This growth was driven primarily by an aggressive expansion in **the non-oil economy**, which acted as the engine room for the Kingdom, offsetting the contractionary drag from the oil sector. While oil prices faced a sharp correction of 14.2% as a result of strong supply growth and tepid global demand, the non-oil sector surged, supported by resilient local demand and sustained investment deployment by the PIF.

The fiscal position in 2025 was defined by the challenge of managing a **funding gap** created by the divergence between falling oil revenues and rising project expenditures. To bridge this gap without draining reserves, the government and the GREs aggressively **tapped debt markets**, leading to a surge in local currency Sukuk issuance. This activity absorbed significant market liquidity, tightening loan-to-deposit ratios within the banking sector and keeping interbank rates relatively elevated despite **the broader global easing.**

A key strategic highlight for 2025 was the rationalisation and re-phasing of capital spending. The timeline for Giga-projects underwent a strategic adjustment to align with lower oil prices, shifting focus from **broad-based construction to targeted economic multipliers** such as Sovereign AI and critical infrastructure. This discipline prevented the economy from overheating and ensured fiscal sustainability. **TASI mirrored this shift**, decoupling from energy price correlations to trade on the non-oil growth narrative, with banking, technology, and utilities sectors outperforming the energy heavyweights.

## Global Economic Outlook for 2026

The global economic outlook for 2026 is characterised by a theme of **“steady amid divergent forces”** with resilience expected despite shifting trade dynamics. Global growth is projected to reach **3.3% in 2026, a slight upward revision, and 3.2% in 2027.** This trajectory is defined by a balancing act: **headwinds from fragmentation in global trade policies** are being offset by strong tailwinds from surging technology investment, particularly in AI across North America and Asia. Global headline inflation is forecast to continue its downward trend, declining from 4.1% in 2025 to 3.8% in 2026, though the pace of disinflation varies significantly by region.



Advanced economies are expected to show divergent performances. The United States is forecast to demonstrate sturdy growth of 2.6%, substantially outperforming the consensus of 2.0%. This expansion is underpinned by **fiscal stimulus measures**, including tax cuts and capital equipment expensing from the “One Big Beautiful Bill Act of 2025”, alongside deregulation efforts. However, a jobless growth dynamic is anticipated, with unemployment rates stabilising around 4.5%. Conversely, the Euro area is projected to grow at a more subdued 1.3%, facing headwinds from energy prices and currency appreciation, while Japan’s growth is expected to moderate to 0.7% as inflation converges toward targets.

Emerging markets continue to navigate complex structural shifts. China’s economy is defined by a sharp split where resilient exports, driven by manufacturing dominance, outweigh sluggish domestic demand impacted by the property sector, leading to a forecast growth of 4.8%. India is projected to moderate to 6.4% as cyclical factors wane, while the Middle East and Central Asia region is expected to accelerate to 3.9%, supported by higher oil output and resilient local demand.

The global landscape in 2026 will also reflect significant thematic shifts. Trade is increasingly prioritising resilience over efficiency, with fragmentation replacing globalisation as supply chains reconfigure into competing blocs. Simultaneously, the “Micro is Macro” thesis suggests that massive capital spending on the AI buildout projected at USD 5-8 trillion through 2030 has become a primary driver of the macro economy. However, risks remain regarding US

fiscal sustainability; larger deficits could pressure long-term interest rates and tighten financial conditions, with some institutions warning that inflation may remain sticky above targets, owing to these structural spending shifts.

## Saudi Arabia Economic Outlook 2026

The Saudi economy is projected to expand by 4.5% in 2026, according to the IMF projections, representing an upward revision of 0.5% compared to previous forecasts in October 2025. This growth is largely driven by **resilient local demand** and an anticipated **increase in oil output.** Looking ahead to 2027, growth is projected to normalise at 3.6%, reflecting a stabilising baseline.

Despite positive growth figures, the outlook remains **sensitive to oil market dynamics.** Projected declines in oil prices pose challenges to government revenues, necessitating a continued focus on fiscal discipline. In response, the government is expected to **prioritise project spending rationalisation** to ensure efficiency in capital allocation while maintaining momentum on key Vision 2030 initiatives.

Financial **stability remains a core focus**, with attention turning to bank liquidity management and the strategic issuance of Sukuk to support credit expansion. However, the economic landscape is not without downside risks. **Geopolitical tensions** in the region and **potential volatility in global oil demand** remain critical factors that could impact the Kingdom’s fiscal trajectory in 2026 and 2027.

# 2025 Performance Highlight

# 03

SAB Invest continues to outperform the markets, holding clients' assets at a record  $\text{AED } 30.7$  billion, maintaining one of the highest assets under management figure reached by the firm since inception.



# Asset Management

## Overview of 2025 Assets under Management Performance

- ▶ SAB Invest continues to outperform the markets, holding clients' assets at a record  $\text{SAR}$  30.7 billion, maintaining one of the highest assets under management figure reached by the firm since inception.
- ▶ Pioneering, first-of-its-kind products within the alternative space, specifically real estate and private credit, serve as a key driver for diversifying asset classes and growing assets under management.
- ▶ Successfully delivered major product launches, including the region's first Quant fund, the first MENA private credit fund offered to our clients, and landmark real estate deals.
- ▶ Secured top league table rankings for our GCC equity, fixed income, and multi-asset funds.
- ▶ Testament to its dedication to outperformance, SAB Invest was awarded 7 recognitions, from prestigious organisations such as LSEG Lipper Fund Awards and Sanadeeq for best asset manager and for top-tier performance across equity, fixed income (Sukuk), multi-asset, venture capital (VC) and Murabaha strategies.

**Out of the top 10, SAB Invest was the only asset manager to consistently take the 1st and 2nd spots on the league table for performance over the last 5 years.**

## Overview of 2025 Investment Performance

SAB Invest continues to solidify its position as one of the most consistently profitable investment managers, with investment returns ranging anywhere from 10% to 35% for the 3-year period ended.

- ▶ GCC Equity and Global Multi-Asset flagship investment funds continued to outperform benchmarks and cement their position at the top of the industry's performance league tables, specifically, in the GCC equity and global multi-asset space, where clients have witnessed high double-digit returns on their investments.
- ▶ Out of the top 10, SAB Invest was the only asset manager to consistently take the 1st and 2nd spots on the league table for performance over the last 5 years.
- ▶ SAB Invest's multi-asset class also topped performance ranks in terms of returns to investors.
- ▶ SAB Invest exited first real estate fund at  $\text{SAR}$  268 million, with 35% return on investment in less than 2 years, amounting to 19% internal rate of return. This marks the first exit from its real estate portfolio since launching its strategy in 2022.
- ▶ Launched Saudi Arabia's first quantitative ETF. The first ETF of its kind in the GCC region, with assets of over USD 100 million under management.
- ▶ Launched the first MENA Private Credit Strategy for SAB Invest clients, with the first round raising over  $\text{SAR}$  350 million. The opportunity is focused on high-income distributions to investors of 11% per annum.
- ▶ Formalised the debut of our venture income fund, a collaborative venture with STV, supported by the National Technology Development Program (NTDP). Recognised as the market's most innovative Shari'ah-compliant venture income fund, this first-of-its-kind structure provides open-end, high periodic distributions derived from venture capital investments.

- ▶ Signed agreement to launch 3 real estate funds with a combined asset value of  $\text{SAR}$  4.8 billion.

**1 First Real Estate Project:** Prime office tower development within a mixed-use project on King Fahd Road in the Sahafah district, north of Riyadh, featuring a built-up area of 135,000 m<sup>2</sup> on a 30,000 m<sup>2</sup> plot. The target investment size is  $\text{SAR}$  2 billion. The project offers an integrated mix of premium office spaces, retail areas, and hospitality facilities in a strategic location on the capital's primary road network.

**2 Second Real Estate Fund:** Mixed-use development on a 19,000 m<sup>2</sup> plot, with a built-up area of 100,000 m<sup>2</sup>, located on King Fahd Road in the Malqa district, one of the most prominent business, residential, and hospitality destinations in northern Riyadh. The target investment size is  $\text{SAR}$  1.9 billion.

**3 Third Real Estate Fund:** A mid-rise development on the Eastern Ring Road in Hamra district, on a land area of 45,000 m<sup>2</sup> with a built-up area of 100,000 m<sup>2</sup>, comprising offices, retail spaces, and hospitality areas. The project is designed to provide a modern business environment in a strategically positioned area in eastern Riyadh. The targeted investment value is  $\text{SAR}$  865 million.

## 2025 Product Expansion of Capabilities

- ▶ **MENA private credit strategy:** This year marked a significant milestone with the introduction of MENA private credit investment capability. This strategic initiative offers our clients a diversified avenue for investment, tapping into high-growth sectors and innovative companies. By our clients allocating capital to promising deals, we aim to generate substantial income while mitigating risks through a well-diversified portfolio. This new capability complements our existing investment offerings, providing clients with a broader range of opportunities to achieve their long-term financial goals.

▶ **Quantitative investments:** This year, SAB Invest announced the launch of the SAB Invest Saudi Quant ETF, Saudi Arabia's first exchange-traded fund built on a quantitative investment strategy. This milestone introduces a new generation of ETFs designed specifically for the Saudi market, adapted from an HSBC model that has managed over USD 34 billion globally, shifting from traditional index tracking to a systematic, data-driven approach.

