**ABDUL LATIF JAMEEL UNITED FINANCE COMPANY**
(A SAUDI CLOSED JOINT STOCK COMPANY)

**CONDENSED INTERIM FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT**
**THREE MONTH AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2026**

**ABDUL LATIF JAMEEL UNITED FINANCE COMPANY**
(A SAUDI CLOSED JOINT STOCK COMPANY)

**CONDENSED INTERIM FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT THREE MONTH AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2026**

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## INDEPENDENT AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

To the shareholders
Abdul Latif Jameel United Finance Company
(A Saudi Closed Joint Stock Company)
Jeddah, Saudi Arabia

**Introduction:**

We have reviewed the accompanying condensed interim statement of financial position of Abdul Latif Jameel United Finance Company (a Saudi Closed Joint Stock Company) ("the Company") as of September 30, 2026, and the related condensed interim statement of profit or loss and other comprehensive income for the three month and nine month periods then ended, and the related condensed interim statements of changes in equity and cash flows for the nine month period then ended, and other explanatory notes ("the interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 - Interim Financial Reporting (IAS 34) that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this interim financial information based on our review.

**Scope of Review:**

We conducted our review in accordance with International Standard on Review Engagements 2410 - *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"* that is endorsed in the Kingdom of Saudi Arabia. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion:**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

**Deloitte and Touche & Co.**
**Chartered Accountants**

Tamim Bin Abdullah Alhawi
Certified Public Accountant
License No. 687

17 Jumada I, 1448 AH
October 28, 2026

س.ت: ٤٠٣٠٢٩٧٠٤٩
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Deloitte and Touche & Co.
Jeddah Branch
Chartered Accountants

**ABDUL LATIF JAMEEL UNITED FINANCE COMPANY**
(A SAUDI CLOSED JOINT STOCK COMPANY)

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**
**AS OF SEPTEMBER 30, 2026**
(Expressed in thousands of ﷼ unless otherwise stated)

| ASSETS | Note | September 30, 2026 (Unaudited) | December 31, 2025 (Audited) |
|---|---|---|---|
| **Non-current assets** | | | |
| Property and equipment | | **54,341** | 76,345 |
| Intangible assets | | **21,542** | 10,374 |
| Investment classified at fair value through other comprehensive income | | **1,786** | 893 |
| Net investment in finance lease | 5 | **1,536,913** | 1,923,140 |
| Notes receivable carried at fair value through other comprehensive income | 6 | **10,345** | 11,071 |
| Notes receivable carried at amortized cost | 6 | **8,969** | 19,839 |
| Loans and advances to customers, net | 7 | **734,862** | 941,289 |
| Other non-current assets | 8 | **383,599** | 337,042 |
| **Total non-current assets** | | **2,752,357** | 3,319,993 |
| **Current assets** | | | |
| Net investment in finance lease | 5 | **460,875** | 532,661 |
| Notes receivable carried at fair value through other comprehensive income | 6 | **34,583** | 34,182 |
| Notes receivable carried at amortized cost | 6 | **8,855** | 16,824 |
| Loans and advances to customers, net | 7 | **80,494** | 225,700 |
| Inventories, net | | **47,595** | 73,243 |
| Prepayments and other receivables | | **478,380** | 594,367 |
| Deferred consideration receivable | 8 | **255,896** | 226,806 |
| Due from related parties | 9 | **52,330** | 25,993 |
| Cash and bank balances | 10 | **2,079,148** | 807,652 |
| **Total current assets** | | **3,498,156** | 2,537,428 |
| **TOTAL ASSETS** | | **6,250,513** | 5,857,421 |
| **SHAREHOLDERS' EQUITY AND LIABILITIES** | | | |
| **Shareholders' equity** | | | |
| Share capital | 1 | **1,000,000** | 1,000,000 |
| Statutory reserve | | **300,000** | 300,000 |
| Retained earnings | | **2,586,230** | 2,162,744 |
| Fair value reserve, net | | **3,118** | 3,012 |
| Actuarial gains, net | | **56,273** | 56,273 |
| **Total shareholders' equity** | | **3,945,621** | 3,522,029 |
| **Non-current liabilities** | | | |
| Employee benefits liabilities | | **88,293** | 82,707 |
| Lease liabilities | | **2,611** | 3,576 |
| Other non-current liabilities | 11 | **348,909** | 310,059 |
| **Total non-current liabilities** | | **439,813** | 396,342 |

