

Credit Suisse Saudi Arabia (CSSA)
Board of Directors Report
31 December 2025

CSSA Board of Directors Report for FY 2025

The Board of Credit Suisse Saudi Arabia is pleased to present the company's Board of Directors Report, in line with the requirements of Annex 6.1 of the Capital Market Institutions Regulations.

In its Board of Directors Report for the Financial Year 2024, the Board of Credit Suisse Saudi Arabia announced that it expected to undergo its own corporate transaction over the course of 2025 following the merger of UBS AG and Credit Suisse AG in 2023. However, as of the date of publication of this Board of Directors report, no such corporate transaction has taken place but relevant Board approvals have been given and regulatory steps towards this goal initiated.

There has been no impact to Credit Suisse Saudi Arabia's clients or business and the integration of Credit Suisse platforms and tools into UBS has been progressing and is on track for completion in 2026.

Dr. Walid Abanumay
Chairman of the Board

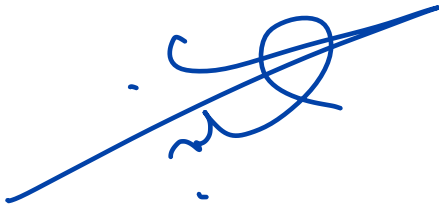


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Statement of the Board of Directors

Credit Suisse Saudi Arabia (“**CSSA**”) continued to face challenges in FY 2025 as a consequence of the events leading to the announcement of the merger between Credit Suisse and UBS in March 2023. However, the incoming UBS management continues to be confident in CSSA’s original business strategy and strongly supports the execution of CSSA’s long-term vision in line with UBS’ strategy for the region.

As of the 31st of December 2025, the Equity Brokerage businesses has successfully integrated their front, middle and back office operations with revenues doubling year-on-year.

The Investment Banking’s advisory business also witnessed the active execution of mandated deals in 2025 with a solid pipeline for 2026.

For the wealth management division, revenues have been stable year-on-year with efforts still ongoing to integrate the operations into UBS.

On the governance side, the CSSA governance and control framework continues to remain robust and function effectively. Governance committees have continued to function as designed, were attended by the concerned participants and operate in alignment with the international standards of the UBS Group.

Furthermore and following the issuance of the New Companies Law and New Companies Law Implementing Regulations by the Saudi Ministry of Commerce that came into force in January 2023 but gave Saudi companies two (2) years to update their Bylaws and be fully compliant, Credit Suisse Saudi Arabia updated its Bylaws in 2025 to include the following changes over two (2) iterations:

- Adoption of the new Saudi Joint Stock Company Bylaws template as mandated by the Saudi Business Centre
- Reducing the composition of the Board of Directors from six (6) to five (5) members
- Extending the term of the Board of Directors from three (3) to four (4) years
- Increasing the number of Board Meetings from two (2) to four (4) per annum
- Dissolving the Audit Committee based on the nature and complexity of CSSA’s activities and its prevailing governance framework

1. CSSA Overview

Company Profile

Credit Suisse Saudi Arabia (“**CSSA**” or the “**Company**”) is a closed joint stock company (single shareholder company) registered in the Kingdom of Saudi Arabia under Commercial Registration number 1010228645 dated 1 Safar 1428H (corresponding to 19 February 2007).

CSSA offers various innovative products and services designed to meet the investment and financial needs of its clients and is authorized by the Capital Markets Authority to conduct the following activities in or from the Kingdom:

- Dealing
- Managing Investments and Operating Funds (on hold effective 1st January 2025)
- Arranging
- Advisory
- Custody

CSSA holds license number 08104-37 dated 15/04/1432H (corresponding to 20 March 2011) issued by the Capital Market Authority (“**CMA**”) - previously license number 08100-37 dated 21/09/1429H (corresponding to 21 October 2008).