▶ **Institutional client experience:** Continue to provide built-to-suit reporting to SAB Invest clients with new additions and upgrades to our performance review process.

## Asset Management Business Outlook for 2026

At SAB Invest Asset Management, the recent achievements form the foundation of our future promise to our clients. We remain dedicated to:

- ▶ Consistent investment excellence: Continuing our track record of market outperformance to help our clients reach their financial goals.
- ▶ Expanding opportunities: Growing our expertise across local and regional equities, fixed income, money markets, real estate, and private markets to offer a truly diversified portfolio.
- ▶ Uncompromising transparency: Advancing our reporting standards toward full GIPS compliance, ensuring the highest level of accountability and clarity.

Our vision for 2026 is centred entirely on our client's growth. We are expanding our reach and implementing new capabilities to ensure we deliver only the best-in-class investment solutions.

By keeping their needs as our top priority, we are developing innovative products that respond to evolving market demands. Our goal is to serve as a trusted one-stop shop, providing the peace of mind that comes with knowing an optimal portfolio is being professionally managed on behalf of our clients, with a clear focus on consistently outperforming the market.

In the coming years, SAB Invest Asset Management will continue to secure landmark mandates and broaden its market presence. This means access to an even wider array of segments as we scale our leadership position to stay ahead of market trends.

# Global Investment Solutions

The Global Investment Solutions (GIS) Department continued to strengthen its position as a leading provider of global investment products and multi-asset solutions for private and institutional clients. In 2025, GIS delivered strong outcomes across product development, investment performance, and AUM growth.

## A. Strong AUM Growth and Flagship Fund Performance

- ▶ SAB Invest Global Credit Fund (GCF) passed a significant milestone of USD 200 million AUM, reflecting exceptional client demand for Shari'ah-compliant global credit solutions.
- ▶ The Fund consistently outperformed its return targets and peer group, delivering resilient income-driven performance despite a challenging rate environment.
- ▶ GCF continues to be one of the best-performing open-ended Shari'ah-compliant private credit funds in the region, supported by a diversified portfolio and disciplined risk management.

## B. Successful Launch of the Tactical Credit Opportunities Fund

- ▶ In October 2025, GIS launched the SAB Invest Tactical Credit Opportunities Fund, designed to capture dislocations in global credit markets and invest flexibly across the credit spectrum.
- ▶ The Fund achieved a strong start with c. USD 34 million in initial AUM, underscoring client confidence in GIS's credit investment capabilities.

## C. Strong Performance across the Global Products Platform

GIS's broader suite of global funds also delivered impressive results during the year:

- ▶ Hong Kong Equity ETF: One of the best performing products on the SAB Invest platform, returning +31% year-to-date, supported by a rebound in North Asian equities and sector rotation into technology and consumer names.
- ▶ Global Index Fund: Delivered +18.7% for the year, placing it among the top-performing diversified index products in the local market.
- ▶ China India Fund: Achieved a notable +13.5% return, leading its peer group and benefiting from strong growth dynamics in both economies.
- ▶ Total assets under management across all global products surpassed ₪ 3.4 billion.

## D. Strengthening Client Experience and Advisory Capabilities

- ▶ GIS continued to enhance its Outsourced CIO, portfolio advisory, and multi-asset mandate capabilities, supporting both high-net-worth and institutional clients.
- ▶ The department deepened client engagement through more frequent market insight, portfolio diagnostics, and strategic asset allocation guidance.
- ▶ Total assets under advisory surpassed ₪ 2.9 billion as at December 2025.

## Key Market Trends and Macroeconomic Factors Influencing 2025 Performance

Several global macroeconomic and market developments influenced investment performance across asset classes in 2025.



### Evolving Interest Rate Environment

- ▶ Markets experienced a transition from the global rate-hiking cycle toward policy stabilisation and selective rate cuts by major central banks.
- ▶ This backdrop supported spread compression across credit markets, benefiting income-oriented strategies such as private credit and structured credit.



### Resilient US Economy and Selective Growth in Asia

- ▶ The US economy remained resilient, supported by robust consumer spending and corporate earnings.
- ▶ India and parts of Southeast Asia continued to post strong growth, boosting Asian equity strategies.
- ▶ Meanwhile, stabilisation measures in China helped support equity valuations, contributing positively to funds with exposure to North Asian markets.



### Global Equity Rotation and Recovery in Risk Assets

- ▶ 2025 saw broadening of equity market leadership, with performance extending beyond the mega-cap technology segment to include industrials, financials, and consumer sectors.
- ▶ Emerging markets outperformed in the latter half of the year as the USD softened and liquidity conditions improved.



### Private Credit Momentum

- ▶ Private credit continued to attract institutional capital owing to higher base rates, strong collateral structures, and limited competition from bank lending.
- ▶ This environment supported the performance of GIS's private credit offerings, particularly GCF.

# Global Investment Solutions (continued)

## Market Outlook for 2026 and Strategic Priorities

Looking ahead to 2026, GIS maintains a constructive yet selectively cautious outlook, shaped by emerging opportunities and structural challenges in global markets.

### Investment Market Outlook for 2026

#### Moderating but positive global growth

- ▶ Global GDP growth is expected to moderate but remain positive, with the US avoiding recession and Asia remaining the primary engine of global expansion.

#### Gradual easing cycle by central banks

- ▶ Most developed-market central banks are projected to follow a measured easing cycle, supporting both credit markets and equity valuations.
- ▶ Lower rates may create opportunities in duration-sensitive assets, though dispersion will remain high.

#### Private markets enter a new cycle

- ▶ Private credit is expected to continue expanding, supported by strong risk-adjusted yields and continued retrenchment of traditional lenders.
- ▶ Private equity may benefit from more favourable financing conditions, improved exit activity, and more attractive valuations.

#### Structural themes driving 2026

- ▶ Infrastructure investment will remain elevated owing to energy transition spending and supply-chain re-shoring.
- ▶ Real estate markets are expected to stabilise as borrowing costs decline, with selective opportunities in logistics, data centres, and affordable housing.
- ▶ Technology and AI adoption will continue to influence market leadership and sector performance globally.

## Key Challenges

- ▶ Persistent geopolitical risks and fragmented global trade architecture.
- ▶ A slower-than-expected rate-cutting cycle if inflation proves sticky.
- ▶ Ongoing credit dispersion and refinancing risks, particularly in lower-quality borrowers.
- ▶ Structural headwinds in certain real estate segments, including offices in developed markets.

## Strategic Priorities and New Product Development

GIS will continue to expand its platform with innovative Shari'ah-compliant global products that address client needs and capture emerging opportunities.

For 2026, we are actively exploring the launch of new funds in the following areas:



# Brokerage

## Overview of 2025 Performance

The Brokerage Division at SAB Invest achieved remarkable accomplishments in 2025 through the successful provision of comprehensive investment services. We launched GCC and international trading through our online channels, which allows clients access to a wide range of international markets, enhancing clients' investment options.

We have also launched an activation process for US trading options contracts through online channels, giving customers a seamless access experience. In addition, enhancements in the registration process to international markets has led to an increase in trading value of 308% and total assets growth by 86%.

The achievements of the Brokerage Division at SAB Invest reflect the success of our strategies and the professionalism of our team, and we are committed to delivering and achieving even more in the future.

## Business Outlook for 2026

In 2026, Brokerage focus will be on building stronger foundations to support future growth. We will begin upgrading our core system while undertaking a commercial and offers review to ensure our products and pricing remain competitive and aligned with client needs. In addition, we will deliver targeted tactical releases for local market securities borrowing and lending and will continue WorldTrader enhancements like margin trading, short selling, the Stock Yield Enhancement Program, offering interest on clients' money to improve functionality and acquire market share.

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# 308%

Increase in Trading Value

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# Wealth Management

## Overview of 2025 Performance

In 2025, SAB Invest further strengthened its collaboration with SAB Wealth Management and corporate teams along with Global HSBC Wealth and Asset management teams, supporting the strong referral flow from SAB and the successful execution of several key transactions with HSBC Private Banking. The year was characterized by strong fund-raising activity across both new and existing investment strategies, while the margin lending business continued to exceed performance targets.

SAB Invest team onboarded the first client for the Employees Thrift and Invest Plan program. The product was formally launched in 2025 and is designed to financially empower employees and support employers in achieving objectives related to talent attraction and retention.

There was multiple onboarding of foreign investors interested in the Saudi market, and the WM team is collaborating with HSBC to scale the offering through listing the SAB Invest funds with the relevant service providers. During 2025, SAB Invest launched the new onboarding as the pioneer digital journey in the Saudi market enabling onboarding of non-resident customers with material enhancement in customer experience and risk management through integration with best-in-class risk monitoring systems.

The active customer base of both retail and institutional clients increased by over 12.6% during 2025. Collaboration initiatives with SAB are in full swing to capitalise on its vast network and customer base and increase SAB Invest's client penetration with sizeable referrals from SAB to SAB Invest in all products.

During 2025, multiple key digital enhancements were launched such as the initial release for the new investment application, including the robo-advisory risk-based journey, which will be a key tool to attract retail customers in 2026.