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION - CONTINUED
## AS OF SEPTEMBER 30, 2026

(Expressed in thousands of ﷼ unless otherwise stated)

| | Note | September 30, 2026 (Unaudited) | December 31, 2025 (Audited) |
|---|---|---|---|
| **Current liabilities** | | | |
| Accounts payable, accrued and other liabilities | 12 | **1,754,848** | 1,690,546 |
| Due to related parties | 9 | **110,231** | 248,504 |
| **Total current liabilities** | | **1,865,079** | 1,939,050 |
| **TOTAL LIABILITIES** | | **2,304,892** | 2,335,392 |
| **TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES** | | **6,250,513** | 5,857,421 |

**ABDUL LATIF JAMEEL UNITED FINANCE COMPANY**
(A SAUDI CLOSED JOINT STOCK COMPANY)

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
**THREE MONTH AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2026**
(Expressed in thousands of ﷼ unless otherwise stated)

| | Note | Three month period ended September 30 (Unaudited) | | Nine month period ended September 30 (Unaudited) | |
|---|---|---|---|---|---|
| | | **2026** | 2025 | **2026** | 2025 |
| Revenues | 13 | **188,260** | 215,295 | **601,855** | 629,951 |
| Direct costs | 14 | **(26,534)** | (21,834) | **(78,608)** | (81,145) |
| **GROSS MARGIN** | | **161,726** | 193,461 | **523,247** | 548,806 |
| Net gain on derecognition of receivables | 18 | **161,600** | 109,848 | **441,682** | 353,008 |
| Net change in present value of assets and liabilities relating to derecognized receivables | | **(4,412)** | (5,256) | **(12,224)** | (13,194) |
| **TOTAL OPERATING INCOME** | | **318,914** | 298,053 | **952,705** | 888,620 |
| Selling and marketing expenses | | **(43,276)** | (50,224) | **(146,776)** | (144,642) |
| General and administrative expenses | | **(82,131)** | (64,987) | **(243,825)** | (190,674) |
| Impairment charge on financial assets, net | 15 | **(99,738)** | 3,664 | **(160,318)** | (94,797) |
| **Total operating expenses** | | **(225,145)** | (111,547) | **(550,919)** | (430,113) |
| **INCOME FROM OPERATIONS** | | **93,769** | 186,506 | **401,786** | 458,507 |
| Finance charges | | **(2,265)** | (14,035) | **(8,036)** | (41,199) |
| Finance income | 10 (a) | **26,478** | 17,813 | **51,024** | 46,997 |
| Other income | | **7,776** | 8,615 | **33,103** | 25,428 |
| **Income before zakat** | | **125,758** | 198,899 | **477,877** | 489,733 |
| Zakat | 16 | **(19,992)** | (20,962) | **(54,391)** | (33,049) |
| **NET INCOME FOR THE PERIOD** | | **105,766** | 177,937 | **423,486** | 456,684 |
| **Other comprehensive income** | | | | | |
| *Items that may be reclassified to income:* | | | | | |
| Movement in fair value reserve | 6.1 | **280** | (93) | **106** | (72) |
| Fair value gain on financial instruments | | **-** | 554 | **-** | 1,092 |
| **TOTAL COMPREHENSIVE INCOME FOR THE PERIOD** | | **106,046** | 178,398 | **423,592** | 457,704 |
| Basic and diluted earnings per share (expressed in Saudi Riyal per share) | 17 | **1.06** | 1.78 | **4.23** | 4.57 |

