

Annual Report
2024



**EMBRACING THE FUTURE
WITH PASSION**



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



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



Theme of the Year

EMBRACING THE FUTURE WITH PASSION

In a year defined by transformative milestones, elm reaffirmed its role as a catalyst for progress and a trusted partner in digital transformation. elm embraced new challenges and took major strides towards the future, demonstrating its resilience, innovation and vision to reshape industries and communities. Guided by its strategic roadmap, elm 4.0, the Company aligned its capabilities with the evolving needs of the Kingdom and beyond. By leveraging cutting-edge technologies and forging meaningful partnerships, elm translated bold ambitions into actionable solutions, driving sustainable growth for its customers, stakeholders and society.

elm's achievements reflect the strength of its foundations and its ability to deliver exceptional value. From scaling government platforms that enhance citizen services to introducing groundbreaking private-sector innovations, elm demonstrated its commitment to operational excellence and market leadership. Every initiative was underpinned by a deep understanding of the Company's clients' needs and an unwavering focus on fostering long-term trust. This year, elm strengthened its collaborations with government entities and expanded internationally, highlighting elm's growing influence as a global digital leader.

Innovation has remained at the heart of elm's journey. Whether deploying artificial intelligence to redefine service delivery or advancing platforms that empower businesses and citizens alike, elm consistently sets new benchmarks for excellence. As the Company deepened its expertise across critical sectors, it simultaneously invested in the future – building the capabilities and partnerships that ensure continued relevance and impact. By aligning with Vision 2030, elm's solutions are shaping industries and transforming the very fabric of the Kingdom.

Looking ahead, elm will continue to embrace the future with passion. Through its steadfast dedication to innovation, collaboration and sustainability, elm are driving the Kingdom toward a new era of possibilities. At elm, the belief is that the best way to shape the future is to create it, and together with its partners and stakeholders, elm are shaping a better future for all.



At a Glance

elm has delivered an exceptional year of growth, innovation and impact, setting new benchmarks in digital transformation and business excellence. Strengthening its market leadership, forging strategic alliances and expanding internationally, elm continues to push the boundaries of what is possible, embracing the future with passion, ambition and an unrelenting drive to build a smarter, more connected world.

2024 Financial Highlights



Operational Highlights



Sustainability Highlights



Awards



5 Bronze Awards from Saudi Customer Experience Award 2025

- Customer-centric Culture: "Nusuk Marhaba"
- Best Customer Experience Strategy - Over 1,000 Employees category: "Al-Rawdah Al-Sharifah"
- Customer-centric Culture - Over 1,000 Employees category: "Najiz"
- Best Education Experience: "The Culture House"
- Best Patient Experience: Health centers in Al-Ula



1 Gold Award from Saudi Customer Experience Award 2025

Customer at the Heart of Everything Award category: "Makkah Route"



Best Brand Award

The Culture House project won the prestigious Best Brand Award in the Identity category, honoring excellence in brand strategy, design, and market influence.



Accreditation

Earned accreditation from PeopleCert/AXELOS, a global leader in maturity model assessments, and recognized as an Accredited Consulting Partner (ACP) in Saudi Arabia. With three certified P3M3 assessors, elm has become the second-largest provider of maturity assessments in the Kingdom.



Silver Award

Social Responsibility Award (Silver Category) for Social Responsibility Practices, from the Ministry of Human Resources and Social Development.



Third Place Award from Middle East Investor Relations Association

Most Improved IR Program for the GCC in 2024



red dot

Red Dot Design Award

"The Culture House" project won an award in the Branding and Communication Design category at the 2024 Red Dot Design Awards, one of the largest design competitions in the world.



المركز السعودي للاعتماد
Saudi Accreditation Center

Saudi Accreditation Center

Business Process Outsourcing received accreditation as a Category (A) inspection body from the Saudi Accreditation Center after implementing the ISO/IEC 17020:2012 standard.



Top Consulting Firm 2024

elm's consulting service was honored to be recognized as one of the "Top Consulting Firms in 2024" by Consultancy.org, reflecting the quality of elm's services and client trust.



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At a Glance



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Chairman's Statement

Your Partner of Choice

elm is recognized as one of the region's largest and innovative digital service providers. For over 35 years, the Company has been part of shaping Saudi Arabia's digital landscape, creating smart solutions that help government entities, individuals, and private sector companies progress towards a future rich in opportunities.

Scan the QR code to view our Digital Report

www.elm.sa/annualreport2024



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Overview

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About elm

Your Strategic Partner in Digital Transformation

elm is recognized as one of the region's largest innovative digital service providers. For over 35 years, the Company has been part of shaping Saudi Arabia's digital landscape, creating smart solutions that help government entities, individuals and private sector companies progress towards a future rich in opportunities. elm's mission is to elevate the welfare of communities and establish a strong local and global footprint.

Established in 1988 as a limited liability company with a share capital of ﷲ 500,000, elm rapidly grew and diversified before listing on the Saudi Stock Exchange (Tadawul) in 2022, with a fully paid share capital of ﷲ 800 million divided into 80 million ordinary shares with a nominal value of ﷲ 10 per share.

elm supports Saudi Vision 2030 through diverse partnerships that create a more interconnected, secure and progressive future. It delivers a comprehensive ecosystem of digital services that drive sustainable development, smarter cities, advanced healthcare, intuitive government services, secure banking and logistics. Headquartered in Riyadh, elm is listed on Tadawul as elm (7203).

Vision

To be the digital enabler for the government and business sectors in the Kingdom and the region.

Mission

Innovate to empower communities and make life easier.

Collaboration

Fostering teamwork and shared efforts to achieve common goals.

Creativity and Innovation

Encouraging creative thinking and novel solutions to advance progress and competitive advantage, emphasizing the importance of generating new ideas and engaging in creative processes.

Agility and Adaptability

Promoting a proactive and flexible response to change, enabling the organization to swiftly adapt and navigate new challenges and opportunities.

Customer-Centric

Prioritizing customer needs and satisfaction to build lasting relationships based on trust and provided value.

Responsibility

Taking responsibility for performing, improving and shaping one's tasks, reflecting a deep commitment to roles and outcomes.

Excellence

The ability to outperform competitors by delivering superior value to customers, emphasizing quality, service or pricing advantages.

Values

elm Business Activities

elm offers a diverse range of digital products and solutions across the Kingdom of Saudi Arabia.



Digital Business

Digital Products

elm provides ready-to-use solutions, including platforms, portals and applications, developed in collaboration with public and private sector entities. These products address societal needs by digitizing traditional processes, filling service gaps and transforming challenges into seamless e-transactions.

Digital Solutions

End-to-end, integrated solutions tailored to meet international standards, designed to serve public and private clients with entitlement engines and specialized digital platforms.



Business Process Outsourcing

elm provides large-scale operations management and human resources services for government and private clients. elm also supports job seekers and on-the-job employees, aligning recruitment with labor market needs and training them to excel within national standards.



Professional Services

elm's consulting services cover data analytics, artificial intelligence and performance enhancement, where actionable plans are developed to address client challenges, drive organizational improvement and increase customer satisfaction.



36 Years of Success

Over the past 36 years, elm has evolved from a research and development company to a leader in Saudi Arabia's digital transformation, empowering its stakeholders with innovative solutions. From foundational e-government services to groundbreaking platforms,

elm supports Vision 2030 through relentless innovation and service excellence.

2011

Rolled out the Estihkak Engines, an integrated system that controls the level of entitlement to services provided by government and private entities.

2010

Launched the Absher platform, the first comprehensive online portal serving millions of citizens and residents and operated the first model government service center.

2007

Transformed into a closed joint-stock company under the Public Investment Fund (PIF) and launched Muqeem as its first interactive e-service for integrated government engagement.

2004

Introduced Yakeen, the Kingdom's first digital verification service.

2002

Launched e-services for government entities and introduced Ummrah visa processing and digital driving license services.

1988

Established as a limited liability company under the National Information Center, focused on the transfer and localization of technology.

2017

Became the first company to manage public sector projects, such as operating the Citizen's Account.

2012

Introduced the integrated medical certification service and launched the Tamm portal.

2019

Supported the creation of an integrated transport ecosystem and operated the Makkah Route Project to streamline services for pilgrims.

2020

Played a vital role with the related authorities during the COVID-19 pandemic, developing the Tawakkalna app and managing vaccine centers and expanded testing facilities.

2022

Listed on the Saudi Stock Exchange (Tadawul), marking a milestone in elm's continued growth and commitment to transparency.

2023

Launched the "elm 4.0" strategy, which targets organic expansion through internal development and the building of capabilities and competencies, as well as inorganic growth through M&A's and partnerships.

Pioneering Digital Transformation in Saudi Arabia



Year in Review

During a year of transformative milestones and strategic initiatives, elm reinforced its commitment to innovation, collaboration and leadership in the digital space. From forging impactful partnerships and launching groundbreaking projects to receiving prestigious recognition and undergoing leadership transitions.



January

Social Cases Research project agreement signed

elm signed an agreement with HRSD for the second phase of the Social Cases Research project, focused on social research and home visits for Social Security beneficiaries.

February

Main sponsor of Saudi Capital Market Forum 2024

elm participated as a main sponsor in the Saudi Capital Market Forum 2024 under the theme "Enabling Growth".

March

Partnerships and MoUs signed at LEAP 2024

At LEAP 2024, elm signed multiple partnerships and memorandums of understanding with public and private entities to foster innovation and develop new digital platforms.

April

Commencement minutes signed with Presidency State Security

elm initiated a project with the Presidency of State Security to establish a Project Management Office for its Executive Office.

May

MoUs signed at GITEX AFRICA 2024

The Company signed memorandums of understanding with Numeryx Technologies and Senegal Numérique to expand opportunities in Europe, Africa and Saudi Arabia.

June

Participation in Hajj Health and Security Forum

elm showcased innovative solutions for ensuring safety and security at the first Health and Security Forum during the Hajj season.

July

Agreement signed with Ministry of Interior and Saudi Data and AI Authority

elm signed a 10-year Data Resources Development Agreement to develop and provide products and services in accordance with terms and conditions.

August

elm honored by Digital Government Authority

elm was recognized by Governor H.E Eng. Ahmed Alsuwaiyan at the conclusion of Saudi Digital Day.

September

Chief Executive Officer leadership transition implemented

Dr. Abdulrahman Saad Aljadhai stepped down as Chief Executive Officer after 12 years, and Mr. Mohammed Abdulaziz Alomair was appointed as elm's new Chief Executive Officer.

October

Strategic partnership with Riyadh Development Company

elm signed a 10-year agreement to launch the 'Electronic Vehicle Auctions Platform' under the 'International Development Car Auction' initiative.

November

New Board of Directors term commences

Shareholders elected the new Board of Directors for a four-year term.

December

Agreement with National Events Center to develop Enjz platform

elm signed an agreement with the National Events Center to operate and develop the Enjz platform, streamlining the beneficiary's journey to simplify the issuance of permits and licenses for organizing events.

elm has continued to strengthen its role as a key enabler of digital transformation in the Kingdom and beyond.

Geographic Footprint

elm has embarked on international expansion by establishing strategic partnerships across both the government and private sectors. Key initiatives include pursuing high-priority opportunities, building strategic partnerships and maximizing benefits for its stakeholders. elm operates two offices outside the Kingdom and has worked with many strategic international partners, as it embraces the future with passion.

elm branches:



Saudi Arabia



United Arab Emirates



United Kingdom



Stakeholder Engagement

elm is dedicated to fostering meaningful engagement with its key stakeholders, ensuring their needs, concerns and contributions are consistently addressed and valued. By proactively collaborating with employees, customers, suppliers, communities and investors, elm builds strong, transparent relationships that drive mutual success. Through continuous feedback, tailored initiatives and a commitment to creating long-term value, elm ensures that every stakeholder plays an integral role in its journey of growth and innovation.

63

studies were conducted in 2024 to monitor customer satisfaction

Sponsored

20

conferences during 2024



	Our Employees	Our Customers		Our Suppliers	Our Community	Our Investors and Analysts
Engagement Approach	<ul style="list-style-type: none">Annual Employee Engagement Survey with continuous follow-up on improvement effortsMonthly meeting with the Chief Executive OfficerHR committees focused on improving communication for complaints, events, suggestions and other concernsQuarterly Employee Voice meetings to address employee suggestions and concerns with relevant departmentsInternal company forums that allow communication and participation, such as "Diwan" and "Yamer"	<ul style="list-style-type: none">Continuous monitoring and evaluation of customer satisfaction levels63 studies were conducted in 2024 to monitor customer satisfaction11 customers from the public and private sectors were visitedOn a quarterly basis, 15 studies and 4 visits were conducted to understand customers and get clarity on their feedback		<ul style="list-style-type: none">Daily communication with suppliers through the supplier portal and the elm websiteRegistered more than 900 new suppliers in 2024 on the elm procurement portalConducted Vendor Day to engage with elm suppliersParticipated in one external event to meet with suppliers and develop relationships	<ul style="list-style-type: none">Sponsored 20 conferences during 2024Donated ﷲ 1.5 million in 2024 as community investmentsPartnered with schools and universities to train more than 134 studentsOffered a range of free services to various organizations in order to support the community	<ul style="list-style-type: none">Conducted two virtual General Assembly MeetingsConducted semi-annual Earnings callsParticipated in 10 local, regional and international investor conferencesParticipated in 93 meetings with local and international investors and analysts
Key Items Discussed	<ul style="list-style-type: none">Workplace culture and work environmentEmployee feedback and suggestionsCompany goals and updatesCompensation and benefitsHealth and safety concernsTraining and development needsConflict resolution	<ul style="list-style-type: none">Overall customer satisfactionUnmet expectationsThe perceived value of elm's services and productsActionable ideas to better support customers' success		<ul style="list-style-type: none">Supplier registration processTendering processNew regulationsContract terms and conditionsInvoicing lifecycle supportOverall relationship with suppliers	<ul style="list-style-type: none">Supporting local communitiesDigital accessibility for community developmentPromoting job creationEconomic empowerment	<ul style="list-style-type: none">Latest announced newselm's strategic outlookOperational overview and performanceFinancial performance and guidanceSustainability initiatives and objectives
Key Actions Taken	<ul style="list-style-type: none">Provide training and development opportunitiesOffer competitive compensation and comprehensive benefitsSupport career growth and advancementCultivate a positive and inclusive work environmentPrioritize employee well-being and mental healthEnsure clear expectations with continuous feedback	<ul style="list-style-type: none">Maintain proactive communication, actively listen to customer feedback, and use their suggestions to drive continuous improvements in the customer experienceImprove customer experience by addressing key pain pointsWork with cross-functional teams to implement solutions that enhance service delivery and overall satisfaction		<ul style="list-style-type: none">Invite new suppliers for upcoming opportunities with elmBuild strong relationships and understand their challengesSupport SMEsMitigate risks, ensure compliance and foster smooth project progression and completion	<ul style="list-style-type: none">Contribute to the community through donations and sponsorshipsInvest in Saudi manpowerProvide services to help charitable organizations achieve their goalsSet a positive example by supporting the community	<ul style="list-style-type: none">Improve transparent communication with investors, analysts and global agencies through regular updates via emails, phone calls and conferencesEnsure a clear understanding of the Company's strategy, operational performance and financial results, which would help investors make informed investment decisionsRevamp the Investor Relations (IR) pages and the IR app with interactive tools and the latest informationLaunch elm's first Sustainability Report, along with its dedicated webpage on elm's website

Shareholders' Information

Listing Date: 16 February 2022, with a share price of ﷲ128

Exchange: The Saudi Stock Exchange (Tadawul)

Sector: Software and Services

Symbol: 7203

ISIN: SA15GG53GHH3

Share Information as of 31 December 2024

Market Cap: ﷲ89.18 billion

Share Price: ﷲ1,115

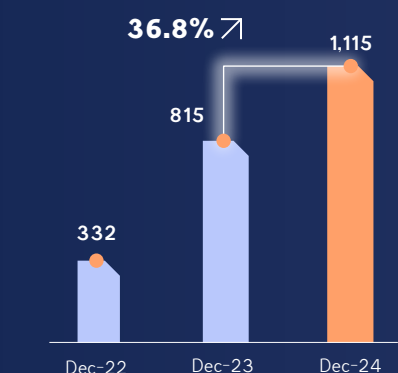
Foreign Ownership: 10.91%

P/E Ratio: 53.86%

elm's Share Price and Foreign Ownership Performance since its Listing

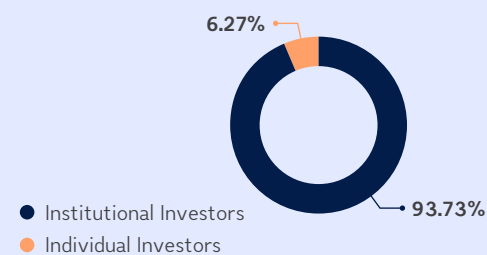


The Closing Share Price Performance at the Year-End (ﷲ)

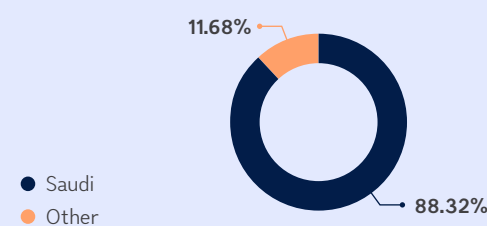


104,000 shareholders as of 31 December 2024

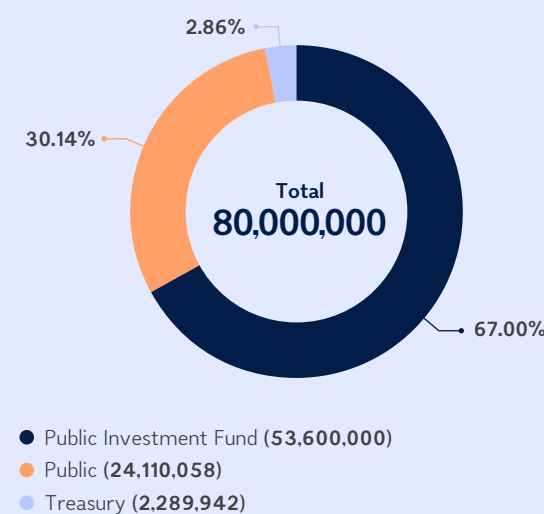
Shareholding by Type



Shareholding by Nationality



Major Shareholdings



elm's Engagement with Investors and Analysts

2 Virtual General Assembly Meetings

2 Earnings calls

9 Global and local sell-side analysts covering elm

Participated in 10 global and local conferences, and held 93 meetings with stakeholders from the investment community

Tadawul Announcements for 2024

26 November 2024: The appointment of Audit Committee members

The appointment of the Chairman, Vice Chairman, the formation of the Board Committees, and the appointment of Company representatives

5 November 2024: The results of the Ordinary General Assembly Meeting (first meeting)

3 November 2024: The Interim Consolidated Financial Results for the period ended 30 September 2024 (nine months)

13 October 2024: elm Company Board invites its shareholders to attend the Ordinary General Assembly Meeting (first meeting)

22 August 2024: The renewal of a Bank Facilities Agreement compliant with Islamic Shari'ah

4 August 2024: The distribution of interim cash dividends to shareholders for the first half of 2024

The Interim Consolidated Financial Results for the period ended 30 June 2024 (six months)

28 July 2024: The opening of the nomination period for the Board of Directors' membership for the next term

10 July 2024: Agreement sign-off with the Ministry of Interior and the Saudi Data & AI Authority (SDAIA)

3 July 2024: The resignation of the CEO and new CEO appointment

27 June 2024: The awarding of a Health Insurance contract, for employees, to the Company for Cooperative Insurance (Tawuniya) (Related Party)

12 May 2024: The Interim Consolidated Financial Results for the period ended 31 March 2024 (three months)

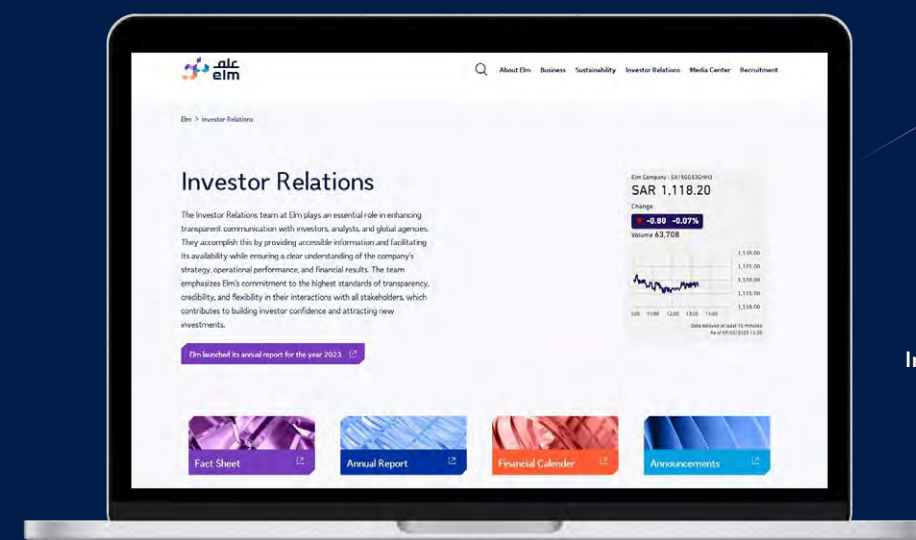
2 May 2024: The results of the Extraordinary General Assembly Meeting (first meeting)

4 April 2024: elm Company Board invites its shareholders to attend the Extraordinary General Assembly Meeting (first meeting)

10 March 2024: The distribution of interim cash dividends to shareholders for the second half of 2023

The Annual Consolidated Financial Results for the year ended 31 December 2023 (12 months)

17 January 2024: Contract sign-off with the Ministry of Human Resource and Social Development



Investor Relations Webpage



Investor Relations Application

Investment Case

elm has built a solid reputation as a trusted partner with an ambitious expansion strategy that aligns with emerging opportunities in both domestic and international markets. Supported by robust financial performance, a commitment to sustainability and a culture of innovation, elm continues to position itself as a high-growth, high-value company that is redefining the future of digital solutions while creating long-term value for its stakeholders.

22%

CAGR growth in revenue to reach

₪ 7.4 billion

in 2024



A key player in the digital transformations

- Providing innovative, value-added solutions across a range of sectors, including Mobility and Vehicles, Health Solutions, Real Estate, Tourism, Utilities and beyond.
- Active participant in national and international digital transformation initiatives.
- Fostering a culture of research and innovation to keep pace with the market, and to innovate products that meet evolving market demands.



Solid reputation and high credibility

- Trusted digital partner for government organizations.
- Strong history of managing major projects across various industries.
- Established, long-term agreements with strategic partners.
- High credibility maintaining transparency and fulfilling its commitments.



Reliable growth and financial performance

- Solid financial position with a wide range of diversified business sectors.
- Remarkable top-line growth over the years, surpassing ₪ 1 billion for the first time in 2014, then growing at a CAGR of 22% to reach ₪ 7.4 billion in 2024.
- Generating value for investors through an attractive dividend payout ratio.
- Strong share price supported by both local and international investors.



Ambitious expansion strategy

- Expanding services to current clients in the government sector and targeting new government sectors.
- Targeting private sectors through organic and inorganic growth.
- Embarked on international expansion by establishing strategic partnerships across both the government and private sectors.
- Expanding into new industries aligned with key trends and opportunities in the coming years, driven by events such as Expo 2030 and 2034 FIFA World Cup.



Advancing sustainability journey

- Reporting on sustainability initiatives, progress and challenges to employees, investors and the public.
- Adopting practices and strategies that minimize negative environmental, social and economic impacts while fostering long-term growth.

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Strategic Review

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Chairman's Statement

Embracing the Future with Passion

elm is more than a company, it is a visionary partner that transforms aspirations into tangible results. Guided by our new brand purpose, "We exist to turn dreams into meaningful growth," we have harnessed the transformative power of innovation and collaboration to deliver impactful solutions that benefit our clients, partners and the Kingdom at large.

Our commitment to this purpose was evident through the launch of the "elm 4.0" strategy, a comprehensive roadmap designed to align our capabilities with emerging market needs. Rooted in our identity as "Humaginators," we merge human creativity and technological ingenuity, shaping a future that translates bold ambitions into sustainable value and shared prosperity.

Strategic Growth and Expansion

This year marked significant progress in elm's journey of expansion and innovation. Through strategic partnerships and agreements, we reinforced our position as a trusted enabler of digital transformation across both public and private sectors. Domestically, we deepened our collaboration with key government entities, harnessing data and technology to create scalable, innovative solutions that address critical challenges.

Internationally, elm achieved a milestone with the completion of our first two consulting projects outside

the Kingdom. These projects, signify elm's growing ability to deliver world-class expertise beyond Saudi Arabia. By targeting strategic markets and fostering impactful partnerships, we are poised to establish elm as a global leader in digital transformation.

Advancing Vision 2030 Objectives

elm's contributions to Saudi Vision 2030 have been significant and multifaceted, underscoring our role as a key enabler of the Kingdom's ambitious goals. Initiatives like the Makkah Road initiative and Nusuk Marhaba have transformed the pilgrim experience by streamlining arrivals, departures and sacred rituals for millions of visitors to the Two Holy Mosques. Through these efforts, we have reinforced Saudi Arabia's position as a global hub for religious tourism, delivering meaningful cultural and economic impact.

Our Libraries Project further highlights our commitment to fostering cultural development and community engagement. By revitalizing public libraries such as King Salman Oasis in Riyadh, we have created resource-rich spaces that promote lifelong learning and preserve Saudi heritage. These achievements exemplify our ability to align technology and innovation with national priorities, delivering solutions that enhance the quality of life for citizens and visitors alike.

Sustainable Growth and Financial Resilience

In an era defined by rapid technological advancement and economic diversification, elm has sustained its position as a market-leader through strong financial performance and strategic foresight. This year, we distributed interim cash dividends totaling ﷲ 7.5 per share in 2024, reflecting our commitment to delivering consistent value to

shareholders. Our ability to achieve steady growth while navigating a complex global technology landscape highlights the strength of our business model and our adaptability to market shifts.

Beyond financial metrics, elm continues to align its growth trajectory with sustainability principles. Our inaugural Sustainability Report highlights achievements across four core pillars: Advancing Environmental Responsibility, Enabling a Digital Culture, Fostering People and Community and Ensuring Effective Governance. By adhering to international ESG standards and supporting Saudi Vision 2030 objectives, we are fostering long-term value creation while championing responsible and ethical practices across all areas of our business.

Innovation as a Driver of Progress

Innovation remains at the core of elm's DNA, as reflected in the development and launch of pioneering platforms and products. Through strategic initiatives such as the vehicle price reference platform and Electronic Vehicle Auction platform, we have addressed critical market needs while setting new benchmarks for quality and functionality. These platforms, developed in collaboration with government and private entities, represent our ability to combine technological expertise with market insights to deliver solutions that create real impact.

Our progress in 2024 has also been defined by advancements in government service platforms like Absher, Fasah and Tamm, which have streamlined access, enhanced user experience and driven efficiencies across vital sectors. With over 28 million beneficiaries served on Absher alone, these initiatives reflect our commitment to transforming public

sector operations and enhancing citizen engagement through innovative, user-centered solutions.

Focused on the Future

As we look ahead to 2025, elm's strategic focus remains on growth, innovation and delivering measurable value to our stakeholders. Our roadmap includes expanding into new government and private sector opportunities while targeting high-growth areas. This dual approach of organic growth through internal development and inorganic growth through strategic partnerships and acquisitions ensures that we remain agile and prepared to meet the evolving needs of the market.

Additionally, we will continue investing in emerging technologies and strengthening our data-driven solutions to drive efficiencies and deliver seamless customer experiences. By advancing initiatives aligned with the Kingdom's economic and social goals, we are poised to further solidify elm's role as a transformative force in digital innovation.

Gratitude and Commitment

On behalf of elm, I express my heartfelt gratitude to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, and His Royal Highness, the Crown Prince and Prime Minister, Mohammed bin Salman bin Abdulaziz Al Saud, for their visionary leadership that inspires our journey.

I extend my deepest thanks to my fellow Board Members for their commitment and guidance, to our executive management for their exceptional dedication to executing our strategy with diligence and focus, and to our partners and shareholders for their continued trust and support. Together, we are well positioned to build on this strong foundation for further growth, success and impact.



Through strategic partnerships and agreements, we reinforced our position as a trusted enabler of digital transformation across both public and private sectors.

Raed Abdullah bin Ahmed
Board of Directors Chairman



Chief Executive Officer's Message

Shaping a Smarter, Connected Kingdom

elm stands at the forefront of digital transformation in Saudi Arabia, combining technological ingenuity with human imagination, dedicated to its vision of advancing and developing the government and business sectors, enhancing user experience and contributing to achieving Saudi Vision 2030.

Executing Strategy elm 4.0: Driving Impact and Growth

"elm 4.0" strategy was the cornerstone of our direction for this year, as it focuses on embedding advanced technologies, scaling our existing platforms and forging deeper partnerships to amplify our impact that aligns with national priorities, like the Social Case Surveying project in its second phase, in collaboration with the Ministry of Human Resources and Social Development.

Key partnerships with the Ministry of Interior and Saudi Data & AI Authority (SDAIA) have been instrumental in ensuring the sustainability of our business and opening new horizons for growth, allowing us to develop scalable, forward-looking solutions that meet the evolving needs of government entities, businesses and the community. This collaborative approach strengthens elm's role as a trusted enabler of national transformation.

Purpose-Driven Performance Across our Business

During 2024, our Digital Business Division has played a pivotal role in expanding elm's reach and capabilities by integrating advanced analytics and user-centric designs into its platforms. These platforms and solutions are critical to supporting and delivering effective digital solutions that are aligned with national priorities.

We successfully secured and launched the execution of the "Digital Stadium" project in partnership with the Ministry of Sports, aiming to elevate the sports experience through advanced digital solutions, and developed platforms with our strategic partners, like the vehicle price reference "Marjea", and the Electronic Vehicle Auction, which depends on AI and data analytics to provide advanced solutions to target markets.

Our Business Process Outsourcing Division continued to deliver excellence by integrating digital innovation into core operations. A highlight of the year was the notable performance of the Social Case Surveying project in its second phase, where our team successfully delivered a transformative project that aligned with national priorities. Additionally, our Digital Archiving Center empowers government entities to transition to secure digital record management by leveraging advanced technologies to digitize millions of records, ensuring data security and privacy.

It was a year of expanding horizons for our Professional Services division, as we signed our first two international consulting projects in Oman and Egypt. By expanding into strategic regional markets, we are

positioning elm as a global leader in digital transformation and unlocking opportunities for growth that extend far beyond our borders.

These accomplishments demonstrate our capacity to address our clients' needs with agility and precision, further solidifying elm's position as a trusted partner for operational excellence.

Innovation as a Key Driver of Growth

Innovation lies at the heart of everything we do, and this year, we continued to develop solutions based on artificial intelligence and advanced technologies. The launch of an advanced AI assistant capable of leveraging generative AI is a testament to our commitment to staying ahead of technological trends as this tool will enhance decision-making and operational efficiency.

We have also developed foundational models and corporate HR-focused solutions that address emerging challenges. These innovations have elevated the value of elm's solutions across the region.

Driving Sustainable Impact

elm's sustainability framework outlines our approach to driving sustainability throughout our operations. It is aligned with our corporate strategy and adheres to leading national and international standards and frameworks, including Saudi Vision 2030 and the UN Sustainable Development Goals (SDGs). Our sustainability framework is structured around four pillars, encompassing 14 topics, enabling us to maximize our impact and achieve our corporate vision.

Innovation lies at the heart of everything we do, and this year, we continued to develop solutions based on artificial intelligence and advanced technologies.

Mohammad Abdulaziz Alomair
Chief Executive Officer



As a company that believes employees are the true capital, elm prioritizes the development of national talent. Through tailored training programs, we are equipping our workforce with the skills and knowledge needed to lead digital transformation. Our focus on fostering a collaborative, inclusive culture ensures that innovation thrives across every level of our organization.

Moreover, our sustainability initiatives continue advancing our environmental responsibility and promoting effective governance. These efforts are integral to ensuring that elm's growth benefits all stakeholders.

elm Grows with "Thiqah"

I'm thrilled to announce a significant milestone in elm's journey, as it was announced on 22 January 2025, that elm signed a share purchase agreement to acquire Thiqah Company from the Public Investment Fund. This acquisition aligns with elm's 4.0 strategy, which focuses on securing impactful deals that will help us grow our market share, enter new markets and reach a larger customer base.

Recognition for our Achievements

elm's achievements this year have been celebrated through numerous

accolades, underscoring our commitment to excellence, innovation and customer-centricity. Our Makkah Route initiative earned a Gold Award, while projects like Nusuk Marhaba, Najiz, Alrawdah Alsharifah, The Culture House and health centers in Alula received Bronze Awards for their transformative impact.

Additionally, elm was also recognized as one of the "Top Consulting Firms in 2024" by Consultancy.org and accredited as a Category (A) inspection body by the Saudi Accreditation Center through the implementation of the ISO/IEC 17020:2012 standard. These honors are a reflection of the dedication of our teams in delivering impactful, cutting-edge solutions.

Looking Ahead

Looking forward, elm is poised to build on the momentum of 2024 with innovative initiatives and solutions, we will continue emerging technologies, particularly artificial intelligence, scale our operations and services, and strengthen strategic partnerships. We will continue to expand our digital solutions in high-growth areas such as mobility and logistics, strengthening partnerships with both government and private entities, enabling us to co-create value and deliver on the Saudi Vision 2030 ambitions.

Acknowledgements

On behalf of elm, I would like to express my sincere appreciation to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, and the Crown Prince, Prime Minister, Prince Mohammed bin Salman bin Abdulaziz Al Saud, for their inspiring vision and continuous support of digital transformation in the Kingdom.

I also extend my gratitude to the Board of Directors for their guidance and support, and to the executive management team and elm's employees for their dedication and hard work in achieving our goals.

Finally, I extend my sincere appreciation to our clients, partners and shareholders for their trust in elm, and we look forward to achieving further successes together.

6
of elm's projects won awards at the Customer Experience Forum

Business Model

By driving strong financial performance and maintaining a consistent track record of success, elm aims to grow shareholder value while upholding a strong reputation, credibility and proven relationships with all stakeholders.

elm's integrated solutions are designed to meet customer needs, improve business operations and enhance efficiency, leveraging cutting-edge technologies to foster innovation and maintain a competitive edge. elm also prioritizes creating an exceptional work environment that nurtures unique talent, ensuring that the Company can continuously deliver valuable services that make people's lives easier.

Inputs

Financial Performance

Maintaining a solid financial track record over the years with a strong share price performance.

Continuous Innovation

Fostering creative thinking and innovative solutions to drive progress and enhance competitive advantage.

Expansion Focus

Focusing on organic growth through internal development and enhanced capabilities, while pursuing inorganic growth via mergers, acquisitions and partnerships.

Customer-Centric Approach

Prioritizing customer needs and satisfaction to foster long-term relationships built on trust and the value provided.

Dynamic Corporate Culture

Creating an exceptional work environment that nurtures the development of unique talent, enhancing employee loyalty and productivity.

Sustainability Commitment

Committing to conducting business responsibly and ethically by adopting ethical business practices, transparency, integrity and aligning with Environmental, Social and Governance (ESG) standards.

How elm Creates Value

Unique Value Propositions

- A deep understanding of customers' needs and local culture.
- A reliable trademark and outstanding capabilities, demonstrated by a strong track record.
- Comprehensive experience in delivering end-to-end integrated and innovative solutions, from in-depth analysis to implementation and operation.
- The ability to engage with numerous government and private entities.

Diversified Offerings

- Digital Business that includes digital products and solutions.
- Business Process Outsourcing.
- Professional Services.

Robust Customer Relationships and Channels

- Fosters strong relationships with its strategic partners and clients by collaborating closely and assigning dedicated teams.
- Allocates specialized teams for product management, services, sales and technical support across digital and physical channels.

Revenue Streams

Customer Type

Digital Business



- B2G
- B2B
- B2C

Business Process Outsourcing



- B2G

Professional Services



- B2G
- B2B

Outputs

Financial Performance

- Revenues increased 25.58% YoY to ₪ 7,407 million.
- Net income increased 34.66% YoY to reach ₪ 1,826 million.
- Share price increase of 36.8% YoY to close at ₪ 1,115 at the end of 2024.

Continuous Innovation

- New advanced AI assistant enables users to interact directly with generative AI
- Creating foundational models as well as specialized corporate HR-focused solutions.

Expansion Focus

- Invested in two companies through venture capital.
- Digital Business Division launched two pioneering platforms with new strategic partners.
- Professional Services Division expanded its presence across five regions in Saudi Arabia and two international countries.
- Business Process Outsourcing Division expanded its presence to seven countries through the Makkah Route Project.

Customer-Centric Approach

- Received five Bronze Awards and one Gold Award at the Saudi Customer Experience Awards 2025, [click here for more information on elm Awards in 2024](#).

Dynamic Corporate Culture

- Holistic approach to Human Capital and managing 2,064 employees.
- Employee Engagement Index score of 78%.
- Average of 63.8 training hours per employee.

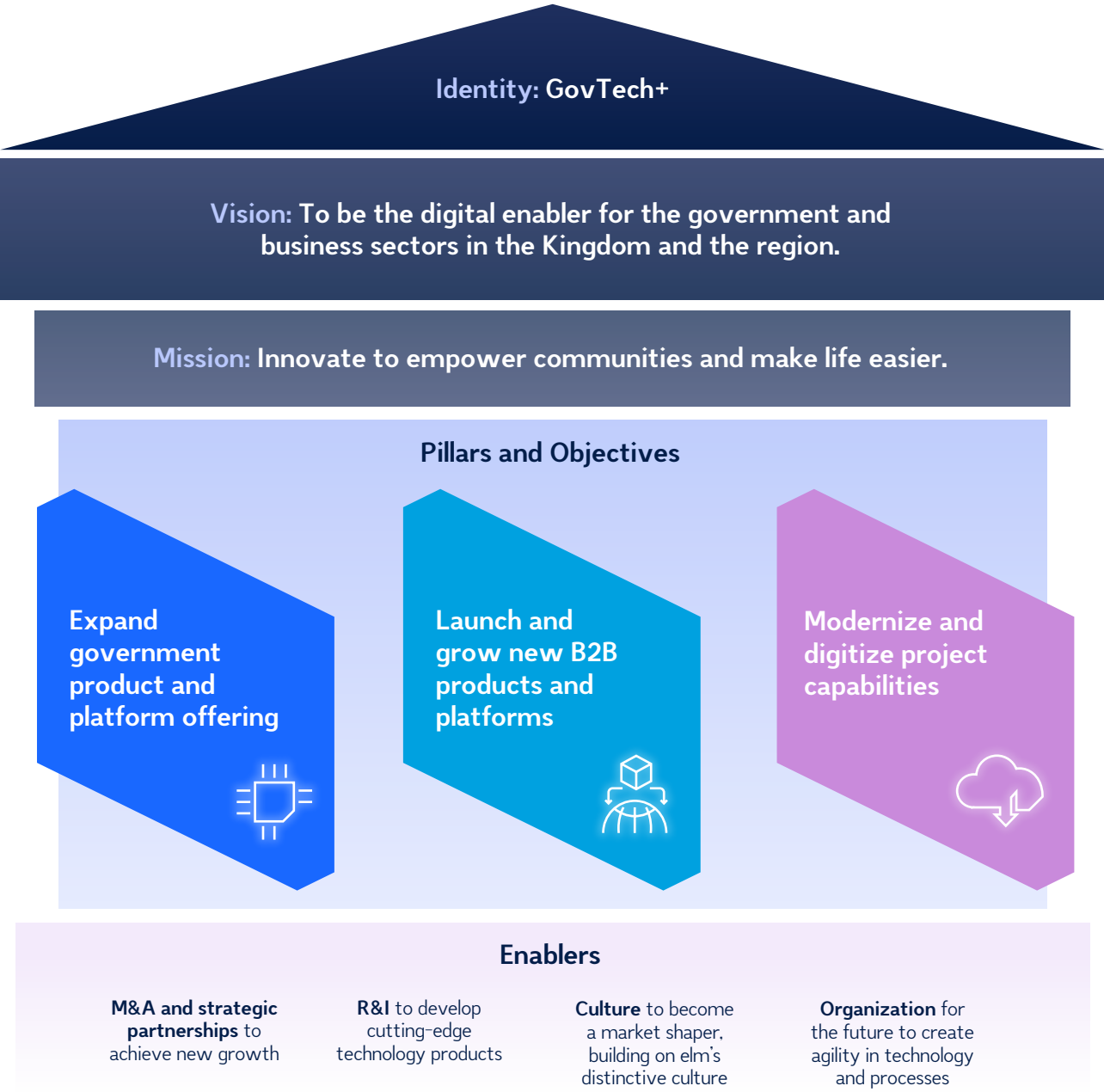
Sustainability Commitment

- Developed sustainability framework.
- Conducted materiality assessment to identify key issues for the Company's stakeholders.
- Published first Sustainability Report.

"elm 4.0" Strategy

The focus of "elm 4.0" strategy is to grow its current businesses and expand it to new horizons, by targeting new government entities, in addition to focusing on adjacent markets in the private sector by launching B2B products in line with the current expertise and capabilities. elm aims to grow organically through internal development and capabilities building, as well as grow inorganically through mergers and acquisitions and partnerships.