The share capital of the Company is and was held by the following shareholder during 2023, 2024 and 2025:

	31 December 2025		31 December 2024		31 December 2023	
	Percentage	No. of Shares	Percentage	No. of Shares	Percentage	No. of Shares
Credit Suisse AG					100%	73,750,000
UBS AG	100%	73,750,000	100%	73,750,000		

CSSA does not have any branches or subsidiaries and its affiliates include other UBS Group entities.

2. Principal Activities and Business Strategy

Wealth Management

Wealth management clients include individuals as well as corporates. The current platform enables the wealth management team to provide both execution and advisory services. CSSA offers investment recommendations and investment plans that are tailored to each clients' risk profile and appetite.

CSSA's product offering to its clients includes equities, fixed income products, structured products and investment funds managed by UBS and third parties.

Investment Banking

Investment banking advisory activities continues to witness a health pipeline. The local team has continued its growth to ensure it can adequately capitalize on positive business sentiments, drive forward the CSSA strategy locally while continuing to collaborate with specialists from different UBS locations / entities to provide unique and tailor-made solutions suited to clients based in the Kingdom. CSSA aims to continue to effectively contribute to the ambitious expansion of the capital markets in KSA.

Brokerage Services

The Brokerage business is focused on improving its execution capabilities and deepening its market knowledge in order to serve foreign institutional clients and support their requirements when accessing the Saudi market. The current platform aims to provide the best execution capabilities in the market.

With the ongoing evolution of the Saudi capital market, the management remains firmly committed to invest in the necessary technology to implement market driven change requirements and ensure the best experience for CSSA clients.

3. Corporate Governance and Management

CSSA's Board of Directors believes that a strong corporate governance framework consistent with the Capital Market Authority and UBS Global Standards is essential for effective corporate management and oversight. To ensure this, it pays utmost attention to corporate governance standards and best practices as it strives to enhance transparency and protect the interests of all stakeholders including its shareholder and its clients.

Board of Directors

CSSA's Board of Directors ("**BoD**") counted 5 members including 3 internal appointments and 2 independents as of 31st December 2025.

During 2025, the term of the previously existing CSSA BoD came to an end. Dr Walid Abanumay and Bruno Daher were re-appointed as Chairman and Vice Chairman respectively. Mohammed Hijazi, Tariq al Naeem and George El Khoury's were not re-appointed. Instead, Wisam Alfreihi (CSSA's CEO), Ahmed Badr and Abdulrahman Bajunaid were appointed to the BoD.

The profile of the BoD as of 31st December 2025 was therefore the following:

Name	Title	Other Membership(s) / Directorship(s)
Dr. Walid S Abanumay	Chairman of the Board INDEPENDENT	Chairman of: <ul style="list-style-type: none"> Saudi Center for Commercial Arbitration Rawafed Al Joud, KSA Abanumay Industrial Co., KSA Arabian Waterproofing Co., KSA Member of the Board of: <ul style="list-style-type: none"> Solidere International, Dubai Beltone Gems Equity, Egypt Qimat Hatabah Real Estate Company, KSA
Bruno Daher	Vice Chairman of the Board NON-EXECUTIVE	WM Chairman Middle East UBS AG DIFC Branch
Wisam Alfreihi	Member of the Board EXECUTIVE	CSSA CEO and Head of the Investment Bank Saudi Arabia
Ahmed Badr	Member of the Board NON-EXECUTIVE	Head of Global Markets Execution Services - MENA
Abdulrahman Bajunaid	Member of the Board INDEPENDENT	Managing Partner at Global Infrastructure Advisors

Furthermore, the BoD held 4 meetings in 2025. The attendance report for these meetings is as follows:

Members	Meeting Date:	Meeting Date:	Meeting Date:	Meeting Date:
	21 st May 2025	15 th Oct 2025	18 th Nov 2025	10 th Dec 2025
Dr. Walid S Abanumay	✓	✓	✓	✓
Bruno Daher	✓	✓	✓	✓
Wisam Alfreihi	✓*	✓	✓	✓
Ahmed Badr	✓*	✓	✓	✓
Abdulrahman Bajunaid	N/A	✓	✓	✓