## Business Outlook for 2026

With significant enhancements to digital channels and product offerings, the execution of the digitization strategy has progressed across all components. The main target is to deliver a best-in-class customer experience and enable the business to roll out the new products to meet customers' needs.

The digital channels will continually advance, and the Wealth Management team will work with technology in SAB Invest and SAB along with the innovation team to improve customer communication and introduce new features for onboarding and channels to enhance the customer journey and experience.

A key milestone was achieved with the rollout of the Employees Thrift and Invest Plan. The programme serves as a strong employee retention solution, strengthening the relationship between employees and their organisations by engaging them in a long-term financial framework that promotes disciplined saving, investing, and capital growth. It thereby enhances career stability, reinforcing a sense of belonging, and motivating employees to contribute more effectively to own organisation's success. For SAB Invest, the programme establishes a sustainable pipeline of recurring inflows from participating companies, positioning the firm for accelerated growth in assets under management in 2026 and beyond. It is expected to enhance revenue stability, expanding institutional partnerships, and providing greater scale to execute investment strategies and grow the overall business sustainably.

The Saudi market experienced several regulatory developments in 2025, which allowed expats and non-residents to gradually enter the main market. SAB Invest was proactive and enabled the first digital journey for non-resident onboarding while maintaining regulatory and risk requirements throughout the process. During 2026, SAB Invest will expand the offering for non-resident clients by enhancing the onboarding journey introducing open banking and online verification for non-residents.

The strategy includes introducing key modules, such as goal-based investing to help clients align their investments with real-life goals, recommending the best investments for their needs and circumstances. Plans are in place to equip front-line advisors with artificial intelligence and data analytics tools to improve their interactions with customers. These tools will recommend the next best actions and strategies to approach the customers.

One of the key strategies planned for 2026 is to distribute SAB Invest products through third parties, such as fintech and digital wallets. This is now possible with the upgrade of the back-end and transactional system. The aim is to future-proof integration capabilities that will open the floor for such innovation.

The SAB Invest Wealth Management team is progressing the listing of the flagship funds with HSBC Booking Centre to capitalise on the strong brand and distribution capabilities of HSBC Group and to enable foreign investors to easily access the Saudi market through a strong collaboration with HSBC.

The wealth management RMs will continue to focus on enhancing the customer experience and growing revenue through the sale of existing products such as mutual funds and brokerage, in addition to a special focus on alternative and global investment solutions.

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**The active customer base of both retail and institutional clients increased by over 12.6% during 2025.**

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# Corporate

## 5-Year Financial Highlights

ﷲ'000	2025	2024	2023	2022 (Restated)	2021
Investments	778,936	615,522	401,398	192,690	124,259
Loans and advances *	1,649,984	1,701,676	1,199,346	1,189,326	80,973
Total assets	2,803,714	2,822,275	2,215,453	2,064,801	679,666
Total liabilities	1,385,771	1,584,478	1,182,573	1,128,442	217,112
Shareholders' equity	1,417,943	1,237,797	1,032,880	936,359	462,554
Operating income	564,663	566,501	411,007	108,258	35,274
Non-operating gain**	-	-	-	108,600	-
Operating expenses	(356,992)	(338,496)	(297,106)	(167,882)	(82,137)
Net (loss)/income before zakat and income tax	207,671	228,005	113,901	48,967	(46,863)
Net (loss) / income after zakat and income tax	180,171	203,848	96,401	34,476	(56,273)

\* Relates to margin lending portfolio

\*\* Non-operating gain includes valuation gain on business transfer from HSBC SA

## Financial Performance in 2025

SAB Invest achieved a net profit after zakat and income tax of ﷲ 180.1 million for the year ended 31 December 2025, compared to ﷲ 203.8 million at the end of 2024. Total revenues for SAB Invest for 2025 amounted to ﷲ 564.6 million compared to ﷲ 566.5 million for 2024. The slight decrease in revenues is attributed to lower interest rates, the decline in the Saudi stock market, and reduced trading volumes.

## 2025 Year-End Balance Sheet

Total assets on the balance sheet amounted to ﷲ 2,804 million as at 31 December 2025, compared to ﷲ 2,822 million at 31 December 2024. The decrease in assets is a result of the maturity of term deposits and a decrease in margin financing, partially offset by an increase in investments held through other comprehensive income.

# ﷲ 180.1 Million

Net Profit after Zakat and Income Tax

## Loans and Shareholders' Equity

No.	Nature of facility	Purpose of facility	Limit amount (ﷲ)	Utilisation amount as at 31 December 2025 (ﷲ)	Utilisation amount as at 31 December 2024 (ﷲ)
1	Overdraft	To finance the margin lending business	2,600	1,036	1,564
2	Overdraft	To meet margin calls from Securities Clearing Centre Company (Muqassa), settlement obligations with Securities Depository Centre Company (Edaa), and the liquidity requirements of AMD.	500	-	-
3	Letter of guarantee	To enable issuance of guarantees to the Zakat, Tax and Customs Authority (ZATCA).	20	-	-
4	Hedging	For foreign exchange contracts.	2.1	-	-



# Corporate Governance

# 04

SAB Invest is committed to upholding the highest global standards of corporate governance.



# Corporate Governance

## Governance Principles

SAB Invest is committed to upholding the highest global standards of corporate governance. This entails complying with regulatory requirements, protecting the rights and interests of all stakeholders, enhancing shareholder (owner of the capital) value, and achieving organisational efficiency.

## Board of Directors

The Board of Directors is responsible for the creation and delivery of a strong, sustainable financial performance and long-term shareholder (owner of the capital) value. The Board works as a team to provide strategic leadership to Management and staff, confirm the organisation's fitness for purpose, set the values and standards for the company and ensure sufficient financial and human resources are available. The Board's role and responsibilities are outlined in the Board Memorandum.

## Profile of Board Members

The Board of Directors of SAB Invest as at 31 December 2025 comprised of 8 members, of whom 4 are Independent members.

Board Member name	Classification	Name(s) of other companies in which they were a member of the Board of Directors or one of its directors as of 31 December 2025
Mr. Khalid Al Molhem	Chairman, Independent	1. Riyadh Cement 2. Qiddiyah West Company 3. MBC Media Group 4. Ugair Development Company
Mr. Omar AlHoshan	Vice Chairman, Independent	1. Abu Nayyan Holding Company 2. The Saudi Investment Recycling Company 3. Pan Gulf Marketing Company 4. Water Solution Company 5. Omar Mohammed AlHoshan & Partners Certified Public Accountants and Auditors 6. Omar Mohammed AlHoshan & Partners Consulting Services
Mrs. Lateefa AlWaalani	Independent	1. Hemmat Alryada Company 2. Hamat Alraeda Company
Mr. Ahmed Alnaeem	Independent	1. Riyadh Holding
Mr. Tony Cripps	Non-Executive	1. HSBC Saudi Arabia 2. Saudi Awwal Bank (SAB)
Mr. Yasser Albarrak	Non-Executive	1. HSBC Saudi Arabia 2. Riyali Institute
Mr. Bandar AlGheshayan	Non-Executive	1. Saudi Credit Bureau (SIMAH) 2. Riyali Institute
Mr. Ali Al Mansour	Managing Director and CEO	1. Masaraty Global 2. Najran Municipality Company 3. Budget Saudi

## Board Meetings

The Board of Directors held 5 meetings during 2025, as shown in the table below.

Member name	6 February	13 May	4 September	21 October	11 November
Mr. Khalid Al Molhem	✓	✓	✓	✓	✓
Mr. Omar AlHoshan	✓	✓	✓	✓	✓
Mr. Abdulaziz Albassam	✓	✓	✗	✗	✗
Mr. Ahmed Alnaeem	✗	✗	✓	✓	✓
Mrs. Lateefa AlWaalani	✓	✓	✓	✓	✓
Mr. Tony Cripps	✓	✓	✓	✓	✓
Mr. Yasser Albarrak	✓	✓	✓	✓	✓
Mr. Bandar AlGheshayan	✓	✓	✓	✓	✓
Mr. Ali Al Mansour	✓	✓	✓	✓	✓

## Board of Directors Members' Appointments or Resignations in 2025

Mr. Abdulaziz Albassam resigned from the BOD membership on 31 May 2025

Mr. Ahmed Alnaeem was appointed as a member of the BOD on 13 May 2025



# Corporate Governance (continued)

## Board of Directors Biographies



**Mr. Khalid Al Molhem**  
Chairman of the Board

Mr. Khalid Al Molhem is a member of SAB (Formerly SABB) Board of Directors since 1996. He has taken the lead in the privatization of a number of major Saudi companies as well as sitting on the board of directors for King Abdullah Economic City, United Electronics Company (Extra) and Aseer Trading, Tourism and Manufacturing Co., Knowledge Economic City and King Abdullah Port.

Mr. Al Molhem holds a Bachelor of Science degree in Engineering Management and Electrical Engineering from the University of Evansville, Indiana State, USA.



**Mr. Omar AlHoshan**  
Vice Chairman – Independent Board Member

Omar AlHoshan (BS in Economics and Business Administration, California State University, California, USA, 1983.) is a Certified Public Accountant, Management Consultant, Economic Consultant, Financial Consultant and Aviation Consultant.