"elm 4.0" Strategy: Focused GovTech+



	Expand Government Product and Platform Offering	Launch and Grow New B2B Products and Platforms	Modernize and Digitize Project Capabilities
Description	elm's strategy focuses on maintaining and expanding its existing government portfolio by extending offerings to new government sectors and introducing value-added products and services. This growth is driven by innovative, integrated solutions designed to meet evolving market needs.	elm drives B2B growth by providing innovative products and platforms to private sector verticals closely aligned with its existing markets, leveraging internal development, strategic partnerships, and acquisitions.	elm aims to enhance its capabilities by integrating emerging technologies into its solutions, creating high-value offerings and driving R&D initiatives to develop innovative use cases in partnership with ecosystem players.
Strategic Objectives	<ul style="list-style-type: none">Expand customer baseDiversify revenue streamsEnable integration across governmental productsProvide seamless services and processes for end users (businesses and individuals)	<ul style="list-style-type: none">Expand customer base across private sectorDiversify revenue streamsStrengthen market positioning by leveraging existing expertise and fostering collaborationDevelop channels for international growth	<ul style="list-style-type: none">Boost efficiency by integrating emerging technologies within offeringsDevelop and deliver high-value, technology-driven projects aligned with market and customer needsMonitor and adapt to technological advancements and evolving market trends
2024 Achievements	<ul style="list-style-type: none">Signed a 10-year agreement with Ministry of Interior (MOI) and SDAIA for data resource development, enabling elm to create and deliver a variety of products and servicesLaunched the Ports Community System (PCS), offering 150+ specialized services for the Ports Authority in the logistics sectorSigned an 11-year agreement with the Saudi Authority for Accredited Valuers (Taqeem) to develop and operate the vehicle price reference platformSigned a 10-year partnership agreement with Riyadh Development Company to develop the Electronic Vehicle Auctions platform and enhance its technical solutions	<ul style="list-style-type: none">Introduced 29 new services targeting the private sector within the existing business product portfolioSigned six agreements to drive business growth and strengthen B2B product development internally and through partnershipsInvested in YouVerify and Reachware through venture capital initiatives	<ul style="list-style-type: none">Delivered technology-driven Business Process Outsourcing (BPO) projects, transitioning from traditional BPO to technology-focused solutionsSigned a contract to execute the "Digital Stadium" project with the Ministry of Sports, transforming the sports experience through leveraging cutting-edge digital solutionsDeveloped AI solutions to enhance productivity and internal efficiency e.g. intelligent agent ("Najd"), and develop new use cases for value-added servicesSecured new regional and international projects to expand global presenceSigned 10+ partnership agreements in technology and system integration to embed emerging technologies within elm's offerings
2025 Goals	<ul style="list-style-type: none">Promote customer-centric solutions to improve partners and customer satisfactionMaintain the growth of government products and servicesExplore opportunities by collaborating with new government sectorsContinue introducing and launching additional services and features for existing products	<ul style="list-style-type: none">Initiate new B2B acquisitions and partnershipsMaintain ongoing initiatives to develop B2B products and platforms through partnerships and internal resourcesStrengthen and expand capabilities to drive growth in the private sector market	<ul style="list-style-type: none">Expand existing businesses by acquiring new customers and accountsDevelop capabilities in advanced technologies to unlock potential business opportunitiesExpand Digital Products businesses to deliver high-value solutions
Links to Material Sustainability Topics	<ul style="list-style-type: none">Information security and privacyCorporate governance and ethical practicesShareholder returnDigital transformation and innovationCustomer centricityDigital accessibility for community development	<ul style="list-style-type: none">Information security and privacyCorporate governance and ethical practicesShareholder returnDigital transformation and innovationCustomer centricity	<ul style="list-style-type: none">Information security and privacyCorporate governance and ethical practicesDigital transformation and innovationTalent acquisition and retentionDigital accessibility for community developmentEmissions and energy use

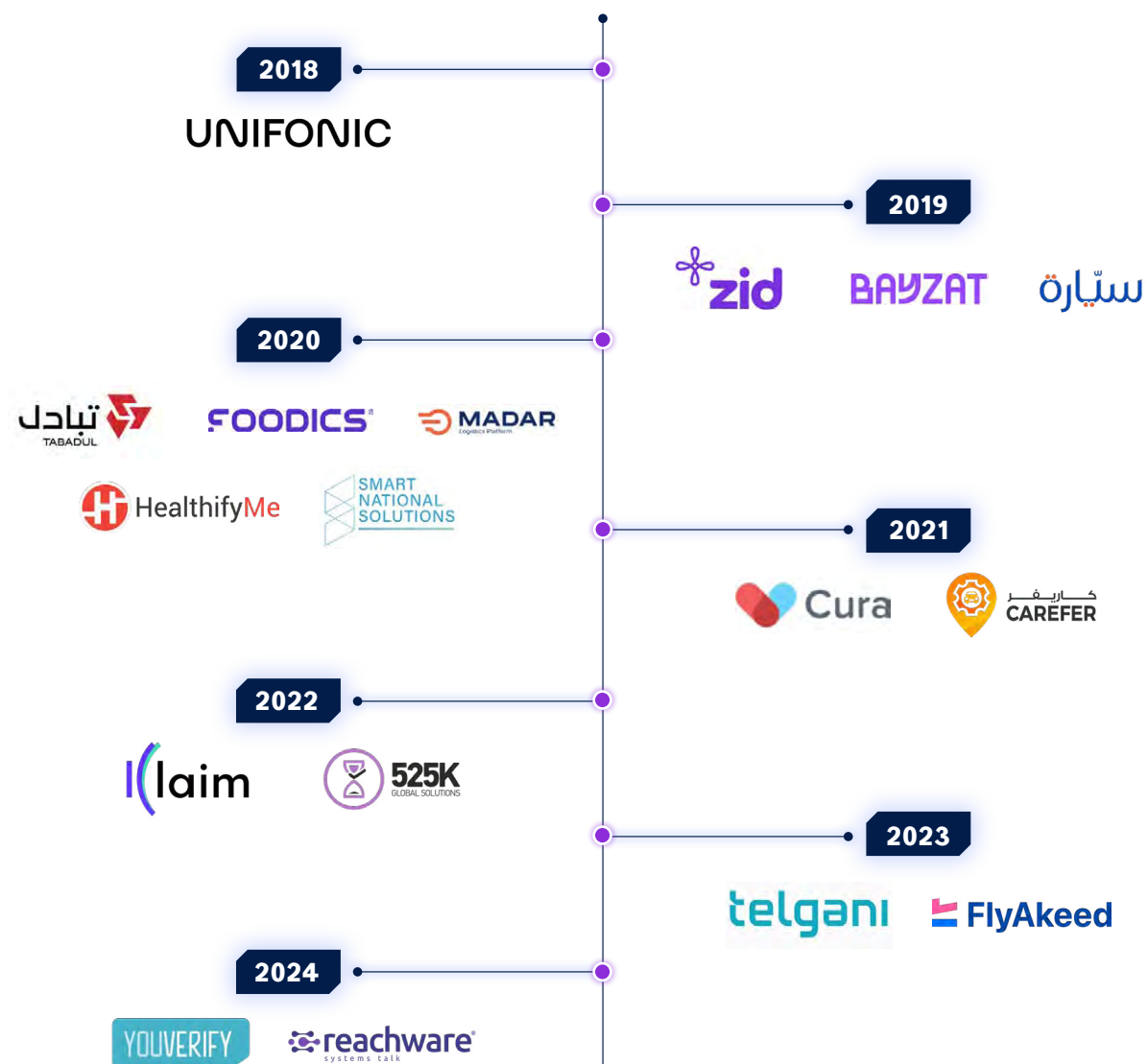
Investments

Creating Value through Strategic Investments

elm is committed to building an integrated investment portfolio that delivers sustainable value while aligning with evolving economic and technological trends. The Company's investment approach identifies high-quality opportunities that support its strategic objectives both domestically and internationally, whether by entering new investments, expanding existing ones or executing strategic exits based on portfolio performance.

Investment Journey

Over the years, elm has built a diverse portfolio of investments in forward-thinking companies across various sectors. This journey reflects the Company's proactive approach to identifying and nurturing ventures that align with its strategic vision:



Strategic Investments

elm's strategic investment initiatives are deeply aligned with the Company's long-term vision, aiming to identify and capitalize on opportunities that foster sustainable growth. Through extensive research, in-depth evaluations and comprehensive due diligence, elm ensures that each target company aligns seamlessly with its strategic priorities. By pursuing well-structured acquisitions and mergers, elm aims to reinforce its growth trajectory and amplify its capacity to deliver value and drive impactful outcomes across its business ecosystem.

Venture Capital Investments

The venture capital arm of the Company is dedicated to fostering startups and exploring innovative trends that complement elm's operations. With a robust venture capital portfolio of 14 companies, elm's focus is on building strategic relationships and supporting emerging technologies.

In 2024, elm invested in:

- YouVerify:** A Nigerian-based digital identity verification company expanding across Africa to enhance Know Your Customer (KYC) processes and streamline business and customer onboarding.
- Reachware:** An integration platform enabling seamless system and data connections, empowering businesses to create efficient, automated ecosystems.

These investments reflect elm's commitment to staying at the forefront of innovation, fostering growth and driving long-term value creation through strategic and venture capital initiatives.



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Companies within elm's venture capital portfolio

Research and AI

Advancing Research and AI

elm is aligning cutting-edge advancements with its strategic objectives to foster growth and deliver exceptional value to customers. Research leads the way by identifying transformative trends, evaluating their business impact and integrating them into elm's operations to drive customer success and market differentiation. Data Analytics and AI transform insights into actionable solutions by productizing industry-focused tools and use cases, ensuring scalability and market relevance.

In the past year, elm successfully developed new AI solutions and products, embedding data analytics and AI solutions into its existing products. These efforts enabled it to penetrate the market with data-driven and AI-powered offerings, showcasing the breadth and depth of its capabilities in leveraging AI to enhance customer outcomes.

elm's innovation agenda was further highlighted by the launch of several groundbreaking solutions. During the year, the Company introduced an advanced AI assistant that enables users to interact directly with generative AI to ask specific questions and receive precise, context-aware responses based on available data. By providing deeper insights and improving content comprehension, the AI assistant enhances decision-making and user engagement.

elm also developed new AI Smart Segmentation; a dynamic solution designed to address a wide range of use cases with minimal customization. This new solution leverages statistical, machine learning and analytics models to analyze patterns of beneficiaries and services. In addition, it delivers intelligent segmentation, enabling organizations to optimize service delivery and target specific audience needs effectively.

The Company's achievements this year also extended to creating a 3D digital city map located in Riyadh and demonstrating autonomous vehicle capabilities. Furthermore, it made significant strides in large language model development, creating foundational models as well as specialized corporate HR-focused solutions. These advances underscore its commitment to shaping future urban and enterprise solutions.

To solidify its leadership, elm filed five patents with the United States Patent and Trademark Office, further reinforcing its position at the forefront of research, innovation and AI excellence.

elm's new advanced AI assistant enables users to interact directly with generative AI,

creating foundational large language models as well as specialized corporate HR-focused solutions.



Economic Outlook

Saudi Arabia is driving economic growth, investment and digital transformation, strengthening its global leadership across key sectors. With a solid fiscal foundation, rising foreign investment and bold advances in AI and digital services, the Kingdom is accelerating innovation and private-sector expansion. Vision 2030 continues to fuel economic diversification, positioning Saudi Arabia as a powerhouse of opportunity and progress.

Strengthening Saudi Arabia's Economic Growth and Market Stability¹

Saudi Arabia's economic outlook remains strong, supported by rising revenues, strategic fiscal policies, and ongoing diversification efforts. The Ministry of Finance projects total revenues to reach ₪ 1,230 billion for fiscal year 2025, reflecting a 4.9% increase over the approved budget estimate. This growth is driven by higher oil and non-oil revenues, fueled by expanding non-oil activities and the Kingdom's proactive role in stabilizing global oil markets through the OPEC+ agreement. Revenue forecasts remain robust, with expectations of ₪ 1,184 billion in 2025 and ₪ 1,289 billion in 2027. These projections reflect the government's conservative fiscal approach, ensuring resilience against potential domestic and global economic shifts.

The government continues to direct spending toward transformative projects that accelerate economic diversification while maintaining fiscal discipline. Total expenditures for 2024 are set to reach ₪ 1,345 billion, marking a 7.5% increase over the approved budget. This rise reflects investments in large-scale development initiatives across multiple sectors, structural reforms and enhanced infrastructure, all aimed at strengthening Saudi Arabia's economic foundation. Spending is also being allocated toward improving public services, enhancing social support systems and stimulating private-sector investment. Expenditures are expected to reach ₪ 1,285 billion in 2025 and ₪ 1,429 billion in 2027, reinforcing long-term economic expansion and stability.

Saudi Arabia's commitment to economic transformation continues to yield positive results. The focus on non-oil sector growth has strengthened the labor market, driving unemployment rates to historic lows while increasing household income and boosting private consumption. These structural shifts have not only expanded investment opportunities but also solidified the private sector's role as a key driver of economic growth. The government's expansionary spending strategy is expected to result in a budget deficit of ₪ 115 billion (2.8% of GDP) in 2024, with similar levels projected over the medium-term as strategic investments accelerate national development.

As Saudi Arabia prepares to host the FIFA World Cup 2034™, the Kingdom is set to capitalize on this historic opportunity to generate significant economic benefits. This global event will further stimulate infrastructure development, tourism and investment, aligning with the nation's broader economic vision. With a clear roadmap for growth and financial sustainability, Saudi Arabia continues to position itself as a leading economic powerhouse in the region.

Strengthening Saudi Arabia's Investment Landscape¹

Saudi Arabia continues to enhance its position as a leading global investment destination, with foreign direct investment (FDI) inflows reaching ₪ 21.2 billion in the first half of 2024. Investor confidence in the Kingdom remains strong, driven by a rapidly evolving business environment and a strategic focus on economic diversification. The number of investment licenses issued by the Ministry of Investment surged by 71.5% compared to the same period last year, reaching 9,695 by the third quarter of 2024, reflecting growing international interest in the Saudi market.

The National Investment Strategy (NIS) plays a pivotal role in advancing Vision 2030 by fostering a dynamic and diversified investment ecosystem. By improving market accessibility, streamlining regulatory frameworks and addressing investor challenges, the NIS is accelerating the Kingdom's transformation into a global investment hub. The strategy aims to increase total investment contribution to GDP from 22% in 2019 to 30% by 2030, reinforcing Saudi Arabia's commitment to sustainable economic growth and long-term financial stability.

Advancing Data, AI and Innovation¹

Saudi Arabia continues to solidify its position as a global leader in data, artificial intelligence (AI), and technological innovation, attracting over ₪ 41 billion in foreign and domestic investments in technology and data centers. These investments reflect the Kingdom's commitment to building a robust digital economy and fostering an environment that encourages cutting-edge advancements.

A major step forward in data infrastructure involved the integration of 27 large government systems into a centralized data lake, contributing to a growing national data bank that now includes over 322 systems. This initiative has led to significant cost savings, improved national data quality and automated data-sharing processes between agencies. By enabling organizations to analyze vast datasets using advanced AI-powered tools, the Kingdom has enhanced decision-making capabilities across multiple sectors.

Generative AI also made significant strides with the launch of the ALLaM model, an advanced Arabic-language AI integrated into IBM's Watsonx platform. Recognized as the top generative Arabic language model globally by the Arabic Massive Multitask Language Understanding (Arabic MMLU) standard, ALLaM is setting new benchmarks for Arabic AI applications and reinforcing Saudi Arabia's leadership in AI.

AI-driven solutions have played a crucial role in improving the Hajj experience, with smart platforms such as Basier and Sawaher deployed for real-time crowd monitoring and security analysis. More than 400 smart analysis cameras, including 300 at the Jamarat facility alone, were directly linked to AI algorithms that track pedestrian movement, classify crowd density and detect potential congestion, ensuring swift response to emergencies.

The Kingdom further strengthened its position as a global AI hub by organizing the third Global AI Summit, bringing together international leaders to drive discussions on the future of AI. Additionally, the launch of the Open Access National Gateway provided researchers and scientists with access to over 1,000 laboratories across 30 institutions, reinforcing Saudi Arabia's commitment to fostering innovation and scientific collaboration.

Saudi Arabia's Digital Services Leadership²

Saudi Arabia has emerged as a global leader in digital services, climbing 25 places in the UN E-Government Development Index (EGDI) 2024 to rank fourth worldwide, first regionally, and second among G20 nations. The Kingdom also secured seventh place in the E-Participation Index, while Riyadh ranked third among 193 cities globally, further reinforcing its position as a leader in digital transformation.

The UN report recognized Saudi Arabia's rapid progress in digital government, ranking the Kingdom sixth globally and highlighting the impact of sustained investments under Saudi Vision 2030. Since its launch, Saudi Arabia has made significant advances in key global indices, jumping 53 places in the Telecommunications Infrastructure Index (TII) and 31 places in the Human Capital Index (HCI). The Online Service Index (OSI) recorded a remarkable improvement of 67 places, placing the Kingdom fourth globally in 2024, while digital government regulations and open data accessibility reached full maturity at 100%, ensuring seamless information sharing between citizens, businesses and government entities.

Saudi Arabia's e-participation and public consultation rankings also improved significantly, rising 60 places as the Kingdom enhances citizen engagement in decision-making. The EGDI, published biennially for over two decades, is a key global benchmark for measuring government efficiency, digital maturity and public sector innovation. Saudi Arabia's exceptional progress underscores its commitment to building a world-class digital government, strengthening economic productivity and enhancing the citizen experience through cutting-edge digital solutions.

References

1. The budget statement for the fiscal year 2025
2. The Ministry of Communications and Information Technology

**1st regionally
in Digital Services Index**

**Saudi Arabia jumps 25 places
to 4th position globally**

VP of Finance Statement

An Overview

elm achieved remarkable growth across major key financial metrics, with revenue surging 25.6% to ₪ 7,407 million, fueled by the continued expansion of the digital business, which now contributes 73.8% to the total revenue. A 29.8% rise in gross profit, underscores the Company's ability to drive operational excellence and margin expansion. With EBIT maintaining a robust 23.0% margin despite higher operating expenses, elm demonstrated its ability to scale efficiently while capitalizing on new opportunities. This year's performance affirms elm's commitment to embracing the future with passion, leveraging innovation and strategic investments to solidify its leadership position.

Net profit surged 34.7% to ₪ 1,826 million, driven by higher EBIT and ₪ 63 million in gains from asset disposals. The Company's cash flow generation reinforced its balance sheet, with cash and short-term investments rising 20.2% to ₪ 4.2 billion. Cash flow from operating activities remained robust, representing 90.8% of net profit, reflecting the efficiency of elm's financial operations and strategic settlements.

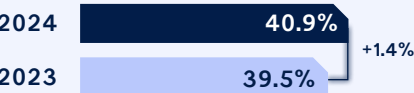
Overall, elm's 2024 financial performance reflects a business that is scaling with agility, expanding its digital capabilities, and positioning the Company for sustained long-term growth.

elm delivered a year of exceptional performance in 2024, marked by strong revenue growth, margin expansion and increased profitability. The Company's ability to scale its digital business, optimize operations and drive strategic initiatives reinforced its position as a market leader, setting the stage for continued success.

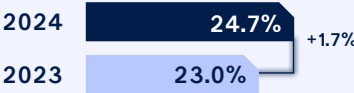
Othman Mohammed Altwaijri
Vice President of Finance Division



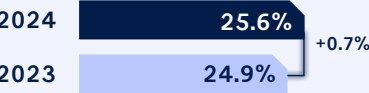
Gross profit margin



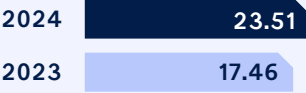
Net profit margin



EBITDA margin



Earnings per share



Five-year Summary of Income Statements

₪ million	2024	2023	Change%	2022	2021	2020
Revenue	7,407	5,898	25.6%	4,606	3,828	2,466
Cost of revenue	(4,381)	(3,567)	22.8%	(2,720)	(2,505)	(1,629)
Gross profit	3,026	2,332	29.8%	1,886	1,323	837
Total operating expenses	(1,326)	(981)	35.2%	(913)	(708)	(481)
Operating profit (EBIT)	1,700	1,351	25.8%	972	615	356
Other income/expenses, net	253	122	107.4%	51	34	17
Earnings before interest, taxes, depreciation and amortization (EBITDA)	1,899	1,471	29.1%	1,092	731	468
Net profit before zakat	1,953	1,473	32.6%	1,023	649	373
Zakat	(127)	(117)	8.5%	(93)	(82)	(66)
Net profit	1,826	1,356	34.7%	930	567	307
Basic earnings per share	23.51	17.46	34.7%	11.94	7.09	3.83
Gross profit margin	41%	40%	1%	41%	35%	34%
Operating profit margin	23%	23%	-	21%	16%	14%
Net profit margin	25%	23%	2%	20%	15%	12%

Revenue and Gross Profit

The revenue increased by 25.6%, reaching ₪ 7,407 million for the year ended 31 December 2024. the gross profit margin rose by 1.31 percentage points to 40.9%

elm's revenue growth was primarily driven by its Digital Business, which saw a 28.5% increase, reaching ₪ 5,469 million. Strong performance across its product portfolio, including the successful launch of new offerings and expansion of its customer base, led to a 33.6% rise in gross profit for the segment.

Business Process Outsourcing (BPO) also delivered solid growth, with revenue increasing 20.7% to ₪ 1,784 million, supported by new project wins and expanded deliverables. However, margin contraction in BPO tempered gross profit growth at 12.6%, reflecting the completion of higher-margin projects.

While Professional Services experienced a 6.7% revenue decline due to the completion of large projects, profitability remained stable, showcasing disciplined execution.

Revenue by Segment and Geography

₪ million	2024	2023	Change%	2022	2021	2020
Digital Business	5,469	4,255	28.5%	3,152	2,102	1,727
Business Process Outsourcing	1,785	1,479	20.7%	1,301	1,635	652
Professional Services	153	164	(6.7%)	153	90	86
Total*	7,407	5,898	25.6%	4,606	3,828	2,466

* All revenues generated inside the Kingdom of Saudi Arabia except ₪ 1 million that was generated from the United Arab Emirates.

Operating Expenses

Operating expenses increased by 35.2%, reaching ₪ 1,326 million for the year ended 31 December 2024, due to a 65.8% rise in depreciation and amortization expenses resulting from additions to leased buildings, in addition to a 55.4% increase in expected credit loss expenses. General and administrative expenses rose by 27.3% due to higher employee costs and consultancy activities, while sales and marketing expenses increased by 20.9% due to higher employee expenses and advertising and exhibition costs. Research and development expenses also rose by 46.2%. Moreover, the impairment of non-current assets increased by 250.0%. The Company achieved an operating income margin of 23.0%, up by 0.05 percentage points.

Other Income and Earnings Per Share

The Company recorded other income of ₪ 63 million related to asset disposals, which contributed to a 1.7 percentage point increase in the net income margin compared to the previous year, reaching 24.7%. Earnings per share increased to ₪ 23.51 per share.

Earnings per share increased to

₪ 23.51
per share

Five-year Statement of Financial Position

ﷲ million	2024	2023	Change%	2022	2021	2020
Total non-current assets	1,528	1,095	39.5%	871	802	742
Total current assets	8,026	7,002	14.6%	5,155	4,392	3,282
Total assets	9,554	8,097	18.0%	6,026	5,194	4,025
Total non-current liabilities	868	573	51.5%	404	401	404
Total current liabilities	3,393	3,529	(3.9%)	2,575	1,984	1,387
Total liabilities	4,261	4,102	3.9%	2,979	2,385	1,791
Equity attributable to equity holders of the parent Company	5,293	3,995	32.5%	3,047	2,810	2,234
Non-controlling interest	0.14	0.16	(12.5%)	-	-	-
Total equity	5,293	3,995	32.5%	3,047	2,810	2,234
Total liabilities and equity	9,554	8,097	18.0%	6,026	5,194	4,025

Assets

As of 31 December 2024, the total assets increased by 18.0%, reaching ﷲ 9,554 million, compared to ﷲ 8,097 million at the end of 2023. This was primarily due to a 39.5% increase in non-current assets, driven by additions to leased buildings. Current assets also increased by 14.6%, mainly due to a rise in receivables by ﷲ 573 million.

Liabilities

The total liabilities increased by 3.9%, reaching ﷲ 4,261 million as of 31 December 2024, compared to ﷲ 4,102 million at the end of 2023. This increase was mainly attributed to a 51.5% rise in non-current liabilities, influenced by additional building leases during the year. However, current liabilities decreased by 3.9%, due to a reduction in payables and other current liabilities, impacted by the settlement of a portion of income-sharing receivables and partner obligations.

Five-year Cash Flow Statement

ﷲ million	2024	2023	Change%	2022	2021	2020
Net cash generated from operating activities	1,659	1,559	6.4%	1,706	598	724
Net cash used in investing activities	904	(1,231)	(173.4%)	(1,731)	(175)	283
Net cash used in financing activities	(697)	(532)	31.0%	(748)	(75)	(98)
Cash and cash equivalents	2,251	384	486.2%	589	1,362	1,013

Cash Flows from Operating Activities

The cash generated from operating activities is primarily attributed to achieving a net profit before Zakat amounting to ﷲ 1,954 million. On the other hand, there was a negative cash flow related to the net movement in working capital amounting to ﷲ 609 million, mainly due to the settlement of income-sharing obligations.

Cash Flows from Investing Activities

The cash generated from investing activities is mainly due to an increase in Murabaha deposit balances during the period, resulting in a positive cash flow of ﷲ 1,608 million. However, there were investments in financial assets amounting to ﷲ 752 million.

Cash Flows Used in Financing Activities

The cash used in financing activities is primarily due to dividend payments amounting to ﷲ 583 million. As a result, the cash and cash equivalents balance amounted to ﷲ 2,251 million for the year ended 31 December 2024.

Acknowledgements

As we move forward into 2025, we remain committed to strengthening elm's position in alignment with the ambitious goals of Saudi Vision 2030. I would like to extend my sincere gratitude to the executive management and our strategic partners for their unwavering support and trust in elm. We reaffirm our dedication to sustaining financial stability and enhancing performance to meet our future aspirations.

Net profit surged

34.7%,
reaching to
ﷲ 1,826
million

Risk Management

elm places risk management at the heart of its operations, recognizing it as a critical enabler of its ability to reliably meet strategic objectives and deliver value to stakeholders. With digital markets in Saudi Arabia becoming increasingly competitive and the global IT landscape undergoing rapid innovation, elm is steadfast in its commitment to safeguarding its assets, protecting its stakeholders' interests and ensuring long-term business sustainability and growth. By integrating proactive risk management practices into every facet of its operations, elm ensures it can capitalize opportunities and navigate challenges while maintaining its position as a leader in digital transformation.

The rapidly evolving digital ecosystem, characterized by advanced technologies and innovative services, demands agility, innovation and service excellence. For elm, managing these risks goes beyond safeguarding stable revenue streams – it is about ensuring the resilience and adaptability required to deliver cutting-edge solutions that meet the needs of its customers, shareholders and the communities it serves.

elm's approach to risk management is rooted in a forward-thinking strategy that anticipates potential disruptions and mitigates their impact before they materialize. By leveraging data-driven insights, advanced technologies and industry best practices, elm strengthens its capacity to respond effectively to emerging risks, ensuring that it remains well-positioned to capitalize on opportunities in a competitive and dynamic marketplace.

Through its unwavering focus on robust risk management, elm protects its ability to execute its strategy while also reinforcing its commitment to sustainable growth, operational excellence and the trust of its stakeholders. This commitment underscores elm's role as a trusted partner in driving Saudi Arabia's digital transformation and its ability to thrive in an ever-changing global IT environment.

elm's approach to risk governance is rooted in its commitment to maintaining the highest standards of corporate governance.

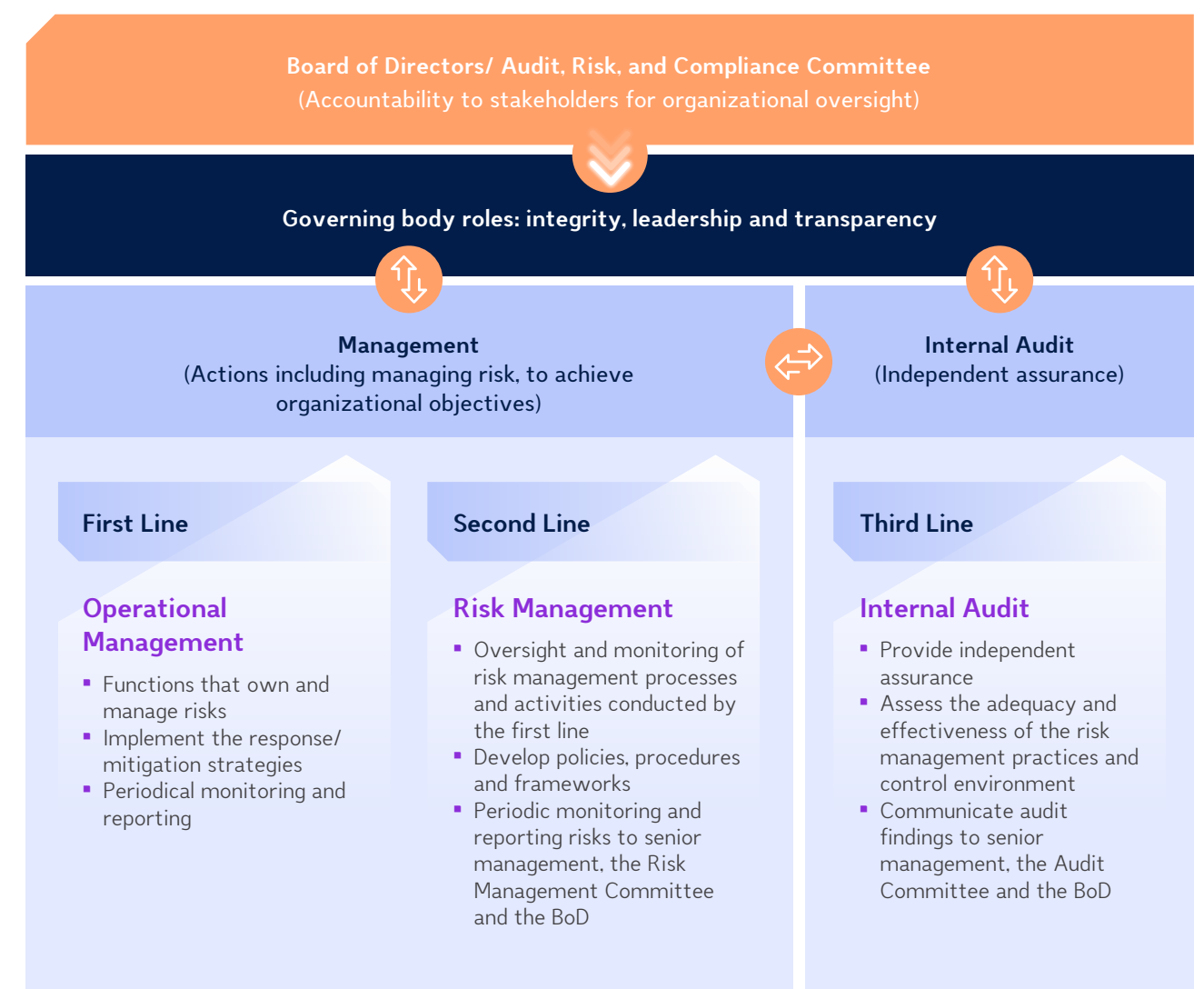
Risk Governance

elm's approach to risk governance is rooted in its commitment to maintaining the highest standards of corporate governance. The Board of Directors ensures robust oversight by regularly reviewing and adopting governance best practices tailored to elm's strategic objectives. At the core of elm's risk governance framework is the Board Risk Committee, which oversees the approval and implementation of risk management policies, the risk strategy and the enterprise risk profile, to ensure alignment with organizational goals.

The Risk Committee plays a pivotal role in monitoring elm's risk management system, ensuring it is effectively implemented and adheres to best practices. This includes a periodic review of enterprise risks and the approved organizational risk appetite, guided by comprehensive

assessments conducted by elm's independent risk management function. Through these activities, the Committee ensures that elm remains proactive in identifying, evaluating and mitigating risks to safeguard its stakeholders and assets.

elm's risk management practices align with the globally recognized Three Lines Model of the Internal Auditors Association. Operating as a second-line control function, the risk management function is independent of elm's business units and sectors, ensuring objectivity in its oversight and assessment processes. By conducting a thorough, cyclical risk assessment in line with the risk policy approved by the Board, the function supports the continuous improvement of risk management practices across the organization.



Risk Management Framework

elm's risk management framework has achieved an advanced level of maturity, continually evolving to align with the Company's growth and expansion. Designed to foster a strong risk-aware culture, the framework emphasizes continuous monitoring, raising awareness of potential risks and encouraging informed decision-making at both the operational and strategic levels. This approach ensures that elm effectively manages risks while supporting its innovative and ambitious objectives.

The framework provides a standardized methodology for risk management, adhering to globally recognized principles such as ISO 31000:2018 and aligning with the Ministry of Communications and Information Technology's (MCIT) Risk Management standards. It offers a coherent lifecycle approach to risk management, encompassing

the identification, assessment, management, control, accountability and reporting of risks across all activities. Regular assessments ensure that the framework remains dynamic, adaptive and responsive to changing risk environments, driving continuous improvement in elm's risk management practices.

Comprehensive in scope, the framework offers guidance for managing risks in day-to-day activities while addressing all relevant risk categories. These include strategic and operational risks, governance and compliance challenges, financial exposures, information systems vulnerabilities, technological advancements and people-related risks. By providing this holistic approach, the framework ensures that risk management is seamlessly integrated into elm's operations, reinforcing its resilience and commitment to excellence in achieving its strategic goals.



elm's risk management framework has achieved an advanced level of maturity, continually evolving to align with the Company's growth and expansion.

Maintaining a Culture of Shared Risk and Responsibility

elm prioritizes fostering a robust risk culture that permeates every level of the organization, shaping risk-awareness, informed decision-making and proactive management behaviors. At elm, risk management is a shared responsibility, with all employees contributing to its implementation while senior management and the Board maintain ultimate accountability. This collaborative approach ensures that risk is effectively identified, managed and mitigated across all functions.

A positive risk culture at elm is supported by open communication between business units and monitoring functions, coupled with strong internal controls. These elements are integral to elm's risk governance framework, enabling the organization to adapt and respond effectively to an evolving risk landscape. Continuous improvement is ensured through a performance management system that integrates risk governance metrics and the oversight of relevant committees.

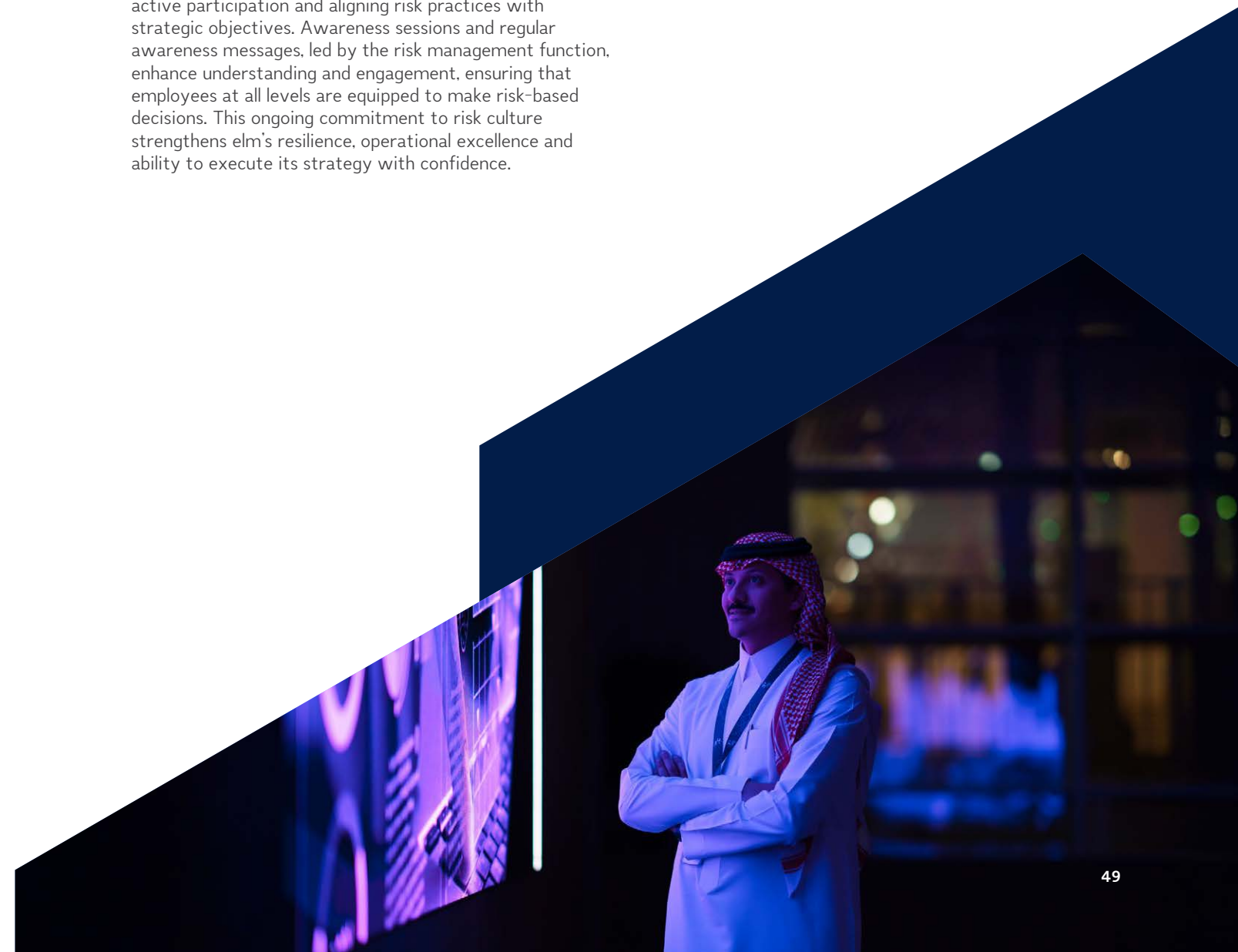
To embed this culture further, elm conducts regular risk assessment workshops across departments, encouraging active participation and aligning risk practices with strategic objectives. Awareness sessions and regular awareness messages, led by the risk management function, enhance understanding and engagement, ensuring that employees at all levels are equipped to make risk-based decisions. This ongoing commitment to risk culture strengthens elm's resilience, operational excellence and ability to execute its strategy with confidence.

Risk Appetite and Profile

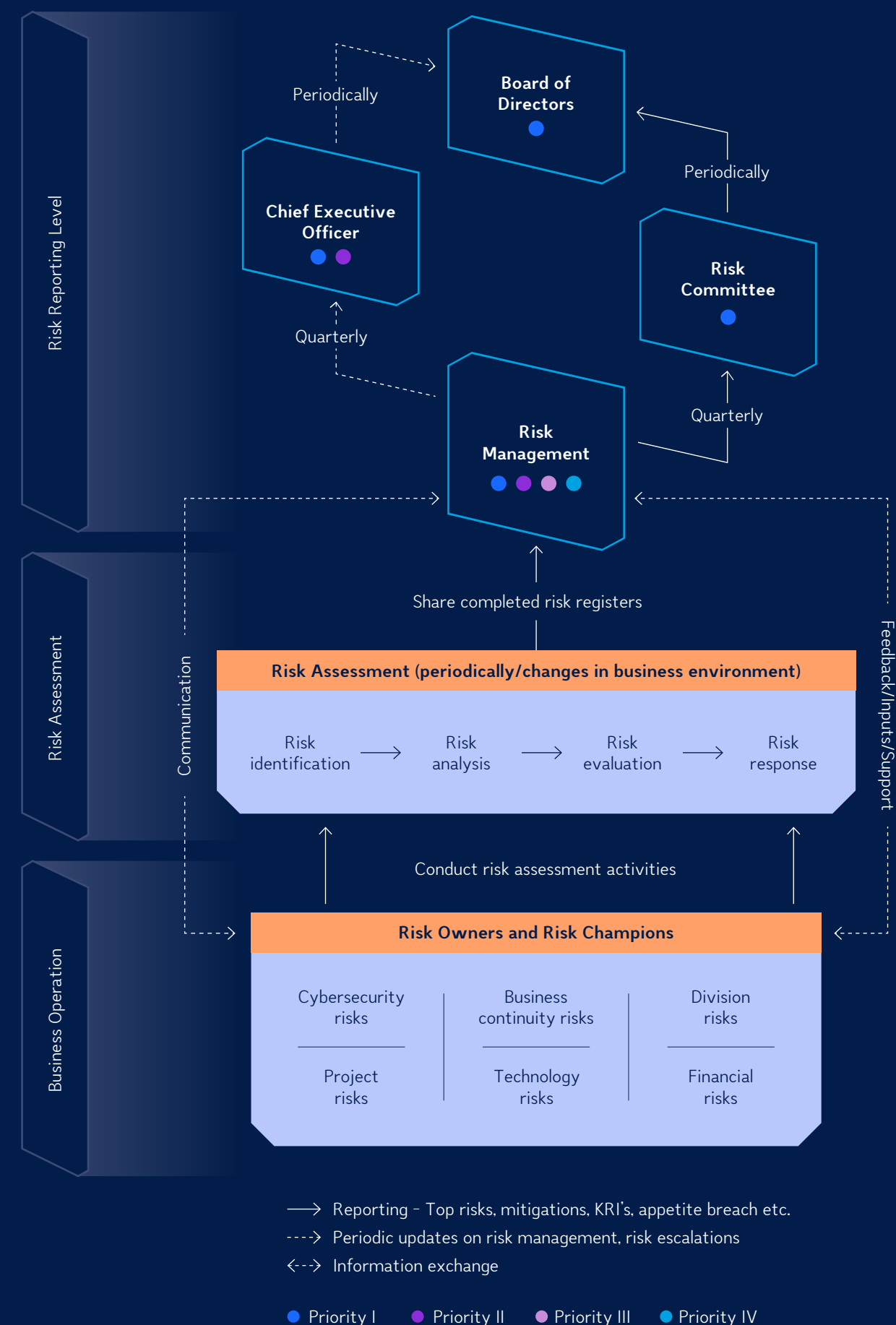
elm's risk management strategy is designed to enable informed decision-making by aligning risk-taking activities with the risk appetite statement approved by the Board of Directors. This approach ensures that potential risks are not only monitored and mitigated but also leveraged as opportunities, where appropriate. By applying well-defined risk response strategies, elm identifies risks that can drive growth and innovation while maintaining a vigilant approach to those requiring strict oversight and control.