*As guests - not as Board Members – not yet appointed

CSSA Committees with Independent Members

Audit Committee (“AC”)

In May 2025, the CSSA BoD endorsed the decision to not reintroduce the Nomination and Remuneration Committee and dissolve the Audit Committee on the basis that:

- It is not mandated by Saudi law or regulation as confirmed;
- The number of BoD meetings has increased from two (2) to four (4) per year;
- CSSA follows the strong and robust Corporate Governance framework of UBS Group;
- CSSA has a Risk Appetite Statement with thresholds and flags against financial and non-financial risk criteria which are monitored by the Risk function;
- CSSA has a quarterly Risk Forum; and
- CSSA undergoes a quarterly Location Risk Assessment led by Business Risk and challenged by Compliance.

4. Risk Management

CSSA's Risk Appetite is determined based on the following top-down strategic priorities where any proposed amendments to CSSA's risk strategy must be approved by Board of Directors and implemented by Senior Management.

1. Stability of Earnings

Maintain stable earnings and limit potential losses from identified and accepted risks, even during stress events. Actively monitor risk exposures and concentrations within the portfolio that are most susceptible to earnings shocks, ensuring proactive risk mitigation.

2. Funding and Liquidity Adequacy

CSSA has limited or insignificant liabilities and liquidity is managed at group level. Currently, CSSA does not take deposits from third parties so potential liquidity outflows do not need to be considered. Group provides funding, and net cash on balance sheet is deposited back with local banks. The liquidity position is managed in compliance with regulatory requirements and follows the UBS Group liquidity risk management framework

3. Capital Adequacy

CSSA maintains sufficient capital reserves to withstand severe macroeconomic stress by ensuring: Net Capital / Minimum Capital remains at an acceptable level (always above 1x). Loss to Share Capital ratio remains consistently below 50%. Risk exposure is managed within internally defined stress thresholds.

Risk Appetite Statement

The CSSA Risk Appetite Statement is aligned with the entity's strategic priorities, as well as its capital and liquidity plans. It is developed in accordance with the UBS Risk Appetite Framework and other Group guidelines, and defines the purpose and principles of CSSA's risk appetite across the entity. The risk appetite is shaped by the nature, size, complexity, and risk profile of CSSA's activities and clients. Financial and non-financial risks are considered as interconnected elements within the overall Risk Appetite Statement, which is grounded in the Risk Appetite Framework.

CSSA applies a robust risk management framework that integrates qualitative and quantitative methods to identify, assess, and mitigate risks. Defined risk thresholds and detailed limits help manage aggregate exposure in line with CSSA's resources and capacity, ensuring resilience even under severe stress scenarios without compromising the business strategy

Quantitative risk appetite objectives including limits, thresholds, and metrics are used to monitor the maximum acceptable risk exposure for the entity. These metrics are reviewed and adjusted at least annually by the Entity Risk Officer (ERO) to ensure they remain relevant and effective in the face of evolving risks. On the qualitative side, CSSA uses statements and assessments to promptly identify heightened risks and determine when and where intervention is necessary. When elevated risks are detected, actions are taken to sustainably remediate or mitigate the underlying causes.

All risk appetite objectives are regularly monitored by representatives from each business division and group functions at the local level.

Risk Identification

CSSA structures its risk management approach around two main categories:

- i. Financial risks that may arise and have an adverse impact on the CSSA's financial condition
- ii. Non-financial risks of undue monetary loss and/or non-monetary adverse consequences resulting from inadequate or failed internal processes, people, and systems, failure to comply with laws and regulations and internal policies and procedures, or external events (deliberate, accidental, or natural) which may have an impact to UBS, its clients or the markets in which it operates. Also known as residual risks, they are clustered as Compliance, Financial Crime and Operational Risk.