Omar is the founder and Managing Partner of AlHoshan CPA (Russell Bedford Saudi Arabia) & Founder and Chairman of AlHoshan Consultants (GRACE Saudi Arabia) since 1993. Those firms are market leaders with a team of high-performing senior consultants providing consulting services covering audit, accounting, taxes, business, finance, governance, risk, internal audit, compliance, and ethics.

Omar has been instrumental in devising various private business improvement initiatives in Saudi Arabia. In addition to commonly being invited to speak in local and international forums, Omar is an active contributor to the annual report published by the World Bank: "Doing Business".

As a multi-faceted executive, with a proven track record in organizational development and operational effectiveness, Omar is skilled in creating a vision, bringing order out of chaos, and executing turnaround strategies for substantive change and long-term revenue growth. In addition to being a Board Member and Chairman Audit Committee of SAB Invest, Omar sits on numerous boards and Audit Committees, such as Chairman Audit Committee TADAWUL; Board Member & AC Chairman The Saudi Investment Recycling Co.



**Mr. Tony Cripps**  
Board Member

Mr. Tony Cripps is the Managing Director of Saudi Awwal Bank "SAB" (Formerly Saudi British Bank "SABB") since May 2021. He is also aboard member of SABB. He was the Chief Executive Officer of HSBC Singapore, the leading international bank in Singapore supporting retail, business, corporate and institutional banking customers through its network of local branches and offices.

Tony has worked in banking for more than 30 years, with management roles in institutional banking, treasury, trading and sales businesses, transaction banking, information technology and operations. Tony was appointed to the Board of HSBC Singapore in 2016. He was also appointed as HSBC Group General Manager in 2016.



**Mrs. Lateefa AlWaalani**  
Independent Board Member

Mrs. Lateefa is the Managing Director for Endeavour Saudi, which is part of Endeavor's global network, since 2018.

Lateefa worked after graduation in different positions in the field of information technology in several companies. She also worked as General Manager for Alwaalan Pharmacies Group. Lateefa is the Founder and CEO of Yatoq where she started her first steps in manufacturing readymade Arabic coffee blends, and the first automated Arabic coffee machine. She also recently co-founded Aroom a company focused on developing technology for coffee vending machines. She also co-founded Cell A+ in 2012, a Saudi professional women's network and acted as president of the network during 2015.

Lateefa received Arabs Women Awards Entrepreneur of the year 2014 and in 2015 she received EY entrepreneur of the year for Saudi Arabia. Forbes magazine listed Lateefa in the Kingdom's most innovative leaders for 2013/2014/2015.

More recently, Harvard Business School published a case study about Yatoq in Nov 2018.

Lateefa has been appointed as a board member of the Riyadh Chamber of Commerce since 2020.

Lateefa holds an MBA in Technology Management from University of Washington and a Bachelor Degree in Computer Science from King Saud University. She was also awarded a Technology Entrepreneurship Certificate from University of Washington, Center of Innovation & Entrepreneurship.

# Corporate Governance (continued)

## Board of Directors Biographies



**Mr. Ahmed Alnaeem**  
Independent Board Member

Mr. Ahmed Alnaeem has over 15 years of experience covering leadership in strategy, investment & governance across both public and private sectors. Ahmed is currently serving as Chief Strategy & Investment officer at Riyadh Holding Company. Ahmed held many leadership positions. The recent was Director of Real Estate Development Management in Saudi Information Technology Company (SITE) from 2020 till 2022. And Director of Asset Management, Saudi Aramco/ Business Park Complex Company from 2017-2020.

Ahmed joined SAB Invest as an active member of Nomination and Remuneration Committee since February 2021, before his appointment as Board Member of SAB Invest Board of Directors. Also, he was an active member in several board funds and committees.

Mr. Alnaeem holds bachelor's degree in civil engineering from Prince Mohammed bin Fahad University and double MBA from London Business School and Columbia University as well as the Real Estate consultancy license.



**Mr. Yasser Albarrak**  
Board Member

Mr. Yasser Albarrak is the Chief Corporate and Institutional Banking Officer since 1 July 2022.

Yasser Albarrak was appointed to lead the corporate and institutional banking sector at Saudi Awwal Bank "SAB" (Formerly Saudi British Bank "SABB") owing to his expertise and practical experience in the banking industry in the Kingdom spanning more than 18 years. Yasser joined SABB in 2012 and has held many leadership positions, the most recent being General Manager of Global Corporate and Institutional Banking since May 2019, and Co-Head of Global Banking from 2017 to 2019. Served also as Head of the Public Sector from 2013 to 2017.

He graduated from King Fahd University of Petroleum and Minerals with a Bachelor's degree in Information Systems. He is a board member of the SABB Takaful Company's Board of Directors.



**Mr. Bandar AIGHeshayan**  
Board Member

Mr. Bandar AIGHeshayan is the Chief Retail Banking and Wealth Management Officer at the Saudi Awwal Bank "SAB" (Formerly Saudi British Bank "SABB") since July 2022. He is also a Board Member of the Saudi Credit Bureau "SIMAH" since 2021.

Bandar has more than 22 years of extensive experience in several sectors and 16 years in retail banking. He joined SABB in 2012 and has held various leadership positions, including Regional Head of Retail Banking and Chief Operating Officer, Retail Banking and Wealth Management.

Bandar holds a Master's degree in International Management from the University of Liverpool and attended various programs in executive leadership and management at (London Business School, IMD, INSEAD and Cambridge).



**Mr. Ali Al Mansour**  
Board Member (Managing Director & CEO)

Mr. Ali Al Mansour has close to 20 years of experience covering investment strategy development, investment governance and portfolio management of public and private asset classes for various types of investors.

Ali has worked at high profile institutions such as Saudi Aramco where he was the head of portfolio management overseeing several large investment portfolios for the Company. He was part of a team that established the KAUST Endowment based in Washington D.C and he also established the investment management advisory function at Jadwa Investment where he provided advisory services to various types of investors including government funds, corporates and family offices. In his most recent role, he worked with a team to restructure the investments of the Public Pension Agency (Currently

GOSI) under the its investment arm Raidah Investment Company.

Ali holds a Bachelor of Finance Degree from the University of North Carolina at Charlotte and an MBA from King Fahad University of Petroleum and Minerals. He is also a CFA Charterholder.

# Corporate Governance (continued)

## Management Team Biographies



**Mr. Ali Al Mansour**  
Managing Director and CEO

Mr. Ali Al Mansour has close to 20 years of experience covering investment strategy development, investment governance and portfolio management of public and private asset classes for various types of investors. Ali has worked at high profile institutions such as Saudi Aramco where he was the head of portfolio management overseeing several large investment portfolios for the Company. He was part of a team that established the KAUST Endowment based in Washington D.C and he also established the investment management advisory function at Jadwa Investment where he provided advisory services to various types of investors including government funds, corporates and family offices. In his most recent role, he worked with a team to restructure the investments of the Public Pension Agency (Currently GOSI) under the its investment arm Raidah Investment Company. Ali holds a Bachelor of Finance Degree from the University of North Carolina at Charlotte and an MBA from King Fahad University of Petroleum and Minerals. He is also a CFA Charter holder.



**Mr. Osama Alowedi**  
Chief Investment Officer

Osama was appointed as Chief Investment Officer of SAB Invest in March 2022 prior to that he was seconded as Chief Investment Officer of HSBC Saudi Arabia until the completion of SAB Invest's acquisition of the asset management activity from HSBC Saudi Arabia. On September he returned back to SAB Invest as Chief Investment Officer.

Osama Alowedi has more than 18 years of investment management experience and a long term track record of successfully managing investment funds and portfolios in diverse geographies and asset classes with focus on publicly traded securities in the MENA region.

Prior to joining SAB Invest, Osama has co-founded Value Capital Partners, a CMA regulated asset management company, where he served as CEO and CIO providing fund and discretionary portfolio management services to various types of investors including GREs, corporates, family offices, and high net worth individuals. Prior to that, Osama served as Head of Investment Management at GIB Capital where he established the MENA public equity and fixed income fund and portfolio management function. He has also worked at high

profile financial institutions such as SNB Capital, where he was a Vice President and senior portfolio manager and Samba Financial Group, where he worked on structured credit and emerging markets fixed income investments.

Osama is a CFA charter holder with dual MBA degrees from Columbia University - Columbia Business School (New York, USA) and London Business School (London, UK).



**Mr. Majed Alqahtani**  
Chief Brokerage Officer

Mr. Majed has over 22 years of professional experience in both the Retail and Institutional Brokerage markets. He was appointed as Chief Brokerage Officer (Acting) in SAB Invest as of July 2024, and then as Chief Brokerage Officer as of July 2025.

In this role, Majed is responsible for leading, directing and managing SAB Invest's Brokerage Business and ensuring best practice execution across all financial markets along with providing the highest service quality to customers as well as complying with the CMA, the Saudi exchange (Tadawul), the Securities Clearing Center (Muqasa) and the internal standards of SAB Invest.

Prior to that he held the position of Head of Retail Brokerage Trading in the Brokerage Department at SAB Invest; before that he was Head of Retail Equities at HSBC Saudi Arabia.

Majed holds Level I CFA.