Regular monitoring of required limits and internal controls ensures that risks and exposures remain within the boundaries of the approved risk appetite statement. This proactive approach provides the foundation for maintaining operational resilience, safeguarding assets and achieving strategic objectives.

elm's comprehensive risk profile addresses the diverse challenges it faces in pursuing its goals and conducting its operations. The organization's robust risk response strategies ensure that risks are managed effectively while supporting elm's continued growth and success in an increasingly dynamic and competitive environment.



Risk Area	Risk Description	Risk Response Strategy
Strategy	Working in a competitive and dynamic environment requires elm to create a flexible development strategy and robust implementation of commercial plans to meet market requirements and achieve sustainable growth.	Development of dynamic commercial plans and a flexible strategy secures market share and achieves sustainable business growth and revenue. elm's strategy is reviewed annually to keep pace with variables through the Strategy and Planning Office. The strategy considers competitive growth objectives, goals, competition and market trends. It includes initiatives to ensure the expansion of elm's customer base and revenue sources, as well as initiatives to ensure growth through strategic partnerships with the public and private sectors and building digital platforms. The strategy also includes the need for inorganic growth through M&A and venture capital investments.
Financial	Financial risks are one of the risk areas faced by companies of all types, including credit risk, market risk, liquidity risk, capital management risk and investment risk. These risks may affect the Company's financial position and its ability to grow and achieve strategic and financial objectives.	The Company follows approved financial policies and procedures that enable elm to grow in line with its strategy, while considering the interests of shareholders and stakeholders. It also ensures that potential risks faced by the Company are kept within an acceptable level. Financial risks are continuously reviewed, analyzed, assessed and monitored by the Risk Management Department, Finance Division and Executive Management at elm. In addition, the Risk Committee and the Board of Directors maintains the regular oversight ensuring the application of controls and procedures to guarantee the Company's ability to meet its financial obligations. Additionally, risks associated with mergers, acquisitions and venture capital investments are also considered. Moreover, the financial decisions within the Company are made in accordance to the Delegation of Authority (DoA) matrix, approved by the Board of Directors to ensure effective governance.
Competition	Increased competition and rapid market change with key players and the entry of new competitors and innovative startups creates competitive risks within the industry.	elm is a leading Company in the field of modern technology that fosters a culture of inspiring innovation. Through leveraging talent in local and global markets and collaborating with key entities, elm continuously improves its R&D capabilities internally and invests in developing collaborations with startups. elm is an enabler for the growth and enablement of startups through its application interface integration ecosystem, which aims to increase the value for shareholders.
Technology	The rapidly evolving technology landscape and pace of innovation presents risks for IT infrastructure, which could challenge elm's ability to deliver reliable systems essential for maintaining service quality, customer satisfaction and achieving growth aspirations in a competitive market.	elm pays particular attention to technology modernization and development by conducting regular assessments of all technology systems. Technology initiatives are an integral part of the updated elm strategy which aims to deliver services and meet complex business requirements. elm has a proactive approach to keeping systems and infrastructure updated, and adopts appropriate strategies to ensure highly available, resilient systems deliver uninterrupted service to the end users.
Cybersecurity	The growing number of advanced threats requires stronger cybersecurity defenses and better protection measures. One key risk area in particular is third-party integrations, where weaknesses in vendor and supplier systems could be used to harm the organization and its customers.	elm is committed to strengthening cybersecurity and protecting internal systems by developing and maintaining robust policies, procedures and daily operations, including fostering a culture of awareness. These efforts are conducted in compliance with National Cybersecurity Authority (NCA) regulations, implementing best practices, and regularly testing the effectiveness of information security controls. elm has established strong measures to ensure the security, protection, integrity and availability of its assets. Core cybersecurity activities include security monitoring, threat management, penetration testing and ongoing vulnerability management.
Privacy and Data Management	A major challenge for organizations is managing data privacy amid the rapid growth in data volume and the increasing use of AI and generative AI tools. It is essential to address data privacy risks comprehensively, with particular focus on risks involving external entities.	elm acknowledges the privacy risks associated with the rapid adoption of AI and generative AI tools and is committed to upholding ethical AI practices. To address these challenges, elm has established a robust privacy framework aligned with government data management regulations and privacy risk mitigation strategies. This framework includes comprehensive policies and procedures for safeguarding personal information, classifying data, managing records and ensuring proper data retention or destruction.
Talent and Workforce	Challenges in succession planning, talent attraction and retaining top performers in competitive labor markets present significant risks to companies' long-term strategic transformation goals.	elm has implemented several initiatives to create an attractive workplace and position itself among the most preferred employers, aiming to attract and retain top talent in the Kingdom. It maintains a healthy turnover rate while actively monitoring and assessing workforce-related risks to ensure business continuity and minimize disruptions. The Company's well-established recruitment process, commitment to continuous development and learning, and the ability to attract high-caliber talent are its key strengths.
Regulations and Compliance	The growing complexity of regulatory requirements and standards introduces significant compliance challenges, which could drive up operational costs and potentially affect the Company's profitability.	To address the challenges posed by increasing regulatory requirements, the Company has established a dedicated governance and compliance function. This function is responsible for continuously monitoring evolving legislation and standards, providing strategic guidance, and proactively coordinating with internal and external stakeholders. By ensuring full compliance and alignment with regulatory requirements, this function supports operational efficiency, mitigates risks and safeguards the Company's profitability in the face of growing compliance demands.



03

Business Review

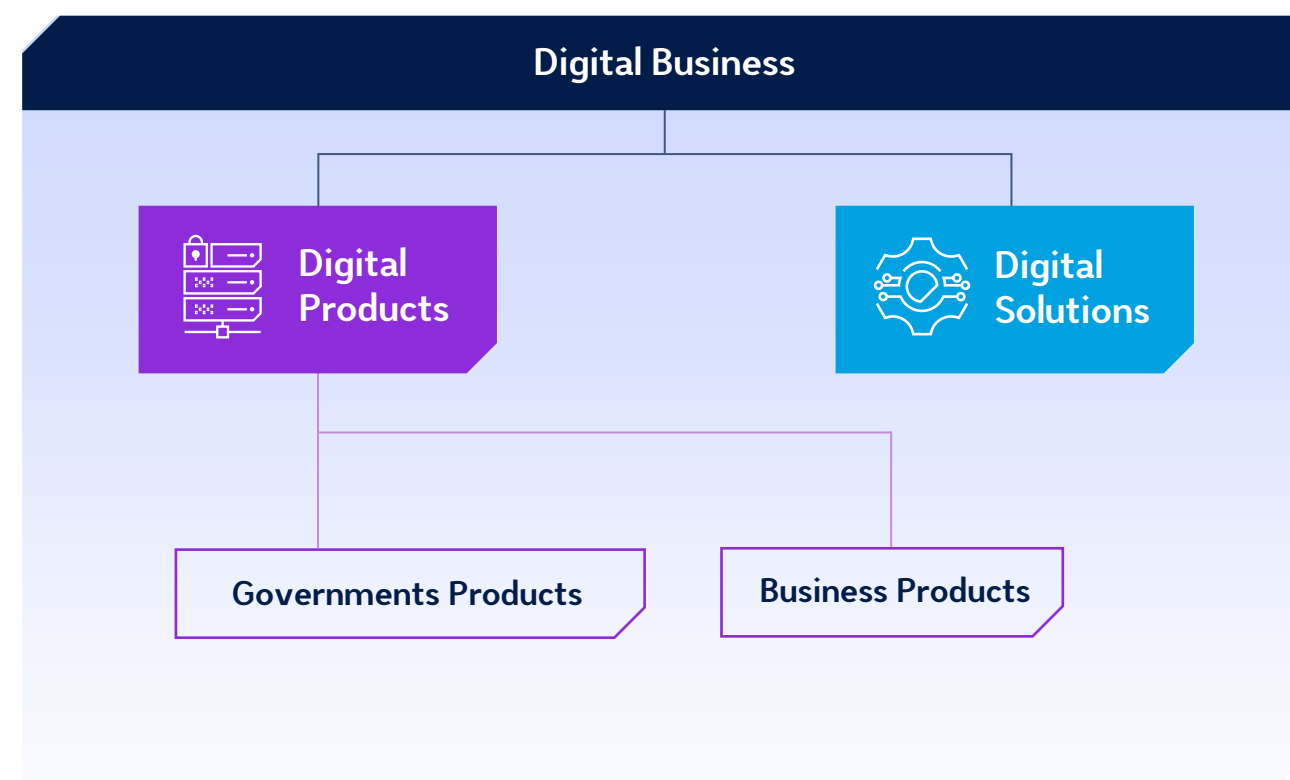
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Digital Business

elm's Digital Business Division delivers a comprehensive ecosystem of products and solutions designed to address critical needs across various sectors. These include advanced offerings in security, transportation, health, administration and digital identifiers, ensuring seamless integration and efficiency for its partners. elm's portfolio is structured to serve both government and business sectors, enabling tailored solutions that drive impact and accelerate growth.

Through its innovative digital products and solutions, the division continues to shape a smarter, more connected future, supporting Saudi Arabia's aspirations for sustainable development and technological leadership.



Digital Products

elm's Digital Products Division, encompassing both Government and Business Products, continued to drive digital transformation across public and private sectors in 2024, delivering innovative solutions that enhance efficiency, accessibility and value.

elm's Digital Products drive and leverage advanced technologies to deliver tailored solutions that meet evolving needs and expectations. Through strategic initiatives and tailored offerings, the division addresses the unique demands of each sector while fostering growth and innovation to meet evolving market needs.

To learn more about elm Digital Products, please scan the QR code.



Government Products

elm's Government Products delivered a notable performance in 2024, with key products and services continuing to drive digital transformation across the Kingdom, reinforcing its commitment to enabling growth and innovation in the public sector. By fostering strategic relationships and expanding into new sectors, it has created opportunities to deliver advanced services that support government operations and enhance citizen engagement. The Group also expanded its product portfolio to target new markets and established partnerships with both governmental and private entities, paving the way for advanced and impactful services.

This year marked the launch of several key initiatives, including new services on the Absher, Muqem and Smart Portal platforms, each tailored to improve accessibility, efficiency and user experience. Additionally, the Group launched two new products, vehicle price reference and Electronic Vehicle Auctions, in collaboration with

government and private entities, enhancing its capacity to deliver innovative solutions tailored to diverse market needs. It also introduced a new subsystem within the Basher platform focused on environmental security violations, offering a streamlined solution for monitoring and managing compliance efficiently.

Customer satisfaction has been enhanced through consistent follow-up with clients and proactive monitoring of feedback across all channels. This approach resulted in the launch of the new Tamm platform, new Basher platform and the updated environment for the Yaqeen verification service, all of which contributed to a measurable increase in satisfaction levels compared to the previous year.

Progress and Performance across its Platforms

Through its Government Products platforms, elm continues to lead the way in delivering innovative and impactful digital solutions, driving efficiency and enhancing user experiences across key sectors.



Absher Platform

Absher is supervised by the Ministry of Interior and the Saudi Data and Artificial Intelligence Authority (SDAIA). As part of its contractual obligations, elm has developed and operated the platform with the aim of improving work procedures and automating the services provided by the Ministry of Interior's sectors for various segments of society, including citizens, residents and visitors, in addition to the business and government sectors.

Strategic Partners

- The Ministry of Interior
- The Saudi Data & AI Authority (SDAIA) and National Information Center (NIC)

2024 Achievements

In 2024, the platform achieved remarkable milestones, serving over 28 million beneficiaries and earning prestigious recognitions. Absher secured fourth place in the Digital Experience Maturity Index (DGA) with a score of 90.4%, second place in User Experience with 92.5%, and third place in Beneficiary Satisfaction with 94.5%. The platform also received the "Digital Government Award for Best Initiative in Digital Inclusion" from the Digital Government Authority, recognizing the Absher Assistant Service for fostering accessible digital services. Additionally, Gartner selected its "Identity Renewal" service as a global success story.

+94.5%

Beneficiary Satisfaction

Scan the QR code to view the website



Fasah Platform

Fasah is an integrated platform aimed at facilitating international trade services for land ports, dry ports, airports and seaports, and other related services by automating import and export procedures.

Strategic Partners

- Zakat, Tax and Customs Authority
- Saudi Ports Authority

2024 Achievements

In 2024, the platform launched over 10 specialized services for the Zakat, Tax and Customs Authority and introduced the Ports Community System, offering more than 150 dedicated services for the Ports Authority. With over 20 million transactions processed, Fasah continues to play a vital role in enhancing the efficiency of trade services.

+20

million

Transactions Processed

Scan the QR code to view the website



Muqem Service

Muqem empowers organizations to access employee resident data and complete passport transactions instantly and electronically, eliminating the need for physical visits to the General Directorate of Passports.

Strategic Partners

- The Ministry of Interior
- The Saudi Data & AI Authority (SDAIA) and National Information Center (NIC)

2024 Achievements

In 2024, Muqem processed over 21 million transactions including interactive services, and 34 detailed reports. The platform was also recognized by the General Directorate of Passports, further emphasizing its value to both public and private sector users.

+21

million

Transactions

Scan the QR code to view the website



Tamm Portal

Tamm regulates the transport and vehicle sector in the Kingdom of Saudi Arabia by providing advanced electronic services to enable corporate and institutional customers to implement vehicle traffic transactions related to the General Traffic Department.

Strategic Partners

- The Ministry of Interior
- The Saudi Data & AI Authority (SDAIA) and National Information Center (NIC)

2024 Achievements

In 2024, the platform introduced four new services and processed over 44 million transactions. Its continued growth reflects its importance in streamlining vehicle-related operations for users in partnership with the Ministry of Interior.

4

New Services Introduced

Scan the QR code to view the website



يقين Yakeen

Yakeen Verification Service

An electronic service enabling financial institutions (such as banks and insurance companies), public service institutions (including government agencies, health facilities, financial sectors, and aviation sectors) and other organizations the ability to verify the data of any person with whom they have an official relationship (such as clients, auditors, employees and applicants) and within the limits of the privacy of the information permitted to be accessed, by linking electronically with the data present in the National Information Center and Saudi Post in real time.

Strategic Partners

- The Ministry of Interior
- The Saudi Data & AI Authority (SDAIA) and National Information Center (NIC)

2024 Achievements

In 2024, the service expanded into the healthcare sector, a new area for the product, along with expansion in the Fintech sector, both of which are key developments. Additionally, the launch of the new Yaqeen verification service has assisted clients greatly with integration.

Expansion into the Healthcare Sector, a New Domain for the Product

Scan the QR code to view the website



Nusuk Platform

Designed to elevate the spiritual journey of travelers, the Nusuk platform provides a comprehensive digital experience for trip planning, transportation coordination and the performance of sacred rituals.

Strategic Partners

- The Pilgrim Experience Program
- Ministry of Hajj and Umrah
- Saudi Tourism Authority

2024 Achievements

In 2024, the platform launched a new app version with an enhanced user interface and identity, attracting over five million registered users. It also facilitated the issuance of more than 17 million Umrah permits, reinforcing its role as a key enabler of Saudi Arabia's Vision 2030 goals.

+17 million Umrah Permits

Scan the QR code to view the website



Launching Pioneering Platforms

elm advanced its commitment to innovation during 2024 through the development of two cutting-edge platforms tailored to the needs of the Saudi market.

Vehicle price reference platform, that will be developed and operated for an 11-year of collaboration with the Saudi Authority for Accredited Valuers (Taqeem), leveraged artificial intelligence to provide accurate and up-to-date reference pricing for vehicles. By using advanced natural language processing (NLP) to analyze and cleanse data from multiple sources, the platform ensures reliable market value assessments based on vehicle specifications and trends, delivering transparency and efficiency in pricing.

Electronic Vehicle Auctions platform, which will be created through a 10-year agreement with Riyadh Development Company, the owner of Altameer International Auto Auction, will be designed to optimize operational efficiency in vehicle auctions. This platform integrates technical, logistical and governmental services to automate and simplify the auction process for vehicle owners of all classifications. It will provide a seamless experience for buyers and sellers by combining advanced technical solutions with operational excellence. Aligning with global best practices while addressing local market needs, the platform has elevated the quality and efficiency of vehicle auctions across Saudi Arabia.

Government Products in 2025

In the year ahead, Government Products will strengthen its strategic role in digital transformation by collaborating with government entities to deliver comprehensive solutions and drive innovation. It will expand its presence in service delivery, creating new opportunities for growth and identifying key areas that align with the sector's strategic objectives. By focusing on high-impact initiatives, it aims to fulfill elm's long-term vision for this sector and capitalize on opportunities that support its continued growth and success.



Business Products

This year, Business Products solidified its focus on serving the B2B by transitioning from a B2C to a B2B-oriented approach. This transition is evident across all offerings, where products have been reimagined to meet the specific needs of business clients. Business products group has extended its focus on studying and exploring the market, with the purpose of finding acquisition and investment opportunities that align with the group's strategy and focus on Logistics, Mobility, and horizontal platforms.

Business Products deliver business-to-business solutions tailored to private-sector needs, focusing on mobility, logistics and horizontals, and observing opportunities in other sectors such as real estate, Fintech, health, tourism and B2B horizontals in order to accelerate growth and impact.

In 2024, elm's strategic focus shifted decisively toward delivering products and services tailored to B2B clients, marking a significant evolution from its previous B2C orientation. As part of this strategic shift, product such as Dhamen service, Mojaz platform, Ajer platform, Rased platform, Bayanat.Tech platform and Ertah platform were integrated into the Business Products group, with their strategies redefined to align with the group's mission of delivering targeted, high-impact solutions for business clients. This transformation underscores the group's commitment to addressing the evolving needs of the B2B.

This strategic pivot reflects elm's commitment to addressing the unique demands of B2B clients, enhancing operational efficiency, and delivering solutions that prioritize simplicity and value.

Driving Value through Innovative Services and Solutions

elm is committed to setting new standards for digital excellence, enabling B2B organizations to advance toward a future of opportunity through its innovative products.

موجز Mojaz

Mojaz Service

Mojaz is an advanced service which provides a digital report that contains information about used vehicles in the Kingdom. This will allow potential buyers who want to purchase used vehicles to make decisions with reliable information from different reliable data sources about the used vehicle (accidents, mileage readings, maintenance records, etc.).

2024 Achievements

In 2024, customer satisfaction ratings climbed significantly, reaching 4.6, up from a previous app store rating of under 3.4, reflecting the ongoing improvements and customer-focused enhancements to the service. Mojaz has streamlined the process for generating reports, reducing it to just two simple steps, while introducing multiple payment options to ensure greater convenience and accessibility for customers.

Get the Full Picture
before Buying
any Second Hand
Vehicle

Scan the QR code to
view the website



ضامن Dhamen

Dhamen Service

Dhamen is a digital service that acts as a financial mediator or guarantor for various fields using an escrow account. It has been developed to ensure the delivery of the value of the goods or service before receiving and delivering them. It serves online platforms and other parties who do not have websites and need to document and ensure delivery of the value of the goods or service before receipt and delivery.

2024 Achievements

In 2024, five new services were launched under Dhamen, including pay-out/distribution, pre-authorization, auction services, IBAN validation and integration with billing, and ZATCA systems. The service also expanded its footprint in the real estate and trade sectors, signing 13 new merchant contracts, including 10 within these key industries.

Building Trust
between
Consumers and
Merchants

Scan the QR code to
view the website



Ongoing Business Products Development

During 2024, the **Ertah platform** focused on increasing the volume of fixed permits (FPs) issued and enhancing workshop operations by capturing more images and streamlining related processes. Plans were also made to introduce additional services linked to fixed permits, further optimizing workshop efficiency and expanding the product's capabilities. While the **Rased platform** marked a key milestone as elm's first product launched on the Google Cloud, underscoring elm's commitment to cloud innovation, it evolved into an integrated solution across strategic sectors, strengthened by key partnerships such as the collaboration with Petromin. In 2024, major services launched included in Rased platform an expense management feature with an integrated e-wallet for fleet expense control and an operations management system that enhances daily operational performance, with 24/7 technical support and advanced data analytics. It has enhanced operational efficiency, delivering significant value to its users. Meanwhile, the **Bayanat.Tech platform** underwent significant enhancements to deliver an improved user experience for clients, from a development perspective, three minimum viable products (MVPs) were created and are currently undergoing validation, reflecting the ongoing commitment to innovation and client satisfaction. The **Ajer platform** launched a variety of services in 2024 to enhance operational efficiency and reduce rental risks. These services include real time vehicle inventory management for better fleet visibility, a direct booking solution that streamlines reservations and financial transactions, and a "Know Your Client" service that verifies rental eligibility and provides personalized car suggestions using data-driven insights.

Business Products in 2025

The Group anticipates that 2025 will be a transformative year for Business Products with a continuous focus on mobility, logistics and horizontal B2B domains. Efforts will continue to center on areas such as trucking, fleet management, warehousing, fulfillment, data platforms and payment solutions, among others. Services will be developed and launched specifically to meet the needs of B2B clients, driving innovation and enabling growth across these key sectors.

Digital Solutions

Digital Solutions Division made significant strides in accelerating its growth strategy in 2024, expanding its portfolio to include cloud migration services, AI/computer vision solutions, robotics process automation/intelligent automation solutions, smart city solutions and managed services. These new offerings were supported by strong quality assurance and robust capabilities, reinforcing its position as a trusted partner across public sector.

elm's Digital Solutions delivers customized technology solutions designed to meet the unique requirements of each client through a collaborative and tailored approach, leveraging cutting-edge technology solutions. By closely aligning with the client's end-state vision in a technology agnostic manner, it ensures every solution is purpose-built to drive measurable impact and long-term value.

Its offerings include systems integration, technology platforms, data engineering, emerging technologies, enterprise systems, smart city solutions and IT service management, all designed to drive digital transformation and operational efficiency.

In 2024, Digital Solutions played a key role in delivering nine major support platforms at the Kingdom level, serving critical areas such as agriculture and social development. These platforms collectively benefit over 15 million individuals across Saudi Arabia, providing seamless support and services. With more than 130 eligibility cycles and payment distributions completed, it facilitated the issuance of support by ensuring efficiency and impact at scale for platform beneficiaries.

Continuing to drive innovation and deliver tangible value throughout the year, the division's innovative platforms were designed and developed to enhance governance, streamline processes and improve operational efficiency across vital sectors. The electronic benefits system was also launched to facilitate the management of energy efficiency data, enabling better monitoring and optimization of energy-related initiatives. To support the energy and water sectors further, it introduced a platform that connects actual beneficiaries of electricity and water services to their respective meters. This solution enhances transparency, ensures accurate resource management, and strengthens governance within these critical utilities.

In the land management sector, it launched a dedicated platform aimed at regulating and governing land in informal living areas in Makkah region. This initiative supports sustainable urban development by addressing land use challenges and enhancing oversight. Complementing this effort, the Land and Reservations Portal was introduced to automate land reservation processes, catering to the needs of both individual applicants and institutional entities. By digitizing these processes, it has significantly improved accessibility, efficiency and responsiveness for stakeholders.

Additionally, it launched the unified system for the National Center for Government Resources Systems, which integrates seamlessly with related national systems. This unified approach enhances coordination, reduces redundancy and ensures a more efficient allocation of resources across government entities.

These key launches represent a major step forward in driving innovation, automation and governance within energy, land and resource management sectors. By addressing stakeholder needs and enabling digital transformation, these platforms contribute directly to achieving national priorities and enhancing service delivery across the Kingdom.

Digital Solutions in 2025

In the year ahead, Digital Solutions will build on the foundation established in 2024 by identifying new strategic partnerships and collaborations to enhance its service offerings. Geographic expansion will involve assessing regional demand across Saudi Arabia and tailoring initiatives to address the unique needs and preferences of local markets.

Its client base will grow as it targets new industries and sectors, ensuring a more diversified portfolio and reducing reliance on a limited number of clients. Employees will be up-skilled and cross-skilled through targeted training programs, equipping them with the capabilities needed to support expanded initiatives effectively.

It will actively approach both existing and new clients with its full range of offerings, establishing mechanisms to gather client feedback, refining its solutions to meet emerging needs and address evolving concerns, positioning Digital Solutions for further growth and value creation moving forward.

Benefiting

+15 million

individuals across
Saudi Arabia

+130

eligibility cycles and
payment distributions
completed

Business Process Outsourcing

This year saw elm's Business Process Outsourcing Division (BPO) delivering a range of innovative projects, increasing efficiency and enhancing stakeholder satisfaction. These exceptional results highlight the division's role as a critical driver of elm's success.

The BPO Division was driven by a steadfast focus on delivering high-quality services and fostering strong, collaborative client relationships, reinforcing elm's reputation as a trusted partner. The division also outperformed its project management excellence target, achieving a score of 4.55 against a goal of 3. This success reflects the implementation of rigorous project management practices, adherence to stringent quality standards and a commitment to driving exceptional results across all engagements.

To top it off, operational efficiency reached a record high in 2024, with the division achieving an operational index score of 4.93, well above its target of 3. This remarkable performance was made possible through advanced process optimization, strategic planning and the adoption of innovative technologies, ensuring streamlined workflows and enhanced service delivery.

Delivering Innovative Projects

BPO prioritized efficiency, accessibility and responsiveness in its projects, significantly enhancing the customer experience across various domains. These innovative projects highlight elm's commitment to delivering seamless, impactful services, supported by measurable outcomes.

Expanding the Makkah Route Project

The Makkah Route Project achieved remarkable progress in 2024, significantly broadening its reach to facilitate the Hajj journey for pilgrims from seven countries: Malaysia, Indonesia, Pakistan, Turkey, Morocco, Bangladesh and Côte d'Ivoire, where the geographic scope of the initiative included countries with a high pilgrim turnout, and this strategic selection of countries ensured that the initiative catered to diverse demographics and enhanced the accessibility of Hajj for pilgrims from various regions. This expansion, carried out across 11 international airports, reflects Saudi Arabia's commitment to enhancing the pilgrim experience as part of Saudi

Vision 2030. The initiative streamlines entry into the Kingdom by completing essential procedures – such as visa issuance, customs clearance and other entry formalities – at departure airports, ensuring a smooth transition for pilgrims upon arrival.

In 2024, the initiative served an impressive 322,901 pilgrims, with 6,970 of them being individuals with special needs, through 922 flights and 8,155 ground transportation trips effectively. Furthermore, satisfaction rates reached 99.73%, reflecting the initiative's success in delivering a seamless and highly appreciated experience.

The Makkah Route Project has set a new benchmark in managing the Hajj journey, reinforcing Saudi Arabia's leadership in global religious tourism and its vision for a more connected and service-oriented future.

Transforming the Holy Rawdah Visitor Experience

The Tafweej Al-Rawdah project is a groundbreaking initiative designed to enhance the spiritual journey for millions of visitors to the Holy Rawdah. The project prioritizes safety, comfort and accessibility by optimizing entry and exit points, improving crowd flow, and integrating spiritual services such as Zamzam water distribution and visitor perfuming.

The initiative has revolutionized the management of large-scale spiritual gatherings, reducing waiting times from 60 minutes to 20 minutes, accommodating over 12 million visitors in 2024 and achieving a peak satisfaction rate of 97%. It has also increased visitor attendance by 19% and set a new benchmark for efficiency and visitor-centric services in religious tourism.



Achieved an operational index score of

4.93

Project management excellence target score of

4.55

Elevating Public Libraries into Cultural Hubs

The Libraries project is a transformative initiative aimed at revitalizing public libraries across Saudi Arabia, positioning them as vibrant centers for cultural development, education and community engagement. The project focuses on infrastructure upgrades, digital transformation and resource expansion to create inviting, dynamic spaces that promote lifelong learning and celebrate Saudi cultural heritage in alignment with Vision 2030.

This initiative has redefined the role of public libraries, turning them into active community hubs offering diverse programs, cultural events and digital resources. Through interactive workshops, partnerships with educational institutions and community-driven initiatives, the libraries have significantly increased visitor numbers and satisfaction, cementing their status as cultural landmarks.

In 2024, the Libraries project welcomed over 160,055 visitors, hosted more than 1,556 activities with a total attendance exceeding 38,358, and expanded collections by 44,450 books to cater to diverse interests.

Digital Archiving Center

The Digital Archiving Center is a large-scale project designed to facilitate governmental entities in transitioning to digital record management by offering secure, efficient solutions for document digitization, storage and retrieval. Leveraging advanced technologies and tailored archiving infrastructure, this initiative empowers organizations to achieve their digital transformation goals while adhering to the highest standards of data security and privacy. In 2024, the initiative successfully digitized and archived nearly 51 million documents, achieving 100% stakeholder satisfaction by delivering innovative, reliable and customized solutions.

Social Cases Surveying

The Comprehensive Assessment Program for Eligible Families conducted thorough in-home evaluations of financial, social and health conditions, with a focus on families with disabilities. Over 700,000 field visits were completed, including 280,000 assessments for family members with disabilities. By integrating electronic data uploads with quality checks, the program reduced errors and improved service delivery accuracy. High satisfaction ratings from beneficiary surveys underscored the program's positive impact on vulnerable families, further reflecting its role in improving service delivery.

Innovating for Enhanced Efficiency

The BPO Division has introduced several groundbreaking solutions in 2024 to optimize processes, reduce costs and improve service quality. These innovations are redefining operational efficiency across industries and sectors.

elmiyaar

elmiyaar is a dynamic platform designed for creating customized electronic forms and surveys with flexible design and logic. By automating data collection and analysis, it significantly reduces the time and labor required for data gathering, allowing organizations to derive faster insights and make efficient decisions. Its impact has been transformative, enabling organizations to cut costs by minimizing manual data entry and reallocating staff to more strategic tasks.

Robotic Process Automation (RPA)

RPA automates repetitive, rule-based tasks, such as data entry and processing, that were traditionally performed by human employees. This technology operates 24/7, reducing errors and boosting productivity. By automating these processes, RPA has dramatically lowered operational costs, enhanced efficiency and freed up teams to focus on higher-value activities.

Electronic Scraping

Electronic Scraping is a real-time data collection tool designed to gather and categorize information from online sources with high accuracy. This solution is particularly valuable for applications such as compliance monitoring, as it automates the collection and structuring of vast data sets. By reducing manual effort, Electronic Scraping accelerates data gathering while also improving the quality of information available for decision-making.

Awards and Recognitions

The BPO Division's projects received widespread recognition this year for its outstanding contributions to customer experience, culture and client success. Key achievements included the prestigious Gold Winner of the Customer at the Heart of Everything Award for the "Makkah Route," a testament to its unwavering commitment to placing customers first. Additionally, the division's projects earned a Bronze Award for Best Customer-Centric Culture for both "Nusuk Marhaba" and the over 1,000 employees category with "Najiz", alongside the Bronze Award for Best Customer Experience Strategy for "Al-Rawdah Al-Sharifah".

"The Culture House" project received widespread recognition for its excellence and impact, earning the Bronze Award for Best Education Experience and winning the prestigious Best Brand Award in the Identity category, which highlights outstanding achievements in brand strategy, design and market influence. Additionally, it was honored at the 2024 Red Dot Design Awards in the Branding and Communication Design category, a globally renowned competition celebrating design innovation.

Complementing these accolades, elm was recognized for delivering the Best Patient Experience at the health centers in Al-Ula, underscoring the Company's dedication to quality and user-focused solutions across diverse sectors. Reinforcing its operational excellence, BPO achieved accreditation as a Category (A) inspection body from the Saudi Accreditation Center after meeting the rigorous ISO/IEC 17020:2012 standard. These accomplishments underscore BPO's role as a leader in delivering exceptional customer experiences while driving innovation and operational excellence.

2025 Focus

In the year ahead, elm's BPO Division will focus on accelerating growth within its existing projects. Building on the achievements of previous years, the division aims to deepen its impact by expanding service delivery, enhancing operational efficiencies and achieving new milestones. This approach will ensure that ongoing initiatives continue to deliver value while driving measurable results for clients and stakeholders alike.

Leveraging the trust and reliability established with its current clients, elm will explore new geographic markets in 2025. By expanding alongside its existing partners, the division aims to strengthen its market presence while offering tailored solutions that meet the needs of diverse regions. This collaborative approach will enable elm to extend its expertise and innovation to new areas, solidifying its reputation as a leader in the outsourcing space.

Makkah Route Project achieves a 99.73% satisfaction rate

Professional Services

This was a year of transformative growth for elm’s Professional Services Division, marked by innovation, international expansion and impactful collaborations. By launching cutting-edge solutions and delivering exceptional results, the division solidified its position in driving digital transformation across public and private sectors.

In 2024, elm’s Professional Services Division achieved significant milestones, solidifying its position as a leader in consulting both domestically and internationally. It delivered 42 consultancy projects, including the first two international engagements in the division’s history. These projects, located in Oman and Egypt, marked a strategic expansion beyond Saudi Arabia, allowing elm to access high-value digitization opportunities and gain critical insights into regional markets.

Domestically, the division onboarded 14 new clients, including 11 public sector entities and three private sector organizations, while achieving exceptional client satisfaction metrics, including two of elm’s top three historical Net Promoter Scores (NPS) and a 100% satisfaction rate across several key initiatives.

Expanding Footprint

Professional Services extended its presence across Saudi Arabia and beyond in 2024. Domestically, it expanded into Assir, Jazan, Hail, the Eastern Province and Alahsa, supplementing its established operations in Riyadh, Makkah and Madinah.

Internationally, the division achieved a significant milestone by securing its first projects outside Saudi Arabia. In Oman, it provided consulting services for a public sector engagement, while in Egypt, it delivered a project focused on the industrial sector. These expansions underscore elm’s strategic commitment to broadening its consulting impact and unlocking new market opportunities.

Promoting Solutions

Throughout the year, Professional Services actively engaged in high-profile global and regional events, including GITEX Dubai, GITEX Africa, LEAP 2024, World AI summit, GAIN Summit and Gartner conferences. These appearances allowed elm to showcase its expertise, share insights on emerging trends and strengthen its position as a thought leader in digital transformation.

Additionally, the division played a key role in national initiatives, driving the development of unified digital platforms and leading transformative projects across priority sectors such as sports, energy, culture and tourism.

Driving Innovation and Impact

In 2024, Professional Services launched several innovative offerings to address evolving client needs.

- The AI Office was introduced to guide public sector entities in adopting advanced AI solutions, from strategic planning to operational implementation
- Cloud and Infrastructure Services were developed to support clients in achieving secure and scalable cloud adoption, enhancing operational efficiency
- A new Economy and Finance consulting service enabled government entities to adopt value-driven operating models by optimizing benefits realization, cost structures and delivery mechanisms

The division also activated Innovation Consulting services, delivering major projects for five ministries, including developing innovation strategies, establishing innovation centers and creating an ideas bank.

Awards and Recognitions

In 2024, Professional Services achieved significant milestones, including the prestigious P3M3 accreditation, underscoring its leadership in digital transformation and project management excellence.

elm’s consulting services were honored to be recognized as one of the “Top Consulting Firms in 2024” by Consultancy.org. This prestigious recognition highlights the exceptional quality of its services and the trust its clients place in the Company as it continues to deliver impactful and forward-thinking solutions.

It also earned accreditation from PeopleCert/AXELOS, a global leader in maturity model assessments, and was recognized as an Accredited Consulting Partner (ACP) in Saudi Arabia. With three certified P3M3 assessors, elm has become the second-largest provider of maturity assessments in the Kingdom, solidifying its position as a trusted partner for organizational advancement.



elm recognized as one of the
“Top Consulting Firms in 2024”
 for its consulting services



100%
 satisfaction rate across
 several key initiatives

2025 Focus

Looking ahead, Professional Services will prioritize growth across several strategic areas in 2025. The division will expand its digital consulting services, enhance internal capabilities, and develop unique methodologies to differentiate elm in the market. It plans to integrate consulting services with elm’s broader service lines, offering end-to-end solutions tailored to client needs.

Professional Services will also focus on spearheading elm’s growth by expanding into new verticals and sectors while maintaining a strong emphasis on quality, thought leadership, and innovation. Furthermore, the division aims to secure strategic roles in giga projects, contributing to the optimization and unification of Saudi Arabia’s digital landscape in alignment with national goals. These efforts will ensure Professional Services remains a critical driver of elm’s growth and leadership in digital transformation.



04

Sustainability

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Sustainability at elm

At elm, sustainability is the foundation of how it operates, innovates and creates long-term value for its stakeholders. elm’s structured sustainability framework is fully aligned with its corporate strategy and global benchmarks, ensuring that every initiative the Company undertakes contributes to environmental responsibility, digital empowerment, inclusive growth and effective governance. By integrating sustainability across its operations, elm continues to shape a future where technology and innovation drive meaningful change, strengthen communities and promote economic resilience.

ESG Highlights

1	Advancing Environmental Responsibility	Launched comprehensive recycling initiative
2	Fostering People and Community	1.5 million in community investment
3	Enabling a Digital Culture	93% of customer complaints successfully resolved
4	Ensuring Effective Governance	New four-year term for the Board of Directors

Materiality Assessment

elm conducted a comprehensive materiality assessment to determine the most relevant sustainability topics for its business and stakeholders. A clear understanding of the Company’s operating environment was essential in identifying these priorities. Through peer benchmarking and alignment with established sustainability standards, global and national frameworks and ESG rating agency criteria, elm evaluated key topics based on their actual and potential impact on the environment, economy and society.

The assessment process led to the identification and prioritization of material topics critical to elm’s long-term sustainability strategy. Internal stakeholders played an active role in reviewing and validating these findings, ensuring that the assessment accurately reflects the Company’s commitments and areas of focus.

Material Topic

1	Digital Accessibility for Community Development
2	Digital Transformation and Innovation
3	Information Security and Privacy
4	Corporate Governance and Ethical Practices
5	Talent Acquisition and Retention
6	Emissions and Energy Use
7	Customer Centricity
8	Waste and Resource Use
9	Shareholder Return
10	Employee Health and Wellbeing
11	Building Diversity and Inclusion
12	Water Use

- Environmental Topics
- Social Topics
- Governance Topics

Sustainability Framework

elm’s structured approach to sustainability is codified in its sustainability framework, which embodies its commitment to integrating sustainable practices across its operations. Aligned with the Company’s corporate strategy, as well as key national and global benchmarks such as Saudi Vision 2030 and the UN Sustainable Development Goals (SDGs), the framework ensures a structured and impactful approach to sustainability. Built around four core pillars, it provides a clear focus for driving meaningful change, maximizing impact and advancing elm’s long-term vision.



Advancing Environmental Responsibility

As a digital solutions company, elm recognizes the critical role businesses play in safeguarding the planet and is committed to environmental responsibility. Leveraging its expertise in technology, elm strives to reduce its environmental footprint by developing and implementing innovative digital solutions that drive sustainability while delivering positive environmental impact.

Emissions and Energy Use

elm is committed to making a real and lasting contribution to reducing the Kingdom’s emissions and energy usage – in alignment with the goals set forth by the Saudi Vision 2030. elm experienced a slight increase in electricity consumption this year. While the change is minimal, the Company is actively implementing innovative solutions to enhance efficiency and to ensure continued progress towards its environmental goals, while sustaining growth.

Energy Consumption

	2024	2023	2022
Electricity consumption	2,366,398	2,354,363	2,111,547
Total fuel consumption (diesel)	800	800	500

Waste and Resources

elm’s approach to effective waste management across its operations is aimed at minimizing environmental pollution, conserving resources and protecting public health. elm aims to reduce waste (including electronic waste) and achieve efficient resource use across its operations.

Waste Management

	2024	2023	2022
Total waste generated (tons)	43,300	40,000	39,000

elm remains dedicated to environmental sustainability, continuously exploring new ways to minimize waste and conserve resources. In 2024, the Company introduced a comprehensive recycling initiative focused on paper, general waste and food waste management. Paper collection stands were installed across facilities, ensuring proper disposal and regular recycling, while categorized bins streamlined waste segregation, supported by

employee training to enhance efficiency. In cafeterias, food waste recycling devices were implemented, converting waste into compost for use in plant irrigation. These initiatives reinforce elm’s commitment to environmental responsibility and a more sustainable future.

Water Use

Through its systematic efforts to better manage water resources, elm contributes to water conservation efforts to help ensure its availability for present and future needs.

While elm experienced a slight increase in water usage last year, it remained committed to enhancing its water management practices. The Company continues to implement more efficient systems and processes to reduce water consumption across its operations.

Water Consumption

	2024	2023	2022
Total water consumption (m³)	5,859	5,382	6,060
Water consumption intensity (m³/employee)	7.7	7.5	8.3



2

Fostering People and Community

elm is committed to fostering a workplace culture where people can thrive, grow and reach their full potential. Prioritizing inclusivity, diversity and employee wellbeing, the Company creates an environment that attracts top talent by offering meaningful career opportunities. As a leader in digital transformation, elm recognizes its responsibility to extend its impact beyond the workplace by supporting the wider community and expanding digital access, ensuring that everyone can benefit from technological progress.

Talent Acquisition and Retention

A strong, skilled and diverse workforce is essential to elm's continued success. The Company invests significantly in talent acquisition, professional development and organizational growth, ensuring employees receive the training and support needed to excel. Through effective internal communication and engagement initiatives, elm fosters a motivated workforce that remains highly committed to its vision, driving long-term innovation and excellence.