Governance and Oversight

The CSSA Risk Forum (RMF) is the governance and discussion body for CSSA capital and risk related matters. The forum is responsible for monitoring the risk-taking activities of the entity, and ensuring that all risks are appropriately assessed, and controlled within approved limits. This includes the responsibility to monitor risk exposure of the entity's financial and non-financial risks versus agreed risk metrics and limits as well as the responsibility to review negative trends and breaches, and where necessary, approve remedial action by forum Chair. The Risk Forum therefore:

- Monitors the effectiveness of the risk management framework, through the review of issue/action, incident, control and other relevant data.
- Reviews findings from regulators, auditors, 2LOD review teams, and other relevant parties. Oversee remediation plans and completion progress.
- Discusses and resolves issues escalated to the forum from the participating members and guests. Acts as an escalation point for conduct risk matters.
- Escalates matters to the CSSA Operating Forum, or Board of Directors, where necessary. noting that no limit breaches or triggers were reported to the CSSA Operating Forum or Board of Directors during 2025
- Monitors the impact on the entity's risk profile following internal change initiatives, and developments in the external operating environment (e.g. regulatory, legal, tax or market).
- Approves the Location Risk Report and Risk Control Self-Assessment (RCSA) report when presented to forum

In the event of a Risk Limit breach:

- Thresholds correspond to early warning indicators to remain within our risk appetite. In case of a breach, a detailed analysis is required to explain the root causes and identify the best actions to revert within the threshold or adapt it according to the risk appetite
- Limits correspond to the highest level of risk accepted by the entity. Thus, any breach requires immediate escalation by limit owner to the Risk Management Forum and Operating Forum or Board of Directors where needed

Key Risk Categories Managed in 2025

CSSA actively monitors and manages the following key risks:

- Credit Risk of Cash Equity Trading & Margin Limits
- Capital adequacy Risk (Minimum Capital Requirements, Loss-to-Capital Ratio)
- Market & Treasury Risks
- Liquidity and Funding Risks including minimum level of Cash against expenditure
- Non Financial Risks

5. Financial Performance and the Statutory Auditor's Report

Item (in Million SAR)	(Audited) Fiscal Year 2021	(Audited) Fiscal Year 2022	(Audited) Fiscal Year 2023	(Audited) Fiscal Year 2024	(Audited) Fiscal Year 2025
Current assets	428.1	444.9	411.8	405.8	394.0
Non-current assets	5	11.2	19.3	14.7	12.4
Total assets	433.1	456.1	431.1	420.5	406.5
Current liabilities	14.2	17.2	12	14.5	10.6
Non-current liabilities	3.9	9.7	7.7	6.4	6.9
Total liabilities	18.1	26.9	19.7	20.9	17.4
Shareholders' equity	415	429.2	411.4	399.6	389.0
Total liabilities and Shareholders' equities	433.1	456.1	431.1	420.5	406.5
Total revenues	62.5	60.1	12.9	19	17.5
Operating expenses	44.9	49.1	51.6	47	45.7
Profit/(Loss) before tax	20	17.3	-18.2	-12.7	-10.1
Net Profits/(Losses) after tax	16.3	15.1	-18.4	-12.7	-10.1

Significant Income Statement Items (in Million SAR)	(Audited) Fiscal Year 2025	(Audited) Fiscal Year 2024	Variance (%)	Material? (>15%)	Clarification for Material Variance
Commission & Fees Income	12.1	7.9	53%	Yes	Increase in revenues from Brokerage Services was offset by a decrease in Investment Banking fees
Arranging and Advisory Services	5.4	11.1	-51%	Yes	
Total revenues	17.5	19	-8%	No	
Employee Cost	17.5	20.2	-13%	No	
Rent and Premises related expenses	1.1	0.5	120%	Yes	Higher expenses due to upgrade of security systems, introduction of parking fee and payment of 2 years of electricity bills
Telecommunication and data service charges	4.1	4.0	2%	No	
Consultancy, legal charges and Dues & Fees	5.9	4.0	48%	Yes	Increase in Audit and Consulting Services expenses
Service level agreement charges	7.4	8.0	-8%	No	