**Mr. Feras Alawadh**  
Chief Global Investment Solutions Officer

Feras has over 17 years of experience in managing globally diversified multi-asset portfolios across conventional & alternative investments. Prior to joining SAB Invest in May 2023, Feras was most recently Head of International & Multi-Asset Department, Asset Management Division in SNB Capital. Before that, he was a Senior Portfolio Manager, looking after institutional clients' investments, including DPMs, corporate saving schemes and advisory mandates. Feras also worked at Sanabil Investments where he was responsible for a number of portfolios across different traditional & alternative asset classes with diverse mandates and investment objectives. Prior to that he worked at Riyadh Capital as a buy-side research senior analyst and started his career as a Teaching Assistant at King Saud University.

Feras holds an MBA, Concentration in Finance from The University of Newcastle, Australia. He is also a CAIA Charter holder.



**Mr. Mohammed Alsuwayied**  
Chief Wealth Management Officer

Mohammed Alsuwayied's experience extends to 18 years in the field of Brokerage and Wealth Management, and was appointed as Chief Wealth Management Officer (Acting) at SAB Invest Company as of January 2023 and then as Chief Wealth Management Officer as of July 2023. In this role, Mohammed is responsible of leading, directing and managing the wealth management business, and ensuring the achievement of its strategic goals.

Mohammed joined Saudi Awwal Bank (SAB) (Formerly the Saudi British Bank "SABB") in 2005, working in brokerage department at local equities, then worked in SABB Securities and HSBC Saudi Arabia until he took over the responsibility of Wealth Management in the Eastern Province in 2016.

Mohammed holds a Business Administration degree from King Fahd University of Petroleum and Minerals.

# Corporate Governance (continued)

## Management Team Biographies



**Mr. Ali Al-Faraj**  
Chief Operating Officer

Ali has more than 20 years of experience in Investment. He started his career with Riyadh Bank and became an International Dealer in International Brokerage.

In 2004, Ali joined Alawwal Bank as a Senior Dealer and was later promoted to Head of International & GCC Brokerage.

Later he was appointed as Deputy Head of Investment in Asset Management responsible for International Funds and Fund of Funds at SAB Invest. Ali was the Head of Global Markets and Securities Services at Alawwal Invest. Ali holds a bachelor's degree in Industrial Management from King Fahad University of Petroleum & Minerals.



**Mr. Haytham Al Gargoosh**  
Chief Compliance and Governance Officer and Board Secretary

Haytham Joined SAB Invest in November 2020 as Senior Compliance manager, in September 2021 then he was appointed as Head of Compliance Department, then Chief Compliance Officer as of September 2022 and Chief Compliance and Governance Officer and Board Secretary as of March 2023. Haytham has more than 20 years of experience in Finance and Compliance fields.

Prior to joining SAB Invest, He worked for Saudi Awwal Bank (SAB) (Formerly the Saudi British Bank "SABB") within the Compliance Integration team, He was the Head of Compliance Advisory and Risk Assessment team in Alawwal Bank and as Manager of Compliance Monitoring and Surveillance in Alawwal Bank prior to that.

Haytham holds a Bachelor's degree in Business Administration from King Faisal University, He is also a Certified Compliance Officer from the Financial Academy and a Certified Anti-Money Laundering Specialist from ACAMS and holder of the General Securities Qualification Certificate (CME1), and Compliance, Anti-Money Laundering and Counter Terrorist Financing Certificate (CME2).



**Mr. Na'el Tashkandi**  
Chief Risk Officer

Mr. Na'el was appointed as Chief Risk Officer of Alawwal Invest in February 2023. Prior to joining SAB invest Na'el was the Head of Credit Review and Assurance at the Saudi Awwal Bank (SAB) (Formerly Saudi British Bank - SABB).

Na'el has more than 23 years of experience and a long term track record in corporate banking, Credit Risk Management and Credit review & Assurance. He took various roles within SAB throughout his long experience with the bank. He Established and headed the Regional Credit Wholesale & Market Risk Department - Western Region (2014 -2022). He was the Division Head - Corporate Banking (2008 - 2014) and Team Leader - Corporate Banking (2007 -2008). He was a Senior Relationship Manager - Corporate Banking Department (2005 -2007). He was Assistant Relationship Manager - Corporate Banking (1999 - 2003). His past experience aside from SAB includes working with Samba Financial Group and Procter & Gamble.

Na'el holds a Bachelor of Science in Finance from King Fahd University of Petroleum & Minerals (KFUPM) in Dhahran, Kingdom of Saudi Arabia (1998). He is also a Certified Credit Risk Professional, LEORON & IABFM, Dubai (2016).



**Mr. Abdul Rehman Saeed**  
Chief Internal Auditor

Abdul Rehman Saeed joined SAB Invest as Chief Internal Auditor in May 2022. He also serve as the Secretary to the Audit Committee, bring over 23 years of extensive experience in internal auditing. In his role, he is responsible for delivering independent, objective insights and assurance to the Board, Audit Committee and Executive Management.

Prior to joining SAB Invest he has worked with leading organizations including Public Investment Fund, National Investment Corporation, PwC, AlBaraka Bank and EY. His diverse professional Background has enabled him to develop deep expertise across internal controls, risk management and governance.

He is a Chartered Accountant and holds more than 15 professional certifications covering internal auditing, fraud, risk management and financial services.



**Mr. Mohammed Tajammul**  
Head of Information Technology

Mohammed Tajammul has more than 28 years of experience in the domain of Banking and Capital Markets.

Tajammul joined Alawwal Bank in 1994 and has played a pivotal role in the establishing the investment department.

He was appointed as Chief Operating Officer of SAB Invest in 2012 and continued in that role till 2015. In 2016, Tajammul moved to Alawwal Bank as a Programme Manager where he was instrumental in successfully implementing some of the strategic solutions as part of IT delivery, and has played a pivotal role in the IT integration of Alawwal Bank and SABB.

In 2022, Tajammul has been appointed to lead and establish the IT function for SAB Invest.

Tajammul holds a Bachelor Degree in Commerce and has a Post-Graduation in Software Technology.



**Mr. JP Gariazzo**  
Head of Strategy & Transformation

JP was appointed as Head of Transformation Management Office for SAB Invest in February 2021, in charge of the PMO and strategic transformation related to the acquisition of HSBC Saudi Arabia's Asset Management, Retail Brokerage and Retail Margin Lending businesses. Prior to that he ran another strategic transaction at HSBC Saudi Arabia during 2020, and served as its Investment Banking COO between 2017 and 2019.

JP has over 20 years' experience with the HSBC Group, including 17 years as an International Manager (IM) through the economic cycle in Europe, Asia, North America and in the Middle East, of which 8 years in Saudi Arabia (2006 to 2009 and 2017 to date). JP's experience with the HSBC Group includes Corporate & Institutional Banking Coverage, Credit Risk Management, Strategy & Planning, and Cross-border Programme/Change Management.

JP is a Chartered Global Management Accountant (ACMA, CGMA), holds the Saudi CMA's General Securities Qualification Certificate (CME-1), is a member of the Saudi Council of Engineers, holds an Engineering Master's Degree with major in Computer Sciences and Telecommunications (Esigetel/Efrei), and holds a Master's Degree in Management and Corporate Finance (Programme Grande Ecole) from ESSEC Business School.

# Corporate Governance (continued)

## Management Team Biographies



**Mr. Ayman Hashim Al Hassan**  
Head of Finance

Ayman Alhassan joined SAB Invest in February 2023 to lead the finance team. Ayman has over 10 years of experience in Accounting & Finance fields. He started his career with Mobile Telecommunications Company - Zain KSA, then he moved to the banking industry with the Saudi Awwal Bank (SAB) (Formerly Saudi British Bank - SABB).

Ayman holds a Bachelor's degree in Accounting from King Fahd University of Petroleum and Minerals and Master of Business Administration from DePaul University (Chicago, USA).



**Mr. Fawaz AlSadhan**  
Head of Legal

Mr. Fawaz has more than 9 years of experience in the field of legal affairs. Fawaz has joined SAB Invest in October 2023. Prior to that, he most recently served as a legal advisor at Banque Saudi Fransi from 2020 to 2023. Fawaz worked as an Associate Legal Advisor at AlRajhi Bank from 2019 to 2020 and legal Advisor at Bank AlBilad from 2017 to 2019. Fawaz started his career as a legal assistant at Al Rajhi Capital in 2015.

Fawaz was a member of the Governance Committee at AlRajhi Capital from 2016 to 2017.

Fawaz holds a Master Degree in Comparative Law from California Western School of Law and Bachelor Degree in Law from King Saud University.



**Ms. Afnan Alrozouq**  
Chief Human Resources and Corporate Services Officer

Afnan has over 13 years of experience in the field of human resources, specializing in organizational design, workforce planning, and talent strategy. Most recently, she served as Senior Vice President organizational design & workforce planning at Riyad Bank, where she led transformative HR initiatives for more than five years. Her career includes pivotal roles at prestigious organizations such as the Saudi Exchange (Tadawul), EY, and Morgan Stanley, where she gained expertise in strategic HR management and organizational transformation.

Afnan holds a Bachelor's degree in English Language and Literature from Princess Nourah University and Master's in Business Administration with a focus in Human Resources Management from Prince Sultan University.