Workforce

	2024	2023	2022
Full time employees	2,064	1,705	1,498
Workforce by Employment Level			
Senior management	109	159	149
Middle management	253	445	422
Staff	1,702	1,101	927
Workforce by Age			
Workforce by age 18-30	827	614	474
Workforce by age 31-50	1,203	1,047	979
Workforce by age 51+	34	44	45
Training and Development (hours)			
Total employee training	148,016	83,532	52,593
Average training per employee	63.8	31.9	35.1

77%

increase in the total hours of employee training

Building Diversity and Inclusion

elm is dedicated to attracting and empowering local talent, with a strong focus on increasing Saudi representation in its workforce, supporting the goals of Saudi Vision 2030. By fostering diversity, the Company cultivates a broad range of perspectives, ideas and experiences that enhance its ability to serve diverse markets effectively. elm is committed to creating an inclusive workplace where every individual – regardless of gender, age or background – feels valued, respected and empowered to contribute.

Workforce Diversity

	2024	2023	2022
Number of full-time national employees	1,777	1,381	1,174
Number of employees of other nationalities	287	324	324
Female workforce	454	315	224
Percentage female (%)	22%	18%	15%
Number of employees with special needs	2	2	-

elm's Women's Empowerment Program plays a pivotal role in building a more inclusive and diverse workforce. Through targeted initiatives, the program supports female leaders, equipping them with opportunities for growth and advancement. Additionally, elm remains committed to accessibility and equality for individuals with disabilities, fostering a workplace that embraces inclusivity, respect and equal opportunity for all.

Employee Health and Wellbeing

elm is committed to maintaining a safe and secure work environment, fully complying with all relevant safety regulations. The Company ensures that appropriate protective equipment and safeguards are in place across its facilities, engaging specialized external providers when necessary to uphold the highest safety standards. Regular safety workshops and ongoing communication equip employees with essential knowledge on accident prevention, emergency response and workplace health and safety best practices, fostering a culture of vigilance and wellbeing.

Health and Safety

	2024	2023	2022
Health and safety training provided to employees (hours)	528	66	54

Digital Accessibility for Community Development

elm is committed to making its services accessible to all, particularly individuals with disabilities and those in underserved communities. As an active corporate citizen, the Company engages in diverse CSR initiatives that leverage data and AI to enhance development projects and drive meaningful change. By partnering with various sectors, elm strengthens Saudi Arabia's commitment to charitable work, contributing to the growth of the non-profit sector's impact on the national economy.

elm's charitable contributions span multiple sectors, including education, healthcare, social welfare, environmental conservation, economic development and technology, ensuring a well-rounded approach to community support.

Community Development

	2024	2023	2022
Amount in charitable contributions (£ million)	1.5	1.15	1.00

Additionally, the Company actively promotes local capability development and job creation, reinforcing its role in economic sustainability and the advancement of Saudi talent.

Community Development

	2023	2022	2021
Local content* (%)	67.06%	63.83%	62.68%

*The score for 2024 will be released in 2025.

By actively investing in nurturing emerging national talents, elm is focused on developing their skills and knowledge. It selectively recruits individuals with exceptional qualities to join its workforce.

Trainee participants

	2023	2022	2021
Trainee participants	134	176	158

67.06%

is the latest score of local content

3 Enabling a Digital Culture

As a leading IT solutions provider in the Kingdom, elm sees digitalization as a powerful driver of sustainable progress. Its vision is to lead the way in digital transformation, where technology and innovation create lasting environmental benefits, promote social inclusion and reinforce strong governance. By integrating sustainability into its digital strategies, elm is shaping a future where innovation fuels responsible business practices and long-term growth.

Digital Transformation and Innovation

elm’s Research Team develops tailored, pragmatic solutions designed to meet the evolving needs of various industries. With innovation at the core of its operations, the Innovation Department leads the creation of cutting-edge products, services and solutions that address complex challenges across multiple sectors, ensuring that digital transformation drives meaningful impact.

Digital Products

	2024	2023	2022
Investment in research (ﷲ million)	45.7	28.0	14.5
Investment in innovation (ﷲ million)	7.9	6.2	3.2

Customer Centricity

elm works closely with its customers to optimize their journey through digital transformation, ensuring exceptional experiences, satisfaction and long-term relationships. By leveraging data analytics, emerging technologies and innovative approaches, elm gains deep insights into customer needs and preferences. This enables the Company to enhance engagement through personalized digital experiences while providing multiple direct communication channels for continuous feedback. These insights drive ongoing product enhancements and the implementation of customer-centric digital strategies, reinforcing elm’s commitment to delivering seamless and impactful solutions.

Customer Satisfaction

	2024	2023	2022
Customer satisfaction rating (%)	83%	83%	84%
Customer complaints	47,147	45,272	42,037
Customer complaints resolved (%)	93.0%	99.0%	99.8%
First-call resolutions	592,168	537,155	384,405



93%
of customer complaints
were resolved

elm’s investment in research
increased by
63%
to a total of
ﷲ 45.7 million in 2024

Ensuring Effective Governance

Strong corporate governance is the foundation of elm’s long-term success, ensuring transparency, accountability and sustainability across all business activities. The Company is committed to maintaining efficient management structures, rigorous risk oversight and a zero-tolerance policy for bribery, fraud and corruption. These principles define the way elm operates, reinforcing stakeholder trust and business integrity.

Corporate Governance and Ethical Practices

As a publicly listed company, elm adheres to the highest standards of ethical conduct and regulatory compliance, in line with the directives of the Ministry of Commerce, the Capital Market Authority and Saudi labor law. Internal governance frameworks ensure strict adherence to all applicable regulations, fostering a culture of responsibility and ethical leadership.

The Company’s organizational structure was updated in 2024 to enhance integration and synergy with its subsidiaries and to support the implementation of the “elm 4.0” strategy, which focuses on business growth and expansion.

elm restructured its Board of Directors following the completion of its previous term on 24 November 2024. The newly formed Board, approved during the Ordinary General Assembly on 4 November 2024, commenced its four-year term on 25 November 2024, ensuring continued strategic oversight and leadership to 24 November 2028.

Information Security and Privacy

elm prioritizes the privacy and security of information, ensuring strict compliance with national and international standards. The Company’s Service Privacy Policy clearly defines its commitments to data protection, reinforced by ISO 27001 certification and alignment with the National Cybersecurity Authority’s (NCA) ECC standards for data encryption. To safeguard its IT infrastructure, elm conducts annual cybersecurity stress tests and assessments in accordance with the Personal Data Protection Law (PDPL), proactively identifying and mitigating risks and vulnerabilities. Regular engagement with the NCA regulator ensures full compliance with evolving security requirements, while quarterly employee training strengthens internal awareness and preparedness.

As part of its commitment to maintaining robust data governance, elm conducted Records of Processing Activities (ROPA) to ensure comprehensive documentation and regulatory adherence. The Company enhanced its privacy policy to align with the latest legal frameworks and industry best practices while developing clear procedures and guidelines to help business units refine their privacy protocols. A strong emphasis on data literacy is embedded across the organization through workshops, training sessions and educational initiatives, fostering a culture where employees actively contribute to upholding privacy and security best practices. elm continues to drive awareness and engagement through targeted strategies that reinforce the critical role of data governance, security and compliance in sustaining trust and operational excellence.

Shareholder Return

elm is committed to responsible financial growth, ensuring long-term value creation for its shareholders and investors. Its strategy focuses on the sustainable expansion of market presence, driving strong financial performance and reinforcing its position as a leader in the digital sector. Through a balanced approach to growth, innovation and operational excellence, elm continues to deliver consistent, high-value returns while maintaining financial resilience and market leadership.

Dividends Performance (﷼ million)

	2024	2023	2022
Dividends*	583	544	388

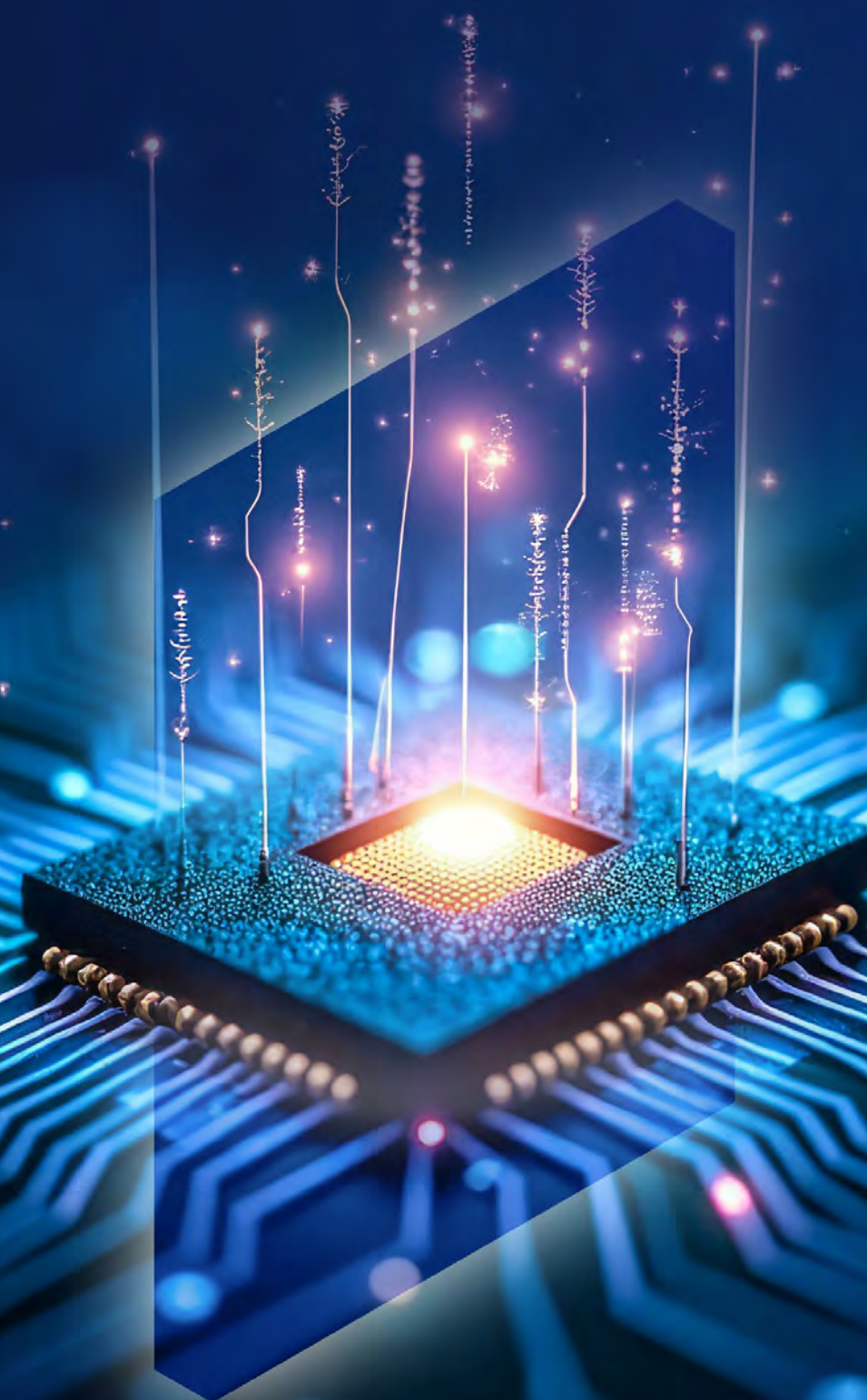
* elm announced the distribution of cash dividends of ﷼ 310,840,232 for the second half of the 2024 year, which was paid in the first quarter of 2025.



05

Corporate Governance

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Governance

elm is committed to the principles of governance, especially the principles of transparency and disclosure, and to enhancing the role of the Board of Directors and executive management by defining their tasks and responsibilities. In addition, elm is adopting advanced mechanisms to strengthen internal control, risk management and compliance to ensure their effectiveness. The governance measures and procedures implemented by elm are also consistent with the rules and regulations issued by the regulatory authorities and best practices.

The Board of Directors has established governance rules and assesses them on an ongoing basis. These include the policies, general instructions and procedures, in order to ensure the effective performance of the Company's operations. Furthermore, these rules include the rights of shareholders, and the tools that enable the shareholders to

use their rights effectively and are in accordance with best practices, to enhance the principles of accountability and transparency and build strategic relationships with various stakeholders.

The Board of Directors of elm Company is composed of nine members, who are appointed by the General Assembly for a four-year term in accordance with the Company's bylaws. The previous Board of Directors' term concluded on 24 November 2024. As a result, the General Assembly appointed the new Board of Directors for the new term, which began on 25 November 2024. The current Board consists of six Non-Executive Members and three Independent Members. The Board of Directors has four committees: the Audit Committee, the Nominations and Remunerations Committee, the Investment Committee and the Risk Management Committee.

Board of Directors

The Board of Directors for the term that started on 25 November 2024, and ends on 24 November 2028



Mr. Raed Abdullah bin Ahmed

Chairman - Non-Executive



Mr. Raed Abdullah Ismail

Vice Chairman - Non-Executive



H.E. Ms. Alshayhana Saleh Alazzaz

Non-Executive



H.E. Dr. Esam Abdullah Alwagait

Non-Executive



Mr. Abdullah Saad Alsalem

Non-Executive



Dr. Khaled Abdulaziz Alghoneim

Independent



Mr. Abdularahman Mohammed Alodan

Independent



Mr. Faris Ibrahim Alrashed Alhumaid

Independent



Eng. Thamer Mohammad Alharbi

Non-Executive

- Committee Chairman
- Audit Committee
- Nominations and Remunerations Committee
- Investment Committee
- Risk Management Committee

Board of Directors (Continued)



Mr. Raed Abdullah bin Ahmed

Royal Highness Adviser for the Minister of Interior

Academic Qualifications

- Master's degree in Financial Markets, Arab Academy for Management, Banking and Financial Science, Egypt
- Higher Diploma in Financial Planning, Dalhousie University and Institute of Banking, Canada
- Bachelor's degree in Accounting, King Saud University, Saudi Arabia

Former Positions

- Deputy of Market Institutions at the Capital Market Authority
- Deputy of Listed Companies and Investment Products at the Capital Market Authority
- Director of the General Department of Corporate Finance at the Capital Market Authority
- General Supervisor of the General Department of Financial and Administrative Affairs at the Ministry of Interior
- Director of the General Department of Market Supervision at the Capital Market Authority
- Vice President of Islamic Banking at Riyadh Bank

Current Memberships

- Chairman of elm Company
- Board Member of the Saudi Falcons Club
- Board Member of the Saudi Shooting Federation
- Committee Member of the Quality-of-Life Program

Experience

Over 33 years of experience across banking, finance, accounting and government sectors.



Mr. Raed Abdullah Ismail

- Director of the Operation Enhancement Performance Division at the Public Investment Fund
- Director of Direct Investments in the Middle East and North Africa at the Public Investment Fund

Academic Qualifications

- Master's degree in Business Administration, London Business School, United Kingdom
- Bachelor's degree in Finance, George Mason University, United States

Former Positions

- General Manager at Mawarid Food Company Ltd.
- Founder and General Manager of Retail House Ltd.
- Chief Executive Officer at Saudi Tadawi Healthcare Group
- General Manager at Olayan Food Services Company
- Senior Director of Consulting Investment Global Banking at HSBC

Current Memberships

- Vice Chairman of elm Company
- Vice Chairman of Saudi Company of Artificial Intelligence
- Chairman of GDC Middle East Company
- Chairman of the Helicopter Company
- Board Member of Tahakum Investment Company
- Board Member of Americana Restaurants International PLC
- Board Member of National Unified Procurement Company
- Board Member of Bahri Company
- Board Member of Kayanee Company
- Board Member of Red Sea Cruise Ships Company
- Board Member of Aviation Services Company
- Board Member of Saudi Post Company (SPL)
- Board Member of Alnasser Company Club
- Board Member of Lean Business Services
- Board Member of Water Solutions Company
- Board Member of Noon Investment Company

Former Memberships

- Board Member of Saudi Arabia Credit Suisse Bank
- Board Member of ACWA Power Company

Experience

Over 20 years of experience in investment management, corporate finance and leadership across diverse industries, including retail, healthcare and food services, he demonstrates expertise in operational value creation, strategic planning and driving growth.



H.E. Ms. Alshayhana Saleh Alazzaz

Advisor at the Royal Court

Academic Qualifications

- Bachelor's degree in Law, Durham University, United Kingdom

Former Positions

- Deputy Secretary General of the Council of Ministers
- Secretary General of the Board of Directors at the Public Investment Fund
- General Legal Counsel at the Public Investment Fund
- Head of Commercial Transactions at the Public Investment Fund
- Legal Advisor at the Law Office of Looaye M. Alakkas in association with Vinson & Elkins Law Firm
- Legal Advisor at Baker McKenzie Law Firm

Current Memberships

- Board Member of elm Company
- Chairwoman of Sela Company
- Chairwoman of Saudi Authority for Intellectual Property

Former Memberships

- Board Member of Diplomatic Quarter Holding Company
- Chairwoman of the Saudi Electronic Information Exchange (Tabadul)

Experience

Over 16 years of experience, she has worked with the Public Investment Fund and international law firms, developing expertise in legal consultations, deal advisory, and litigation across various sectors. She holds law licenses from the New York Supreme Court and the Ministry of Justice in Saudi Arabia.



H.E. Dr. Esam Abdullah Alwagait

Director at the National Information Center

Academic Qualifications

- Ph.D. in Computer Science, Valencia Polytechnic University, Spain
- Master's degree in Computer Science, University of Southern California, United States
- Bachelor's degree in Computer Science, King Saud University, Saudi Arabia

Former Positions

- Chief Executive Officer of the National Digital Transformation Unit
- Secretary of the National Committee for Digital Transformation
- Deputy of Technical Affairs at the Ministry of Foreign Affairs
- General Supervisor of Information Technology at the Ministry of Education
- Dean of the Electronic Transactions and Communications Department at King Saud University
- Dean of the Deanship of E-Learning and Distance Education at King Saud University
- Associate Professor at King Saud University
- Chief of the Saudi Computer Society

Current Memberships

- Board Member of elm Company
- Board Member of the Saudi Business Center
- Board Member of the National Center for Government Resources
- Board Member of the General Authority for Statistics
- Board Member of the Research, Development and Innovation Authority
- Board Member of the Saudi Company for Artificial Intelligence
- Board Member of E-commerce Company

Experience

With over 20 years of extensive experience in leading digital transformation, he has achieved remarkable successes at the national level, leading numerous pioneering national initiatives that have significantly contributed to advancing the level of e-services in the Kingdom.

Board of Directors (Continued)



Mr. Abdullah Saad Alsalem

Head of Investment Planning and Governance at the Public Investment Fund

Academic Qualifications

- Master's degree in Business Administration, University of Portsmouth, United Kingdom
- Bachelor's degree in Information Systems, King Saud University, Saudi Arabia

Former Positions

- Director of the Strategy and Planning Department at the Public Investment Fund
- Director of Project Management at the Public Investment Fund

Current Memberships

- Board Member at elm Company
- Board Member at Boutique Group
- Board Member of Saudi Artificial Intelligence Company (SKY)
- Board Member of Thiqah Business Services Company
- Board Member of Jasara Program Management Company
- Chairman of the Board at Business Incubators and Accelerators Company
- Board Member of Falak Marine Company
- Board Member of Capton Energy - United Arab Emirates

Former Memberships

- Vice Chairman of Etihad Company

Experience

With over 14 years of experience in both the public and private sectors, he has played a key role in leading Saudi Arabia's largest transformation and vision programs. He has a proven track record in business development, corporate strategy, transformation, performance management, project management, and corporate governance.



Dr. Khaled Abdulaziz Alhoneim

- Founder and Chairman of Hawaz Company
- Co-founder and Chairman of Mozn Company

Academic Qualifications

- Ph.D. in Computer and Electrical Engineering, Carnegie Mellon University, United States
- Master's degree in Computer and Electrical Engineering, Carnegie Mellon University, United States
- Bachelor's degree in Computer Engineering, King Saud University, Saudi Arabia

Former Positions

- Chief Executive Officer at Takamol Holding Company
- Chief Executive Officer at stc Group
- Chief Executive Officer at elm Company
- Assistant Professor at King Saud University

Current Memberships

- Board Member of elm Company
- Board Member of Tawuniya Insurance Company
- Board Member of Alobeikan Company
- Board Member of Etihad Etisalat Company

Former Memberships

- Board Member of the Saline Water Conversion Corporation
- Board Member of the National Water Company
- Board Member of the Saudi Electronic Information Exchange (Tabadul)
- Board Member of Takaful Charity Foundation
- Board Member of the Saudi Human Resources Development Fund (HADAF)
- Board Member of Thiqah Business Services Company
- Board Member of King Abdulaziz City for Science and Technology
- Board Member of King Abdulaziz and his Companions Foundation for Giftedness and Creativity (Mawhiba)
- Board Member of the Transport General Authority
- Board Member of Unifonic Company
- Board Member of Riyadh Second Health Cluster
- Board Member of Takamol Holding
- Board Member of Bayan Credit Bureau Company

Experience

Over 30 years of professional experience in digital transformation, artificial intelligence, executive management and entrepreneurship. He led government-owned and privately owned companies.



Mr. Abdularahman Mohammed Alodan

- Owner and Director of Security House Trading
- Chief Executive Officer at Kemit Industry Company

Academic Qualifications

- Master's degree in Computer Science, Florida Institute of Technology, United States
- Bachelor's degree in Computer Science, Jacksonville University, United States

Former Positions

- Information Technology Consultant at Riyadh Bank
- Vice President of Information Technology at Riyadh Bank
- Executive Director of the Transformation and Performance Improvement Program at Riyadh Bank
- Director of the Solutions and Systems Department at Riyadh Bank
- Director of the Treasury, Investment and Trade Finance Systems Development Program at Riyadh Bank
- Director of Systems Re-engineering at United Saudi Bank
- Owner and General Manager at Almadar Telecom Company
- Director of the Computer Operations Department at the Saudi Central Bank

Current Memberships

- Board Member of elm Company
- Member of the Technology Project Committee at Tawuniya Insurance Company
- Audit and Risk Committee Member of MOWAH Company

Former Memberships

- Board Member of the Saudi National Bank
- Board Member of Tawuniya Insurance Company
- Board Member of the Founding Committee at the Small and Medium Enterprises Bank

Experience

More than 26 years of experience in information technology and commercial banking consulting. He has also held various positions on audit committees.



Eng. Thamer Mohammad Alharbi¹

Deputy Assistant to the Minister of Interior for Technology Affairs

Academic Qualifications

- Bachelor's degree in Systems Engineering, King Fahad University of Petroleum and Minerals, Saudi Arabia
- Business Studies, IESE
- Business Studies, University of Michigan's Ross School of Business

Former Positions

- President of Microsoft Arabia and the North Middle East region
- Vice President of Oracle for Saudi Arabia and the Upper Gulf Region
- Vice President for Infra-Cloud at Oracle in the Middle East and Africa
- Regional Director for Financial Services at Accenture in the Middle East
- Regional Manager for Temenos in Europe, the Middle East, Africa and Latin America
- Regional Sales Manager for Tenemos in the Middle East

Current Memberships

- Board Member of elm Company
- Board Member of Masdar

Experience

Over 23 years of executive leadership experience in major global technology and artificial intelligence organizations, leading and overseeing operations, investment plans, strategy development and the establishment of specialized centers in various entities.

¹ Eng. Thamer Mohammed Alharbi was elected by the Company's General Assembly, which was held on 04 November 2024, for the new Board term that began on 25 November 2024.

Board of Directors (Continued)



Mr. Faris Ibrahim Alrashed Alhumaid

- Chief Executive Officer of Sharaka Financial Company
- Co-founder of Lindo Saudi Invoice Financing
- Founder and Chairman of the Board of Trustees at the Wateen Endowment Foundation
- Founder and Chairman of the Trustees Board at OQAL

Academic Qualifications

- Bachelor's degree in Computer Science, King Saud University, Saudi Arabia
- Entrepreneurs Development Program, Massachusetts Institute of Technology, United States
- Oxford Advanced Leadership and Management Program, University of Oxford, United Kingdom
- Certificate of the Board of Directors Institute, Institute of Board Members, Saudi Arabia

Former Positions

- President at Riyadh Steel Company
- General Manager at Aldawalij Company
- Director of the Future Kids Center
- Head of Private Equity at Derayah Financial Company

Current Memberships

- Board Member of elm Company
- Chairman of Nal Investment Company Ltd.
- Board Member of Madad Office Solutions Ltd.
- Chairman of Sharaka Financial Company
- Board Member of Bin Dawood Holding Company
- Board Member of Naseej Digital Transformation Solutions Company
- Board Member of SHL Finance Company
- Board Member of Digital Mobility Solutions Company
- Board Member of Hala Bostani Company
- Chairman of Ratio Specialty Company
- Board Member of Ibrahim Alrashed Alhumaid Sons Company
- Board Member of Complete Sports Group
- Chairman of Derayah Venture Fund
- Member of the Nominations Committee at the National Infrastructure Fund

Former Memberships

- Board Member of Dur Hospitality Company
- Board Member of Qassim Cement Company
- Board Member of Derayah Financial Company
- Chairman of the Czech Center for Physiotherapy and Rehabilitation
- Board Member of Abdullah Abdulaziz Alrajhi and his Sons Holding Company
- Board Member of Alsaghyir Trading Contracting Company
- Board Member of Shami Mehbaj Company
- Vice Chairman of Lindo Saudi Invoice Financing Company
- Board Member of Hala Company
- Board Member of Dallah Healthcare Company
- Board Member of Riyadh Real Estate Fund
- Board Member of Shaker Group
- Board Member of Tanami Arabia Company
- Board Member of Rawaj Education Fund
- Board Member of Binary Works Company - Egypt

Experience

More than 30 years of diverse experience in investing, serving board members, strategic consulting and managing organizations and private funds.



Eng. Abdullah Abdulrahman Alrabiah²

- Deputy Minister at the Ministry of Interior for Regional Affairs
- Secretary General of the General Secretariat at the Meeting of Their Highnesses, the Governors of the Regions

Academic Qualifications

- Master's degree in Electrical Engineering, King Saud University, Saudi Arabia
- Bachelor's degree in Electrical Engineering, King Saud University, Saudi Arabia

Former Positions

- Director of the Technology Program at the Ministry of Interior
- Deputy of Security Capabilities at the Ministry of Interior

Current Memberships

- Board Member and Secretary of the National Program for Community Development in the Regions
- Board Member of the General Food Security Authority
- Board Member of the Saudi Falcons Club
- Board Member of Sustainable Agricultural Rural Development
- Board Member of the National Center for Wildlife Development
- Board Member of the National Association for Community Services (Ajwad)
- Board Member of the General Irrigation Corporation
- Board Member of the General Entertainment Authority

Former Memberships

- Board Member of elm Company

Experience

More than 26 years in managing projects, programs and portfolios, and formulating and implementing business strategies in the fields of communications and information technology, security and safety solutions and corporate solutions.

² Eng. Abdullah Abdulrahman Alrabiah's membership expired at the end of the previous Board of Directors term on 24 November 2024.

Board of Directors (Continued)

Board of Directors' Meetings and Attendance

The Board of Directors of elm Company is composed of nine members, appointed by the General Assembly for a four-year term in accordance with the Company's bylaws. The previous term of the Board of Directors concluded on 24 November 2024 and the General Assembly appointed

the members for the new term, which commenced on 25 November 2024.

During 2024, the Board held 10 meetings. Below are the Board's meeting dates and the attendance record:

#	Member Name	Membership Type	Board of Directors Term ¹	09 Mar	27 Mar	09 May	11 Jun	30 Jun	01 Aug	02 Oct	31 Oct	26 Nov	22 Dec	Total
1	Mr. Raed Abdullah bin Ahmed –Chairman	Non-Executive	Previous and Current Terms	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	9
2	Mr. Raed Abdullah Ismail – Vice Chairman	Non-Executive	Previous and Current Terms	✓	-	✓	-	✓	-	-	✓	✓	✓	6
3	H.E. Ms. Alshayhana Saleh Alazzaz	Non-Executive	Previous and Current Terms	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10
4	H.E. Dr. Esam Abdullah Alwagait	Non-Executive	Previous and Current Terms	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10
5	Mr. Abdullah Saad Alsalem	Non-Executive	Previous and Current Terms	✓	✓	✓	-	✓	✓	✓	✓	✓	✓	9
6	Dr. Khaled Abdulaziz Alghoneim	Independent	Previous and Current Terms	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10
7	Mr. Abdularahman Mohammed Alodan	Independent	Previous and Current Terms	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10
8	Mr. Faris Ibrahim Alrashed Alhumaid	Independent	Previous and Current Terms	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10
9	Eng. Thamer Mohammad Alharbi	Non-Executive	Current Term									✓	✓	2
10	Eng. Abdullah Abdulrahman Alrabiah	Non-Executive	Previous Term	✓	✓	✓	-	✓	✓	✓	✓			7

¹The previous term ended on 24 November 2024, and the current term began on 25 November 2024.

Board and Committees Assessment

Due to the changes in the Board of Directors memberships and its committees, the Nominations and Remunerations Committee decided to conduct a comprehensive internal evaluation of the Board and its committees' performance

during the fiscal year 2024. The evaluation aimed to assess current performance, analyze strengths and weaknesses and enhance the Board and its committees' effectiveness and performance in the coming months.

Board Committees

External Members of the Board Committees

Dr. Abdulrahman Mohammed Albarrak

Chairman of the Audit Committee

Current Positions

- The Chief Executive Officer and Chairman of the Board of Tharaa Consulting Company

Former Positions

- Vice Chairman of the Board of Directors at Capital Market Authority
- Commissioner at Capital Market Authority
- Dean and Head of the Finance Department at King Faisal University

Academic Qualifications

- Ph.D. in Finance, Newcastle University, United Kingdom
- Master's degree in Finance, University of Colorado, United States
- Bachelor's degree in Accounting, King Faisal University, Saudi Arabia

Experience

More than 20 years of experience in several fields related to the banking, financial and accounting sectors.

Mr. Turki Abdulmohsen Alluhaid

Member of the Audit Committee

Current Positions

- Managing Partner at Turki Abdulmohsen Alluhaid and Saleh Abdullah Al Yahya Accountants and Auditors

Former Positions

- Audit Partner at Ernst & Young (EY)
- Operations Execution Officer in the Credit Department at Riyadh Bank

Academic Qualifications

- Bachelor's degree in Accounting, King Saud University, Saudi Arabia
- Fellowship of the Saudi Organization for Chartered and Professional Accountants (SOCPA), Saudi Arabia
- Fellowship of the American Institute of Certified Public Accountants

Experience

More than 20 years of experience in several fields related to the banking, financial and accounting sectors.

Mr. Marwan Hamad Alluhaidan

Member of the Audit Committee

Current Positions

- General Director for the General Department of Cyber Risk Control at the Saudi Central Bank

Former Positions

- Director of Information Technology and Payment Systems Risk Management at the Saudi Central Bank

Academic Qualifications

- Master's degree in Computer Systems Security, University of Glamorgan, United Kingdom
- Bachelor's degree in Information Systems, King Saud University, Saudi Arabia

Experience

More than 20 years of experience in several fields related to risk assessment in the financial and banking sector, and an expert in IT risks, cyber risk governance and counter fraud.

Mr. Firas Salahaldin Alqurashi

Member of the Audit Committee

Current Positions

- Senior Director of the Financial and Accounting and Control Department at the Public Investment Fund

Former Positions

- Chief Financial Officer at the Water and Electricity Company
- Financial Controller at Saudi Fransi Capital
- Assistant Finance Director at Amana Cooperative Insurance Company
- Assistant Relationship Manager at the Saudi Hollandi Bank
- Senior Auditor at Price Waterhouse Coopers (PwC)

Academic Qualifications

- Master's degree in Banking and Finance, University of Sydney, Australia
- Bachelor's degree in Accounting, King Fahd University of Petroleum and Minerals, Saudi Arabia
- Fellowship of the Saudi Organization for Chartered and Professional Accountants (SOCPA), Saudi Arabia

Experience

More than 20 years of experience in several fields related to the banking, finance, auditing and accounting sectors.

Board Committees (Continued)

Ms. Shahd Abdurahman Attar

Member of the Investment Committee

Current Positions

- Department Manager of the Local Direct Investments Team and Head of the Technology and Media Sector at the Public Investment Fund

Former Positions

- Head of the Communications and Information Technology Sector at the Ministry of Investment
- General Manager of the Business Development and Government Relations Department at Accenture Company
- Director of Business Development and Government Relations at the Saudi Telecom Company

Academic Qualifications

- Master's degree in Business and Technology Entrepreneurship, Waterloo University, Canada
- Bachelor's degree in Information Systems Management, Dar Al-Hekma University, Saudi Arabia

Experience

18 years of experience in strategy development, investment execution, and corporate governance, with a proven track record in leading teams to achieve organizational goals and ensuring policy compliance.

Dr. Abdulrahman Saad Aljadhai¹

Member of the Investment Committee

Former Positions

- Chief Executive Officer of elm Company
- Director of E-Business and Strategy at elm Company
- Director of Infrastructure at Saudi Telecom Company
- Assistant Professor at the College of Technology

Academic Qualifications

- Ph.D. in Computer Science, University of Pittsburgh, United States
- Master's degree in Computer Science, University of Michigan, United States
- Bachelor's degree in Computer Engineering, King Saud University, Saudi Arabia

Experience

25 years of experience includes strategic leadership, digital transformation, e-business development, telecom infrastructure management and higher education in computer science and engineering.

Mr. Fahad Khaled Alsaud

Member of the Investment Committee

Current Positions

- Chief Executive Officer and Managing Director at Alpha Financial Company

Former Positions

- Advisor to H.E. Governor of the Public Investment Fund
- Vice President of Alternative Investments at Jadwa Investment Company
- Adviser to H.E. the Chairman of the Capital Market Authority
- Credit Specialist at the Saudi Industrial Development Fund

Academic Qualifications

- Master's degree in Corporate Finance, Reading University, United Kingdom
- Bachelor's degree in Financial Management, King Fahd University of Petroleum and Minerals, Saudi Arabia
- Chartered Financial Analyst (CFA)

Experience

18 years of experience in asset investment and fund management, working closely with senior government officials, and led new initiatives to unlock the potential of new sectors.

Mr. Mohammad Abdulaziz Alomair¹

Member of the Investment Committee

Current Positions

- Chief Executive Officer at elm Company

Former Positions

- Chief of Digital Products at elm Company
- Executive Manager of E-Services at elm Company
- Manager of Electronic Services Sales at elm Company
- Manager of Marketing and Business Solutions at elm Company

Academic Qualifications

- Master's degree in Business Administration, Strayer University, United States
- Bachelor's degree in Systems Analysis, King Saud University, Saudi Arabia
- Diploma in Marketing, Chamber of Commerce, Saudi Arabia

Experience

23 years of market experience, mostly at elm Company. His expertise focuses on product development, investment and building business models and partnerships.

Audit Committee

Composition

The Audit Committee was reformed, consisting of five members, in accordance with the Board of Directors' decision for the current term, which began on 25 November 2024.

Duties and Responsibilities

The Audit Committee aims to assist the Board of Directors in performing its monitoring and supervisory duties efficiently and effectively, and its main tasks include:

- Analyze the Company's interim and annual financial statements to ensure its integrity, fairness and transparency and provide its opinion and recommendations thereon.
- Examine and review the Company's internal and financial control systems and risk management

system to ensure its effectiveness, in addition to the effectiveness and efficiency of the Company's administrative information systems and other information technology systems.

- Monitor and oversee the performance and activities of the internal auditor and the Internal Audit Department of the Company to ensure the availability of the necessary resources and their effectiveness in performing the assigned activities and duties.
- Provide recommendations to the Board to nominate external auditors, dismiss them, determine their remunerations and assess their performance after verifying their independence and reviewing the scope of their work and the terms of their contracts.
- Ensure the Company's compliance with the relevant laws, regulations, policies and instructions.
- Ensure the effectiveness of the formation procedures and the performance of audit committees and internal audit departments in subsidiaries.

Meeting Attendance

During 2024, the Audit Committee held five meetings. Below are the Committee's meeting dates and attendance record:

#	Member Name*	Committee Members Term ¹	25 February	06 March	08 May	31 July	30 October	Total
1	Dr. Abdulrahman Mohammed Albarrak - Committee Chairman	Previous and Current Terms	✓	✓	✓	✓	✓	5
2	Mr. Turki Abdulmohsen Alluhaid	Previous and Current Terms	✓	✓	✓	✓	✓	5
3	Mr. Marwan Hamad Alluhaidan	Previous and Current Terms	✓	✓	✓	✓	✓	5
4	Mr. Firas Salahaldin Alqurashi	Previous and Current Terms	✓	✓	✓	✓	✓	5
5	Mr. Abdularahman Mohammed Alodan	Previous and Current Terms	✓	✓	✓	✓	✓	5

¹ The previous term ended on 24 November 2024, and the current term began on 25 November 2024.

¹ Dr. Abdulrahman Saad Aljadhai resigned from his position as a member of the Investment Committee on 30 September 2024. Mr. Mohammed Abdulaziz Alomair was appointed as his replacement, effective from that date until the end of the term.

Board Committees (Continued)

Outcomes of the Annual Review of the Internal Control Processes' Effectiveness

elm’s Audit Committee seeks to support the Board of Directors in ensuring the sufficiency of the Company’s internal control system and its effective implementation. It also aims to provide the Board of Directors with recommendations that would enhance and develop the internal control system to assist elm in achieving its objectives while safeguarding the interests of Shareholders. Additionally, the Audit Committee supports the Board of Directors in fulfilling their oversight responsibilities for the Company’s financial, operational and information systems. elm’s Audit Committee had oversight over the internal audit engagements and outcomes, which provide a periodic review of the adequacy and effectiveness of the internal control system and procedures in a way that enables a continuous assessment of the effectiveness of this system. This serves the objectives of the Board of Directors to obtain reasonable confirmations regarding the efficiency and effectiveness of the Company’s internal control system design and implementation.

Audit Committee Major Activities

Over 2024, elm’s Audit Committee, in the presence of the internal audit, external auditor and other relevant departments and divisions in elm, held nine meetings to discuss several issues related to the committee’s roles and responsibilities such as:

- Examine quarterly and annual financial statements before presenting them to the Board of Directors, and discussing the management letter with the external auditor.
- Recommendation for the appointment of the Company’s external auditor.
- Review external auditor’s annual plan.
- Discussing the internal audit strategy and its implementation initiatives.

- Approval of the internal audit plan, and discussion on the periodic internal audit reports.
- Discussion of whistle blowers incidents and the actions taken to resolve them.
- Discussion of the reports of oversight bodies, such as the National Cybersecurity Authority and the General Bureau of Auditing.
- Discussing periodic reports regarding governance and compliance to verify the Company’s compliance with relevant rules and regulations.
- Discussing periodic reports regarding cybersecurity to verify the Company’s compliance with relevant rules and regulations.
- Discussing the proposed updates of the Company’s authority matrix and financial and administrative regulations.
- Discussion the guidelines of approval for elm’s charters and policies.
- Discussion the updated on the whistleblowing policy.

Audit Committee’s Opinion on the Adequacy of the Internal Control System

Considering the Audit Committee’s scope of work, and based on the periodic reports submitted by the Company’s internal audit, external auditor, the Company’s executive management; discussions with internal control system’s respective parties including finance and risk management and the management’s assurances about the adequacy of the Company’s control system, the Audit Committee did not find any material matters of significant impact on the internal control system for the financial year ending 31 December 2024. Noting that no internal control system can provide absolute assertions about the soundness and effectiveness of the internal control system, but rather reasonable ones. There is also no conflict between the decisions and recommendations of the Audit Committee and those of the Board of Directors.

Nominations and Remunerations Committee

Composition

The Nominations and Remunerations Committee was reformed, consisting of five members, in accordance with the Board of Directors’ decision for the current term, which began on 25 November 2024.

Duties and Responsibilities

The Nominations and Remunerations Committee aims to assist the Board of Directors in performing its monitoring and supervisory duties efficiently and effectively, and its main tasks include:

- Recommend clear policies and standards for the membership of the Board, the executive management and the Company’s representatives on subsidiary boards, in addition to recommending to the Board

the necessary mechanisms to annually assess its performance, its members and sub-committees and the executive management.

- Ensure annually the independence of Independent Directors and ensure the absence of any conflicts of interest.
- Examine and review succession plans for the Board, Chief Executive Officer, and the executive management of the Company.
- Prepare a clear policy for the remuneration of Board Members, its sub-committees and executive management, and present such policy to the Board.
- Review the remuneration and retirement plans, as well as incentive policies and plans related to employees.
- Verify that the Company is in compliance with its governance rules.

Meeting Attendance

During 2024, the Nominations and Remunerations Committee held five meetings. Below are the Committee’s meeting dates and attendance record:

#	Member Name	Committee Members Term ¹	27 February	17 March	02 June	02 September	08 December	Total
1	Mr. Faris Ibrahim Alrashed Alhumaid – Chairman	Previous and Current Terms	✓	✓	✓	✓	✓	5
2	H.E. Dr. Esam Abdullah Alwagait	Previous and Current Terms	✓	✓	✓	✓	✓	5
3	Mr. Raed Abdullah Ismail	Previous and Current Terms	✓	✓	✓	✓	-	4
4	Mr. Abdullah Saad Alsalem	Previous and Current Terms	✓	-	✓	✓	✓	4
5	Eng. Thamer Mohammad Alharbi	Current Term					✓	1
6	Eng. Abdullah Abdulrahman Alrabiah	Previous Term	-	✓	✓	✓		3

¹ The previous term ended on 24 November 2024, and the current term began on 25 November 2024.

