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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Saudi Research and Media Group (SRMG)

(A Saudi Joint Stock Company)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Saudi Research and Media Group (SRMG) (the “Company”) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement 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 statement of cash flows for the year then ended in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants.

Basis for Opinion

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

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 year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Saudi Research and Media Group (SRMG)
(A Saudi Joint Stock Company) (continued)

Key Audit Matters (continued)

Key audit matter	How our audit addressed the key audit matter
Revenue recognition	
<p>The Group recognized revenue amounting to 3 3.3 billion for the year ended 31 December 2024.</p> <p>The Group earns revenue from a variety of sources among its different business segments which primarily include publishing, public relations and advertising, printing and packaging and subscriptions. The Group recognizes revenue upon satisfaction of the performance obligation either over time or at point in time depending on the contractual terms and conditions in its contracts with customers.</p> <p>We have considered revenue recognition a key audit matter as the application of accounting standard for revenue recognition involves careful consideration and judgment to determine when the performance obligation has been satisfied for different types of contracts. In addition, revenue is an important element of how the Group measures its performance which creates an incentive for improper revenue recognition.</p> <p><i>Refer to Note 4 of the consolidated financial statements for the material accounting policy information relating to revenue from contract with customers and Note 35 for revenue related disclosures.</i></p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> Assessed the Group's revenue recognition policies, for compliance with the relevant accounting standard. Tested revenue transactions, on sample basis, to verify that amounts are recorded in accordance with the terms and conditions of the underlying contracts in line with the Group's revenue recognition policies. Tested, on a sample basis, revenue journal entries for appropriateness of the transactions recorded and evaluated whether there are any unusual or unexpected journal entries made during the year. Evaluated, on a sample basis, revenue transactions to assess if they have been recorded in the correct accounting period. Tested the elimination of inter-company revenue transactions as part of the financial statements' consolidation process. Performed analytical procedures by comparing expectation of revenue with actual results and analysed variances. Assessed the adequacy of the relevant disclosures in the consolidated financial statement.

Independent Auditor's Report
To the Shareholders of Saudi Research and Media Group (SRMG)
(A Saudi Joint Stock Company) (continued)

Key Audit Matters (continued)

Key audit matter	How our audit addressed the key audit matter
Impairment of goodwill	
<p>As at 31 December 2024, the Group's consolidated financial statements included goodwill which arose from past business combinations amounting to SR 354.7 million.</p> <p>In accordance with the International Accounting Standard (IAS) 36 "Impairment of assets", goodwill must be tested for impairment at least annually where an estimate of the recoverable amount should be made. The determination of recoverable amount, being the higher of value-in-use and fair value less cost to dispose, requires significant accounting judgement by management in both identifying and then valuing the relevant CGUs. Moreover, the determination of the recoverable value based on value-in-use requires making considerable accounting judgements and assumptions when estimating the future cashflows, growth rates and discount rates.</p> <p>We have identified the assessment of potential impairment of goodwill as key audit matter considering the quantitative materiality of the Goodwill recognized and the involvement of significant accounting judgements and assumptions in the determination of the recoverable amount by management.</p> <p><i>Refer to Note 4 of the consolidated financial statements for the material accounting policy information relating to impairment of non-financial assets, Note 3.2.1 for the significant accounting estimates, assumptions and judgements relating to impairment of non-financial assets and Note 9 for intangible assets and goodwill related disclosures.</i></p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> • Evaluated the appropriateness of management's methods in the identification of the individual CGUs for the purpose of impairment testing. • Involved our internal specialist to assist in evaluating the appropriateness of the valuation methodologies used by management and the reasonableness of the valuation assumptions such as discount and growth rates by comparing these assumptions to source data and market data. • Tested the mathematical accuracy and re-performed sensitivity analysis on the key assumptions used in the model, including the discount rate used in the discounted cash flow forecast. • Assessed the reliability of cash flow forecasts through a review of actual past performance and comparison to previous forecasts. • Assessed the adequacy of the relevant disclosures included in the consolidated financial statements.

Independent Auditor's Report
To the Shareholders of Saudi Research and Media Group (SRMG)
(A Saudi Joint Stock Company) (continued)

Key Audit Matters (continued)

Key audit matter	How our audit addressed the key audit matter
Impairment of mastheads	
<p>As at 31 December 2024, the Group's intangible assets included mastheads amounting to SR 172.1 million. These mastheads arose as a result of acquiring Saudi Research and Publishing Company through Intellectual Holding Company for Advertisement and Publicity and Scientific Works Holding Company in prior years.</p> <p>Mastheads, being intangible assets with indefinite useful life, must be tested for impairment at least annually where an estimate of the recoverable amount should be made. The recoverable amount is calculated as the higher of the value-in-use or fair value less costs to dispose. The outcome of the impairment assessment could vary significantly if different assumptions were applied in the models. The determination of recoverable amount is complex due to the uncertainty involved in estimating future cash flows, growth rates and discount rates.</p> <p>We have identified impairment of mastheads as key audit matter as it involves significant judgements and assumptions to be made by management in the determination of recoverable amount.</p> <p><i>Refer to Note 4 of the consolidated financial statements for the material accounting policy information relating to impairment of non-current assets, Note 3.2.1 for the significant accounting estimates, assumptions and judgements relating to impairment of non-financial assets and Note 9 for intangible assets related disclosures.</i></p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> • Evaluated the appropriateness of management's methods in the identification of the individual CGUs for the purpose of impairment testing. • Involved our internal specialist to assist in reviewing the valuation methodologies used by management and assess the reasonableness of the valuation assumptions such as discount and growth rates by comparing these assumptions to source data and market data. • Tested the mathematical accuracy and performed sensitivity analysis on the key assumptions used in the impairment assessment, including the discount rate used in the discounted cash flow forecast. • Assessed the reliability of cash flow forecasts through comparison with actual past performance and previous forecasts and comparing the forecasts with approved budgets. • Assessed the adequacy of the relevant disclosures included in the consolidated financial statements.

Other information included in The Group's 2024 Annual Report

Other information consists of the information included in the Group's 2024 annual report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information in its annual report. The Company's 2024 annual report is expected to be made available to us after the date of this auditor's report.



Independent Auditor's Report

To the Shareholders of Saudi Research and Media Group (SRMG) (A Saudi Joint Stock Company) (continued)

Other information included in The Group's 2024 Annual Report (continued)

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.

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 that are endorsed by the Saudi Organization for Chartered and Professional Accountants and the applicable provisions of the Regulations for Companies and 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 Audit Committee is 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 International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the 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.
- 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.

**Independent Auditor's Report
To the Shareholders of Saudi Research and Media Group (SRMG)
(A Saudi Joint Stock Company) (continued)**

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

- 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 units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes 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 year 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 Ernst & Young Professional Services

Waleed G. Tawfiq
Certified Public Accountant
License No. (437)



Riyadh: 29 Ramadan 1446H
(29 March 2025G)