# Corporate Governance (continued)

## Board Committees

The Board has established 4 sub-committees:

- ▶ Audit Committee
- ▶ Nomination and Remuneration Committee
- ▶ Board Risk Committee
- ▶ Compliance and Governance Committee

The Chairs of each committee report matters of significance to the Board after each meeting and the minutes of the meetings are made available to all Board members. The detailed roles and responsibilities of each committee are set out in its terms of reference, established for each sub-committee. The effectiveness of the committees is evaluated as part of the overall performance evaluation of the Board and through annual effectiveness reviews at a committee level.

## Audit Committee

The Audit Committee reports directly to the Board of Directors. During 2025, 5 (five) meetings were held to discharge the responsibilities under its term of reference, including but not limited to:

- ▶ Oversight of the internal audit function, including adherence to Global Internal Audit Standards.
- ▶ Supervision of external auditors; approve all auditing services and permitted non-audit services performed by the external auditor.
- ▶ Review control weaknesses and system deficiencies highlighted by internal or external auditors.
- ▶ Review interim and annual financial statements.
- ▶ Review accounting policies.
- ▶ Report regularly to the Board of Directors on significant matters related to the control environment.

## Audit Committee Members

As of 31 December 2025, the Audit Committee comprised of 4 members.

Member name	Classification
Mr. Omar AlHoshan	Chairman and Independent Board member
Mr. Abdurahman AlZoghaibi	Member
Mr. Osama AlHodaithi	Member
Ms. Lama Ghazzaoui	Member

## Audit Committee Meetings

The dates of the Audit Committee meetings and the attendance during 2025 were as follows.

Member name	15 January	12 February	8 May	27 August	2 November
Mr. Omar AlHoshan	✓	✓	✓	✓	✓
Mr. Abdurahman AlZoghaibi	✓	✓	✓	✓	✓
Mr. Osama AlHodaithi	✓	✓	✓	✓	✓
Ms. Lama Ghazzaoui	✓	✓	✓	✓	✓

## Audit Committee Members' Appointments or Resignations in 2025

There has been no change in the composition of the Audit Committee during 2025.

## Nomination and Remuneration Committee

The Board of Directors of SAB Invest has delegated the following responsibility to the Nomination and Remuneration Committee:

- ▶ Leading the process for appointments to the Board of Directors by identifying and nominating candidates for appointment, to be approved by the Board of Directors.

- ▶ Determining the skills and capabilities required of the Board members and the Executive Management team to ensure the effective discharge of their respective responsibilities, including the time Board members shall allocate to the activities of the Board and Board committees.
- ▶ Setting the principles, parameters, and governance framework of the company's remuneration policy.
- ▶ Determining the remuneration of Non-Executive Directors, Executive Directors, the Managing Director and CEO, and the direct reports of the CEO.

## Nomination and Remuneration Committee Members

As of 31 December 2025, the Nomination and Remuneration Committee comprised of 3 members.

Member name	Classification
Mr. Ahmed Alnaeem	Chairman and Independent member of the Board of Directors
Mr. Salman AlDeghaither	Independent member
Ms. Rania AlSharyoufi	Member

## Nomination and Remuneration Committee Meetings

The dates of the Nomination and Remuneration Committee meetings and the attendance during 2025 were as follows.

Member name	16 January	03 November
Mr. Abdulaziz Albassam	✓	✗
Mr. Ahmed Alnaeem	✓	✓
Mr. Salman AlDeghaither	✓	✓
Ms. Rania AlSharyoufi	✓	✓

## Nomination and Remuneration Members' Appointments or Resignations in 2025

Mr. Abdulaziz Albassam resigned from the NRC membership on 31 May 2025  
Mr. Ahmed AlNaem was appointed as Chairman of the committee on 13 May 2025.

# Corporate Governance (continued)

## Board Risk Committee

The Board Risk Committee is a designated committee of the Board of Directors and the governing body for risk matters, including but not limited to the following responsibilities:

- ▶ Oversight of risk management, risk governance, and internal control systems.
- ▶ Provides advice to the Board of Directors on all key and emerging risks to the company.

- ▶ Sets the risk appetite and monitors key risk indicators of the company.
- ▶ Appoints the Chief Risk Officer and approves the risk strategy.

Under the Board Risk Committee is a Risk Management Committee (RMC) chaired by the Chief Risk Officer; the RMC is composed of top executives from all departments who oversee the risk activities of the company.

## Board Risk Committee Members

As of 31 December 2025, the Board Risk Committee comprised of 3 members.

Member name	Classification
Mr. David Hollins	Chairman
Mr. Ali AlMansour	Member
Mr. Ali AlSabhan	Member

## Board Risk Committee Meeting

The dates of the Board Risk Committee meetings and the attendance during 2025, were as follows.

Member name	29 January	24 April	19 August	04 November
Mr. David Hollins	✓	✓	✓	✓
Mr. Ali AlMansour	✓	✓	✓	✓
Mr. Ali AlSabhan	✓	✓	✓	✓

## Board Risk Committee Members' Appointments or Resignations in 2025

There were no appointments or resignations in 2025.

## Compliance and Governance Committee

The Compliance and Governance Committee is the designated committee of the Board of Directors and governing body for compliance and financial crime matters.

- ▶ It assists the Board by ensuring the company is in compliance with the applicable regulations.

- ▶ The committee monitors and assesses the performance of the Compliance & Governance department.
- ▶ Approves the Annual Compliance Programme.
- ▶ Guarantees the highest ethical standards and corporate governance best practices within SAB Invest.

## Compliance and Governance Committee Members

As of 31 December 2025, the Compliance & Governance Committee comprised of 4 members.

Member name	Classification
Mr. Ali Alqahtani	Chairman
Mr. Ali AlMansour	Member
Ms. Shaima Khan	Member
Mr. Haytham AlGargoosh	Member

## Compliance and Governance Committee Meetings

The dates of the Compliance and Governance Committee meetings and the attendance during 2025 were as follows.

Member name	22 January	29 April	23 July	26 October
Mr. Ali Alqahtani	✓	✓	✓	✓
Mr. Ali AlMansour	✓	✓	✓	✓
Ms. Shaima Khan	✓	✓	✓	✓
Mr. Haytham AlGargoosh	✓	✓	✓	✓

## Compliance and Governance Committee Members' Appointments or Resignations in 2025

There were no appointments or resignations in 2025.

## Shari'ah Committee

SAB Invest has a service level agreement (SLA) with its parent, SAB, through which the former obtains Shari'ah-related services. Through the SLA, SAB Invest benefits from the guidance and services of SAB's Shari'ah

Committee (SC) and SAB's Islamic Financial Services department. Through these Shari'ah reviews, the Shari'ah Committee and SAB's Islamic Financial Services provide advices on Shari'ah-compliant products, wherever required.

# Corporate Governance (continued)

## Remuneration

### Board of Directors

The remuneration paid to the members of the Board of Directors for 2025 was as follows.

Item	Executive Board members	Non-Executive Board members (ﷲ'000)	Independent Board members (ﷲ'000)
Allowance for attendance of the Board of Directors' sessions	-	-	60
Allowance for attendance of the committee sessions	-	-	60
Periodic and annual remunerations	-	-	1,992
Incentive plans	-	-	-
Any compensations or other in-kind benefits paid monthly or annually	-	-	-
<b>Total</b>	-	-	<b>2,112</b>

### Executive Management

The remuneration paid to 5 of the senior executives for 2025 – who received the highest remuneration and compensation – in addition to the Head of Finance, was as follows.

Statement	5 of the senior executives who received the highest remunerations and compensations, in addition to Head of Finance (ﷲ'000)
Salaries and wages	7,070,350
Allowances	2,808,630
Periodic and annual remunerations	10,010,920
Incentive plans	-
Commissions	-
Any compensations or other in-kind benefits paid monthly or annually	-
<b>Total</b>	<b>19,889,901</b>

### Waivers of Remuneration and Compensation

The following members of the Board of Directors have waived their remuneration and compensation during 2025:

- ▶ Mr. Tony Cripps
- ▶ Mr. Bandar AlGheshayan
- ▶ Mr. Yasser Albarrak

## Staff Benefits and Schemes

According to the Labour Law of the Kingdom of Saudi Arabia and the company's internal policies, staff benefits are due for payment during or at the end of an employee's period of service. The end-of-service benefits outstanding as at 31 December 2025, based on an independent actuary's valuation, amounted to ﷲ 45 million.



# Internal Controls and Risk Management

# 05

The Internal Control system ensures quality of external and internal reporting, proper records, and compliance with internal policies approved by the Board.



# Internal Controls and Risk Management

## Internal Audit's Overview of Systems and Control

The ultimate responsibility for the system of internal controls resides with the Board. Management designs and implements an internal control system to oversee the risk of failure to achieve strategic objectives and compliance with applicable laws and regulations. The Internal Control system ensures quality of external and internal reporting, proper records, and compliance with internal policies approved by the Board.