Board Committees (Continued)

Investment Committee

Composition

The Investment Committee was reformed, consisting of five members, in accordance with the Board of Directors' decision for the current term, which began on 25 November 2024.

Duties and Responsibilities

The Investment Committee aims to assist the Board of Directors in performing its monitoring and supervisory duties efficiently and effectively, and its main tasks include:

- Assist the Board of Directors in fulfilling its responsibilities by establishing guidelines for non-organic investments by the Company.

Meeting Attendance

During 2024, the Investment Committee held five meetings. Below are the Committee's meeting dates and attendance record:

#	Member Name	Committee Members Term ¹	23 January	21 February	22 April	25 June	22 October	Total
1	Mr. Abdullah Saad Alsalem – Chairman	Previous and Current Terms	-	✓	✓	✓	✓	4
2	Mr. Faris Ibrahim Alrashed Alhumaid	Previous and Current Terms	✓	✓	✓	✓	-	4
3	Ms. Shahd Abdurahman Attar	Previous and Current Terms	-	✓	✓	✓	✓	4
4	Mr. Fahad Khaled Alsaud	Previous and Current Terms	✓	✓	✓	✓	✓	5
5	Dr. Khaled Abdulaziz Alghoneim	Current Term						
6	Dr. Abdulrahman Saad Aljadhai ²	Previous Term	✓	✓	✓	✓	-	4
7	Mr. Mohammad Abdulaziz Alomair ²	Previous Term					✓	1

¹ The previous term ended on 24 November 2024, and the current term began on 25 November 2024.

² Dr. Abdulrahman Saad Aljadhai resigned from his position as a member of the Investment Committee on 30 September 2024. Mr. Mohammad Abdulaziz Alomair was appointed as his replacement, effective from that date until the end of the term.

Risk Management Committee

Composition

The Risk Management Committee was reformed, consisting of three members, in accordance with the Board of Directors' decision for the current term, which began on 25 November 2024.

Duties and Responsibilities

The Risk Management Committee aims to assist the Board of Directors in performing its monitoring and supervisory duties efficiently and effectively, and its main tasks include:

- Ensure the availability of strategic and comprehensive policies for risk management that are consistent with the nature and volume of the Company's activities, monitor its implementation, review and update it based on the Company's internal and external changing factors.
- Ensure the determination of the acceptable level of risk that may be faced by the Company ensuring that the Company does not go beyond such a level.

- Ensure the feasibility of the Company's continuation, the successful continuity of its activities and determine the risks that threaten its existence during the following 12 months.
- Oversee the Company's risk management system and assess the effectiveness of the systems and mechanisms for determining and monitoring the risks that threaten the Company in order to determine areas of inadequacy therein.
- Regularly reassess the Company's ability to take risks and be exposed to such risks.
- Verify the independence of the risk management employees from activities that may expose the Company to risk.

Meeting Attendance

During 2024, the Risk Management Committee held two meetings. Below are the Committee's meeting dates and attendance record:

#	Member Name	Committee Members Term ¹	13 March	19 September	Total
1	H.E. Dr. Esam Abdullah Alwagait – Chairman	Previous and Current Terms	✓	-	1
2	H.E. Ms. Alshayhana Saleh Alazzaz	Previous and Current Terms	✓	✓	2
3	Dr. Khaled Abdulaziz Alghoneim	Previous and Current Terms	✓	✓	2

¹ The previous term ended on 24 November 2024, and the current term began on 25 November 2024.

Executive Management

The Company's organizational structure was updated in 2024 to enhance integration and synergy with its subsidiaries and support the implementation of the "elm 4.0" strategy, which focuses on business growth and expansion.



Dr. Abdulrahman Saad Aljadhah
Former Chief Executive Officer

Former Positions

- Chief Executive Officer at elm Company, from 2012 to September 2024
- Director of E-Business and Strategy at elm Company, from 2005 to 2012
- Director of Infrastructure at Saudi Telecom Company, from 2002 to 2005
- Assistant Professor at the College of Technology, from 1999 to 2002

Academic Qualifications

- Ph.D. in Computer Science, University of Pittsburgh, United States
- Master's degree in Computer Science, University of Michigan, United States
- Bachelor's degree in Computer Engineering, King Saud University, Saudi Arabia

Experience

25 years of experience includes strategic leadership, digital transformation, e-business development, telecom infrastructure management and higher education in computer science and engineering.



Mr. Mohammad Abdulaziz Alomair
Chief Executive Officer

Former Positions

- Chief of Digital Products at elm Company, from 2016 to 2024
- Executive Manager of E-Services at elm Company, from 2012 to 2016
- Manager of Electronic Services Sales at elm Company, from 2011 to 2012
- Manager of Marketing and Business Solutions at elm Company, from 2008 to 2011

Academic Qualifications

- Master's degree in Business Administration, Strayer University, United States
- Bachelor's degree in Systems Analysis, King Saud University, Saudi Arabia
- Diploma in Marketing, Chamber of Commerce, Saudi Arabia

Experience

23 years of market experience, mostly at elm Company. His expertise focuses on product development, investment and building business models and partnerships.



Mr. Alameen Shawqi Alhazmi
Group Chief, Integrated Solutions

Former Positions

- Executive Director at Royal Commission for AlUla Governorate, from 2021 to 2022
- Executive Deputy at National Solidarity Company for Pharmaceuticals and Medical Supplies (NUPCO), from 2018 to 2021
- Executive Vice President for Operations at Riyadh Airports Company in 2017
- Executive Assistant to the Chief Executive Officer at elm Company, from 2016 to 2017

Academic Qualifications

- Master's degree in Business Administration (Executive Program), Arab Academy for Science, Technology and Maritime Transport, Egypt
- Bachelor's degree in Information Systems, King Saud University, Saudi Arabia

Experience

Over 22 years of experience in project and product management, process engineering and strategy.



Mr. Majed Faleh Alotaibi
Group Chief, Digital Government Products

Former Positions

- Chief Executive Officer at Tabadul Company, from 2021 to 2023
- Director of Business Solutions at elm Company, from 2018 to 2021
- Executive Manager of the Labor and Social Development Sector at elm Company, from 2016 to 2018
- Manager of the Labor and Social Development Sector at elm Company, from 2013 to 2016

Academic Qualifications

- Master's degree in Technology Management, University of Illinois Urbana-Champaign, United States
- Bachelor's degree in Information Systems, King Saud University, Saudi Arabia

Experience

17 years of experience in business development and analysis, sales, information technology, strategy, corporate development and executive roles.

Executive Management (Continued)



Mr. Muneer Owish Alfuhaidy
Group Chief, Corporate Planning and Enablement

Former Positions

- Manager of Human Resources at Alafdal Company, from 2004 to 2010
- Supervisor of Human Resources at Jarir Marketing Company, from 2000 to 2004

Academic Qualifications

- Master's degree in Human Resources, Arab East Colleges, Saudi Arabia
- Bachelor's degree in Public Relations and Media, King Saud University, Saudi Arabia

Experience

Over 23 years of experience in human resources, strategic planning, innovation and leadership development, with a proven record in business transformation and growth strategies.



Mr. Abdulaziz Abdullah Alhidery
Chief Internal Audit

Former Positions

- Director of Internal Audit at elm Company, from 2012 to 2016
- Internal Auditor at elm Company, from 2008 to 2011

Academic Qualifications

- Master's degree in Information Technology, California State University, United States
- Master's degree in Professional Accounting, King Saud University, Saudi Arabia
- Bachelor's degree in Accounting, King Saud University, Saudi Arabia
- Fellowship in the Saudi Organization for Certified Public Accountants (SOCPA), Saudi Arabia
- Fellowship in the Certified Internal Auditor (CIA), Institute of Internal Auditors, Saudi Arabia

Experience

Over 20 years of experience in internal auditing, IT auditing, risk management, finance and accounting, governance, audit, risk and governance committees.



Mr. Othman Mohammed Altwajiri
Vice President of Finance Division

Former Positions

- Executive Director of Financial Operations at elm Company, from 2018 to 2019
- Audit Manager and Licensed Partner at Ernst & Young (EY), from 2016 to 2018
- Assistant Audit Manager at Ernst & Young (EY), from 2014 to 2016
- Chief Auditor at Ernst & Young (EY), from 2011 to 2014

Academic Qualifications

- Bachelor's degree in Accounting, King Saud University, Saudi Arabia
- Fellowship in the Saudi Organization for Certified Public Accountants (SOCPA), Saudi Arabia

Experience

Over 16 years of experience in financial activities, including auditing, accounting, planning, budgeting and treasury.



Mr. Fares Hamad Alfares
Vice President of Legal, Risk and Governance Division

Former Positions

- General Director of Shared Services at elm Company, from 2016 to 2018
- Head of the Legal Department at elm Company, from 2005 to 2016
- Employee at the Saudi Grains Organization (formerly, the Grain Silos and Flour Mills Organization), from 2001 to 2003

Academic Qualifications

- Master's degree in Law, Nottingham Trent University, United Kingdom
- Bachelor's degree in Law, King Saud University, Saudi Arabia

Experience

Over 19 years of professional experience in legal, governance, management and leadership.

Executive Management (Continued)



Mr. Fahad Essa Alshathry
Vice President of Investment Division and Acting Group Chief,
Business Digital Products

Former Positions

- Acting Vice President of Professional Services at elm Company, from 2021 to 2023
- General Manager of the Business Sector at elm Company, from 2018 to 2020
- Business Development and Sales Manager at elm Company, from 2010 to 2018
- Vice President of Sales and Marketing at Security Technology Company, from 2003 to 2010

Academic Qualifications

- Bachelor's degree in Software Engineering, Business and Information Technology College, United Kingdom
- Diploma of Computer Science, Public Administration Institute, Saudi Arabia

Experience

Over 25 years of professional experience in investment, information technology, sales and digital transformation.



Mr. Abdulaziz Saad Altammami
Vice President of AI Enablement

Former Positions

- Vice President of Corporate Development at elm Company, from 2017 to 2023
- Vice President of Corporate Relations at elm Company, from 2012 to 2017
- Chief Technical Officer at elm Company, from 2010 to 2012
- General Manager of Business Management Technology at Saudi Telecom Company, from 2008 to 2010

Academic Qualifications

- Ph.D. in Computer Engineering, University of Bradford, United Kingdom
- Master's degree in Real-Time Systems, University of Bradford, United Kingdom
- Bachelor's degree in Computer Engineering, King Saud University, Saudi Arabia

Experience

Over 27 years in digital transformation, mergers and acquisitions, corporate strategy and AI.



Dr. Nasser Zaid Almeshary
Vice President of Strategic Alliances/Partnerships

Former Positions

- Vice President of Business Sectors at elm Company, from 2018 to 2023
- Vice President of Training Solutions at elm Company, from 2013 to 2020
- Business Development Advisor at Axir Health Systems, from 2011 to 2013
- Chief Technology Officer and Advisor to His Highness the Deputy Foreign Minister for Technical Affairs at the Ministry of Foreign Affairs, from 2009 to 2011

Academic Qualifications

- Ph.D. in Information Security, Florida Institute of Technology, United States
- Master's degree in Computer Engineering, King Saud University, Saudi Arabia
- Bachelor's degree in Computer Engineering, King Saud University, Saudi Arabia

Experience

33 years of experience in strategic partnerships, business development and sales, human capital development, cybersecurity, governance, strategy development and execution, performance management and IT services.



Mr. Abdullah Saad Alarifi
Vice President of Research and AI Division

Former Positions

- Vice President of the Professional Services Division at elm Company, from the beginning of 2024 until October 2024
- Director of Data Analytics and Artificial Intelligence at elm Company, from 2022 to 2024
- Director of Performance and Business Enablement at elm Company, from 2020 to 2022
- Manager of Digital Business Technology at elm Company, from 2018 to 2020

Academic Qualifications

- Master's degree in Information Systems, King Saud University, Saudi Arabia
- Bachelor's degree in Information Systems, King Saud University, Saudi Arabia

Experience

More than 15 years of professional experience in business services, digital products, emerging technologies and applied research.

Share Ownership

Board of Directors Share Ownership

As of 31 December 2024, the Board Members and their relatives (husband, wife and minor children) held the following shares:

#	Name	Beginning of Year Shares (No.)	End of Year Shares (No.)	Net Change	Change %
1	Mr. Raed Abdullah bin Ahmed	-	-	-	-
2	Mr. Raed Abdullah Ismail	-	-	-	-
3	H.E. Ms. Alshayhana Saleh Alazzaz	-	-	-	-
4	H.E. Dr. Esam Abdullah Alwagait	-	-	-	-
5	Mr. Abdullah Saad Alsalem	-	-	-	-
6	Dr. Khaled Abdulaziz Alghoneim	-	-	-	-
7	Mr. Abdulrahman Mohammed Alodan	-	1	1	100%
8	Mr. Faris Ibrahim Alrashed Alhumaid	1,243	1,243	-	-
9	Eng. Thamer Mohammad Alharbi ¹	-	-	-	-
10	Eng. Abdullah Abdulrahman Alrabiah ²	-	-	-	-

There are no rights or debt instruments issued by the Company or any of its subsidiaries.

¹ Eng. Thamer Mohammed Alharbi was elected by the Company's General Assembly, which was held on 4 November 2024, for the new Board term that began on 25 November 2024.
² Eng. Abdullah Abdulrahman Alrabiah's membership expired at the end of the previous Board of Directors term on 24 November 2024.

Executive Management Share Ownership

As of 31 December 2024, the executive management and their relatives (wife, and minor children) held the following shares:

#	Name	Beginning of Year Shares (No.)	End of Year Shares (No.)	Net Change	Change %
1	Mr. Mohammad Abdulaziz Alomair	60	60	-	-
2	Mr. Alameen Shawqi Alhazmi	1,154	1,154	-	-
3	Mr. Majed Faleh Alotaibi	-	-	-	-
4	Mr. Muneer Owish Alfuhaidy	-	-	-	-
5	Mr. Abdulaziz Abdullah Alhidery	60	60	-	-
6	Mr. Othman Mohammed Altwaijri	60	60	-	-
7	Mr. Fares Hamad Alfares	60	60	-	-
8	Mr. Fahad Essa Alshathry	60	60	-	-
9	Dr. Abdulaziz Saad Altammami	60	60	-	-
10	Dr. Nasser Zaid Almeshary	60	60	-	-
11	Mr. Abdullah Saad Alarifi	664	664	-	-

There are no rights or debt instruments issued by the Company or any of its subsidiaries.

Compensation and Remuneration

Remuneration Policy of the Board, Committees Members' and Executive Management

Criteria and Standards for the Remuneration of Board Members and Committee Members

- The remuneration of a Board Member (considering their Board duties) shall be a certain amount plus an attendance fee for Board meetings, as defined by this policy, in addition to any in-kind benefits or a certain percentage of net profits. It is permissible to combine two or more of these benefits. However, the remuneration of Independent Board Members shall not be a percentage of the profits that are realized by the Company, nor shall it be based directly or indirectly on the Company's profits.
- The remuneration must be fair and proportionate to the Board Member's activities carried out and responsibilities borne by the Board Members, in addition to the objectives set out by the Board, to be achieved during the financial year.
- A Board Member may receive a remuneration for any additional executive, technical, managerial or consultative - pursuant to a professional license - duties or positions carried out by the Board Member, and such remuneration shall be in addition to the remuneration he/she may receive in his/her capacity as a Member of the Board and/or committees formed by the Board, pursuant to the Companies Law and the Company's Articles of Association.
- Remuneration of Board Members, its sub-committee members and executive management shall take into account the relevant regulations and laws.

Criteria and Standards for the Remuneration of Executive Management

- The annual bonus of the Company's Chief Executive Officer is determined based on his/her achievement of the financial and strategic objectives and other criteria in accordance with the Company's approved policy.
- The annual bonuses for the executive management of the Company are calculated according to the Company's approved policy and mechanism for annual bonuses.
- Salaries and benefits allocated to the executive management are determined based on the policies approved by the Company.

For more details, please review Board, Committees Members' and Executive Management Remuneration Policy.

The Relationship between Remuneration and the Applicable Remuneration Policy

There is no substantial deviation in the remuneration awarded to the board members and the committees members' according to the applicable Remuneration Policy.

Compensation and Remuneration (Continued)

Board Members' Remuneration

Board Remuneration for the Year 2024:

(﷼)	Fixed Remunerations							Variable Remunerations						End-of-Service Award	Aggregate Amount	Expenses Allowance
	Specific Amount	Allowance for Attending Board Meetings	Total Allowance for Attending Committee Meetings	In-kind Benefits	Remunerations for Technical, Managerial and Consultative Work	Remunerations of the Chairman, Managing Director or Secretary, if a Member	Total	Percentage of Profits	Periodic Remunerations	Short-term Incentive Plans	Long-term Incentive Plans	Granted Shares (the Value)	Total			
First: Independent Members																
Dr. Khaled Abdulaziz Alghoneim	250,000	30,000	6,000	-	-	-	286,000	-	-	-	-	-	-	-	286,000	-
Mr. Abdularahman Mohammed Alodan	250,000	30,000	15,000	-	-	-	295,000	-	-	-	-	-	-	-	295,000	-
Mr. Faris Ibrahim Alrashed Alhumaid	250,000	30,000	27,000	-	-	-	307,000	-	-	-	-	-	-	-	307,000	-
Total	750,000	90,000	48,000	-	-	-	888,000	-	-	-	-	-	-	-	888,000	-
Second: Non-Executive Directors																
Mr. Raed Abdullah bin Ahmed	450,000	27,000	-	-	-	-	477,000	-	-	-	-	-	-	-	477,000	-
Mr. Raed Abdullah Ismail	250,000	18,000	12,000	-	-	-	280,000	-	-	-	-	-	-	-	280,000	-
H.E. Ms. Alshayhana Saleh Alazzaz	250,000	30,000	6,000	-	-	-	286,000	-	-	-	-	-	-	-	286,000	-
H.E. Dr. Esam Abdullah Alwagait	250,000	30,000	18,000	-	-	-	298,000	-	-	-	-	-	-	-	298,000	-
Mr. Abdullah Saad Alsalem	250,000	27,000	24,000	-	-	-	301,000	-	-	-	-	-	-	-	301,000	-
Eng. Thamer Mohammad Alharbi ¹	25,135.87	6,000	3,000	-	-	-	34,135.87	-	-	-	-	-	-	-	34,135.87	-
Eng. Abdullah Abdulrahman Alrabiah ²	224,864.13	21,000	9,000	-	-	-	254,864.13	-	-	-	-	-	-	-	254,864.13	-
Total	1,700,000	159,000	72,000	-	-	-	1,931,000	-	-	-	-	-	-	-	1,931,000	-

¹ Eng. Thamer Mohammad Alharbi was elected by the General Assembly held on 04 November 2024, for the new term of the Board of Directors, which began on 25 November 2024.

² Eng. Abdullah Abdulrahman Alrabiah's membership ended with the conclusion of the previous term of the Board of Directors on 24 November 2024.

The Board of Directors' total remuneration and compensation was calculated based on the Board, Committee Members' and Executive Management Remuneration Policy, and there are no material deviations from that policy.

Committees Members' Remuneration

Committees Members' Remuneration for the Year 2024:

	Fixed Remuneration (Except for the allowance for attending Board meetings)	Allowance for Attending Board Meetings	Total
Audit Committee			
Dr. Abdulrahman Mohammed Albarrak	150,000	15,000	165,000
Mr. Turki Abdulmohsen Alluhaid	150,000	15,000	165,000
Mr. Marwan Hamad Alluhaidan	150,000	15,000	165,000
Mr. Firas Salahaldin Alqurashi	150,000	15,000	165,000
Mr. Abdularahman Mohammed Alodan	150,000	15,000	165,000
Total	750,000	75,000	825,000
Nominations and Remunerations Committee			
Mr. Faris Ibrahim Alrashed Alhumaid	150,000	15,000	165,000
H.E. Dr. Esam Abdullah Alwagait	150,000	15,000	165,000
Mr. Raed Abdullah Ismail	150,000	12,000	162,000
Mr. Abdullah Saad Alsalem	150,000	12,000	162,000
Eng. Thamer Mohammad Alharbi ¹	15,081.52	3,000	18,081.52
Eng. Abdullah Abdulrahman Alrabiah ²	134,918.48	9,000	143,918.48
Total	750,000	66,000	816,000
Investment Committee			
Mr. Abdullah Saad Alsalem	150,000	12,000	162,000
Mr. Faris Ibrahim Alrashed Alhumaid	150,000	12,000	162,000
Ms. Shahd Abdurahman Attar	150,000	12,000	162,000
Mr. Fahad Khaled Alsaud	150,000	15,000	165,000
Dr. Khaled Abdulaziz Alghoneim	15,081.52	-	15,081.52
Dr. Abdulrahman Saad Aljadhai ³	112,500	12,000	124,500
Mr. Mohammad Abdulaziz Alomair ⁴	22,010.87	3,000	25,010.87
Total	749,592.39	66,000	815,592.39
Risk Management Committee			
H.E. Dr. Esam Abdullah Alwagait	150,000	3,000	153,000
H.E. Ms. Alshayhana Saleh Alazzaz	150,000	6,000	156,000
Dr. Khaled Abdulaziz Alghoneim	150,000	6,000	156,000
Total	450,000	15,000	465,000

¹ Eng. Thamer Mohammad Alharbi was elected by the General Assembly held on 04 November 2024, for the new term of the Board of Directors, which began on 25 November 2024.

² Eng. Abdullah Abdulrahman Alrabiah's membership ended with the conclusion of the previous term of the Board of Directors on 24 November 2024.

³ Dr. Abdulrahman Saad Aljadhai resigned from his position as a member of the Investment Committee on 30 September 2024.

⁴ Mr. Mohammad Abdulaziz Alomair was appointed as a member of the Investment Committee, replacing Dr. Abdulrahman Saad Aljadhai on 02 October 2024, and his membership ended with the conclusion of the previous Board of Directors' term on 24 November 2024.

The Committee members' total remuneration and compensation was calculated based on the Board, Committee Members' and Executive Management Remuneration Policy, and there are no material deviations from that policy.

Compensation and Remuneration (Continued)

Remunerations of Senior Executives

The following table shows remunerations of the top six senior executives, including the former Chief Executive Officer, the current Chief Executive Officer, and the Vice President of Finance for the year of 2024.

2024		
Fixed Remunerations	Salaries	10,186,153
	Allowances	3,210,443
	In-kind Benefits	591,330
	Total	13,987,926
Variable Remunerations	Periodic Remunerations	2,495,034
	Profits	-
	Short-term Incentive Plans	8,169,888
	Long-term Incentive Plans ¹	2,499,444
	Granted Shares (insert the Value) ²	14,338,980
Total		27,503,346
End of Service Award		5,186,869
Total Remunerations for Board Executives, if any		-
Aggregate Amount		46,678,141

The Senior Executives' total remuneration was calculated based on the Board, Committee Members' and Executive Management Remuneration Policy, and there are no material deviations from that policy.

¹ The executives' shares as part of long-term employee share program.

² The amount of granted shares in 2024 was calculated based on the share's closing price on the grant date.

Dividends

Dividend Policy

The General Dividend Distribution Policy

- The Company may distribute annual or interim dividends to the shareholders after meeting statutory requirements in this regard.
- Taking into account controls imposed by the relevant authority regarding the creation of the reserves, a certain percentage of the net profits may be allocated to reserves for purposes determined by the General Assembly.
- The Ordinary General Assembly, when determining the allocation of shares in net profits, may decide to form other reserves as needed to serve the Company's interests or to ensure the distribution of stable and regular dividends to the shareholders. The General Assembly may also allocate amounts from net profits to social purposes for the Company's employees.

Eligibility of Dividends and the Payment Schedule

- The shareholder shall be entitled to his/hers share in dividends based on a resolution adopted by the General Assembly in this respect. The resolution shall state the eligibility date and distribution date. The shareholders registered in the shareholder register shall be entitled to their shares in dividends at the end of the eligibility date. The Board of Directors shall execute the resolutions approved by the Ordinary General Assembly with respect to the distribution of dividends to shareholders according to the relevant statutory controls.
- The Board shall execute the General Assembly resolution with respect to the distribution of dividends to the registered shareholders within 15 business days from the date they become entitled to such dividends as determined in the General Assembly resolution, or the Board's resolution on distributing interim dividends.

Distribution of Profits to Preferred Shares

If the Company fails to pay the specified share of profits to the preferred shareholders from the net profits of the Company, after deducting reserves, if any, for a period of three consecutive years, the Special Assembly of the holders of these shares - held in accordance with the provisions of the Companies Act - may decide to attend the Company's General Assembly Meetings and participate in voting until the Company is able to pay all the profits allocated to the holders of these shares for those years. Each preferred share shall have one vote at the General Assembly Meeting, and the holder of the preferred share in this case has the right to vote on all items on the agenda of the Ordinary General Assembly Meeting without exception.

Distribution of Interim Dividends

A Company may distribute interim dividends to its shareholders on a semi-annual or quarterly basis after fulfilling the following requirements:

- The issuance of a resolution by the General Assembly, renewed annually, authorizing the Board to distribute interim dividends.
- The Company shall enjoy regular positive profitability.
- The Company shall enjoy reasonable liquidity and be able to reasonably foresee the scale of its profits.
- The Company shall have distributable profits based on the latest audited financial statements. These profits shall be sufficient to cover the proposed dividend distribution, after deducting the amounts distributed and capitalized of the profits, after the date of these financial statements.

Distributed Dividend

In 2024, the Board of Directors approved the distribution of cash dividends to shareholders for the second half of 2023 and the first half of 2024. The following is a detailed breakdown of the distributions for 2024:

Dividends Period	Total Amount Distributed (ﷲ)	Dividend Per Share (ﷲ)	Dividend to the Share Par Value (%)	Announcement Date	Eligibility Date	Distribution Date
The Second Half of 2023	310,788,800	4	40%	10 Mar 2024	13 Mar 2024	25 Mar 2024
The First Half of 2024	271,940,200	3.5	35%	04 Aug 2024	07 Aug 2024	20 Aug 2024
Total	582,729,000	7.5				

The Company announced on 27 February 2025 the decision of the Board of Directors to distribute interim cash dividends to shareholders for the Second Half of 2024, amounting to ﷲ 310,840,232 (ﷲ 4 per share). The eligibility date will be on 06 March 2025 corresponding to 06-09-1446H.

Shareholders

General Assembly Meetings

The General Assembly of shareholders met twice during 2024. The Extraordinary General Assembly Meeting was held on 01 May 2024 corresponding to 22-10-1445H, and

the Ordinary General Assembly Meeting was held on 04 November 2024 corresponding to 02-05-1446H, through modern technology using the Tadawulaty system. The following is the attendance record of Board Members:

#	Name	Position	Extraordinary General Assembly	Ordinary General Assembly
			01 May	04 November
1	Mr. Raed Abdullah bin Ahmed	Chairman of the Board	✓	✓
2	Mr. Raed Abdullah Ismail	Vice Chairman of the Board	-	-
3	H.E. Ms. Alshayhana Saleh Alazzaz	Board Member	-	✓
4	H.E. Dr. Esam Abdullah Alwagait	Board Member	✓	✓
5	Eng. Abdullah Abdulrahman Alrabiah	Board Member	✓	✓
6	Mr. Abdullah Saad Alsalem	Board Member	-	✓
7	Dr. Khaled Abdulaziz Alghoneim	Board Member	✓	-
8	Mr. Abdularahman Mohammed Alodan	Board Member	✓	✓
9	Mr. Faris Ibrahim Alrashed Alhumaid	Board Member	✓	✓

The Results of the Extraordinary General Assembly Meeting that was held on 01 May 2024

- Approved the External Auditors Report for the financial year ending on 31 December 2023 after discussing it.
- The Company's financial statements for the fiscal year ending on 31 December 2023 were reviewed and discussed.
- The Board of Directors Report for the fiscal year ending on 31 December 2023 was reviewed and discussed.
- Approved paying an amount of ﷲ 2,450,000 as remuneration to the Board Members for the fiscal year ending on 31 December 2023.
- Approved the appointment of BDO Saudi Arabia, Dr. Mohamed Al-Amri & Co as the Company's external auditor from the candidates and based on the Audit Committee's recommendation. The appointed auditors shall examine, review and audit the second and third quarters and the annual financial statements of the fiscal year 2024 as well as the first quarter of 2025 along with determining their fees for the amount of ﷲ 1,170,000 excluding VAT.
- Approved delegating the Board of Directors to distribute interim dividends on a semiannual/ quarterly basis for the financial year 2024.
- Approved transferring the balance of the statutory reserve amounting to ﷲ 174,708,101, as per the financial statements for the year ending 31 December 2023, to retained earnings.

- Approved delegating to the Board of Directors the authorization powers of the General Assembly stipulated in paragraph (1) of Article 27 of the Companies Law, for a period of one year starting from the date of the approval by the General Assembly or until the end of the delegated Board of Directors' term, whichever is earlier, in accordance with the conditions set forth in the Implementing Regulation of the Companies Law for Listed Joint Stock Companies.
- Approved the transactions and contracts between the Company and the Ministry of Interior in the year 2023, where the Chairman, Mr. Raed Abdullah bin Ahmed, and the Director, Eng. Abdullah Abdulrahman Alrabiah, have an indirect interest, which is the execution of the Makkah Route project on 13 June 2023 for one year, for an amount of ﷲ 69,934,159.95. This contract was concluded without conditions or preferential benefits.
- Approved the transactions and contracts between the Company and Mobily in the year 2023, where the Director, Dr. Khaled Abdulaziz Alghoneim, has an indirect interest, which is a connectivity agreement, where the volume of transactions reached ﷲ 27,203,633.53. This contract and transactions were concluded without conditions or preferential benefits.

- Approved the transactions and contracts between the Company and Tawuniya Insurance Company in the year 2023, where the Directors, Dr. Khaled Abdulaziz Alghoneim and Mr. Abdularahman Mohammed Alodan, have an indirect interest, which is health insurance for the Company's employees, and vehicle and building insurance for an amount of ﷲ 82,946,436.26. These contracts and transactions were concluded without conditions or preferential benefits.

The Results of the Ordinary General Assembly Meeting that was held on 04 November 2024

- Approved the election of the Board of Directors, from among the candidates, for the next term, which starts on 25 November 2024 and lasts for four years, ending on 24 November 2028. The elected Board Members are:
 - Eng. Thamer Mohammad Alharbi
 - H.E. Ms. Alshayhana Saleh Alazzaz
 - H.E. Dr. Esam Abdullah Alwagait
 - Mr. Raed Abdullah bin Ahmed
 - Mr. Abdullah Saad Alsalem
 - Mr. Raed Abdullah Ismail
 - Mr. Abdularahman Mohammad Alodan
 - Dr. Khaled Abdulaziz Alghoneim
 - Mr. Faris Ibrahim Alrashed Alhumaid
- Approved delegating to the elected Board of Directors the authorization powers of the General Assembly stipulated in paragraph (1) of Article 27 of the Companies Law, for a period of one year starting from

the date of the approval by the General Assembly or until the end of the delegated Board of Directors' term, whichever is earlier, in accordance with the conditions outlined in the Implementing Regulation of the Companies Law for Listed Joint Stock Companies.

Shareholder Suggestions

The Board of Directors and executive management pay great attention to shareholders' proposals and opinions, as the Board of Directors has authorized the Company to take the necessary measures that enable shareholders to communicate through the Investor Relations Department regarding their concerns and proposals via various communication channels such as email, direct telephone and the Company's website.

The Investor Relations Department continuously collects shareholder queries and questions, then reports them to the Board of Directors. Moreover, the shareholder can communicate directly with the Board of Directors during the Company's General Assemblies, as sufficient time is scheduled during the Assembly to answer all questions.

elm is also committed to disclosing all relevant information and making it available through its website and application. Two meetings are held annually in the presence of a group made up of executive management, financial analysts, representatives of investment entities and shareholders via modern technology in order to discuss the announced financial results period and answer the participants' questions during the meeting.

Shareholders' Register

During 2024, the Company requested the shareholders register six times from the Securities Depository Center (Edaa). Following are the dates and reasons for request:

#	Request Date	Reasons for Request
1	31 March 2024	Corporate Action
2	01 May 2024	General Assembly Meeting
3	30 June 2024	Corporate Action
4	30 September 2024	Corporate Action
5	04 November 2024	General Assembly Meeting
6	31 December 2024	Corporate Action

elm Activities and its Subsidiaries

elm Activities

- Providing the services of telecommunications, information technology, information security, e-business and credit information exchange.
 - Providing electronic connectivity services across the public and private sectors.
 - Managing, processing, operating and maintaining data and information centers.
 - Practicing wholesale and retail trade, importing and exporting electronic devices and mechanisms, spare parts, software, information systems and communication networks.
 - Managing, maintaining, operating and developing electronic devices and mechanisms, information systems and communication networks.
 - Providing websites for purchasing and selling via the Internet.
 - Providing, training and developing the workforce to manage, operate and develop the business and services to the public and private sectors in the field of information and communication technology and other fields.
- Obtaining franchises related to the purposes of the Company.
 - Managing, marketing and presenting the Company's technology projects or those of a third party inside and outside the Kingdom.
 - Providing all activities and services of development, marketing and technology investment.
 - Providing Technology Projects Management services and supervising their execution.
 - Providing training services in the fields of development, marketing and technology investment.
 - Investing inside and outside the Kingdom in technology companies and projects.
 - Attracting local and foreign investments to participate in any of the Company's activities.
 - Providing specialized consultations in information technology and security, communications, e-business and credit information exchange.
 - Inspection of different systems and measurement of their performance.
 - Activities of inspection for events and recreational facilities.

Subsidiaries

Subsidiaries of the Company, which are owned directly or indirectly:

#	Company Name	Capital	Country of Incorporation and Operation	Ownership	
				Direct	Indirect
1	Saudi Information Exchange Company	ﷲ 50,000,000	Kingdom of Saudi Arabia	100%	-
2	Emdad Alkhebrat Company Limited	ﷲ 500,000	Kingdom of Saudi Arabia	100%	-
3	elm Technical Investment Company	ﷲ 500,000	Kingdom of Saudi Arabia	100%	-
4	Umrah Company for Specialized Services	ﷲ 500,000	Kingdom of Saudi Arabia	100%	-
5	elm Arkan Company	ﷲ 500,000	Kingdom of Saudi Arabia	-	60%
6	Future Resources Company Limited	ﷲ 50,000	Kingdom of Saudi Arabia	-	100%
7	Asdam Digital Company	AED 50,000	United Arab Emirates	-	100%
8	elm Europe Limited	GDP 10,000	United Kingdom	-	100%

Saudi Information Exchange Company

The main activities of the Company are to operate in the sectors of information and communications technology, installation, maintenance and support and support programs, systems and applications of communications and information technology, establishing, developing, operating and managing communications and information technology facilities and participating in the development, creation, operation, maintenance and management of technical areas. In 2024, the Saudi Information Exchange Company achieved a revenue of ﷲ 554,640,325.

Emdad Alkhebrat Company Limited

The main activities of the Company are to manage call centers, service centers and to provide consultation services in the field of electronic business, operation and maintenance, import, export and sale of devices, hardware, software, systems and workforce development. In 2024, Emdad Alkhebrat Company Limited achieved a revenue of ﷲ 1,247,914,860.

elm Technical Investment Company

The main activities of the Company are to manage call centers, service centers, computer systems programming, computer consultancy activities, information technology services, data processing, website hosting and retail sale of information and communication equipment in specialized stores.

Umrah Company for Specialized Services

The main activities of the Company are bus transport of passengers between the cities, catering services for Hajj and Umrah, inspection of different systems and measuring their performance, providing marketing services

on behalf of others, marketing and reservation of tourist accommodation units, reception and farewell services for pilgrims. The Company has not yet commenced its business operations.

elm Arkan Company

The main activities of the Company are systems analysis, design and programming of special software, application development and financial technology solutions and providing service management and control of communications and information networks, cybersecurity and the establishment of infrastructure for hosting websites on the Internet, data processing services and related activities.

Future Resources Company Limited

The main activities of the Company are systems analysis, design and programming of special software, maintenance of software and web page design, investment activities for the special account of the concerned units, including venture capital companies, investment clubs and providing of senior management consulting services.

Asdam Digital Company

The main activities of the Company are consulting services, customer service, developing and providing solutions and supporting service. In 2024, Asdam Digital Company achieved a revenue of ﷲ 1,675,579.

elm Europe Limited

The main activities of the Company are conducting research and development activities related to emerging technologies.

Employee Benefit Investments and Treasury Shares

Investments for the Benefit of the Company’s Employees

The Long-Term Employee Share Program is one of the Company’s key strategic initiatives, encompassing both executive and non-executive employees with a proven track record of high performance over several years. This program aims to attract and retain top talent while fostering a sense of inclusion among non-executive employees, reflecting the Company’s culture and values. The design of the program aligns with the Company’s strategic objectives and growth, granting employees shares upon meeting specific conditions and upon the Company achieving its financial targets as set by the Board of Directors.

Treasury Shares	2024
The number of outstanding treasury shares at the beginning of the year	2,302,800
The number of shares purchased during the year	-
The number of shares settled and reissued during the year	(12,858)
Net number of shares	2,289,942

Treasury Shares

On 16 February 2022, the Group purchased 2.4 million shares of its shares from the main shareholder at a value of ﷲ 128 per share, for a total cash consideration of ﷲ 307.2 million.

The Group maintains these shares as treasury shares to support the long-term future incentive plans for the employees, knowing that the purchased shares will not have the right to vote at the General Assemblies of the Company’s shareholders and are not entitled to any dividends during the Company’s holding period.

The table below shows the number of shares and the changes throughout the year 2024:

Statutory Payments

The following table represents the details of the paid and due statutory payments (ﷲ)

Statutory Organization	A Brief Description of the Statutory Payment	2024		
		Paid	Due for Fiscal Year-End	Reasons Statement
Zakat, Tax, and Customs Authority (ZATCA)	Zakat	92,460,709	-	Annual zakat declaration
	Withholding Tax (WHT)	13,170,077	1,026,834	Withholding tax on payments to non-resident service providers
	Value Added Taxes (VAT)	778,797,445	-	Value-added tax on the supply of goods and services
	Customs fees	55,763	-	Import charges and customs clearance fees
General Organization for Social Insurance (GOSI)	General Organization for Social Insurance (GOSI) fees	95,032,910	9,320,620	The monthly insurance payable for both Saudi and non-Saudi employees
Ministry of Human Resources and Social Development	Labor Office fees	2,568,400	-	Government payments for issuing work permits to resident employees
Ministry of Interior	Visa and Passport fees	329,082	-	Payment fees for issuing and renewing a residence permit (Iqama)

Competing Business and Related Party Transactions

Competing Business

Based on Article (27) of the Companies Law relating to the participation of a Board Member in any business competing with the Company, as well as Article (45) of the Corporate Governance Regulation relating to accepting membership on the Board of Directors of a competing company or establishment. Since the Member of the Board of Directors, Mr. Abdullah Saad Alsalem, disclosed his membership on the Board of Directors of "Thiqa" Company, which is a competing company for elm Company's business, the Board of Directors submitted a recommendation to the General Assembly, and the General Assembly approved the membership of Mr. Abdullah Saad Alsalem on the Board of Directors of Thiqa Company on 17/10/1444H corresponding to 07 May 2023.