The accompanying notes from 1 to 23 form an integral part of these condensed interim financial statements

**ABDUL LATIF JAMEEL UNITED FINANCE COMPANY**
(A SAUDI CLOSED JOINT STOCK COMPANY)

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**
**NINE MONTH PERIOD ENDED SEPTEMBER 30, 2026**
(Expressed in thousands of ﷼ unless otherwise stated)

| | Note | Share capital | Statutory reserve | Retained earnings | Fair value reserve | Hedging reserve | Actuarial gains | Total |
|---|---|---|---|---|---|---|---|---|
| January 1, 2025 (audited) | | 1,000,000 | 300,000 | 1,524,157 | 449 | (2,303) | 55,398 | 2,877,701 |
| Net income for the period | | - | - | 456,684 | - | - | - | 456,684 |
| Movement in fair value reserve relating to notes receivable carried at fair value through other comprehensive income | 6.1 | - | - | - | (72) | - | - | (72) |
| Movement in fair value of cash flow hedge | | - | - | - | - | 1,092 | - | 1,092 |
| *Total comprehensive income for the period* | | - | - | 456,684 | (72) | 1,092 | - | 457,704 |
| September 30, 2025 (unaudited) | | 1,000,000 | 300,000 | 1,980,841 | 377 | (1,211) | 55,398 | 3,335,405 |
| **January 1, 2026 (audited)** | | **1,000,000** | **300,000** | **2,162,744** | **3,012** | **-** | **56,273** | **3,522,029** |
| Net income for the period | | **-** | **-** | **423,486** | **-** | **-** | **-** | **423,486** |
| Movement in fair value reserve relating to notes receivable carried at fair value through other comprehensive income | 6.1 | **-** | **-** | **-** | **106** | **-** | **-** | **106** |
| ***Total comprehensive income for the period*** | | **-** | **-** | **423,486** | **106** | **-** | **-** | **423,592** |
| **September 30, 2026 (unaudited)** | | **1,000,000** | **300,000** | **2,586,230** | **3,118** | **-** | **56,273** | **3,945,621** |

The accompanying notes from 1 to 23 form an integral part of these condensed interim financial statements

**ABDUL LATIF JAMEEL UNITED FINANCE COMPANY**
(A SAUDI CLOSED JOINT STOCK COMPANY)

**CONDENSED INTERIM STATEMENT OF CASH FLOWS**
**NINE MONTH PERIOD ENDED SEPTEMBER 30, 2026**
(Expressed in thousands of ﷼ unless otherwise stated)