The Internal Audit department (IAD) provides independent and objective assurance to protect and add value to improve SAB Invest operations by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of governance, transparency, risk management, and control. It assesses and reviews the design and operating effectiveness of the internal control systems and makes recommendations to Management to develop and strengthen controls regarding areas of concern following the risk-based approach aligned with Global Internal Auditing standards. The Chief Internal Auditor reports to the Audit Committee on all audit matters. IAD remains free from Management's interference in audit matters, such as the annual plan, scope, procedures, frequency, timing, and reporting. Internal Audit carried out audits as per the risk-based IA plan for 2025, approved by the Audit Committee. There is an ongoing process for identification, evaluation, and management of significant risks faced by SAB Invest.

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**The Management has consistently made certain of the implementation of the corrective action plans to ensure effective internal controls with proper oversight from the Audit Committee and the Board.**

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In 2025, the Audit Committee reviewed various reports on the adequacy of its internal control system, including the financial statements and internal audit reports system and whether Management has fulfilled its duty to timeously address significant observations raised by external, internal auditors or regulators. The Audit Committee's discussions and decisions are documented in the minutes of meetings, and significant matters requiring attention are reported to the Board. The Audit Committee met with the Chief Internal Auditor, Chief Compliance and Governance Officer, Head of Finance, and external auditors and has obtained updates on matters that require the Audit Committee's attention.

## Audit Committee Opinion

Based on periodic review of internal auditors, external auditors, and compliance activities, the Audit Committee is of the opinion that the Internal Control System is adequately designed and operating effectively. However, it should be noted that the internal control system can only provide reasonable and not absolute assurance. This limitation arises from the inherent nature of internal controls, the use of risk-based audit methodology, and sampling techniques consistent with internationally recognised audit practices.

The Management has consistently made certain of the implementation of the corrective action plans to ensure effective internal controls with proper oversight from the Audit Committee and the Board. Furthermore, assessment of control measures adopted by management will continue on a periodic basis.

The Audit Committee's recommendation pertaining to the appointment, dismissal, performance assessment, or determining the remuneration of the external auditors and/or Chief Internal Auditor was adopted by the Board.



# Risk Management

## Credit Risk

Credit risk is the risk of financial loss if a customer or counterparty fails to meet an obligation under a finance contract. Credit risk arises principally from direct exposure to a counterparty such as cash deposits with banks, investments in bonds or Sukuks, or through the provision of margin finance facilities to customers.

SAB Invest offers margin lending facilities for both conventional and Shari'ah-compliant products to its customers to trade in the Saudi stock exchange (Tadawul) local equities, with the shares held as collateral. The risk of loss is mitigated by undertaking a comprehensive review of the customer's financial standing and creditworthiness prior to granting a facility and assigning credit limits based on this assessment, and the amount and quality of securities provided as collateral, along with ensuring these are enforceable should the need arise. The risk function independently monitors the total portfolio of shares held as security to make certain there is no undue concentration on a single stock. It closely monitors the customer loan-to-value ratios and has established prudent LTV thresholds above the CMA requirements. The market value of the collateral held is monitored daily.

Credit risk arising from counterparty exposures, such as deposits placed with banks, or investments in Sukuk, is managed by measuring and monitoring credit exposures, establishing limits for transactions with specific counterparties, and continually assessing the creditworthiness of counterparties. The risk management policies are designed to identify and set appropriate risk limits and constantly monitor these. To implement credit and risk management policies, under delegated authorities, the Credit team will approve credit and settlement limits for investment, custody, and brokerage activities. These limits generate liquidity risk in the event of client defaults or delayed trades. Such instances are very rare. SAB Invest has sufficient committed credit lines in place to match liquidity settlement risk, which is further mitigated by maintaining a margin with the clearing agent.

Impairment reserves are maintained in accordance with IFRS9 principles, along with the inclusion of predefined call and liquidation triggers to minimise the risk of default and facilitate the timely realisation of the securities in the portfolio to cover the exposure.

## Operational and Resilience Risk

Operational risk is managed across businesses and support functions through sound operational processes and controls to prevent errors and breaches of policies and regulations. The risk and control assessment process ensures the effectiveness of controls and early detection of non-compliance.

Operational risk is the risk taken to achieve SAB Invest's strategy or objectives owing to inadequate or failed internal processes, people and systems, or from external events. The risk appetite for operational risk is established annually and approved by the Board of Directors. This is reviewed at the RMC with quarterly updates to the BRC.

To ensure continuous assessment of the adequacy of control over operational risks, risk and control assessments are made, and the controls identified are tested periodically by control owners and business risk control managers. Issues identified are recorded in the operational risk system, and the resolution of these issues is monitored and followed up by risk and control owners. The status is communicated to, and monitored by governance committees. In addition, issues identified in other reviews, including those conducted by internal audit, external audit, and regulatory authorities, are also communicated and followed up by the governance committees. The overall operational and resilience risk is assessed against the COSO framework on a quarterly basis to guarantee effective controls are in place.

Among several types of operational risk, the protection of SAB Invest's technology infrastructure and its customers' data is a key focus as more and more transactions are digitalised. Such risk management is outsourced to SAB and as part of its core business processes, SAB handles various types of customer information and data relating to its customers. Handling of information and data includes its storage, processing, and transmission. SAB has established an Information Security Risk unit, which reports to SAB's Chief Risk Officer. This unit provides assurance that SAB's network is secure and is compliant with information security policies by undertaking monitoring of information flows, data risk management, and access management over SAB's and SAB Invest's core systems.

Cybersecurity risk refers to the likelihood of exposure or loss resulting from a cyberattack or data breach at SAB or SAB

Invest. The company continues to strengthen its cyber-control framework and improve its resilience and cybersecurity capabilities, including threat detection and analysis, access control, payment systems controls, data protection, network controls, back-up, and recovery. Cyber risk is a priority for SAB Invest, and SAB routinely reports issues to both the RMC and BRC to ensure appropriate visibility, governance, and executive support for our ongoing cybersecurity programme. SAB took measures to mitigate the inevitable operational risks arising from this change in working practices and operational risks have been managed to an acceptable level during the year without a single successful cyberattack on SAB Invest's systems.

## Liquidity Risk

Liquidity risk is the risk that SAB Invest does not have sufficient financial resources to meet its obligations as they fall due or that it can do so only at a high cost. Liquidity risk arises from mismatches in the timing of cash flows. Funding risk is the risk that funding used to finance assets is not sustainable over time. Funding risk arises when illiquid asset positions cannot be funded at the expected terms and when required.

To control and manage this risk, the Board of Directors has approved a range of risk appetite and tolerance limits, including but not limited to the liquidity coverage ratio, the net stable funds ratio, as well as a series of concentration limits on the source of funding and its maturity profile. All metrics are closely monitored by the first line of defence risk owners, together with regular oversight and monitoring by management (via RMC) and the BRC.

SAB Invest has a highly liquid balance sheet with the majority of its assets placed with the Saudi banks, which is considered sufficient to meet its obligations. It is the company's policy to maintain sufficient liquidity to meet operational and business requirements at all times.

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SAB Invest has a highly liquid balance sheet with the majority of its assets being placed with the Saudi banks, which is considered to be sufficient to meet its obligations. It is the company's policy to maintain sufficient liquidity to meet operational and business requirements at all times.

## Market Risk

Market risk is the risk that movements in market factors, including foreign exchange rates, special commission rates, credit spreads, and equity prices, will reduce our income or the value of our portfolios. The company's exposure to market risk is minimal as a result of limited trading portfolios. Market risk is monitored and measured using limits and metrics approved by the BRC. The exposure and limits are monitored by an independent risk function.

## Reputation Risk

Reputational risk relates to stakeholders' perceptions, whether based on fact or otherwise. As stakeholders' expectations are constantly changing, reputational risk is dynamic. Therefore, SAB Invest's approach to reputational risk management must be upheld at all times, across all businesses and functions.

SAB Invest has built a strong image and reputation within the Saudi market, and maintains an unwavering commitment to operate and be seen to be operating at the highest standards set for itself. The reputation of SAB Invest is critical to its success. Any financial services organisation stands or falls by its reputation and the customers' confidence in it, and the reputation can be severely damaged by non-compliance with relevant regulations or by inappropriate actions or comments to the media or in the public domain.

The maintenance of customer confidence is a prime objective of management and can be achieved through a strong and healthy financial position and by exhibiting successful risk management. SAB Invest has zero tolerance for knowingly engaging in any business or activity where foreseeable reputational risk and/or damage has not been considered or mitigated. SAB Invest tolerates a limited degree of reputational risk arising from activities where the risk has been carefully considered or mitigated and determined to fall below the risk threshold.

# Risk Management (continued)

## Regulatory Compliance Risk

Regulatory risks arise from the risks of non-compliance with relevant regulations, laws, and guidelines. These risks are managed by Regulatory Compliance and Financial Crime Compliance units, which are entrusted by the Board of Directors with the task of reviewing the regulatory risks faced by the company and taking the necessary steps to manage and mitigate them through various means. This may include establishing compliance policies, employee training and awareness, ongoing monitoring of the compliance level within the company, and setting and executing the annual compliance programme.

## Personal Data Privacy Risk

SAB Invest collects, processes, stores, and transfers a variety of personal data, including sensitive personal data generated internally or collected from multiple sources or banking applications, to conduct our business.

SAB Invest is committed to protecting the privacy and personal information of its users. SAB Invest recognises that safeguarding and appropriately processing personal data or sensitive information, including that of KSA residents and citizens, is important to maintain stakeholders' trust.