Depreciation and amortisation	5	4.9	2%	No	
Other general and administrative expenses	4.5	5.3	-15%	Yes	Mainly a reduction in non-claimable VAT
Total operating expenses	45.7	47	-3%	No	
Operating loss for the year	28.2	28.1	0.4%	No	
Net Interest/Commission Income	17.9	15.5	15%	Yes	Increase in interest rates for Term Deposits
Profit / (loss) before income tax	-10.1	-12.7	-20%	Yes	General stability in revenues and decrease in expenses
Profit / (loss) for the year after tax	-10.1	-12.7	-20%	Yes	General stability in revenues and decrease in expenses

Furthermore, the auditor's report does not include any reservation(s) to the annual financial statements.

6. Audit Report(s)

UBS Group' Internal Audit function issued an Internal Audit Report for CSSA's Global Wealth Management ("GWM") division in June 2025. The audit highlighted that CSSA's control framework needs substantial improvements over (i) supervision of business activities due to minimal staffing, (ii) investment suitability, and (iii) local regulatory list management.

It did however also note that GWM Saudi Arabia management established a task force to monitor business continuity of key processes following the continuous staff attrition after the announcement of Credit Suisse integration; however, gaps in resources further impaired capacity to cope with "business as usual" activities, issue remediation, and Change-the-Bank tasks. It also noted that CSSA has adequate corporate governance committees, and effectively designed local money laundering prevention controls, including transaction monitoring. Finally, the audit's analytical reviews and plausibility check over client due diligence and IT access rights did not identify concerns.

An internal audit of CSSA's Investment Banking and Brokerage Services is expected in 2026.

7. Sanctions and Statutory Penalties

No penalties, sanctions or precautionary measures were imposed on CSSA in 2025.

8. Remunerations for Board Members and Senior Executives:

Statement for 2025 -Figures in SAR-	Executive Board Members	Non-Executive Board Members	Independent Board Members
Allowances for attendance of Board of Directors Meetings	-	-	35,000
Allowances for attendance of Committees Meetings	-	-	-
Periodic and Annual Remuneration	-	-	133,333.33
Incentive plans	-	-	
Any compensations or other in-kind benefits paid monthly or annually	-	-	
Total	-	-	168,333.33

Executive and non-executive board members, being employees of Credit Suisse Saudi Arabia or UBS Group, do not receive any allowances or additional compensation/benefits.

Statement -Figures in SAR-	Five of the senior executives who received the highest remunerations and compensations in addition to the CEO and CFO, if they are not among them
Salaries and wages	4,923,666.08
Allowances	1,934,887.71
Periodic and annual remunerations	1,032,920.00
Incentive plans	-
Commissions	-
Any compensations or other in-kind benefits paid monthly or annually	-
Total	7,891,473.79

No CSSA member of the BoD or senior executive waived any remuneration or compensation in 2025.

9. Further Acknowledgements

- None of the members of the Board of Directors (**BoD**), Senior Executives or their relatives are beneficial owners of any interest, contractual securities or rights issue in the shares or debt instruments of Credit Suisse Saudi Arabia or any of its affiliates. For the avoidance of doubt, this does not include CSSA's parent company in which the BoD, Senior Executives or their relatives may hold interest, contractual securities or rights in the shares or debt instruments.
- As of 31st December 2025, CSSA did not have any loans.
- As of 31st December 2025, there is no business or contract to which Credit Suisse Saudi Arabia is a party, or in which it has an interest for one of the members of the board of directors of the company or for senior executives or for any person related to any of them.
- Transactions concluded between CSSA and connected parties are detailed under the related party notes to the Audited Financial Statements which are to be read in conjunction with this Board Report.