#	Contract/Agreement	Member or Senior Executive who has an indirect interest
1	Transactions and contracts between the Company and Saudi Post "SPL" which is a Framework Agreement for the Delivery of Government Documents and Vehicle Plates Issued from the Absher Platform for an amount of ﷲ (24,255,104.25) without any preferential treatment.	Mr. Raed Abdullah Ismail
2	Transactions and contracts between the Company and Saudi Post "SPL" which is an Annex (2) to the Agreement for the Development and Commercial Sale of the National Address Verification Service for an amount of ﷲ (82,706,060.46) without any preferential treatment.	Mr. Raed Abdullah Ismail
3	Transactions and contracts between the Company and Saudi Post "SPL" which is providing commercial publisher services (purchase order management for Google Maps tool - Basic Premium Service) of for an amount of ﷲ (9,470.25) without any preferential treatment.	Mr. Raed Abdullah Ismail
4	Transactions and contracts between the Company and Tawuniya Insurance Company which is a Health insurance for the Company's employees' vehicles and buildings insurance for an amount of ﷲ (88,344,908.47) without any preferential treatment.	Dr. Khaled Abdulaziz Alghoneim
5	Transactions and contracts between the Company and Etihad Etisalat (Mobily) Company which is a Connectivity Agreement for an amount of ﷲ (15,941,902.60)without any preferential treatment.	Dr. Khaled Abdulaziz Alghoneim
6	Transactions and contracts between the Company and Etihad Etisalat (Mobily) Company which is direct Purchase orders (Zscaler Service - UPGRADE ZSCALER SERVICE) for an amount of ﷲ (1,594,285.13) without any preferential treatment.	Dr. Khaled Abdulaziz Alghoneim
7	Transactions and contracts between the Company and Etihad Etisalat (Mobily) Company which is a renewal of the agreement for supplying registration devices for the Absher platform for a period of three years for an amount of ﷲ (6,023,700) without any preferential treatment.	Dr. Khaled Abdulaziz Alghoneim
8	Transactions and contracts between the Company and Mozon Systems for Telecommunications and Information Technology which is executing the <Hajj and Umrah Tajweed project for an amount of ﷲ (8,981,374.19) without any preferential treatment.	Dr. Khaled Abdulaziz Alghoneim
9	Transactions and contracts between the Company and Edge World Company, which is Huawei NFS Solution for an amount of (1,855,035.29) USD without any preferential treatment.	Dr. Khaled Abdulaziz Alghoneim
10	Transactions and contracts between the Company and Ministry of Interior and Saudi Data and Artificial Intelligence Authority (SDAIA) which is a Data Resources Development Agreement for a 10-Year Period Starting from 01/01/2024 for an amount of ﷲ (495,984,509.66) without any preferential treatment.	Mr. Raed Abdullah bin Ahmed H.E. Dr. Esam Abdullah Alwagait Eng. Abdullah Abdulrahman Alrabiah*

Related Party Transactions

Transactions with related parties include business and contracts in which elm Company is a party and in which there is a direct or indirect interest for members of the Board of Directors, senior executives, or any person related to any of them. The following is a statement of these transactions:

1. **Contracts and agreements concluded with related parties to which is a party to, and in which there is direct or indirect interest of the members of the Board of Directors or senior executives:**

#	Contract/Agreement	Member or Senior Executive who has an indirect interest
11	Transactions and contracts between the Company and Saudi Data and Artificial Intelligence Authority (SDAIA) which is an Annex to the Electronic Services Agreement (Annex II) This annex includes the following services: 1. Unified National Access Service. 2. Biometric Verification Service 3. Beneficiary Mobile Ownership Verification Service for an amount of ﷲ (209,541,199.00) without any preferential treatment.	H.E. Dr. Esam Abdullah Alwagait
12	Transactions and contracts between the Company and Saudi Data and Artificial Intelligence Authority (SDAIA) which is a Global AI Summit 2024 Principal Sponsor for an amount of ﷲ (10,000,000.00) without any preferential treatment.	H.E. Dr. Esam Abdullah Alwagait
13	Transactions and contracts between the Company and Ministry of Interior which is a Framework Agreement for Consultancy Services (Ministry of Interior Development Program) for an amount of ﷲ (25,000,000.00) without any preferential treatment.	Mr. Raed Abdullah bin Ahmed Eng. Abdullah Abdulrahman Alrabiah*
14	Transactions and contracts between the Company and Ministry of Interior which is an Operation of the Makkah Route Initiative. For an amount of ﷲ (76,918,602.00) without any preferential treatment.	Mr. Raed Abdullah bin Ahmed Eng. Abdullah Abdulrahman Alrabiah*
15	Transactions and contracts between the Company and Ministry of Interior (Vision Realization Office) which is an Automating Civil Registry Procedures at the Civil Affairs and Connecting it through the Absher Platform for an amount of ﷲ (29,224,803.47) without any preferential treatment.	Mr. Raed Abdullah bin Ahmed Eng. Abdullah Abdulrahman Alrabiah*
16	Transactions and contracts between the Company and Ministry of Interior which is providing technical consulting services to study the allocation of fire-fighting and rescue costs to the commercial sector for an amount of ﷲ (3,000,235) without any preferential treatment.	Mr. Raed Abdullah bin Ahmed Eng. Abdullah Abdulrahman Alrabiah*
17	Transactions and contracts between the Company and the General Food Security Authority (GFSA) which is Providing Technical Consulting Services for Implementing the General Food Security Authority's Strategy for an amount of ﷲ (14,918,040.11) without any preferential treatment.	Eng. Abdullah Abdulrahman Alrabiah*
18	Transactions and contracts between the Company and National Program for Community Development in Regions which is providing consulting services to support the management of developmental projects in the program for an amount of ﷲ (5,999,934.10) without any preferential treatment.	Eng. Abdullah Abdulrahman Alrabiah*
19	Transactions and contracts between the Company and Naseej Telecommunications and Technology which is the Culture House project (five centers) for an amount of ﷲ (3,220,000.00) without any preferential treatment.	Mr. Faris Ibrahim Alrashed Alhumaid
20	Transactions and contracts between the Company and Medad Office Solutions involve the office services agreement (Ministry of Media) for an amount of ﷲ (217,235.00) without any preferential treatment.	Mr. Faris Ibrahim Alrashed Alhumaid
21	Transactions and contracts between the Company and Hala Bostani Company which involve 65 gifts for employees for an amount of ﷲ (27,629.47) without any preferential treatment.	Mr. Faris Ibrahim Alrashed Alhumaid

*Note: The membership of Eng. Abdullah Abdulrahman Alrabiah on the Board of Directors of elm Company ended on 25 November 2024. Accordingly, all transactions have been accounted for up to this date for the financial year.

2. elm provides services to a number of entities that are considered related parties, and these services and subscriptions have a direct or indirect interest for Members of the Board of Directors or for senior executives or for any person related to any of them. The following is a statement of these dealings:

Based on the available information, the company has not been involved in any material business or contract to which the company is a party, and in which a board member, the CEO, senior executives, or any person related to any of them is or was interested. However, the company has disclosed the indirect interest of board members in

business and contracts conducted on behalf of the company and confirms that these transactions were carried out without any conditions or preferential benefits.

It is worth noting that elm offers a wide range of ready-made and customized digital solutions in many areas, including electronic services whether for individuals or commercial and legal entities, and given that these products serve a large segment of customers due to their importance in completing digital business. The company also disclosed the membership of the company's board members on the boards of directors of other companies, which may have dealings and/or subscriptions in these products or services.

#	Entity / Related Party	Type of Relationship / Service Provided by elm	Total Value of Transactions	Member who has an Indirect Interest
1	Tawuniya Insurance Company	Yakeen Service-Fursah Service-OTP Service -Nabaa Service-Basher Service -Mobile Verification Service -Natheer Service -Amn Service -Muqem Service -Tamm Service.	84,381,925.87	Dr. Khaled Abdulaziz Alghoneim
2	Etihad Etisalat Company (Mobily)	Absher Kiosk Service -Nabaa Service-Wasel Service-Yaqeen Service- OTP Service- Amn Service-Muqem Service- Zawel Service-Tamm Service	5,891,155.03	Dr. Khaled Abdulaziz Alghoneim
3	Saudi Post "SPL"	Nafath Service-Muqem Service	31,211.70	Mr. Raed Abdullah Ismail
4	Saudi Irrigation Organization	Amn Service-Tamm Service	9,106.25	Eng. Abdullah Abdulrahman Alrabiah*
5	Hawaz Company	Muqem Service-Tamm Service	3,910.00	Dr. Khaled Abdulaziz Alghoneim
6	Alobeikan Company	Muqem Service	440.00	Dr. Khaled Abdulaziz Alghoneim
7	Mozon Systems for Telecommunications and Information Technology	Muqem Service- Tamm Service	146.25	Dr. Khaled Abdulaziz Alghoneim
8	EdgWorld Company	Muqem Service	190.00	Dr. Khaled Abdulaziz Alghoneim
9	Kumait Industrial Company	Muqem Service- Tamm Service	4,146.00	Mr. Abdularahman Mohammed Alodan
10	Ahmad Alodan Company and bros	Muqem Service- Tamm Service	3,696.00	Mr. Abdularahman Mohammed Alodan
11	Security House Trading	Amn Service	35.00	Mr. Abdularahman Mohammed Alodan
12	Abdullah Nasser Al-Odan & Sons Company for Glass and Aluminum	Tamm Service	260.00	Mr. Abdularahman Mohammed Alodan
13	Naseej Telecommunications and technology Company	Amn Service-Muqem Service-Tamm Service	6,091.00	Mr. Faris Ibrahim Alrashed Alhumaid
14	Medad Office Solutions	Muqem Service-Tamm Service	3,865.00	Mr. Faris Ibrahim Alrashed Alhumaid
15	Hala Bostani Company	Muqem Service-Yakeen Service	3,331.75	Mr. Faris Ibrahim Alrashed Alhumaid
16	Digital Mobility Solutions	Wasel Service-Muqem Service-Tamm Service	51,445.50	Mr. Faris Ibrahim Alrashed Alhumaid
17	Sharaka Company	Muqem Service	245.00	Mr. Faris Ibrahim Alrashed Alhumaid
18	Bindawood Holding	Muqem Service	30,290.00	Mr. Faris Ibrahim Alrashed Alhumaid
19	Tanami Limited Company	Muqem Service- Tamm Service	2,275.75	Mr. Faris Ibrahim Alrashed Alhumaid
20	Ibrahim Al Rashed Alhumaid Sons Company	Muqem Service- Tamm Service	400.00	Mr. Faris Ibrahim Alrashed Alhumaid
21	National Shipping Company of Saudi Arabia (Bahri)	Absher Kiosk Service-Nabaa Service-Amn Service- Muqem Service- Tamm Service	25,695.45	Mr. Raed Abdullah Ismail
22	Saudi Falcons Club	Amn Service- Muqem Service	1,930.00	Mr. Raed Abdullah bin Ahmed
23	Masdr for Data Sol	Muqem Service	7,185.00	Mr. Thamer Mohammed Alharbi

*Note: The membership of Eng. Abdullah Abdulrahman Alrabiah on the Board of Directors of elm Company ended on 25 November 2024. Accordingly, all transactions have been accounted for up to this date for the financial year.

Compliance with Corporate Governance Regulations and Board Declarations

Compliance with Corporate Governance Regulations

elm is committed to fully comply with and implement the mandatory provisions of Corporate Governance Regulations issued by the Capital Market Authority. The Board of Directors oversees the Company's compliance with governance standards and regulations issued by the Capital Market Authority. The executive management and its committees work to review and update governance

policies and practices, with the aim of enhancing integrity, transparency and compliance.

Implementation of Provisions of Corporate Governance Regulations

The Company applies all the provisions contained in the Corporate Governance Regulations issued by the Capital Market Authority (CMA), except the provisions quoted below:

Article/Paragraph Number	Article/Paragraph Stipulates the Following	Reason for not being Implemented
Article 87 – Paragraph 8 Article 90 – Paragraph 4 – B	A description of the necessary details with respect to the remunerations and compensations granted to five senior executives who have received the highest remuneration from the Company, provided that the Chief Executive Officer and the Chief Financial Officer are among them.	Partially implemented by the Company: The Company has disclosed the components of the senior executives' remuneration collectively in accordance with the statutory requirements contained in subparagraph (B) of paragraph (4) of Article (90) of the Corporate Governance Regulations. However, to protect the interests of the Company, its shareholders and its employees, and to avoid any damage that may result from the detailed disclosure according to the titles and positions, the details were not presented as mentioned in Appendix (1) of the senior executives of the Corporate Governance Regulations.

Board Declarations

The Board of Directors declares that:

- Proper books of accounts have been maintained.
- The system of internal control is sound in design and has been effectively implemented.
- There are no significant doubts concerning the Company's ability to continue its activity.
- No penalty, punishment, precautionary measure or preventive restriction has been imposed on the Company by the Capital Market Authority.
- There is no conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors regarding the appointment of the Company's auditor, their dismissal, determining their fees, evaluating their performance or the appointment of the internal auditor.
- There is no difference from the accounting standards approved by the Saudi Organization for Chartered Public Accountants.
- There were no shares or debt instruments issued to subsidiaries.
- According to Article 85 of the Rules on the Offer of Securities and Continuing Obligations, the Company has not been notified of any interest in the category of voting shares belonging to persons (other than

Members of the Company's Board of Directors, senior executives and their relatives).

- There are no convertible debt instruments, contractual securities, subscription rights notes or similar rights issued or granted by the Company during the fiscal year.
- The Company has no loans.
- There are no conversion or subscription rights under convertible debt instruments, contractual securities, subscription rights notes, or similar rights issued or granted by the Company during the fiscal year.
- There were no redemptions, repurchases or cancellations by the Company of any redeemable debt instruments during the fiscal year.
- There are no arrangements or agreements under which a Member of the Company's Board of Directors or a senior executive waived any remuneration.
- There are no arrangements or agreements under which one of the Company's shareholders waived any rights to profits.
- The external auditor provided their opinion without any reservations on the consolidated financial statements.
- The Board of Directors has not recommended changing the auditor before the end of the period for which he was appointed.

06

Financial Statements

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Elm Company
(Saudi Joint Stock Company)

Opinion

We have audited the consolidated financial statements of **Elm Company** (the “Company”) and its subsidiaries (together “the Group”), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statements of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024 and its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

Basis for opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent auditor’s report on the audit of the consolidated financial statements of Elm Company for the year ended 31 December 2024 (continued)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the key audit matter
Revenue from contracts with customers	
<p>The Group's revenue mainly consists of digital business, business process outsourcing, and professional services amounting to SR 7.4 billion for the year ended 31 December 2024.</p> <p>We considered this a key audit matter due to the audit of revenues related to digital business is dependent on the use of information technology. In addition, the considerations of the agent and principal according to the International Financial Reporting Standard no.15 “Revenues from Contracts with Customers” require the management to analyze the terms and conditions of the contracts with the customers to assess whether the Group is principal or agent, which affects the Group’s presentation of revenues on a gross or net basis.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none">• We involved our IT specialists in testing the design, implementation, and operating effectiveness of controls related to revenue recognition for a sample of digital business.• We tested a sample of reports extracted from the IT systems used for digital business revenues and match them with the amount recorded in the general ledger.• We traced a sample of digital business revenue with collected amounts in the Group’s bank statements.• We tested a sample of transactions recorded before and after the year end to ensure that revenues were recorded in the appropriate period.• We audit those judgments taken by management to assess whether the Group is a principal or agent for a sample of the contracts.• We evaluated the adequacy and appropriateness of disclosures included in the consolidated financial statements
For more details, Refer to notes (2/3-5/ 5/34)	

Independent auditor’s report on the audit of the consolidated financial statements of Elm Company for the year ended 31 December 2024 (continued)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the key audit matter
Expected credit losses provision for trade receivables and contract assets	
<p>As at 31 December 2024, the Group’s accounts receivable and contract assets balance amounted to SR 4.25 billion, against which an impairment allowance of SR 715 million is maintained.</p> <p>The Group assesses at each reporting date whether the accounts receivable and contract assets are impaired. Management has applied an expected credit loss (“ECL”) model to determine the appropriate allowance for impairment loss. Further, the Group performs an assessment based on a defined policy for certain categories of accounts receivables and contract assets.</p> <p>The determination of allowance for expected credit losses is based on certain assumptions that relate mainly to risk of default and expected loss rates. The Group applies judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group’s past history, market conditions, as well as forward looking estimates.</p> <p>We considered this as a key audit matter due to the level of judgment applied and estimates made in the application of the ECL.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none">• We obtained an understanding of the process used by management in determining the allowance for expected credit losses for the accounts receivable and contract assets.• Involved internal specialists to review the expected credit loss (ECL) model and tested key assumptions in relation to forward-looking information, review the modelling inputs, techniques used and assessed overall adequacy of the model in light of the profile of trade receivable and contract asset;• We tested the completeness and mathematical accuracy of the ECL model.• We assessed the assumptions used by management in connection to the determination of allowance for expected credit losses for certain categories of accounts receivable and contract assets.• We tested, on a sample basis, the calculation performed by management on allowance for expected credit losses for these categories of customers and contract assets.• We evaluated the adequacy and appropriateness of disclosures included in the consolidated financial statements.
For more details, Refer to notes (2-5-2 /18/19/37)	

Independent auditor’s report on the audit of the consolidated financial statements of Elm Company for the year ended 31 December 2024 (continued)

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor’s report thereon. The annual report is expected to be made available to us after the date of this auditor’s report. Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, when made available to us, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

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

Those charged with Governance, i.e., the Company’s Board of Directors, are responsible for overseeing the Group’s financial reporting process.

Auditor’s responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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Independent auditor’s report on the audit of the consolidated financial statements of Elm Company for the year ended 31 December 2024 (continued)

Auditor’s responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period, and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For Dr. Mohamed Al-Amri & Co.



Gihad Al-Amri
Certified Public Accountant
License No. 362

Riyadh, on: 6 March 2025 (G)
Corresponding to: 6 Ramadan 1446 (H)



ELM COMPANY (A SAUDI JOINT STOCK COMPANY)

Consolidated Statement of Profit or Loss

For The Year Ended December 31, 2024

All amounts in Saudi Riyals

	Note	December 31, 2024	December 31, 2023
Revenues	5	7,406,794,402	5,898,362,840
Cost of revenues	6	(4,381,074,053)	(3,566,638,564)
GROSS PROFIT		3,025,720,349	2,331,724,276
EXPENSES			
Research and development	7	(75,532,533)	(51,585,026)
Selling and marketing	8	(335,606,445)	(278,660,069)
Expected credit losses	37-A	(142,748,596)	(91,770,357)
General and administrative	9	(551,198,293)	(433,233,560)
Depreciation and amortization	11, 13, 14	(198,838,582)	(119,972,900)
Impairment of non-current assets	12, 14	(21,343,476)	(5,918,692)
OPERATING PROFIT		1,700,452,424	1,350,583,672
Finance cost	11, 13	(28,447,260)	(5,861,229)
Income from murabaha deposits	21, 22	145,475,642	127,856,085
Share in results from investments in associates and a joint venture	16	(1,644,095)	(11,946,369)
Gains / (Loss) at fair value of financial assets through profit or loss	16, 17	34,211,615	(15,968,640)
Other income, net	10	103,820,056	28,588,884
NET PROFIT BEFORE ZAKAT		1,953,868,382	1,473,252,403
Zakat	32	(127,019,914)	(117,057,649)
NET PROFIT		1,826,848,468	1,356,194,754
Net profit/(loss) attributable to:			
Equity holders of the parent Company		1,826,871,586	1,356,230,754
Non-controlling interests		(23,118)	(36,000)
		1,826,848,468	1,356,194,754
Earnings per share from net profit attributable to equity holders of the parent company :			
Basic	28	23.51	17.46
Diluted	28	22.84	16.95

Accompanying notes from 1 to 42 form an integral part of these consolidates statements.

ELM COMPANY (A SAUDI JOINT STOCK COMPANY)

Consolidated Statement of Total Comprehensive Income

For The Year Ended December 31, 2024

All amounts in Saudi Riyals

	Note	December 31, 2024	December 31, 2023
NET PROFIT		1,826,848,468	1,356,194,754
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation difference		215,146	-
Items that will not be reclassified subsequently to profit or loss			
Change in fair value of financial assets through other comprehensive income	17	(16,059,887)	26,381,472
Re-measurement of end of service benefits provision	29	(2,927,075)	(5,463,042)
TOTAL OTHER COMPREHENSIVE INCOME		(18,771,816)	20,918,430
TOTAL COMPREHENSIVE INCOME		1,808,076,652	1,377,113,184
Total comprehensive income attributable to:			
Equity holders of the parent Company		1,808,099,770	1,377,149,184
Non-controlling interests		(23,118)	(36,000)
		1,808,076,652	1,377,113,184

Accompanying notes from 1 to 42 form an integral part of these consolidates statements.

ELM COMPANY (A SAUDI JOINT STOCK COMPANY)

Consolidated Statement of Financial Position

As at December 31, 2024

All amounts in Saudi Riyals

	Note	December 31, 2024	December 31, 2023
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	11	518,080,773	375,183,246
Capital work in progress	12	51,062,073	119,813,847
Right-of-use assets	13	557,750,104	230,798,737
Intangible assets	14	70,612,641	107,177,789
Finance lease receivables - non-current	15	73,409,363	-
Investments in associates and a joint venture	16	6,687,350	2,137,153
Other financial assets	17	230,879,131	227,906,324
Long term prepaid expenses	20	19,070,247	32,033,446
TOTAL NON-CURRENT ASSETS		1,527,551,682	1,095,050,542
CURRENT ASSETS			
Accounts receivable	18	2,895,222,777	2,322,353,701
Contract assets	19	641,667,693	847,625,684
Finance lease receivables - current	15	21,399,046	-
Prepaid expenses and other current assets	20	310,748,048	372,877,131
Other financial assets	17	480,597,586	18,797,335
Murabaha deposits	21	1,426,071,000	3,056,113,638
Cash and cash equivalents	22	2,250,797,179	384,394,607
TOTAL CURRENT ASSETS		8,026,503,329	7,002,162,096
TOTAL ASSETS		9,554,055,011	8,097,212,638
EQUITY AND LIABILITIES			
EQUITY			
Share capital	23	800,000,000	800,000,000
Statutory reserve	24	-	174,708,101
Treasury shares	25	(293,112,576)	(294,758,400)
Other reserves	27	60,669,508	12,826,478
Retained earnings		4,725,547,762	3,301,731,675
Equity attributable to equity holders of the parent Company		5,293,104,694	3,994,507,854
Non-controlling interest		140,882	164,000
TOTAL EQUITY		5,293,245,576	3,994,671,854
LIABILITIES			
NON-CURRENT LIABILITIES			
Lease liabilities - non-current	13	481,013,080	212,090,689
End of service benefits provision	29	387,235,689	360,689,127
TOTAL NON-CURRENT LIABILITIES		868,248,769	572,779,816
CURRENT LIABILITIES			
Accounts payable and other current liabilities	30	2,479,580,023	2,805,055,424
Contract liabilities	31	609,806,315	503,707,390
Zakat	32	218,172,525	183,613,319
Liabilities of purchasing property	11	-	25,396,063
Lease liabilities - current	13	85,001,803	11,988,772
TOTAL CURRENT LIABILITIES		3,392,560,666	3,529,760,968
TOTAL LIABILITIES		4,260,809,435	4,102,540,784
TOTAL EQUITY AND LIABILITIES		9,554,055,011	8,097,212,638

Accompanying notes from 1 to 42 form an integral part of these consolidates statements.

ELM COMPANY (A SAUDI JOINT STOCK COMPANY)

Consolidated Statement of Changes in Equity

For The Year Ended December 31, 2024

All amounts in Saudi Riyals

Equity attributable to the equity holders of the Parent								
Note	Share capital	Treasury shares	Statutory reserve	Other reserves	Retained earnings	Total	Non -controlling interest	Total equity
Balance as at January 1, 2023	800,000,000	(307,200,000)	174,708,101	(24,180,887)	2,403,679,701	3,047,006,915	-	3,047,006,915
Net profit	-	-	-	-	1,356,230,754	1,356,230,754	(36,000)	1,356,194,754
Other comprehensive income	-	-	-	20,918,430	-	20,918,430	-	20,918,430
Total comprehensive income	-	-	-	20,918,430	1,356,230,754	1,377,149,184	(36,000)	1,377,113,184
Treasury shares settlement	-	12,441,600	-	(20,446,020)	8,004,420	-	-	-
Share-based payment transactions	-	-	-	36,534,955	-	36,534,955	-	36,534,955
Dividends	-	-	-	-	(466,183,200)	(466,183,200)	-	(466,183,200)
Transactions with non-controlling interests	-	-	-	-	-	-	200,000	200,000
Balance as at December 31, 2023	800,000,000	(294,758,400)	174,708,101	12,826,478	3,301,731,675	3,994,507,854	164,000	3,994,671,854
Balance as at January 1, 2024	800,000,000	(294,758,400)	174,708,101	12,826,478	3,301,731,675	3,994,507,854	164,000	3,994,671,854
Net profit	-	-	-	-	1,826,871,586	1,826,871,586	(23,118)	1,826,848,468
Other comprehensive income	-	-	-	(18,771,816)	-	(18,771,816)	-	(18,771,816)
Total comprehensive income	-	-	-	(18,771,816)	1,826,871,586	1,808,099,770	(23,118)	1,808,076,652
Treasury shares settlement	25.26	-	1,645,824	-	(6,611,224)	4,965,400	-	-
Share-based payment transactions	26	-	-	-	73,226,070	73,226,070	-	73,226,070
Dividends	40	-	-	-	(582,729,000)	(582,729,000)	-	(582,729,000)
Transferred from Statutory reserve	-	-	(174,708,101)	-	174,708,101	-	-	-
Balance as at December 31, 2024	800,000,000	(293,112,576)	-	60,669,508	4,725,547,762	5,293,104,694	140,882	5,293,245,576

Accompanying notes from 1 to 42 form an integral part of these consolidates statements.

ELM COMPANY (A SAUDI JOINT STOCK COMPANY)

Consolidated Statement of Cash Flows

For The Year Ended December 31, 2024

All amounts in Saudi Riyals

Notes	December 31, 2024	December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before zakat	1,953,868,382	1,473,252,403
Adjustments for non-cash items:		
Depreciation and amortization	11. 13. 14 198,838,582	119,972,900
Amortization of long term prepayments	15,978,712	26,557,197
Impairment of non-current assets	12. 14 21,343,476	5,918,692
Expected credit losses	37-A 142,748,596	91,770,357
End of service benefits provision	77,895,144	67,760,770
Share based payment transactions	26 73,226,070	36,534,955
Finance cost	11. 13 28,447,260	5,861,229
Income from murabaha deposits	21. 22 (145,475,642)	(127,856,085)
Share in results from investments in associates and a joint venture	16 1,644,095	11,946,369
(Gains)/Loss at fair value of financial assets through profit or loss	16. 17 (34,211,615)	15,968,640
(Other income)/expenes. net	10 (63,537,769)	51,497
	2,270,765,291	1,727,738,924
Working capital adjustments:		
Accounts receivable	18 (717,919,542)	(933,306,211)
Contract assets	19 207,873,087	(56,820,705)
Prepaid expenses and other current assets	20 120,126,413	(85,958,086)
Accounts payable and other current liabilities	30 (324,779,331)	877,039,462
Contract liabilities	31 106,098,925	31,444,171
Cash from operations	1,662,164,843	1,560,137,555
Zakat paid	32 (92,460,708)	(71,878,782)
Proceeds from income from murabaha deposits	143,910,435	90,360,772
End of service benefits paid	29 (54,275,657)	(19,996,797)
Net cash generated from operating activities	1,659,338,913	1,558,622,748
INVESTING ACTIVITIES		
Murabaha deposits	21 1,607,785,901	(1,057,743,644)
Purchase of property, equipment and intangible assets	11. 14 (62,749,712)	(58,337,767)
Proceeds from sale of property and equipment	11 -	390,108
Proceeds from other financial assets	17 304,000,000	467,929,663
Proceeds from disposal of investments in associates	16 -	150,000
Purchase of investment in associate and joint venture	(4,530,000)	-
Additions to long term prepayments	(22,737,301)	(34,500,818)
Investments in other financial assets	16. 17 (752,285,622)	(432,696,961)
Payments for capital works in progress	12 (165,399,192)	(115,757,975)
Net cash from /(used in) investing activities	904,084,074	(1,230,567,394)
FINANCING ACTIVITIES		
Payment of lease liabilities	13 (81,286,841)	(39,484,748)
Payment of liabilities for purchasing property	11 (25,396,063)	(24,746,387)
Finance costs paid	11. 13 (7,607,646)	(1,925,803)
Dividends paid	40 (582,729,000)	(466,183,200)
Net cash used in financing activities	(697,019,550)	(532,340,138)
Net change in cash and cash equivalents	1,866,403,437	(204,284,784)
Cash and cash equivalents at the beginning of the year	22 384,394,607	588,679,391
Net foreign currency exchange	(865)	-
Cash and cash equivalents at the end of the year	2,250,797,179	384,394,607

Accompanying notes from 1 to 42 form an integral part of these consolidates statements.

ELM COMPANY (A SAUDI JOINT STOCK COMPANY)

Notes To The Consolidated Financial Statements

For The Year Ended December 31, 2024

All amounts in Saudi Riyals

1. INFORMATION ABOUT THE COMPANY AND ITS SUBSIDIARIES

Elm Company formerly known as (Al Elm Information Security Company) ("the Company") is a Saudi Joint Stock Company, incorporated in the city of Riyadh, Kingdom of Saudi Arabia on Shawwal 24, 1408 AH (corresponding to June 8, 1988) and is registered with commercial registration no. 1010069210.

The Company's activities are represented in providing information security services, working in the field of electronic business, consulting services, exchanging credit information, managing and operating data and information centers, importing, developing, selling and maintaining hardware, software, information systems and communication networks, providing sites for buying and selling via the Internet, and working in the field of training and workforce development.

The Company owns a branch under commercial registration no. 4030446307 dated Jumada Al-Thani 12, 1443 AH (corresponding to December 16, 2021), in Jeddah.

Subsidiaries

The company subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Effective shareholding percentage	
		December 31, 2024	December 31, 2023
Saudi Information Exchange Company	Kingdom of Saudi Arabia	100%	100%
Emdad Al Khebrat Company Limited	Kingdom of Saudi Arabia	100%	100%
Elm Technical Investment Company	Kingdom of Saudi Arabia	100%	100%
Future Resources Company Limited	Kingdom of Saudi Arabia	100%	100%
Asdam Digital Company	United Arab Emirates	100%	100%
Elm Arkan Company	Kingdom of Saudi Arabia	60%	60%
Elm Europe Limited	United Kingdom	100%	100%
Ummrah Company for Specialized Services	Kingdom of Saudi Arabia	100%	100%

1. Saudi Information Exchange Company, a limited liability company registered with commercial register number 1010274503 and its headquarter is in Riyadh, was established through Royal Decree No. M/39 dated Rajab 7, 1430 AH (corresponding to December 31, 2009) and operates in the sectors of information and communications technology, installation, maintenance and support and support programs, systems and applications of communications and information technology, establishing, developing, operating and managing communications and information technology facilities and participating in the development, creation, operation, maintenance, and management of technical areas.
2. Emdad Al Khebrat Company Limited, a limited liability company registered under commercial registration number 1010414975 on Rajab 22, 1435 AH (corresponding to May 21, 2014). And its headquarter is in Riyadh. The principal activity of the Company is to manage call centers, service centers and to provide consultation services in the field of electronic business, operation and maintenance, import, export, and sale of devices, hardware, software, systems, and workforce development.
3. Elm Technical Investment Company, a Limited Liability Company registered under commercial registration number 1010599252 on Ramadan 11, 1440 AH (corresponding to May 16, 2019). And its headquartered is in Riyadh. The main activities of the Company are to manage call centers, service centers, computer systems programming, computer consultancy activities, information technology services, data processing, website hosting, and retail sale of information and communication equipment in specialized stores.
4. Future Resources Company Limited, a Limited Liability Company registered under commercial registration number 1010606896 on Rabi Al Awal 8, 1441 AH (corresponding to November 5, 2019). The Company headquartered is in Riyadh. The main activities of the Company are systems analysis, design and programming of special software, maintenance of software and web page design, investment activities for the special account of the concerned units, including venture capital companies, investment clubs, and providing of senior management consulting services.

ELM COMPANY (A SAUDI JOINT STOCK COMPANY)

Notes To The Consolidated Financial Statements

For The Year Ended December 31, 2024

All amounts in Saudi Riyals

5. Asdam Digital Company, a free zone limited liability Company under the Dubai commercial Companies Law, registered under commercial registration no. 99019, dated Safar 9, 1443 AH (corresponding to September 16, 2021), headquartered in Dubai. The main activities of the Company are consulting services, customer service, developing and providing solutions, and supporting service providers for technical systems.
6. Elm Arkan Company, a Limited Liability Company Registered under commercial registration number 1010209530, dated Rabi' Thani 15, 1426 AH (corresponding to May 23, 2005), headquartered in Riyadh. The Company's main activities are systems analysis, design and programming of special software, application development, and financial technology solutions, and providing Service management and control of communications and information networks, cybersecurity and the establishment of infrastructure for hosting websites on the internet, data processing services and related activities.
7. Elm Europe Limited, a private Limited Company, registered under commercial Registration number 14554402, dated Jumada al-awwal 28,1444 AH (corresponding to December 22, 2022), headquartered in London. The main activities of the Company are conducting research and development activities related to emerging technologies.
8. Ummrah Company for Specialized Services, a Single Person Limited Liability Company registered under commercial registration number 1010656805 on Safar 12, 1442 AH (corresponding to September 30, 2020). And it's headquarter is in Riyadh. The principal activities of the Company are bus transport of passengers between the cities, catering services for Hajj and Ummrah, inspection of different systems and measuring their performance, providing marketing services on behalf of others, marketing and reservation of tourist accommodation units, reception, and farewell services for pilgrims.

The Company and its subsidiaries mentioned above are referred to collectively as the "Group" in these consolidated financial statements.

2. BASIS OF PREPARATION

2.1 Statement of compliance and basis of preperation

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

Certain prior year figures have been reclassified to conform to the current period's presentation (Note 39).

2.2 Basis of consolidation

The accompanying consolidated financial statements include the financial statements of Elm Company and its subsidiaries (collectively referred as "the Group").

A subsidiary is an entity controlled by the group. The Group controls an enterprise when it has controlling interest over the investee Company and when the Company is exposed to variable returns or has rights to these returns as a result of its participation with the entity and it also has the ability to influence these returns through the power it exerts on the enterprise.

The results of subsidiaries acquired or excluded during the year are included in the consolidated statement of profit or loss and other comprehensive income from the actual acquisition date or until the actual date of disposal, as appropriate.

All inter-Company balances, assets, liabilities and equities, revenue, expenses, and cash flows related to group transactions between the Company and its subsidiaries are eliminated upon consolidation of the financial statements.

The non-controlling interests in the net assets of the subsidiary are determined separately from the equity of the Company.

ELM COMPANY (A SAUDI JOINT STOCK COMPANY)

Notes To The Consolidated Financial Statements

For The Year Ended December 31, 2024

All amounts in Saudi Riyals

2. BASIS OF PREPARATION (continued)

The accounting policies applied by the subsidiaries are in accordance with the group’s accounting policies. Adjustments are made to the financial statements of the subsidiaries to comply with the financial statements of The Group, as required.

In case of loss of control over a subsidiary, it ceases to recognize the related assets (including goodwill, if applicable), liabilities, non-controlling interests and other components of equity, and the resulting gain or loss is then recognized in the consolidated statement of profit or loss.

2.3 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for:

- Employee end-of-service benefits which have been measured at the present value of future obligations using projected unit credit method which is measured at fair value through other comprehensive income;
- Other financial assets which are measured at fair value through other comprehensive income or profit or loss; and
- Long-term interest (advances payment for future equity shares) in associate companies, where they are measured at fair value through profit or loss.
- Share-based payment measured at fair value for the share price at the grant date.

2.4 Functional and presentation currency

These consolidated financial statements are presented in Saudi Riyals which represents the functional currency for the group.

2.5 Use of assumptions and estimates and important accounting judgments

2.5.1 Important accounting judgments in applying accounting policies

The following are important judgments, regardless of those that include estimates made by the Group’s management during the process of applying the Group’s accounting policies which have a significant and major impact on the amounts recognized in the consolidated financial statements:

Determining Significant influence

Management considers that the group has significant influence over an entity when the group is exposed to risks or has rights to a significant part of the variable returns arising from its involvement with the investee and when it has the ability to make changes to the investee Company to affect or participate in affecting that returns through its ability to participate in directing the related activities of the investee companies.

The determination of significant influence depends on the way decisions are made regarding the relevant activities and the Group’s rights in the investee companies.

In general, there is an assumption that owning a significant portion of the voting rights (typically above 20% of the voting rights) leads to a significant influence.

Management use the equity method for investees where it has a significant influence, when ownership is in ordinary shares and other instruments that are substantially similar to the ordinary shares of the investee ("in-substance ordinary shares"). Management assesses that for an instrument to qualify as an in-substance ordinary share for this purpose, an instrument would need to carry rights that are substantially the same as the investee’s ordinary shares and provide returns associated with those ordinary shares. When investing in Start-up’s management assess whether the investment is substantially similar to the investment in the ordinary shares of the investee, and take into consideration all the characteristics below:

- 1- Subordination rights
- 2-Risks and rewards of ownership
- 3- Obligation to transfer value

ELM COMPANY (A SAUDI JOINT STOCK COMPANY)

Notes To The Consolidated Financial Statements

For The Year Ended December 31, 2024

All amounts in Saudi Riyals

Management has assessed that there are substantive subordination rights of the preferred shares the group owns as compared to the ordinary shares, causing the instruments not to be substantially similar. Accordingly, the management measures these investment at fair value, and present it as part of other financial assets.

Determination of control

Subsidiaries are all investee companies that the Group controls. Management considers that the Group controls an entity when the Group is exposed to, or has rights, to most variable returns from its involvement with the investee and has the ability to use its power over the investee to affect those returns through its ability to direct relevant activities. Relationship with the investee companies. The determination of the group’s control depends on the way decisions are made regarding the related activities and The Group’s rights in the investee companies.

In general, there is an assumption that having a majority of voting rights leads to control. In support of this presumption, when The Group has equal or less than a majority of the voting rights of the investee, the Group considers all relevant facts and circumstances when assessing whether it exercises control over the investee, including contractual and other arrangements that have an effect on activities that affect the returns of the investee companies.

Principal versus agent

The Group has made an assessment of its arrangements to determine whether it is acting as principal and then presents revenue at gross or agent and then presents revenue on a net basis. In this evaluation, the group took into account obtaining or not obtaining control over the stipulated goods or services before they are transferred to the customer. As well as other indicators like if the party is primarily responsible for fulfillment and appreciation when setting the price, and in cases where the group conducts Agency activities related In accordance with a contract whereby the end customer receives project management and coordination support. The group only proves net commission income where you arrange for a third party to transfer goods or services under that arrangement and thus act as an agent.

Determine the lease term for contracts that include renewal and termination options

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

The Group has several lease contracts that include extension and termination clauses. The Group applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in the circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate the contract.

2.5.2 Using assumptions and estimates

The preparation of the consolidated financial statements in accordance with International Financial Reporting Standards as endorsed in the Kingdom of Saudi Arabia requires the use of estimates and assumptions that affect the amounts of assets and liabilities, and disclosure of contingent liabilities as at the date of the consolidated financial statements and the amounts of revenue and expenses during the reporting period. Although these estimates are based on management’s knowledge of current events and procedures, actual results may ultimately differ from these estimates due to circumstances out of the groups control. The estimates and underlying assumptions are reviewed on an ongoing basis, and adjustments to accounting estimates are recognized in the period in which the estimates are revised if the adjustment affects only that period or in the period of the review and future periods if the adjustment affects current and future periods.

ELM COMPANY (A SAUDI JOINT STOCK COMPANY)

Notes To The Consolidated Financial Statements

For The Year Ended December 31, 2024

All amounts in Saudi Riyals

2. BASIS OF PREPARATION (continued)

The following are important assumptions that relates to future periods and other major sources of uncertainty in the estimates in the financial reporting period that may have significant risks that result in substantial adjustments to the carrying amounts of assets and liabilities for the upcoming financial year:

Estimated useful lives and residual values of property and equipment and intangible assets

The useful lives and residual values of property, equipment and intangible assets are calculated for the purposes of calculating depreciation and amortization, respectively. These estimates are made based on the expected usage of individual assets. The residual value is determined based on experience and observable data when available.

The assumptions used to estimate the impairment of non-current assets

Determining the impairment of non-current assets requires making a value-in-use for non-current assets or the cash-generating unit where the non-current assets belong. The value used in the calculation requires the management to make an estimate of the expected future cash flows from the non-current assets or the cash generating unit and an appropriate discount rate in order to calculate the present value. An impairment loss can be significant when the actual future cash flows are less than expected.

The assumptions used to determine the actuarial value of end of service benefits provision

Defined benefit obligations are discounted at a rate set by reference to relevant market yields at the end of the reporting period. Significant judgment is required when setting the criteria for which yield curve is derived. this includes government premium risk and identifying changes to be eliminated.

Zakat provision

Zakat provision is estimated at the end of each reporting period in accordance with the regulations of the Zakat, Tax and Customs Authority (ZATCA), and on an annual basis zakat returns are submitted to the Zakat, Tax and Customs Authority. The adjustments resulting from the final zakat assessment are recorded during the reporting period in which this assessment is approved by the Zakat, Tax and Customs Authority.

Calculation of expected credit losses provision

The estimate of the expected credit loss allowance is calculated in accordance with the accounting policy detailed in (Note 3)(A-4).

The Group uses a dedicated matrix for the purpose of calculating expected credit losses for accounts receivable, contract assets and employee receivables. This matrix is initially based on historical default rates. The Group calibrates the matrix to adjust the historical experience of credit losses for forward-looking information, at each reporting date the Group updates the historical default rates and this is reflected in the forward-looking estimates. Management also estimates the credit loss for specific cases separately.

The Group also utilizes a dedicated matrix for the purpose of calculating the present value of money for government receivables, through which it estimates the expected collection date by applying certain assumptions and inputs such as historical collection experience per client.

Expected credit losses are recognized in the consolidated statement of profit or loss. The difference between the amounts collected in future periods and the amounts expected will be recognized in the consolidated statement of profit or loss.

The assumptions used to determine the actuarial value of end of service benefits provision

The Group has made various estimates to determine the actuarial value of the employee end of service benefits provision. These estimates are disclosed in Note 29.

ELM COMPANY (A SAUDI JOINT STOCK COMPANY)

Notes To The Consolidated Financial Statements

For The Year Ended December 31, 2024

All amounts in Saudi Riyals

The assumptions used to measure revenue

The Group estimates revenue based on the expected average collection of control and inspection projects, based on historical data associated with these projects.

Incremental borrowing rate for leases

The Group cannot readily determine the interest rate implicit in the lease agreement, therefore, it uses its Incremental Borrowing Rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available, such as for subsidiaries that do not enter into financing transactions or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs, such as market interest rates when available and is required to make certain entity-specific estimates.

3. SIGNIFICANT ACCOUNTING POLICIES

The following is a statement of the significant accounting policies used by the group in preparing these consolidated financial statements:

3.1 Classification of assets and liabilities as "current" and "non-current"

The group presents the assets and liabilities in the consolidated statement of financial position as current / non-current. The assets are classified current when:

- It is expected to be realized or intended to be sold or exhausted during the normal operations cycle.
- If it is acquired mainly for trading purposes;
- It is expected to be realized within 12 months after the financial period; or
- When it is cash and cash equivalents unless there are restrictions on their replacement or their use to pay off any liabilities for a period not less than 12 months after the financial period.

All other assets are classified as "non-current".

All liabilities are classified current when:

- It is expected to be paid during the normal operations cycle;
- If acquired mainly for trading purpose;
- It is due for payment within 12 months after the financial period; or
- There is no unconditional right to postpone the payment of liabilities for a period not less than 12 months after the financial period.

All other liabilities are classified as "non-current".