A service level agreement is signed with SAB to obtain guidance and advisory support for SAB Invest.

## Liquidity and Funding

Risk is managed by matching cash flow and maintaining sufficient cash resources, investing in high credit-quality liquid investments, monitoring investments and cash concentrations – and restricting them where appropriate – and establishing committed borrowing facilities. The liquidity risk related to these cash flows is managed by matching external debt obligations, internal margin lending growth, and internal cash flows, and by maintaining an appropriate liquidity buffer.

The company's primary sources of funding are internal cash flows generated from its business operations, cash from excess capital, and finally, borrowings from banks in the form of committed facilities. SAB Invest uses a combination of these funding sources and meets the company's minimum requirement thresholds established for own funds and eligible liabilities. The positive funding gap is deployed in liquid assets (investments in SAB Invest's managed local funds and short-term deposit placements) as per the proprietary investment policy.

The following table provides a consolidated view of our liquidity and funding sources.

Liquidity and funding sources	31 December 2025 balance (Mn.)	31 December 2024 balance (Mn.)	Description
Cash balances and deposit placements with banks	27	167	Includes cash balances of the company that are generated from its business activities and capital. The company holds its balances with SAB and other local banks.
Investments	779	616	The company invests its excess cash in its own and other investment funds, Sukuk instruments and listed local equity investments.
Borrowing from banks	1,036	1,306	The company has established adequate level of borrowing, overdraft, guarantee, and facilities with SAB to support its liquidity and funding requirements.



# Disclosures and Declarations

# 06



# Disclosures and Declarations

## Affiliates

1. The Saudi Awwal Bank (SAB)
2. SAB's subsidiaries and affiliates

- ▶ HSBC Saudi Arabia (HBSA)
- ▶ Arabian Real Estate Limited Company
- ▶ SAB Markets Limited Company
- ▶ Alawwal Real Estate Company
- ▶ Kayan Asset Leasing Company
- ▶ Saudi Financial Lease Contract Registry (Sijil)
- ▶ Saudi Financial Support Services (SANID)
- ▶ Saudi Credit Bureau (SIMAH)
- ▶ Walaa Cooperative Insurance

## Penalties and Sanctions

SAB Invest endeavours to apply, both in form and spirit, all capital market laws, rules, and regulations issued by the regulators and other ministries in its day-to-day business. During 2025, SAB Invest was subject to penalties issued by the regulatory bodies as follows:

- ▶ A total of ﷲ 135,160 imposed by ZATCA as a result of violating the regulatory requirements related to over-reporting upon disclosing CRS reportable accounts information to ZATCA or technical issues.

- ▶ A total of ﷲ 1,575,000 imposed by Capital Market Authority (CMA) in relation to articles (5) and article (59) of Capital Market Institutions Regulation.

SAB Invest confirms corrective plans have been implemented to rectify and ensure compliance with the articles above, and to avoid any future violations.

## Related Party Transactions

In the ordinary course of business, the company transacts with related parties on mutually agreed terms approved by the Board of Directors. Related parties include SAB and its affiliate companies, funds managed by the company, the members of the Board of Directors, its committees, and key management personnel. The transactions with related parties are disclosed in the 2025 financial statements of the company.

## Contracts or Transactions with Board Members or Senior Executives

SAB Invest has not entered into any contract in which any member of the company's Board of Directors, the Chief Executive Officer, the senior executives, or any of their associates has or had any material interest.

## Statutory Payments

	ﷲ
Zakat settlement paid to ZATCA	11,223,454
Corporate tax paid (including advance corporate tax)	20,102,524
GOSI payments	10,508,895
Withholding Tax	2,359,880
Value-Added Tax	40,989,567
Capital Market Authority	562,160
Other payments	13,090

## Accounting Standards

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organisation for Certified Public Accountants (SOCPA) and in compliance with the provisions of the Regulations for Companies in the Kingdom of Saudi Arabia and the bylaws of the company.

## Appointment of External Auditors

As recommended by SAB Invest's Audit Committee, the company's owner of the capital, Saudi Awwal Bank (SAB), appointed PricewaterhouseCoopers (PWC) as the external auditor for 2025.

## Board of Directors' Assurance

The Board assures the owner of the capital and other interested parties that to the best of its knowledge and in all material aspects:

- ▶ Proper books of account have been maintained.
- ▶ The system of internal controls is sound in design and has been effectively implemented.
- ▶ It has no evidence that suggests the company's inability to continue as a going concern.

## Board of Directors' Clarification on Auditor's Reservations

There were no reservations expressed by the external auditors on the financial statements of the company for the year ending 31 December 2025.

## Board of Directors' Approval of Financial Statements

The financial statements for the year ended 31 December 2025 were approved by the Board of Directors on 10 March 2026.

## Ownership of Board Members and Senior Executives

None of the members of the Board of Directors of the company, its senior executives, nor any of their relatives, have any direct ownership or interest in the shares or debt instruments issued by the company, and there were no changes to those interests in 2025.



هـ) إن اللجنة وافقت على مجالات صرف مبالغ التطهير وغرامات التأخير في أوجه الخير التي تمت خلال عام 2025م.

واللجنة تشكر الله تعالى على توفيقه، وتقدر لمجلس إدارة شركة الأول للاستثمار وإدارته التنفيذية تعاونهم وحرصهم على تفهم وتطبيق أحكام الشريعة الإسلامية السمحة، وتسأل الله العلي القدير التوفيق والهداية.

والله أعلم

اللجنة الشرعية

رئيس اللجنة / أ.د. عبد الله بن محمد المطلق



عضو اللجنة / أ.د. عصام بن خلف العنزي



عضو اللجنة / د. عبد الله بن عيسى العايضي



بسم الله الرحمن الرحيم

التقرير السنوي للجنة الشرعية

للفترة من: 2025/1/1م إلى 2025/12/31م

الحمد لله وحده والصلاة والسلام على من لا نبي بعده وعلى آله وصحبه ومن اهتدى بهديه واستن بسنته إلى يوم الدين،،،، وبعد،،،،

السادة رئيس وأعضاء مجلس إدارة شركة الأول للاستثمار المحترمين

السلام عليكم ورحمة الله تعالى وبركاته.. وبعد:

فوفقاً للائحة اللجنة الشرعية، تتقدم اللجنة بالتقرير التالي:

لقد قمنا بمراجعة ودراسة تقرير المراجعة الشرعية المقدم من قسم المراجعة والرقابة الشرعية الداخلية وذلك لمعرفة مدى تطبيق المبادئ والأحكام الشرعية الصادرة من اللجنة الشرعية على عقود وعمليات المنتجات الاستثمارية الإسلامية المقدمة من خلال إدارة الأصول وإدارة الثروات وإدارة الوساطة في شركة الأول للاستثمار إلى قسم المراجعة الشرعية لمراجعتها خلال فترة المراجعة لعام 2025 لغرض تكوين رأي حول ما إذا كانت منتجات وعمليات الأول للاستثمار الإسلامية قد تم تنفيذها ضمن أحكام ومبادئ الشريعة الإسلامية طبقاً للقرارات والتوجيهات الصادرة من قبلنا.

إن الإدارة التنفيذية للأول للاستثمار مسؤولة عن قيام إدارات الأول للاستثمار المعنية بأعمالها المتوافقة مع أحكام الشريعة طبقاً لأحكام ومبادئ الشريعة الإسلامية، وإن من مسؤوليتنا تكوين رأي مستقل بناء على مراجعتنا لتقارير المراجعة الشرعية في الخدمات المالية الإسلامية وتقديم تقرير سنوي بذلك.

لقد قام قسم المراجعة والرقابة الشرعية بالمراجعة التي اشتملت على فحص المستندات والإجراءات وجمع المعلومات والتوصيات الضرورية للحصول على أدلة كافية تعطي تأكيداً معقولاً بأن الأعمال الاستثمارية الإسلامية في الأول للاستثمار التي نُفذت خلال الفترة المذكورة لم تخالف في رأينا أحكام ومبادئ الشريعة الإسلامية.

وبناء على ذلك فإن اللجنة الشرعية تؤكد مايلي:

- إن جميع الهياكل والمستندات الخاصة بالمنتجات والعمليات الإسلامية لإدارة الأصول وإدارة الثروات وإدارة الوساطة تم عرضها علينا قبل تطبيقها من قبل الأول للاستثمار لغرض الموافقة الشرعية، وعليه فإن العقود والوثائق والمعاملات الخاصة بالمنتجات الاستثمارية الإسلامية لإدارة الأصول وإدارة الثروات وإدارة الوساطة التي تمت مراجعتها خلال المراجعة الشرعية في عام 2025 من حيث الجملة تتوافق مع أحكام ومبادئ الشريعة الإسلامية.
- إن اللجنة نظرت في معاملات شركة الأول للاستثمار المتوافقة مع الشريعة والتي عُرضت عليها، وأصدرت ما يلزم بشأنها من توجيهات وقرارات شرعية.
- إن اللجنة أجابت على جميع الاستفسارات والمسائل الشرعية المحالة إليها من إدارات شركة الأول للاستثمار.
- إن الإجراءات المطبقة في شركة الأول للاستثمار لضمان الالتزام بالسياسات الشرعية متوافقة مع أحكام ومبادئ الشريعة.



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