3.2 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability ;or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

ELM COMPANY (A SAUDI JOINT STOCK COMPANY)

Notes To The Consolidated Financial Statements

For The Year Ended December 31, 2024

All amounts in Saudi Riyals

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits from the asset's highest and best use or by selling it to another market participant that would utilize the asset in its highest and best use.

The Group uses appropriate valuation methods in accordance with the circumstances, and sufficient data are available for it to measure the fair value and increase the use of observable inputs and reduce the use of unobservable inputs.

All other assets and liabilities that are measured at fair value or disclosed in the consolidated financial statements are categorized within the fair value hierarchy mentioned below and based on the lowest level inputs that are significant to the fair value measurement as whole.

- Level 1 - quoted prices in active markets for identical assets or liabilities (i.e. without modifying or renewing prices);
- Level 2 - fair value measurements that consider significant lower level inputs that are observable directly or indirectly; and
- Level 3 - fair value measurements that don't consider significant lower level inputs that are unobservable.

With respect to the assets and liabilities that are recognized in the consolidated financial statements at fair value on a frequent basis, the Group determines whether the transfer has occurred between the hierarchical levels to measure the fair value by recalibrating the classification (based on significant lower level inputs to measure the fair value as a whole) at the end of each financial period.

For the purpose of fair value disclosure, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of assets and liabilities and a hierarchy of levels of fair value measurement mentioned above (Note 38).

3.3 Business Combination process for common-controlled entities

Business combination transactions that involve acquiring businesses under common control, where the consideration is not subject to market forces, are accounted for by recognizing the assets and liabilities of the acquired company at their book value, and no goodwill resulting from the acquisition is recorded. Any increase or decrease between the transferred consideration and the book value of the acquired company's net assets is directly recognized in equity. The consolidated financial statements after the acquisition are presented from the announced acquisition date, without consolidating or restating the comparative year figures. Any costs incurred during the acquisition process are recognized in the consolidated statement of profit or loss.

3.4 Investments in associates and a joint venture

3.4.1 Investments in associates

An associate is an entity over which the Group has significant influence but does not have control or joint control over it. Significant influence is the Group ability to participate in the financial and operating policies decisions of the investee but has no control or joint control over those policies.

The considerations made in determining significant influence are holding- directly or indirectly - voting rights in the investee, representation on the board of directors or equivalent governing body of the investee, participation in policy-making, including participation in decisions about dividends or other distributions; material transactions between the Group and its investee; interchange of managerial personnel; or provision of essential technical information.

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3.4.2 Joint arrangements

Joint control is that which arises from a contractual agreement to share control of an arrangement and only occurs when decisions about the relevant activities require the unanimous consent of the parties sharing control. The considerations considered in determining whether joint control exists are like those necessary to determine control over subsidiaries.

Investments in joint arrangements are classified as joint ventures or joint operations. This depends on the contractual rights and obligations of each investor, regardless of the legal form of the joint arrangement. The Group has an investment in a joint venture (Note 16).

3.4.2.1 Joint venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Interests in joint ventures are accounted for using the equity method, after initially being recognized at cost in the consolidated statement of financial position.

3.4.3 Equity method

The investment in associates are accounted for in the consolidated financial statement of the Group using the equity method of accounting. The investment in associates in the consolidated statement of financial position is initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit and loss and other comprehensive income of the associate adjusted for any impairment in the value of net investment. In addition, when there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any changes, when applicable, in the consolidated statement of changes in equity. When the Group's share of losses of an associate exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognizing its share of further losses.

Additional losses are recognized and recorded as liabilities only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Unrealized gain or losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

Unrealized gains or losses resulting from transactions between the Group and the associate company are excluded to the extent of the Group's ownership share in the associate company.

Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in the consolidated statement of profit or loss.

When the Group discontinues accounting for an investment under the equity method due to a loss of control or significant influence, any retained interest in the entity is re-measured at fair value, and the change in carrying amount is recognized in the consolidated statement of profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or a financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified directly to the consolidated statement of profit or loss or the consolidated statement of financial position.

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Revenue recognition

Revenue from contracts with customers

The Group recognizes revenue from contracts with customers using five steps method as mentioned in IFRS 15:

Step (1): Identify the contract (s) with the customer. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and clarifies the foundations and criteria that must be fulfilled for each contract.

Step (2): Identify the performance obligations in the contract. A performance obligation is an undertaking stipulated in the contract with the customer to transfer a good or service to the customer.

Step (3): Determine the transaction price: The transaction price represents the amount of compensation that the group expects to have the right in exchange for transferring the promised goods or services to the customer except the amounts that are collected on behalf of third parties.

Step (4): Allocate the transaction price to the performance obligations stipulated in the contract. For contracts that involve more than one performance obligation, the Group will allocate the transaction price to each performance obligation, in an amount that the Group expects to have the right to fulfill each performance obligation.

Step (5): Recognize revenue when (or as) the entity satisfies a performance obligation.

The Group fulfills a performance obligation and recognizes revenue over a period of time if one of the following controls is met:

- A) The performance of the Group does not originally create an asset with an alternative use to the Group, and the group has the right to enforce payment in exchange for the performance completed to date.
- B) Group performance creates or improves a customer-controlled asset at the same time that the asset is constructed or improved.
- C) The customer receives the benefits provided by the performance of the facility and consumes it at the same time once the group has performed.

With regard to performance obligations, if any of the above conditions are not met, revenue is recognized at a point of time.

In the event that the Group fulfills the performance obligation through providing the promised services, this will lead to the creation of an asset based on a contract in exchange for compensation earned from the performance. In the event that the compensation received by the customer exceeds the amount of proven revenue, a contract obligation may arise. The Group takes in consideration the transition of the asset (or service) that fulfills the performance obligation, if applicable.

Revenue is measured at the fair value of the consideration received or receivable, after taking into consideration the terms of the contractual payment, and after excluding taxes and fees. The Group reviews revenue arrangements in accordance with specific criteria to ascertain whether it is acting as principal or agent. When the Group is not highly certain of the possibility of collecting from certain customers, the revenue is recognized upon collection.

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

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The following is an explanation of the revenue recognition method for each segment:

1. Digital Business: Digital business revenue consists of two types: products and projects, revenue from products are recognized as follows for subscriptions over a period of time, as for transactions, they are recognized at a point in time. Project revenue over time and at a point in time based on the nature of the performance obligation specified in the contract.
2. Business Process Outsourcing: Revenue from the business process outsourcing segment consists of projects. Revenue can be recognized over time and at a point in time based on the nature of the performance obligation specified in the contract.
3. Professional Services: Professional services segment revenue consists of projects. Revenue can be recognized over time and at a point in time based on the nature of the performance obligation specified in the contract.

3.6 Foreign currencies

Balances and foreign transactions

Originally, transactions in foreign currencies are transferred by the Group's entities at the exchange rates prevailing in the functional currency of the date on which the transaction occur.

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing in the functional currency at the date of preparation of the consolidated financial statements. Differences arising from settlement or transfer of monetary items are recognized in the consolidated statement of profit or loss.

Non-monetary items that are measured in terms of historical cost, recorded in a foreign currency, are translated at the exchange rates prevailing at the date of the initial transactions. Non-monetary items recorded in foreign currencies that are measured at fair value at the exchange rates prevailing at the date when the fair value is determined are transferred. Profits or losses resulting from the conversion of non-monetary items that are measured at fair value are treated in accordance with the recognition of gains or losses resulting from the change in the fair value of the item (i.e. exchange differences are recognized on items whose profit or loss is measured at fair value in other comprehensive income or consolidated statement of profit or loss, respectively).

3.7 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any. This cost includes cost of replacing part of the property, plant and equipment and borrowing costs related to long-term construction projects, in case the evidentiary standards are met. If the replacement of important parts of plant and equipment is required on stages, the group consumes these parts independently over their useful lives. Conversely, when a major examination is performed, its cost is recognized in the carrying amount of the equipment as a replacement, if the recognition criteria are met. All other repair and maintenance costs are recognized in the consolidated statement of profit or loss as incurred. The present value of the expected cost of removing an asset (if any) after its use is included in the cost of the underlying asset in the event that the evidentiary criteria related to the recognition of the allowance are fulfilled.

Any item of property and equipment and any significant part that was initially recognized is discontinued upon exclusion or when there are no future benefits expected from use or disposal. Any gains or losses arising from discontinuation of any asset (calculated as the difference between the net proceeds from disposals and the carrying amount of the asset) are included in the consolidated statement of profit or loss for the year in which the asset is discontinued.

The residual value, useful lives, and methods of depreciation of property and equipment are reviewed at the end of each financial period and adjustments are made in the future, if appropriate.

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Under construction projects appear at the cost incurred until the asset is prepared for the purpose for which it was created. This cost is then capitalized to the related assets. Cost includes the cost of contractors, materials, services, and capital advances.

The Group depreciates property, plant and equipment on a straight line basis. The following are the expected useful life of the group's property and equipment:

Leasehold improvements: 5 years or contract term, whichever is less	Information system devices: 3-5 years	Buildings: 25 – 33 years
Vehicles: 4 – 5 years	Furniture and fixtures : 4 – 7 years	

3.8 Intangible assets

Intangible assets acquired independently are initially measured at cost. The cost of intangible assets acquired in the acquisition of entities represents the fair value at the date of acquisition. After initial recognition, intangible assets are recorded at cost less accumulated amortization and accumulated impairment losses. Internally developed intangible assets are capitalized.

Intangible assets with a specified life are amortized over their estimated useful lives, and reviewed to ensure that there is an impairment in its value when there is an evidence that indicates that a decrease has occurred. The period and method for amortization of intangible assets with a finite useful life are reviewed at least at the end of each financial reporting period. Changes in the accounting of expected useful life or the method of amortizing future economic benefits embodied in the asset – through adjusting the amortization period or method, as appropriate, and it is considered as changes in accounting estimates. Amortization expense for intangible assets with specific lives is recognized in the consolidated statement of profit or loss as an expense and in line with the function of the intangible assets.

Intangible assets that do not have a specific life are not amortized, but are tested annually to ensure that there is no impairment in their value either alone or at the cash-generating unit level. The indefinite life asset is reviewed annually to ensure that the assessment made for the unspecified useful life is still supported, otherwise the change from "specified life" to "unspecified life" will be made on a future basis.

Research and development costs are recognized as incurred. Development costs for a specific project are recognized as an intangible asset when the group can demonstrate the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- The intention to complete the asset and the ability and intention to use or sell the asset.
- The method of using the asset will generate future economic benefits.
- The availability of resources to complete the asset.
- The ability to measure the costs during development reliably.

After the initial recognition of development costs as an asset, the asset is recorded at cost less any accumulated amortization and accumulated impairment losses, if any. Amortization of the asset begins when development is complete, and the asset is available for its intended use. It is amortized over its expected future useful life. The amortization is recorded under the expense category in accordance with the function of the intangible assets. During the development period, the asset is tested for impairment on an annual basis.

Profits or losses resulting from discontinuation of the recognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the consolidated statement of profit or loss upon discontinuation of the asset.

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Computer programs , platforms , Licenses and patents are recorded at cost, less accumulated amortization, and accumulated impairment losses. Historical cost includes the expenses directly related to purchasing items.

Projects under development related to intangible assets are presented within the capital work-in-progress item in the financial position until the asset is ready for its intended use. It is then transferred to the relevant intangible assets category. The cost primarily includes software license fees and developer salaries.

Amortization is charged to the consolidated statement of profit or loss using the straight-line method over the estimated useful lives, and may be charged against the related assets if it represents a portion of their costs

Computer software, electronic systems, and licenses are amortized over a period of 5 years unless they have an indefinite useful life. Patents are amortized based on the term of the issued certificate.

3.9 Impairment of non-financial assets

The Group, at the date of preparing the consolidated financial statements, makes an assessment to ensure that there is no evidence of any impairment in the value of an asset. In case that such evidence exists or when an annual test is required to confirm the existence of an impairment in the value, the Group estimates the recoverable amount for that asset.The recoverable amount represents the higher value of the fair value of the asset or cash generating unit, less costs of disposal and the present value, and is determined for each asset, except in cases where the asset does not generate cash inflows that are largely independent of those from other assets or group assets. In cases where the carrying amount of the asset or cash generating unit exceeds the recoverable amount, the asset is considered to be impaired and is written down to the recoverable amount.

When estimating the present value, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects market assessments for the time value of money and the risks inherent in the asset. When determining the fair value less cost of sales, it is taken into consideration the latest market transactions that are available. Where no such factors can be identified, appropriate valuation methods are used.

The Group calculates present value based on the information used in calculating the detailed budgets and forecasts, which are prepared independently for each cash generating unit in the group to which the asset is allocated. The information used to calculate budgets and expectations usually covers a five-year period. A long-term growth rate is calculated and applied to the expected future cash flows after the fifth year.

Impairment losses from continuing operations are recognized in the consolidated statement of profit or loss.

For assets, except goodwill, an evaluation is performed at the date of preparing all consolidated financial statements, to ensure that there is any indication that there were no previously reported impairment losses or decreases. If such evidence exists, the Group estimates the recoverable amount of the asset or cash generating unit. The previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the recoverable amount since the last impairment loss was recognized. The reversal of the entry is limited so that the book value of the asset does not exceed the recoverable value of it nor the book value that was supposed to be determined after deduction of depreciation if the impairment loss was not proven in previous years. This reversal is recognized in the consolidated statement of profit or losses.

Intangible assets with indefinite useful lives are tested to ensure that there is no annual decrease in their value, either individually or at the cash-generating unit level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 Cash and cash equivalents

Cash and cash equivalents are shown in the consolidated statement of financial position comprise cash at banks, cash in hand, and murabaha deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash in hand and short-term deposits as stated above after deducting bank overdrafts (if any) since it's considered an integral part of the Group's cash management.

3.11 Murabaha deposits

Long-term murabaha deposits include long-term deposits with banks with an original maturity of more than three months. Bank deposits are considered as a cash management tool for the group. Returns from bank deposits are accounted for in the consolidated statement of profit or loss when due.

3.12 Dividend distribution

The Group recognizes distributions to shareholders as a liability when the distribution is approved. The corresponding amount is recognized directly in equity.

3.13 Provisions

Provisions are recognized when the Group has current or expected legal obligations as a result of past events, it is probable that the outflow of resources with economic benefits will be necessary to settle the obligation and a reliable estimate of the amount of the obligation can be performed. When the Group expects that some or all of the provisions will be recovered, for example under an insurance contract, the recoveries are recognized as a separate asset but only when these recoveries are almost confirmed. The expense related to the provision is displayed in the consolidated statement of profit or loss after discounting any recoverable amounts. If the effect of the time value of money is material, provisions are discounted using the current pre-tax rate, which reflects, when appropriate the risks related to the obligation. When using a discount, the increase in the provision due to the passage of time is recognized as a finance cost.

3.14 Segmental reporting

The Group's operating segments are identified based on internal reports that are regularly reviewed by the Group's chief operating decision maker (chief operating decision maker) in order to allocate resources between the segments and to assess their performance.

3.15 Employee end of service benefits

The group provides end of service benefits to the employees if eligible as a defined benefit program.

The net assets or liabilities of the retirement program recognized in the consolidated statement of financial position are the fair value of the program assets, (if any), less the present value of the defined benefit obligations expected at the preparation date of the consolidated financial statements.

The Group is required to make assumptions about variables such as discount rates, salary increase rate, longevity, employee turnover and future healthcare costs, where applicable. Changes in the underlying assumptions can have a significant impact on the expected benefit obligations and the costs of defined employee benefits. All assumptions are reviewed at each reporting date.

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The defined benefit liabilities are periodically re-measured by independent actuaries using the expected credit unit method. The present value of the defined benefit liabilities is determined by discounting the estimated future cash flows using commission rates for high-quality corporate bonds that are recorded in the currency in which the benefits are to be paid, and which have terms close to the terms of the related obligations. Commission cost is calculated by applying the discount rate to the net balance of the defined benefit liabilities and the fair value of the program assets. This cost is included in employee benefits expenses in the consolidated statement of profit or loss and other comprehensive income.

The costs of the defined benefit liabilities for the initial periods are calculated on an annual basis using the rate of actuarially defined pension cost at the end of prior year, after adjusting for significant market fluctuations and any significant one-time events, such as program adjustments or manpower cuts and reimbursement. In the absence of such significant market fluctuations and one-time events, actuarial liabilities are carried forward based on assumptions at the beginning of the year. If there are material changes to the assumptions or arrangements during the initial period, a re-measurement of these liabilities is taken into consideration.

Re-measurements, comprising actuarial gains and losses, are reflected immediately in other comprehensive income in the period in which they occur. Changes in the present value of the defined benefit liabilities resulting from settlements or downsizing the program are recognized directly in consolidated statement of profit or loss and other comprehensive income as a past service cost.

A liability assessment under these programs is performed by an independent actuary based on the expected credit unit method. The costs related to these programs consist mainly of the present value of related benefits, on an equal basis, in each year of service and commissions on this obligation in relation to employee services in prior years.

The costs of current and prior services related to post-employment benefits are recognized directly in the consolidated statement of other comprehensive income while the increase in the commitment to the discount rates recorded as a financing costs. Any changes in net liabilities as a result of actuarial valuations and changes in assumptions are re-measured to other comprehensive income.

In the Kingdom of Saudi Arabia, with regard to the employee end of service benefits provision, the actuarial valuation process takes into consideration the Saudi labor law and the group policy.

3.16 Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual instrument. The following are the significant accounting policies followed by the group for the classification, recognition, and measurement of financial instruments:

A. Financial assets

A.1 Classification and initial Recognition

The classification and initial recognition of financial assets depends on the Group's business model for managing its financial assets and the contractual terms of the cash flows. The Group classifies and recognizes its financial assets as follows:

- Financial asset at amortized cost;
- Financial asset at Fair value through Profit or loss ("FVTPL"); and
- Financial asset at fair value through other comprehensive income ("FVOCI").

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Below is a detailed statement of the classification and initial proof of each of the above-mentioned items:

Financial asset at amortized cost

A financial asset is measured at amortized cost, if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows (HTC); and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding It results in cash flows that are only payments of the principal amount and commission on the principal amount outstanding. This evaluation is referred to as the "pay test only from principal and commission", and this evaluation is performed at the level of the financial instrument.

Accounts receivable and contract assets, which are held to collect contractual cash flows that are expected to result in cash flows that are solely payments of principal, or cash flows that are solely payments of principal and commission on the principal amount that do not carry a significant financing portion, are measured at transaction cost.

Financial asset at FVOCI

Equity instruments

On initial recognition, for an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income. This election is made on an investment-by-investment basis.

Debt instruments

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as FVTPL:

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

Financial asset at FVTPL

All financial assets not classified as held at amortized cost or FVOCI are classified as FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

A.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into three categories:

Financial asset at amortized cost

Debt Instruments

Financial assets at amortized cost are subsequently measured using the Effective Interest Rate ("EIR") method and are subject to impairment. Gain and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

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As at the date of preparing these consolidated financial statements, the Group does not have any debt instrument assets.

Accounts receivable and contract assets

Accounts receivable and contract assets, which are held to collect contractual cash flows that are expected to result in cash flows that are solely payments of principal, or cash flows that are solely payments of principal and commission on the principal amount that do not carry a significant financing portion, are measured at transaction cost. Subsequent measurement and impairment are described in the note on impairment (Note 3.16, Paragraph A.4).

Financial asset at FVTPL

The financial assets measured at fair value through profit or loss ("FVTPL") are measured at each reporting date at fair value without the deduction of transaction costs that the Group may incur on sale or disposal of the financial asset in the future.

Financial asset at FVOCI

Financial assets are measured at fair value through other comprehensive income at the end of each reporting period and the transaction costs that the Group incurs when the assets are disposed of in the future are not discounted.

A.3 De-recognition

A financial asset or a part of a financial asset is de-recognized when:

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

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount assigned to the part of the asset for which recognition was expected) and the sum of (i) the consideration received and (ii) any cumulative gain or loss recognized in other comprehensive income It is recognized in the consolidated statement of profit or loss.

A.4 Impairment

Management assesses on a forward-looking basis the ECL associated with its account receivables, contract assets and employee receivables.

Management applies the simplified approach in calculating ECL's. Therefore, management does not track changes in credit risk, but instead recognized a loss allowance base on lifetime ECL's at each reporting date. Management has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Also, management evaluate on on-going basis the credit risk where it takes additional ECL for specific cases where applicable.

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

A.5 Business model assessment

The Group makes an assessment of the objective of a business model under which an asset is held, at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated-e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of Financial assets that are held for trading and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held to collect contractual cash flows and to sell financial assets.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

A.6 Assessments whether contractual cash flows are solely payments of principal and interest ("SPPI" criteria)

For the purposes of this assessment, 'principal' is the fair value of the financial asset on initial recognition. 'Interest' is the consideration for the time value of money, the credit and other basic lending risk associated with the principal amount outstanding during a particular period and other basic lending costs (e.g. liquidity risk and administrative costs), along with profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment the Group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

B. Financial liabilities

B.1 Initial recognition and measurement

Financial liabilities are classified under either of the below two classes:

- Financial liabilities at gain value through profit or loss ('FVTPL'); and
- Other financial liabilities measured at amortized cost using the effective interest method ("EIR") method.

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The category of financial liability at FVTPL has two sub-categories:

- Designated: A financial liability that is designated by the entity as a liability at FVTPL upon initial recognition; and
- Held for trading: A financial liability classified as held for trading, such as an obligation for securities borrowed in a short sale, which have to be returned in the future. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are classified as held for trading.

All financial liabilities are recognized initially when the Group becomes party to contractual provisions and obligations under the financial instrument. The liabilities are recorded at fair value.

As of the date of this financial statement the group doesn't have any financial liabilities at FVTPL.

B.2 Subsequent measurement

Financial liabilities at FVTPL continue to be recorded at fair value with changes being recorded in the consolidated statement of profit or loss.

For other financial liabilities, including loans and borrowings, after initial recognition, these are subsequently measured at amortized cost using the EIR method. Gain or loss are recognized in the consolidated statement of profit or loss when the liabilities are de-recognized as well as through the EIR amortization process.

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

For accounts payables and contract liabilities. They are initially recognized at fair value and subsequently measured at amortized cost.

B.3 De-recognition

A financial liability is de-recognized when the obligation under the liability is settled or discharged.

3.17 Leases

The Group assesses whether a contract is based on or contains a lease based on the lease concept and determines whether the arrangement is based on or contains a lease based on the substance of the arrangement at the inception of the lease. An arrangement is or contains a lease if the arrangement is based on a right to use an asset or assets and the arrangement provides a right to use the asset or assets for a specified period even if this right is not expressly stated in the arrangement.

A. The group as a Lessee

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs, and any lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated over the estimated useful life of the asset or the term of the lease on a straight line basis, whichever is shorter. If ownership of the leased asset passes to the Group at the end of the lease term or the right-of-use cost reflects the Group's exercise of the option to purchase the leased asset, then the asset is depreciated over the estimated useful life of the asset.

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

All lease payments are allocated between the obligation and the finance cost. The finance cost is recognized in the consolidated statement of profit or loss over the term of the lease.

Short-term leases and leases of low-value assets

Short-term leases are leases with a lease term of 12 months or less. Impaired assets are those items that do not reach the Group's capitalization threshold. Payments related to short-term leases and leases of low-value assets are recognized on a straight-line basis in the consolidated statement of profit or loss.

B. Group as a lessor

Leases in which the Group does not transfer all the significant risks and rewards of ownership of the asset are classified as operating leases. Rental income is accounted for on a straight-line basis over the lease term and is included within other income in the consolidated statement of profit or loss. Initial direct costs incurred during the negotiation and arrangement of an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as a lease expense.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. The amounts due from the finance leases are recorded as lease receivables at an amount equal to the net investment of the Group in the lease. The lease payments to be received are divided into two components: (1) a reimbursement of the original amount (2) a financing income to compensate the Group for its investment and services. The additional costs directly attributable to negotiating the lease contract are included in the amounts due, which in return, will reduce the finance income portion from the contract.

3.18 Zakat

The Group calculates and records zakat provision based on the zakat base in its consolidated financial statements in accordance with Zakat, Tax, and Customs Authority ("ZATCA") regulations in the Kingdom of Saudi Arabia. Adjustments arising from final zakat assessment are recorded in the reporting period in which such assessment is approved by the Zakat, Tax, and Customs Authority ("ZATCA").

3.19 Treasury shares

Own equity instruments that are repurchased (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in the consolidated statement of profit or loss on the purchase, sale, issue or cancellation of the shares. Any difference between the carrying amount of the shares and the consideration, if reissued, is recognized in other reserves within equity.

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3.20 Share based payment

Company employees receive remuneration in the form of shares under the long-term employee incentive program, under which employees provide services in consideration for Company shares (repayable transactions in the form of equity instruments). The cost is determined through the fair value of the financial instrument at the grant date. The grant date is the date on which both the Company and the employee agree to a share-based payment agreement, so that there is a common understanding of the terms and conditions of the agreement between the parties (Note 26).

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense included in the salaries and benefits of the employees, with a corresponding increase in the other reserves at the equity statement, over the vesting period of the awards.

The cumulative expense recognized at each reporting date until the long-term employee incentive program end date reflects the Group's best estimate of the number of shares that will ultimately vest.

In case of program terms adjusted, the minimum expense recognized is equal to the value of the expense as if the terms had not been adjusted, if the original terms are met. Any additional expense is recognized for any adjustment leading to an increase in the fair value of the awards or bringing benefit to the employees and measured at fair value on the date of the adjustment.

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

In case of cancellation of the program, the process of the cancellation is an acceleration of vesting, and recognize immediately the amount of expenses that would have been recognized including those benefits that are not earned and are controlled by the Company or the employee and which are not yet due. In case a new program is implemented to replace one that has been terminated, and it determined as an alternative program on the grant date to the new program, the terminated program and the new program are processed as if it was an adjustment to the original program, as mentioned in the previous paragraph.

4. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

The following are the standards and specific amendments that apply for annual periods beginning on or after January 1, 2024 (unless stated otherwise). The application of these standards and amendments, where applicable, has not had a material impact on the consolidated financial statements:

A- New and amended standards and interpretations

Amendments to International Financial Reporting Standard 16 - Leases: Sale and Leaseback Transactions

These amendments include requirements for sale and leaseback transactions in IFRS 16 to clarify how a company should account for sale and leaseback transactions after the transaction date. In sale and leaseback transactions, where some or all lease payments are considered variable lease payments linked to an index or rate that is likely to be affected.

Amendments to International Accounting Standard 1 - Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current

These amendments clarify how the compliance with conditions that a company must meet within twelve months after the reporting period affects the classification of liabilities. These amendments also aim to improve the information provided by the company regarding liabilities subject to such conditions.

Amendments to International Accounting Standard 7 and International Financial Reporting Standard 7 - Supplier Financing Arrangements

These amendments require disclosures on supplier financing arrangements and their effect on the company's liabilities, cash flows, and liquidity risk exposure.

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4. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (continued)

B- Issued standards and amendments not yet in effect

The following are the standards and amendments that have been issued but are not yet in effect as of the issuance date of the consolidated financial statements. The group has not early adopted any standard, interpretation, or amendment that has been issued but is not yet effective.

- Amendments to International Financial Reporting Standard 9 and International Financial Reporting Standard 7 – Classification and Measurement of Financial Instruments**
These amendments clarify the requirements for the timing of recognition of certain financial assets and liabilities, their derecognition, and additional disclosures for some financial instruments with contractual terms that could change cash flows. It also updates the disclosure of financial instruments classified at fair value through other comprehensive income.
- International Financial Reporting Standard 18 – Presentation and Disclosure in Financial Statements**
The new standard for presentation and disclosure in financial statements, focusing on updates to the income statement, includes the following key concepts introduced in IFRS 18:
 - The structure of the profit or loss statement;
 - Disclosures required in the financial statements for certain performance measures of profit and loss reported outside the financial statements of the entity (i.e., performance measures defined by management); and
 - Enhanced aggregation and classification principles applicable to primary financial statements and notes in general.

The group will apply the above standards and amendments from their effective dates. The group is currently assessing their impact on the consolidated financial statements and does not expect these standards and amendments to have a material impact at their effective date.

5. REVENUE

The following is the group revenue analysis, as per business unit:

	December 31, 2024	December 31, 2023
Digital business	5,469,457,871	4,254,973,267
Business process outsourcing	1,784,764,474	1,478,990,609
Professional services	152,572,057	164,398,964
	7,406,794,402	5,898,362,840

Revenue sources:

	December 31, 2024	December 31, 2023
Revenue from private parties	4,555,093,459	3,775,264,378
Revenue from government agencies	2,851,700,943	2,123,098,462
	7,406,794,402	5,898,362,840

*The amounts above include transactions with related parties (Note 33).

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Revenue recognition time:

	December 31, 2024	December 31, 2023
At a point in time	5,613,390,768	4,231,277,288
Over a period of time	1,793,403,634	1,667,085,552
	7,406,794,402	5,898,362,840

6. COST OF REVENUE

Cost of revenue is as follows:

	December 31, 2024	December 31, 2023
Direct costs	2,711,954,818	1,979,233,905
Salaries and employee benefits	1,669,119,235	1,587,404,659
	4,381,074,053	3,566,638,564

*The amounts above include transactions with related parties (Note 33).

7. RESEARCH AND DEVELOPMENT EXPENSES

Research and Development Expenses are as follows:

	December 31, 2024	December 31, 2023
Salaries and employee benefits	52,360,643	41,038,567
Contractors expenses	8,743,899	6,017,167
Consulting services	4,703,792	1,930,735
Licenses and subscriptions	5,461,082	821,325
Other expenses	4,263,117	1,777,232
	75,532,533	51,585,026

During the current year, research and development expenses have been presented separately in the consolidated statement of profit or loss and comparative figures have been reclassified to conform to the current year presentation (Note 39).

8. SELLING AND MARKETING EXPENSES

Selling and marketing expenses are as follows:

	December 31, 2024	December 31, 2023
Salaries and employee benefits	197,924,054	172,168,578
Advertising and exhibitions	60,896,911	38,636,504
Partnerships sales commission	36,365,985	39,267,220
Bank commission costs and invoice fees	20,904,092	16,694,688
Public relations	10,661,155	7,613,947
Other expenses	8,854,248	4,279,132
	335,606,445	278,660,069

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9. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses are as follows:

	December 31, 2024	December31, 2023
Salaries and employee benefits	411,189,069	336,776,016
Consulting and professional services (A)	37,946,918	24,262,481
Contractors expenses	20,988,256	7,724,448
Subscriptions and memberships	21,416,148	18,352,915
Hospitality and activities	24,822,738	18,722,400
Repair and maintenance expenses	3,881,622	3,109,318
Utilities and communications	3,365,311	4,063,696
Other expenses	27,588,231	20,222,286
	551,198,293	433,233,560

A- Consulting and professional services include the fees of the Group’s auditors related to the fees for the audit of the financial statements. The Group contracted with Dr. Mohammed Al-Omari & Partners to audit the financial statements for the year ended December 31, 2024 and to review the financial statements for the second and third quarters of 2024 and the first quarter of 2025. Expenses related to the fees of the auditors for auditing and reviewing the Company’s financial statements amounting to ﷲ 1.9 million (2023: ﷲ 1.6 million) and expenses related to other services provided by the Group’s auditors were amounting to ﷲ 0.08 million (2023: ﷲ 0.06 million).

10. OTHER INCOME, NET

Other income are as follows:

	December 31, 2024	December31, 2023
Income from Call Accounts	24,781,644	17,157,199
Funds received from HRDF to support Saudization	14,955,848	13,137,385
Donations	-	(1,000,000)
Foreign exchange losses	911,487	(728,890)
Gains on disposal of property, equipment and intangible assets (Note 15)	62,771,538	22,480
Others	399,539	710
	103,820,056	28,588,884

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11. PROPERTY AND EQUIPMENT

	Land (A)	Buildings (A)	Information system devices	Furniture and fixtures	Leasehold improvements	Vehicles	Total
Cost							
Balance as at January 1, 2023	33,760,000	293,598,577	161,314,250	44,374,366	114,173,743	16,924,232	664,145,168
Additions during the year	-	2,170,482	46,764,316	1,318,819	1,317,274	6,360,128	57,931,019
Transfer from capital work in progress (Note 12)	-	-	15,839,875	-	-	-	15,839,875
Disposals during the year	-	-	(856,309)	(10,933)	(11,182,006)	(2,449,840)	(14,499,088)
Balance as at December 31, 2023	33,760,000	295,769,059	223,062,132	45,682,252	104,309,011	20,834,520	723,416,974
Additions during the year	-	1,147,230	41,187,372	13,950,031	3,223,604	3,120,000	62,628,237
Transfer from capital work in progress (Note 12)	-	1,141,385	89,639,293	14,870,225	64,756,772	2,282,447	172,690,122
Disposals during the year (B)	-	-	(22,043,716)	(6,425,947)	-	(3,093,711)	(31,563,374)
Balance as at December 31, 2024	33,760,000	298,057,674	331,845,081	68,076,561	172,289,387	23,143,256	927,171,959
Accumulated depreciation and impairment							
Balance as at January 1, 2023	-	48,998,154	105,260,438	40,663,579	109,500,369	6,223,663	310,646,203
Depreciation during the year	-	9,062,507	34,014,909	1,870,674	2,040,535	4,388,994	51,377,619
Disposals during the year	-	-	(800,385)	(10,537)	(11,023,333)	(1,955,839)	(13,790,094)
Balance as at December 31, 2023	-	58,060,661	138,474,962	42,523,716	100,517,571	8,656,818	348,233,728
Depreciation during the year	-	9,167,207	55,169,961	4,201,859	12,364,656	5,073,523	85,977,206
Disposals during the year (B)	-	-	(16,909,078)	(6,418,507)	-	(1,792,163)	(25,119,748)
Balance as at December 31, 2024	-	67,227,868	176,735,845	40,307,068	112,882,227	11,938,178	409,091,186
Net book value:							
As at December 31, 2024	33,760,000	230,829,806	155,109,236	27,769,493	59,407,160	11,205,078	518,080,773
As at December 31, 2023	33,760,000	237,708,398	84,587,170	3,158,536	3,791,440	12,177,702	375,183,246

The following is a classification of depreciation if presented by function in the consolidated statement of profit or loss:

	December 31, 2024	December 31, 2023
Cost of revenue	62,635,022	33,588,158
General and administrative expenses	21,444,046	16,476,077
Selling and marketing expenses	1,077,057	862,180
Research and development	821,081	451,204
	85,977,206	51,377,619

(A) During 2011, the Company purchased land and a building to be the headquarters at a cost of ﷲ 303 million The last installment of the head office purchase contract was paid during the current year, and the company is still working on the procedures for transferring ownership of the land and building.

(B) During the current year, assets with a book value of ﷲ 7.5 million were disposed related to a contract with a government entity, as the contract includes the transfer of ownership of the platform and its related assets to the entity after the end of the contract period, and gains amounting to ﷲ 21.7 million were charged to the consolidated statement of profit or loss (Note.10). Accordingly, this transaction was classified as a finance lease (Note.15).

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11. PROPERTY AND EQUIPMENT (continued)

The liabilities for purchasing a property are presented in the consolidated statement of the financial position as follows:

	December 31, 2024	December 31, 2023
Liabilities for purchasing a property – current	-	25,396,063
	-	25,396,063

The following are finance costs related to the property that is charged to the consolidated statement of profit or loss:

	December 31, 2024	December 31, 2023
Finance cost	937,430	1,580,181

12. CAPITAL WORK IN PROGRESS

Capital work in progress consists of platforms, electronic systems, and improvements to rented buildings. The movement of capital work in progress is as follows:

	December 31, 2024	December 31, 2023
Balance at the beginning of the year	119,813,847	57,778,145
Additions	165,399,192	115,757,975
Transferred to property and equipment (Note 11)	(172,690,122)	(15,839,875)
Transferred to intangible assets (Note 14)	(45,548,696)	(37,474,057)
Impairment during the year (A)	(15,912,148)	(408,341)
Balance at the end of the year	51,062,073	119,813,847

A) Impairment

As on December 31, 2024, the Group recorded an impairment against its internally developed work in progress, amounted to ﷻ 15.9 million (December 31, 2023: ﷻ 0.4 million). due to the presence of indicators of impairment, as the management conducted a study to assess the recoverable amount through forecasting the expected future cash flows of the asset and which resulted in recoverable amount being less than the current value of the asset. Impairment will be classified under cost of revenue if presented by function.

13. RIGHT -OF- USE ASSETS AND LEASE LIABILITIES

The movement of right -of- use assets during the year are as follows:

	Buildings and land	Printers	Total
Balance as at January 1, 2023	80,386,822	-	80,386,822
Additions during the year	180,132,179	1,208,070	181,340,249
Disposals during the year	(4,212,244)	-	(4,212,244)
Depreciation during the year	(26,439,723)	(276,367)	(26,716,090)
Balance as at 31 December 2023	229,867,034	931,703	230,798,737
Additions during the year	403,630,592	-	403,630,592
Disposals during the year	(1,044,535)	-	(1,044,535)
Depreciation during the year	(75,332,673)	(302,017)	(75,634,690)
Balance as at December 31, 2024	557,120,418	629,686	557,750,104

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The following is a classification of depreciation of right of use assets if presented by function in the consolidated statement of profit or loss:

	December 31, 2024	December 31, 2023
Cost of revenue	20,995,172	10,252,843
General and administrative expenses	54,639,518	16,463,247
	75,634,690	26,716,090

The lease liability consists of the following:

	December 31, 2024	December 31, 2023
Lease liabilities- non current	481,013,080	212,090,689
Lease liabilities- current	85,001,803	11,988,772
	566,014,883	224,079,461

The following table outlines the remaining cash obligations of the company for lease contracts. The table has been prepared based on the undiscounted cash flows for lease obligations as of the nearest date the group can be required to make payment:

	Buildings and land	Printers	Total
First year	93,566,211	802,279	94,368,490
Second year	72,207,468	336,000	72,543,468
Third year	71,478,576	37,722	71,516,298
Fourth year	65,747,934	-	65,747,934
Fifth year	68,581,965	-	68,581,965
More than five year	285,618,371	-	285,618,371
	657,200,525	1,176,001	658,376,526

The following are finance costs that were charged to the consolidated statement of profit or loss:

	December 31, 2024	December 31, 2023
Finance cost	27,509,830	4,281,048

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14. INTANGIBLE ASSETS

Intangible assets consist of electronic platforms and systems, licenses and patents. The movement during the year is as follows:

	December 31, 2024	December 31, 2023
Cost		
Balance at the beginning of the year – adjusted (Note 39)	524,111,142	487,846,311
Transferred from capital work in progress (Note 12)	45,548,696	37,474,057
Additions during the year	121,475	406,748
Disposals during the year (A)	(136,549,404)	(1,615,974)
Balance at the end of the year	433,231,909	524,111,142
Accumulated amortization		
Balance at the beginning of the year – adjusted (Note 39)	(416,933,353)	(371,159,785)
Impairment during the year (B)	(5,431,328)	(5,510,351)
Amortization during the year	(37,226,686)	(41,879,191)
Disposals during the year (A)	96,972,099	1,615,974
Accumulated amortization at the end of the year	(362,619,268)	(416,933,353)
Net Book Value at the end of the year	70,612,641	107,177,789

A) During the current year, intangible assets with a book value of ﷲ 36.6 million were disposed related to a contract with a government entity, as the contract includes the transfer of ownership of the platform and its related assets to the entity after the end of the contract period, and gains amounting to ﷲ 41.4 million were charged to the profit or loss statement (Note 10). Accordingly, this transaction was classified as a finance lease (Note 15).

B) Impairment

During the year ended 31 December 2024, the Group recorded an impairment of ﷲ 5.4 million in the value of internally developed platforms (31 December 2023: ﷲ 5.5 million) due to indications of impairment. Management conducted a study to assess the recoverable value by estimating the expected future cash flows of the asset and it was found that the recoverable value is less than the current value of the asset. The impairment is classified within the cost of revenue if it is presented according to its function.

The following is a classification of amortization if presented by function in the consolidated statement of profit or loss:

	December 31, 2024	December 31, 2023
Cost of revenue	27,067,960	30,994,795
General and administrative expenses	6,478,776	6,595,312
Research and development	3,679,950	4,289,084
	37,226,686	41,879,191

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15. FINANCE LEASE RECEIVABLES

On February 8, 2023, one of the group’s companies entered into a revenue sharing agreement with a government entity. The effective date of this agreement entails the completion of the transitional phase to transfer existing services to the government entity, and that it will be responsible for implementing and maintaining all services, infrastructure, networks and systems. Accordingly, a transitional plan has been determined that details the procedures, responsibilities and preconditions.

The transitional phase has begun and in accordance with the agreement, electronic services and operational services will be provided for a period of five years from the effective date according to the terms and conditions of the agreement. The agreement may be extended for another period. During the term of the agreement, the company grants the government entity a license to use the platform for electronic services in the Kingdom of Saudi Arabia with conditions that specify the mechanism of use. In addition, the government entity is responsible for implementing and maintaining all necessary services, infrastructure, networks, systems and communications, and the company is entitled to a contractual financial consideration as a fixed percentage of the total fees for electronic services.

During the current year, the platform, infrastructure and related assets were transferred to the government entity and this transaction was classified as a finance lease so that the risks and rewards of ownership were transferred to the government entity.

The Group derecognized the intangible assets and property and equipment related to the platform, where the carrying value was ﷲ 44.1 million and a finance lease receivable was recognized based on the present value of future cash flows. This resulted in recording gains within other income in the amount of ﷲ 63.1 million in the consolidated statement of profit or loss (Note No. 10).

The lease interest was recognized on a straight-line basis over the lease term and an amount of ﷲ 2.5 million was charged to the consolidated statement of profit or loss for the current year.

15.1 The following are the undiscounted cash flows for the lease of assets over the lease term:

	December 31, 2024	December 31, 2023
First year	29,967,602	-
Second year	32,090,936	-
Third year	32,090,936	-
Fourth year	19,230,466	-
	113,379,940	-

15.2 The following table shows the reconciliation of cash flows to the net investment balance:

	December 31, 2024	December 31, 2023
Cash flows	113,379,940	-
Interest income	(18,571,531)	-
Investment balance at end of year	94,808,409	-

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15. FINANCE LEASE RECEIVABLES (continued)

15.3 Finance lease receivables are classified as follows:

	December 31, 2024	December 31, 2023
Finance Lease Receivables – Non-Current	73,409,363	-
Finance Lease Receivables – Current	21,399,046	-
	94,808,409	-

16. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE

16.1 Details of each of the Group's associates and joint ventures as at the year-end are as follows:

Associate Company name	Relationship	Country of Origin/ place of operations	Ownership share percentage	
			December 31, 2024	December 31, 2023
Sahel Al Madar Trading Company (A)	Associate company	Kingdom of Saudi Arabia	30%	30%
Smart National Solution Company (B)	Associate company	Kingdom of Saudi Arabia	24%	24%
Omran Tech Business Solutions Company (C)	joint venture	Kingdom of Saudi Arabia	60%	-
Al Dal Real Estate Services Company (D)	Associate company	Kingdom of Saudi Arabia	-	-

A) Sahel Al Madar Trading Company established under the Saudi Companies Law under commercial registration no. 1010586820. The Company is engaged in directing goods transport vehicles, freight brokers. The group invested an amount of ﷲ 14 million divided into ﷲ 60 thousand, representing an equity investment, according to which the group obtained an ownership percentage representing 30% of the Company, and an advance payment for future equity in the Company representing the remaining amount of ﷲ 13.9 million. And valued at fair value through profit or loss using the multiples method (fair value level 3).

The following is a summary of the book value of the Group's share in the Company's net assets according to the equity method:

	December 31, 2024	December 31, 2023
Net assets of Sahel Al Madar	1,633,115	6,282,077
The Group's share in the ownership of Sahel Al-Madar	30%	30%
The book value of the Group's share	489,935	1,884,623

B) Smart National Solutions Company Technology established under the Companies Law in Saudi Arabia under Commercial Registration No. 1010463892. The main activities of the Company are designing and programming special software, software maintenance and designing web pages. The group invested an amount of ﷲ 4.9 million, divided into ﷲ 49 thousand, representing an equity investment, according to which the group obtained an ownership percentage representing 24% of the Company, and an advance payment for future equity in the Company representing the remaining ﷲ 4.8 million. And valued at fair value through profit or loss using the multiples method (fair value level 3).

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The following is a summary of the book value of the Group's share in the Company's net assets according to the equity method:

	December 31, 2024	December 31, 2023
Net assets of Smart National Solutions	7,757,778	3,472,054
The Group's share in the ownership of Smart National Solutions	24%	24%
The book value of the Group's share	1,861,867	833,293

C) Omran Tech Business Solutions Company: It is a limited liability holding company registered under commercial registration number 4030589802 dated 22 Jumada Al-Awwal 1446 AH (corresponding to November 24, 2024). The company's headquarters is in Jeddah, Kingdom of Saudi Arabia, and its main activity is represented in communications activities, computer programming, computer consulting expertise activities, computer facilities management, in addition to data processing, website hosting and related activities, architectural engineering activities, market research and opinion polling.

The following is a summary of the book value of the Group's share in the Company's net assets according to the equity method:

	December 31, 2024	December 31, 2023
Net assets of Omran Tech Business Solutions	50,000	-
The Group's share in the ownership of Omran Tech Business Solutions	60%	-
The book value of the Group's share	30,000	-

D) Al-Dal Real Estate Services Company, a Limited Liability Company registered with commercial register no. 1010680496, on Jumada Al-Awwal 29, 1442 AH (corresponding to January 13, 2021), and its headquarters is in Riyadh. The Company's main activities are in auctioneers and auction brokers. For all commodities, wholesale online, residential home auctions activities, non-store auctions, brokerage agents' activities, real estate management activities for commission, providing marketing services on behalf of others.

During the year, the Group sold all of its shares in Al Dal Real Estate Services Company, in exchange for ﷲ 150 Thousand. The disposal resulted in a loss of ﷲ 29 Thousand, which has been recognized in the condensed consolidated statement of profit or loss under other income, net.

16.2 The movement in the balance of investments in associates are as follows:

	December 31, 2024			
	Sahel Al Madar	Smart National Solutions	Omran Tech	Total
Investment using the equity method:				
Balance at the beginning of the year	-	-	-	-
Disposal during the year	-	-	-	-
Additions during the year	-	-	30,000	30,000
Share of results from associates	-	-	-	-
	-	-	30,000	30,000
Long Term Interest:				
Balance at the beginning of the year	695,275	1,441,878	-	2,137,153
Additions during the year	4,500,000	-	-	4,500,000
Gain/ (Loss) at FVTPL(A)	(884,999)	2,549,291	-	1,664,292
Share in (loss)/profit	(2,683,463)	1,039,368	-	(1,644,095)
	1,626,813	5,030,537	-	6,657,350
Group's net investment balance	1,626,813	5,030,537	30,000	6,657,350

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16. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (continued)

	December 31, 2023			
	Sahel Al Madar	Smart National Solutions	Al Dal Real Estate Services	Total
Investment using the equity method:				
Balance at the beginning of the year	-	2,218,741	179,017	2,397,758
Disposal during the year	-	-	(179,017)	(179,017)
Share of results from associates	-	(2,218,741)	-	(2,218,741)
	-	-	-	-
Long Term Interest:				
Balance at the beginning of the year	4,846,150	11,139,149	-	15,985,299
Gain/ (Loss) at FVTPL(A)	4,176,503	(8,297,021)	-	(4,120,518)
Share in total accumulated losses (a)	(8,327,378)	(1,400,250)	-	(9,727,628)
	695,275	1,441,878	-	2,137,153
Group's net investment balance	695,275	1,441,878	-	2,137,153

(A) The amount represents the Group's share of losses in excess of the value of the investment using the equity method, where losses are recognized by reducing other components of the company's interest in associates.

17. OTHER FINANCIAL ASSETS

The Group's other financial assets balances consist of:

	December 31, 2024	December 31, 2023
Financial assets at FVTPL		
Money Market Funds (A)	480,597,586	18,797,335
Advance payment for future equity (B)	-	19,936,296
	480,597,586	38,733,631
Financial assets at FVTOCI		
Unquoted equity investments (C)	230,879,131	207,970,028
Other financial assets are presented in the statement of financial position as follows:		
Current	480,597,586	18,797,335
Non-current	230,879,131	227,906,324
	711,476,717	246,703,659

A) An investment in money market funds represents an investment in a public murabaha fund, aimed at achieving low-risk returns for unit holders while preserving capital and providing liquidity. (Fair value level 2).

B) The advance payment for future equity represents amounts that the Group has paid to obtain shares in the upcoming investment rounds of these companies. All advance payments are considered debt instruments in accordance with IFRS 9, And during valuation, fair value is measured using various methods such as multiples methods and investment rounds (Fair value level 3).

C) Investments in unquoted equity represent venture capital investments for companies operating in the information technology sector in Saudi Arabia and abroad, And during valuation, fair value is measured using various methods such as multiples methods and investment rounds (Fair value level 3). These investments are retained for medium to long-term strategic purposes. Accordingly, management has chosen to classify these investments in equity at fair value through other comprehensive income, as short-term fluctuations in fair value do not align with the group's strategy of holding these investments for long-term purposes and realizing their potential performance over the long-term.

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The movement in financial assets measured at fair value during the year is as follows

	December 31, 2024	December 31, 2023
Balance at the beginning of the year	246,703,659	267,403,011
Additions	752,285,622	432,696,961
Proceeds	(304,000,000)	(467,929,663)
Gain / (losses) on financial assets at FVTPL	32,547,323	(11,848,122)
(Losses) / Gain on financial assets at FVTOCI (Note 27)	(16,059,887)	26,381,472
Balance at the end of the year	711,476,717	246,703,659

18. ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

	December 31, 2024	December 31, 2023
Government receivables	1,673,873,147	1,487,490,009
Trade receivables	1,810,053,321	1,278,516,916
	3,483,926,468	2,766,006,925
Expected credit losses provision	(588,703,691)	(443,653,224)
	2,895,222,777	2,322,353,701

*The above amounts include balances with related parties (Note 33).

Account receivable ageing is as follows:

	December 31, 2024		December 31, 2023	
	Government	Private	Government	Private
0-90 days	611,162,270	958,827,639	520,838,382	733,104,253
91-180 days	217,773,573	152,996,353	303,443,740	131,237,836
181-365 days	200,034,358	229,367,158	59,458,087	122,080,896
More than 365 days	644,902,946	468,862,171	603,749,800	292,093,931
	1,673,873,147	1,810,053,321	1,487,490,009	1,278,516,916

The movement of expected credit losses provision is as follows:

	December 31, 2024	December 31, 2023
Balance at the beginning of the year	443,653,224	367,622,511
Provision for the year (Note 37-A)	145,050,467	76,030,713
Balance at the end of the year	588,703,691	443,653,224

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19. CONTRACT ASSETS

Contract assets represent revenues generated by services performed by the Group that have not been invoiced to customers up to the date of the consolidated financial statements, and that revenue will be invoiced in subsequent financial periods.

Contract assets consists of the following:

	December 31, 2024	December 31, 2023
Government contract assets	574,765,469	701,502,502
Trade contract assets	193,848,805	274,984,648
	768,614,274	976,487,150
Expected credit losses provision	(126,946,581)	(128,861,466)
	641,667,693	847,625,684

*The above amounts include balances with related parties (Note 33).

The movement of expected credit losses is as follows:

	December 31, 2024	December 31, 2023
Balance at the beginning of the year	128,861,466	115,204,452
(Reversal)/Provision for the year (Note 37-A)	(1,914,885)	13,657,014
Balance at the end of the year	126,946,581	128,861,466

20. PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets consist of the following:

	December 31, 2024	December 31, 2023
Deferred costs	107,315,770	70,830,503
Prepaid expenses (Note 39)	89,960,938	112,836,146
Employees receivable, net (A)	30,425,276	26,020,880
Advance to vendors	28,261,378	93,910,498
Letter of guarantee	27,486,356	37,495,313
Accrued murabha deposit income	24,876,409	30,466,718
Payments under settlement (B)	1,726,889	-
Other, net	695,032	1,317,073
	310,748,048	372,877,131

(A) Employee receivables and Other balances are shown net after deducting the allowance for expected credit losses. (Note 37-A).

(B) These are amounts that the Group has transferred to its accounts that are not included in its assets as part of the operational processes in which the Group acts as an agent for these balances on behalf of the contracting parties, and these balances are settled when they are collected (Note 22-B)

21. MURABAHA DEPOSITS

The balance of murabaha deposits consists of deposits with a term of more than three months. The average commission is 5.85% annually (December 31, 2023: 6.20% annually), and the consolidated statement of profit or loss income has been charged with a total deposit income amounting to 110 million during the year ended December 31, 2024 (December 31, 2023: 117,3 million). All murabaha deposits mature within one year.

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22. CASH AND CASH EQUIVALENTS

Cash and Cash equivalents consists of the following:

	December 31, 2024	December 31, 2023
Cash at banks	218,572,393	320,390,132
Short term murabaha deposits (22-A)	2,032,224,786	64,004,475
	2,250,797,179	384,394,607

(22-A) The balance of short-term murabaha deposits consists of short-term deposits of three months and less. The average commission is 5.54% annually (2023: 5.79%). The consolidated statement of profit or loss was charged with total Murabaha deposit income amounting to 35.5 million during the year ended December 31, 2024 (December 31, 2023: 10.5 million).

(22-B) As at 31 December 2024, the Company has a balance of 5.5 billion (31 December 2023: 2.6 billion) recorded in its bank accounts that has not been recognized as part of the Group's assets, as the Group acts as an agent for those balances on behalf of the contracting parties, as part of the operation and provision of services.

23. SHARE CAPITAL

The issued and fully paid-up capital consists of 80,000,000 shares with a nominal value of 10 per share (December 31, 2023 : 80,000,000 shares with a par value of 10 per share).

24. STATUTORY RESERVE

The Extraordinary General Assembly, in its meeting held on 22 Shawwal 1445H (corresponding to 1 May 2024), approved the transfer of the statutory reserve balance amounting to 174,708,101 to retained earnings. During the year, the relevant procedures were completed and the statutory reserve balance was transferred to retained earnings.

25. TREASURY SHARES

On 16 February 2022, the Group purchased 2.4 million of its shares from the major shareholder at a value of 128 per share, for a total cash consideration of 307.2 million. The Group holds these shares as treasury shares to support future long-term incentive plans for employees (Note 26). The purchased shares will not have the right to vote in the Company's general meetings of shareholders and will not be entitled to any dividends during the period the Company holds them.

	December 31, 2024	December 31, 2023
The number of outstanding treasury shares at the beginning of the year	2,302,800	2,400,000
The number of shares purchased during the year	-	-
The number of shares settled and reissued during the year	(12,858)	(97,200)
	2,289,942	2,302,800

(A) During the current year, benefits were settled under the share-based payment plan for 12,858 shares and total expenses amounted to 6.6 million, which were charged to the consolidated statement of profit or loss.

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26. SHARE BASED PAYMENT

Share-Based payment is one of the employee incentive programs which aims to attract, motivate and retain the Group's employees. The program provides a share-based payment plan for eligible employees participating in the program in which they are granted shares in the Company upon fulfillment of terms of service and performance. And the expenses related to the program is included in the employee benefits expense item in the consolidated statement of profit or loss, and recording the amount corresponding to the expenses in other reserves in equity, in accordance with the requirements of International Financial Reporting Standard (2): Share- Based Payment.

A) Broad based Stock ownership program

During 2023, a broad-based equity ownership program was settled, the details of which are as follows:

Settlement method	Maximum number of granted shares	Average fair value of shares	Vesting Date	Grant Date
Equity method	97,200 shares	210	February 16, 2023	March 30, 2022

B) long-term future incentive plans program

C) The Group announced the Long Term Incentive Plan Program for its employees, details of which are as follows:

Settlement method	Maximum number of granted shares	Average fair value of shares	Vesting Date	Grant Date
The first stage				
Equity method	162,596 shares	322	March 31, 2025	December 1, 2022
The Second stage				
Equity method	119,621 shares	767	March 31, 2026	September 7, 2023
The third stage				
Equity method	48,648 shares	797	March 31, 2027	January 1, 2024
Equity method	24,934 shares	844	March 31, 2027	May 23, 2024

The following is the share-based payment expenses by program type:

	December 31, 2024	December 31, 2023
Broad based stock ownership program	-	2,813,352
long-term future incentive plans program- Tranche 1	21,361,159	21,166,876
long-term future incentive plans program- Tranche 2	33,949,970	12,554,727
long-term future incentive plans program- Tranche 3	17,914,941	-
	73,226,070	36,534,955

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27. OTHER RESERVES

Other reserves consist of the following:

	December 31, 2024	December 31, 2023
Employees end of service benefits remeasurement		
Opening balance	(58,823,985)	(53,360,943)
Remeasurement losses (Note 29)	(2,927,075)	(5,463,042)
	(61,751,060)	(58,823,985)
Other financial assets revaluation reserve		
Opening balance	36,021,641	9,640,169
(Loss)/Gain on revaluation (Note 17)	(16,059,887)	26,381,472
	19,961,754	36,021,641
Share based payment		
Opening balance	35,628,822	19,539,887
Additions (Note 26)	73,226,070	36,534,955
Settlement (Note A-25)	(6,611,224)	(20,446,020)
	102,243,668	35,628,822
Foreign exchange translation differences		
Balance at the beginning of the year	-	-
remeasurement losses	215,146	-
	215,146	-
Balance at the end of the year	60,669,508	12,826,478

28. EARNINGS PER SHARE

	December 31, 2024	December 31, 2023
Net profit attributable to equity holders of the parent Company	1,826,871,586	1,356,230,754
Number of Shares		
Weighted average number of shares for calculation for basic earnings per share	77,693,994	77,684,684
Weighted average number of shares for repurchased shares	2,306,006	2,315,316
Weighted average number of shares for calculation for diluted earnings per share	80,000,000	80,000,000
EARNINGS PER SHARE:		
Basic	23.51	17.46
Diluted	22.84	16.95

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29. END OF SERVICES BENEFITS PROVISION

	December 31, 2024	December 31, 2023
Financial assumptions:		
Discount rate	5.25% - 5.50%	4.5% - 5.00%
Salary increase rate	5.00% - 6.00%	4.50% - 7.00%

Employee end of service benefits provision movement in present value is as follows:

	December 31, 2024	December 31, 2023
Balance at the beginning of the year	360,689,127	307,462,112
Current service cost	63,853,550	53,971,227
Current service financing cost	14,041,594	13,789,543
Benefits paid	(54,275,657)	(19,996,797)
Actuarial losses (Note 27)	2,927,075	5,463,042
Balance at the end of the year	387,235,689	360,689,127

Following is sensitivity analysis for the actuarial assumptions:

	Rate change	December 31, 2024		December 31, 2023	
		Increase	Decrease	Increase	Decrease
Discount rate	1%	(20,043,139)	22,322,881	(21,192,645)	23,980,303
Increase salary rate	1%	22,992,428	(21,029,532)	24,460,710	(22,032,918)
Employee turnover rate	10%	(3,975,445)	4,398,764	(4,230,933)	4,681,208

30. ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

Accounts payable and other current liabilities are as follows:

	December 31, 2024	December 31, 2023
Income sharing and business partners payables	1,104,224,854	1,578,815,235
Contractual cost	429,855,845	384,390,554
Employee accruals	399,906,226	368,550,827
Accounts payable	349,712,751	328,851,291
Value added tax (VAT)	123,912,401	74,902,463
Incentives & marketing	54,702,793	42,273,245
Retention payable	9,353,418	3,535,720
Litigation provision (Note 36)	1,652,055	1,070,417
Dividend Payable	-	1,987,042
Others	6,259,680	20,678,630
	2,479,580,023	2,805,055,424

*The above amounts include balances with related parties (Note 33).

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31. CONTRACT LIABILITIES

Contract liabilities are as follows:

	December 31, 2024	December 31, 2023
Deferred revenue from subscriptions	355,324,832	301,738,702
Advance from customers	254,481,483	201,968,688
	609,806,315	503,707,390

32. ZAKAT

32.1 Zakat and Tax position

- The group submitted all its zakat returns until the end of the year 2023, with paying the zakat due based on those returns and received the zakat certificate for that year. The group has not received any zakat assessments until the date of preparing the consolidated financial statements.
- The Group pays VAT monthly and VAT returns have been submitted for all previous financial years. The Group underwent a tax audit for the years 2018 to 2023, and the audit of the tax returns submitted for these years has been closed. The preliminary audit results for 2023 have been received and have not resulted in any material differences.

32.2 Zakat Base

The Group calculates and records the zakat provision on zakat base in accordance with the rules and regulations of zakat in the Kingdom of Saudi Arabia the details of which are as follows:

	December 31, 2024	December 31, 2023
Capital at beginning of the year	800,000,000	800,000,000
Additions:		
Retained earnings	3,481,428,293	2,411,684,121
Provision and reserves	875,248,180	931,855,233
Accounts payable and other liabilities	738,814,329	371,752,158
Net adjusted profit	1,931,255,520	1,772,115,104
Total adjusted equity	7,826,746,322	6,287,406,616
Disposals:		
Dividends paid	(582,729,000)	(466,183,200)
Purchase of treasury shares	(293,112,576)	(294,758,400)
Net property (adjusted) and investments	(2,036,691,689)	(931,863,431)
Total adjusted disposals	(2,912,533,265)	(1,692,805,031)
Zakat base	4,914,213,057	2,822,486,481
Zakat base during the year	5,080,796,550	4,682,305,967
2.5% Zakat from the zakat base during the year	127,019,914	117,057,649

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32. ZAKAT (continued)

32.3 Zakat Provision

The movement in the provision for zakat during the year was as follows:

	December 31, 2024	December 31, 2023
Balance at the beginning of the year	183,613,319	138,434,452
Charge during the year	127,019,914	117,057,649
Paid during the year	(92,460,708)	(71,878,782)
Balance at the ending of the year	218,172,525	183,613,319

33. RELATED PARTY TRANSACTIONS AND BALANCES

The related parties consist of governmental entities, including ministries, authorities, and other government-affiliated entities (including the Public Investment Fund "the main shareholder"), government-related entities are subsidiaries of the main shareholder, associate companies, and members of the board of directors and senior management of the Company. All of these transactions are carried out according to the terms agreed by the management of the Group. As at the date of preparing the consolidated financial statements, balances with related parties were unguaranteed.

The transactions with related parties are similar to commercial transactions with external parties. Below are the details of the significant transactions with related parties during the year:

	December 31, 2024	December 31, 2023
Transactions with government entities (*)		
Service revenue (Note 5)	2,851,700,943	2,123,098,462
Services cost (Note 6)	1,240,958,685	1,035,654,707
Transactions with government related entities		
Service revenue (Note 5)	362,345,753	228,010,829
Services cost (Note 6)	104,094,165	59,519,482
Transactions with Associate companies		
Services cost (Note 16)	1,258,466	7,704,913

*Service revenues from government entities include transactions with the main shareholder amounting to ﷲ 22.4 million (2023: ﷲ 30.0 million)

Transaction with board of directors and senior executive managers		
Salaries and benefit	28,640,044	25,627,146
Remunerations and allowances	22,094,201	29,087,389
Share based payment Expense	14,097,084	8,344,559
End of service benefits Expense	5,510,158	4,010,484
	70,341,487	67,069,578

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Balances	December 31, 2024	December 31, 2023
Due from related parties (*)		
Due from government entities classified under:		
Accounts receivable (Note 18)	1,673,873,147	1,487,490,009
Contract assets (Note 19)	574,765,469	701,502,502
Due from government related entities classified under:		
Accounts receivable (Note 18)	173,033,355	182,117,569
Contract assets (Note 19)	27,667,365	20,364,362
Due to Related Parties:		
Due to government related classified under:		
Accounts payable and other current liabilities (Note 30)	1,088,755,574	1,588,614,267
Due to government related entities classified under:		
Accounts payable and other current liabilities (Note 30)	15,272,260	30,513,812
Due to associate companies classified under:		
Accounts payable and other current liabilities (Note 30)	1,992,373	2,099,460

*Balance due from government entities include amounts due from the principal owner included in accounts receivable amounting to ﷲ 3.9 million (December 31, 2023: ﷲ 11.2 million) and due balances included in contract assets amounting to ﷲ 18.8 million (December 31, 2023: ﷲ 25.6 million).

**Balance due to government entities include amounts due to the principal owner included in accounts payable and other current liabilities amounting to ﷲ 242 thousand (December 31, 2023: Nil).

34. SEGMENT INFORMATION

The information regarding the Group's operating segments is described below in accordance with IFRS 8, where the standard requires the identification of operating segments on the basis of internal reports that are regularly reviewed by the Group's operating decision maker.

The Company's business includes the following:

- Digital business:** These are ready-to-use solutions in the form of technical services, portals, electronic applications, and related support work, which were developed by the Company in cooperation with a large number of facilities in the public and private sectors with the aim of creating integrated services that cover a large segment of society, by creating advanced services that contribute to solving an existing problem or filling an existing service gap, by converting traditional procedures into electronic transactions. In addition to integrated technology businesses, entitlement engines and digital platforms, The Group provides integrated technology business solutions to clients from the public and private sectors.
- Business process outsourcing:** The Group seeks through business attribution solutions to enhance its competitive advantage in the field of operation and service provision in the areas of competence; and that is through the management and the total operation of services, or partial support for them in specific areas, and their progression towards a digital vision.
- Professional services:** These include advisory services and professional services in data analysis and artificial intelligence, through which The Group understands the problems of the facility and develops a comprehensive action plan to develop its overall performance and raise customer satisfaction levels.

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34. SEGMENT INFORMATION (continued)

Below are the summarized financial data for these sectors:

	December 31, 2024	December 31, 2023
Revenue		
Digital business	5,469,457,871	4,254,973,267
Business process outsourcing	1,784,764,474	1,478,990,609
Professional services	152,572,057	164,398,964
	7,406,794,402	5,898,362,840
Cost		
Direct cost	(4,381,074,053)	(3,566,638,564)
Operating expenses (except depreciation and amortization, ECL and impairment)	(886,804,738)	(711,893,629)
Research and development	(75,532,533)	(51,585,026)
Expected credit loss (ECL)	(142,748,596)	(91,770,357)
Depreciation and amortization	(198,838,582)	(119,972,900)
Impairment of non-current assets	(21,343,476)	(5,918,692)
Other income, net	253,415,958	122,668,731
Zakat	(127,019,914)	(117,057,649)
	(5,579,945,934)	(4,542,168,086)
Net profit	1,826,848,468	1,356,194,754

Below is an analysis of gross profit by segments:

	December 31, 2024	December 31, 2023
Digital business	2,574,439,987	1,926,746,755
Business process outsourcing	427,970,343	380,275,922
Professional services	23,310,019	24,701,599
	3,025,720,349	2,331,724,276

The following is an analysis of the Group's assets and liabilities on the basis of segments

	December 31, 2024	December 31, 2023
Assets		
Digital business	7,055,076,534	5,841,184,113
Business process outsourcing	2,302,175,144	2,030,343,296
Professional services	196,803,333	225,685,229
	9,554,055,011	8,097,212,638
Liabilities		
Digital business	3,146,343,268	2,959,499,413
Business process outsourcing	1,026,698,042	1,028,695,497
Professional services	87,768,125	114,345,874
	4,260,809,435	4,102,540,784

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35. BANK FACILITIES

The Group has facilities agreements with local banks to meet the working capital requirements and support the Group's business requirements in the form of cash withdrawals and letters of guarantee with a maximum limit of ﷲ 500 million as of December 31, 2024 (December 31, 2023: ﷲ 500 million). The Group has utilized some of those facilities agreements to issue bank guarantees for its projects as disclosed in (Note 36).

36. CONTINGENT LIABILITIES

- The Group has outstanding bank letters of guarantee amounting to ﷲ 80 million as of December 31, 2024 (December 31, 2023: ﷲ 109 million).
- The Group has operating and capital commitments amounting to ﷲ 2.4 billion (December 31, 2023: ﷲ 1.3 billion).
- In the normal course of business, the Group is a party to legal cases either as a plaintiff or defendant. As on December 31, 2024, the Group recorded a provision against legal cases amounting to ﷲ 2 million (December 31, 2023: ﷲ 1.1 million), which is the best estimate of management. Over the provisions of these issues and management does not expect that there will be any additional liability over the amount recorded as a provision for these issues.
- As of December 31, 2024, the associate companies have 0.2 contingent liabilities (December 31, 2023: nil). The Group discloses its share of contingent liabilities from its associates.

37. RISK MANAMGMT

The Group's activities are exposed to a number of financial risks: market risk (including currency risk, fair value, cash flow interest rate risk and price risk), credit risk and liquidity risk. Risk management is carried out by senior management in accordance with the policies approved by the Board of Directors. The most important types of risk are credit risk, currency risk and fair value risk.

The Board of Directors has overall responsibility for establishing and monitoring the Group's risk management framework. Executive management is responsible for developing and monitoring the Group's risk management policies, and any changes and compliance issues are reported to the Board of Directors through the Audit Committee.

The Group Audit Committee oversees how management monitors compliance with The Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The internal audit department assists The Group Audit Committee in carrying out its oversight role. The internal audit department performs regular and ad hoc reviews of risk management controls and procedures and the results are reported to the Audit Committee.

A. Credit risk

Credit risk is the risk that the Group will incur financial loss in the event that a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises primarily from the Group's receivables from customers as well as employees.

The carrying amounts of accounts receivable, contract assets and employees receivable represent the maximum exposure to credit risk.

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37. RISK MANAMGMT (continued)

The movement in the expected credit loss in respect of accounts receivable, contract assets and employee receivables during the year, as follows:

	December 31, 2024	December 31, 2023
Balance at the beginning of the year	575,911,052	484,140,695
Provision for accounts receivable (Note 18)	145,050,467	76,030,713
(Reversal) / provision for contract assets (Note 19)	(1,914,885)	13,657,014
(Reversal) /provision for Other receivable (Note 20)	(407,000)	2,232,412
provision/(Reversal) for employees (Note 20)	20,014	(149,782)
Balance at the end of the year	718,659,648	575,911,052

The exposure to credit risk for trade receivables and contract assets by type of customer (governmental or non-governmental) was as follows:

	Accounts Receivable		Contract Assets	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Government	1,673,873,147	1,487,490,009	574,765,469	701,502,502
Private	1,810,053,321	1,278,516,916	193,848,805	274,984,648
	3,483,926,468	2,766,006,925	768,614,274	976,487,150

The following tables present information about exposure to credit risk and expected credit losses for receivables:

	Government receivables			
	December 31, 2024		December 31, 2023	
	Book value	ECL	Book value	ECL
Low risk	1,503,919,931	41,185,966	1,339,954,623	41,224,181
Loss	169,953,216	169,953,216	147,535,386	147,535,386
	1,673,873,147	211,139,182	1,487,490,009	188,759,567

	Trade account receivable			
	December 31, 2024		December 31, 2023	
	Book value	ECL	Book value	ECL
1-90 days	958,827,639	16,967,757	733,104,253	-
91-180 days	152,996,353	3,785,571	131,237,836	4,318,875
181 - 365 days	229,367,158	38,137,025	122,080,896	18,796,015
More than 365 days	468,862,171	318,674,156	292,093,931	231,778,767
	1,810,053,321	377,564,509	1,278,516,916	254,893,657

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The following tables present information about exposure to credit risk and expected credit losses for contract assets:

	Government contract assets			
	December 31, 2024		December 31, 2023	
	Book value	ECL	Book value	ECL
Low risk	478,855,324	2,110,599	590,764,960	-
Loss	95,910,145	95,910,145	110,737,542	110,737,542
	574,765,469	98,020,744	701,502,502	110,737,542

	Trade contract assets			
	December 31, 2024		December 31, 2023	
	Book value	ECL	Book value	ECL
Low risk	165,693,560	770,591	256,860,724	-
Loss	28,155,245	28,155,246	18,123,924	18,123,924
	193,848,805	28,925,837	274,984,648	18,123,924

The amount of provision for credit loss also includes provisions related to employee receivables in the amount of ﷲ 1,183,968 as at December 31, 2024 (December 31, 2023: ﷲ 1,163,950).

The amount of provision for credit loss also includes provisions related to other receivables in the amount of ﷲ 1,825,412 as at December 31, 2024 (December 31, 2023: ﷲ 2,232,412).

The Group uses a dedicated matrix for the purpose of calculating expected credit losses for trade receivables, contract assets and employee receivables. This matrix is based initially on historical default rates. The Group calibrates the matrix to adjust the historical experience of credit losses, taking into account the information expected in the future. At the date of each financial report, The Group updates the historical default rates and this is reflected in future estimates, in addition, it calculates additional provisions for specific cases. The Group implemented a dedicated matrix for the purpose of calculating the present value of money for governmental receivables. Through this matrix, the Group estimates the expected collection date by applying certain assumptions and inputs such as historical collection experience per client, which is reflected within the low-risk category of the risk items.

Low value financial assets

A financial asset is considered impaired when one or more events that have a negative impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is impaired includes observable data about the following events:

- Significant financial difficulties for the issuer of securities or the lender;
- A breach of contract, such as a late payment or default;
- The lender(s) granted the borrower, for economic or contractual reasons related to the borrower’s financial difficulty, a privilege(s) that the lender would not consider;
- It becomes probable that the borrower will enter bankruptcy or other financial reorganization; and
- The disappearance of an active market for that financial asset due to financial difficulties.

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37. RISK MANAMGMT (continued)

Definition of default

The Group considers the following to be default events, for the purpose of managing credit risk internally because past experience indicates that receivables that meet any of the following criteria are generally unrecoverable.

- When there is a non-compliance with the financial commitments of the counterparty; or
- Information prepared internally or obtained from external sources indicates that the debtor is unlikely to pay its debt (without regard to any collateral held by the Group).

write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial distress and there is no realistic prospect of recovery. For example: when the counterparty is under liquidation or has entered into bankruptcy proceedings. Written-off financial assets may continue to be subject to enforcement activities under The Group's recovery procedures, subject to legal advice where appropriate. Any recoveries are recognized in the consolidated statement of profit or loss.

B. Liquidity risk

Liquidity risk represents the Group's inability to meet its financial obligations as they fall due. The Group minimizes liquidity risk by ensuring that the necessary liquidity is always available. Except for the obligation to purchase property and lease obligations, all other financial liabilities are expected to be settled in the following 12 months.

The Group ensures that it has sufficient cash on demand to meet the expected operating expenses, including servicing its financial obligations, and this does not include the potential impact of emergency conditions that cannot be reasonably foreseen such as natural disasters. In addition, the Group maintains various lines of credit.

The Group monitors the risk of shortfall in liquidity using forecast models to determine the effects of operating activities on the overall availability of liquidity. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of revolving credit facilities and other sources of liquidity if needed.

The table below summarizes the maturities of the Group's financial liabilities based on undiscounted contractual payments:

	December 31, 2024			
	Within one year	Between 1 and 5 years	More than 5 years	Total
Accounts payable and other current liabilities	2,471,668,288	-	-	2,471,668,288
Liabilities of purchasing property	94,368,490	278,389,664	285,618,372	658,376,526
	2,566,036,778	278,389,664	285,618,372	3,130,044,814

	December 31, 2023			
	Within one year	Between 1 and 5 years	More than 5 years	Total
Accounts payable and other current liabilities	2,786,587,097	-	-	2,786,587,097
Liabilities of purchasing property	26,062,795	-	-	26,062,795
Lease liabilities	43,227,370	95,996,135	98,308,800	237,532,305
	2,855,877,262	95,996,135	98,308,800	3,050,182,197

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C- Credit risk

Managing the risks of fluctuation in currency exchange rates

Currency risk is the risk that a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Group did not carry out significant transactions in foreign currencies except the US dollar, the British pound and the Euro during the year. The Group was not exposed to the risks of fluctuation in currency exchange rates during the period, and the management does not expect that the Group will be subject in the future to transactions related to these risks substantially.

interest rate risk

It is the exposure to various risks associated with the impact of fluctuations in the prevailing interest rates on the financial position and cash flows of the Group. The Group's interest rate risk arises from bank deposits, short-term bank debt and long-term debt which are at floating interest rates. All debts and deposits are subject to regular re-pricing. Management monitors changes in interest rates and believes that the fair value and cash flow interest rate risks are not significant to The Group.

Interest Rate Sensitivity Analysis

For rate deposits, the analysis is prepared assuming that the amount of the deposit outstanding at the end of the reporting period was due throughout the year. An increase or decrease of 50 basis points represents management's assessment of a reasonable possible change in interest rates. On December 31, 2024, if the group's short-term deposit rates were 50 basis points higher/lower with all other variables held constant, the profit for the year would be ﷻ 17.3 million higher/lower, as a primary result of higher interest income/ low on variable rate deposits (December 31, 2023: ﷻ 16.9 million).

D - Capital management

The Group's objective when managing capital is to protect the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustainable development of its business.

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38. FAIR VALUE OF FINANCIAL INSTRUMENTS

Below table shows the book values and fair values of financial assets and liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities that are not measured at fair value. If the book value reasonably approximates the fair value, there were no reclassifications of financial assets measured at fair value through the fair value hierarchy levels during the year:

	December 31, 2024						
	Book value			Fair value			
	At fair value	At amortized cost	Total	Level one	Level two	Level three	Total
Financial assets							
Other financial assets	711,476,717		711,476,717	-	480,597,586	230,879,131	711,476,717
Accounts receivable	-	2,895,222,777	2,895,222,777	-	-	-	2,895,222,777
Finance lease receivables	-	94,808,409	94,808,409	-	-	-	94,808,409
Prepaid expenses and other current assets	-	82,788,041	82,788,041	-	-	-	82,788,041
Murabaha deposits	-	1,426,071,000	1,426,071,000	-	-	-	1,426,071,000
Cash and cash equivalents	-	2,250,797,179	2,250,797,179	-	-	-	2,250,797,179
Total	711,476,717	6,749,687,406	7,461,164,123	-	480,597,586	230,879,131	7,461,164,123
Financial liabilities							
Accounts payable and other current liabilities	-	2,479,580,023	2,479,580,023	-	-	-	2,479,580,023
Lease liabilities	-	566,014,883	566,014,883	-	-	-	566,014,883
Total	-	3,045,594,906	3,045,594,906	-	-	-	3,045,594,906

	December 31, 2023						
	Book value			Fair value			
	At fair Value	At amortized cost	Total	Level one	Level two	Level three	Total
Financial assets							
Other financial assets	246,703,659		246,703,659	-	18,797,335	227,906,324	246,703,659
Trade receivables	-	2,322,353,701	2,322,353,701	-	-	-	2,322,353,701
Prepaid expenses and other current assets	-	93,982,911	93,982,911	-	-	-	93,982,911
Murabaha deposits	-	3,056,113,638	3,056,113,638	-	-	-	3,056,113,638
Cash and cash equivalents	-	384,394,607	384,394,607	-	-	-	384,394,607
Total	246,703,659	5,856,844,857	6,103,548,516	-	18,797,335	227,906,324	6,103,548,516
Financial liabilities							
Accounts payable and other current liabilities	-	2,805,055,424	2,805,055,424	-	-	-	2,805,055,424
Liabilities of purchasing property	-	25,396,063	25,396,063	-	-	-	25,396,063
Lease liabilities	-	224,079,461	224,079,461	-	-	-	224,079,461
Total	-	3,054,530,948	3,054,530,948	-	-	-	3,054,530,948

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39. COMPARATIVE FIGURES

Reclassification

As part of the regular review of the financial disclosures and presentation, certain comparative figures have been reclassified and adjusted to conform to the current period presentation of the consolidated financial statements. The reclassification had no impact on the net assets of the Group.

1. Consolidated statement of profit or loss

	Amount as reported December 31, 2023	Adjustment (A)	Reclassification (B)	Amount after adjustment and reclassification
Cost of revenue	3,547,310,230	29,978,671	(10,650,337)	3,566,638,564
Research and development	-	-	51,585,026	51,585,026
Sales and marketing	277,027,209	-	1,632,860	278,660,069
General and administrative	475,801,109	-	(42,567,549)	433,233,560
Depreciation and amortization	149,951,571	(29,978,671)	-	119,972,900
	4,450,090,119	-	-	4,450,090,119

2. Consolidated statement of financial position

	Balance as reported	Adjustment	Balance after adjustment
December 31, 2023			
Non-current assets	1,130,485,848	(35,435,306)	1,095,050,542
Intangible assets	174,646,541	(67,468,752)	107,177,789
Long-term prepaid expenses	-	32,033,446	32,033,446
Current assets	6,966,726,790	35,435,306	7,002,162,096
Prepaid expenses and other current assets	337,441,825	35,435,306	372,877,131

January 1, 2023

Non-current assets	871,229,212	(10,505,141)	860,724,071
Intangible assets	179,633,131	(62,946,605)	116,686,526
Long-term prepaid expenses	-	52,441,464	52,441,464
Current assets	5,155,156,857	10,505,141	5,165,661,998
Prepaid expenses and other current assets	212,713,357	10,505,141	223,218,498

3. Segment information

Gross profit:

	Amount as reported December 31, 2023	Adjustment (A)	Reclassification (B)	Amount after adjustment and reclassification
Digital business	1,959,970,691	(29,978,671)	(3,245,265)	1,926,746,755
Business process outsourcing	366,554,707	-	13,721,215	380,275,922
Professional services	24,527,212	-	174,387	24,701,599
	2,351,052,610	(29,978,671)	10,650,337	2,331,724,276

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39. COMPARATIVE FIGURES (continued)

A. Adjustment of comparative figures for long-term prepaid amounts presentation:

The Group has adjusted the comparative figures for amounts capitalized within intangible assets related to software as a service licenses. The related agreements were re-evaluated during the year, and the Group concluded that these licenses do not meet the capitalization requirements and represent prepaid amounts. Accordingly, the comparative figures were adjusted, and prepaid expenses were recognized and amortized over the term of the agreement.

The changes resulted in adjusting the consolidated statement of financial position and consolidated statement of profit or loss as shown in the table above. The Group did not present a third year in the consolidated statement of financial position as at 1 January 2023 to reflect the effect of the adjustment, as management believes that the effect is immaterial and does not affect the decisions of users of these consolidated financial statements.

There was no impact on the consolidated statement of equity as at 31 December 2023 and 1 January 2023 and the consolidated statement of cash flows for the year ended 31 December 2023.

B. Reclassification of comparative figures:

Certain expense items have been reclassified to conform to the current year presentation in terms of their classification by function. During the current year, Research and development expenses have been presented separately in the consolidated statement of profit or loss, and accordingly, the expenses for the comparative year have been reclassified to conform to the current presentation. In addition, depreciation and amortization have been presented as they have been allocated to research and development in the notes to the consolidated financial statements.

40. DIVIDENDS

The following table shows details of the dividends to the company's shareholders during the period:

Announcement Date	Distribution Date	Amount (ﷲ per share)	Total Distributed	Type	Status
March 9, 2024	March 25, 2024	4	310,788.800	Interim	Paid
August 4, 2024	August 20, 2024	3.5	271,940.200	Interim	Paid

41. SUBSEQUENT EVENTS

The Company entered into an agreement dated January 22, 2025 (corresponding to Rajab 22, 1446 H) to purchase all of the Public Investment Fund's shares to acquire Thiqa Business Services Company for a value of ﷲ 3,400 million.

42. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements were approved by the Board of Directors on 27 February 2025 (28 Shaban 1446 H)



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