| | For the nine month period ended September 30 (Unaudited) | |
|---|---|---|
| | **2026** | 2025 |
| **OPERATING ACTIVITIES** | | |
| Income before zakat | **477,877** | 489,733 |
| *Adjustments for:* | | |
| Depreciation of property and equipment | **11,373** | 8,801 |
| Amortization of intangible assets | **872** | 6,669 |
| Impairment charge on financial assets, net | **160,318** | 94,797 |
| Gain/ loss on disposal of property and equipment | **-** | 158 |
| Finance charges | **8,036** | 41,199 |
| Finance income | **(51,024)** | (46,997) |
| Present value loss on receivables under purchase and agency agreements | **-** | (7) |
| Reversal for allowance for inventory | **(2,818)** | (311) |
| Net gain on derecognition of receivables | **(441,682)** | (353,008) |
| Net change in present value of assets and liabilities relating to derecognition of receivables | **12,224** | 13,194 |
| Provision for employee benefits liabilities | **9,138** | 6,288 |
| Provision for onerous contracts | **286** | (329) |
| | **184,600** | 260,187 |
| *Changes in operating assets and liabilities:* | | |
| Net investment in finance lease | **654,348** | 198,173 |
| Notes receivable | **8,596** | (16,057) |
| Loans and advances to customers, net | **435,112** | (499,898) |
| Prepayments, other receivables and other non-current assets | **40,340** | (282,131) |
| Inventories | **28,466** | 8,728 |
| Due from related parties | **(26,337)** | (3,500) |
| Accounts payable, accrued and other liabilities and other non- current liabilities | **123,542** | 241,425 |
| Due to related parties | **(138,273)** | 49,412 |
| *Cash generated from / (used in) operations* | **1,310,394** | (43,661) |
| Employees benefits liabilities paid | **(3,552)** | (4,489) |
| Zakat paid | **(73,322)** | (64,962) |
| Finance charges paid | **(8,036)** | (41,206) |
| **Net cash generated from / (used in) operating activities** | **1,225,484** | (154,318) |
| **INVESTING ACTIVITIES** | | |
| Purchase of property and equipment and intangibles | **(1,409)** | (19,760) |
| Proceeds from the disposal of property and equipment | **-** | 21 |
| Finance income received | **51,024** | 46,997 |
| Investment acquired from a related party | **(893)** | - |
| Other deposits | **(1,212)** | 625,862 |
| **Net cash generated from investing activities** | **47,510** | 653,120 |
| **FINANCING ACTIVITIES** | | |
| Repayment of lease liabilities | **(2,710)** | (3,292) |
| Bank borrowings, net | **-** | 116,906 |
| **Net cash (used in) / generated from financing activities** | **(2,710)** | 113,614 |
| **Net increase in cash and cash equivalents** | **1,270,284** | 612,416 |
| Cash and cash equivalents at the beginning of the period | **723,066** | 349,934 |
| **CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (note 10)** | **1,993,350** | 962,350 |
| **NON-CASH TRANSACTIONS:** | | |
| Movement in fair value reserve | **106** | (72) |
| Movement in hedging reserve | **-** | 1,092 |

The accompanying notes from 1 to 23 form an integral part of these condensed interim financial statements

## 1. GENERAL INFORMATION

Abdul Latif Jameel United Finance Company (the "Company") is a Saudi Closed Joint Stock Company, initially registered in the Kingdom of Saudi Arabia as a Limited Liability Company under Commercial Registration number 4030206631, (Unified number 7001715155), issued on 28 Dhul-Hijjah 1431H (corresponding to December 4, 2010).

The Company's head office is in Jeddah. The activities of the Company include real estate financing, financing of productive assets, finance leasing, consumer financing, financing for small and medium companies and microfinance activities in the Kingdom of Saudi Arabia.

On 16 Safar 1436H (corresponding to December 8, 2014), the Company received a license from Saudi Central Bank (SAMA) to undertake activities of finance leasing, financing of productive assets and consumer financing in the Kingdom of Saudi Arabia under license number 28/AU/201412. During 2024, the Company renewed its license for another five years until 13 Safar 1451H (corresponding to June 25, 2029).

During 2022, the Company applied for a real-estate and microfinance license, which was granted during the quarter ended December 31, 2022. These activities were previously carried out by the Company's affiliates Abdul Latif Jameel United Real Estate Finance Company ("ALJUREF") and Bab Rizq Jameel Micro Finance Company ("BRJMF").

### a) Share capital of the Company

The share capital of the Company is divided into 100,000,000 shares of ﷼ 10 each and is owned as follows:

| | **September 30, 2026** | **September 30, 2026** | December 31, 2025 |
|---|---|---|---|
| | ***No. of shares of ﷼ 10 each*** | **Amount ﷼ "000"** | Amount ﷼ "000" |
| Abdul Latif Jameel Modern Trading Company Limited | **88,500,000** | **885,000** | 885,000 |
| Altawfiq United Company | **10,000,000** | **100,000** | 100,000 |
| Taif First United Company Limited | **500,000** | **5,000** | 5,000 |
| Bader First United Company Limited | **500,000** | **5,000** | 5,000 |
| Najid Al Raeda United Company Limited | **500,000** | **5,000** | 5,000 |
| | **100,000,000** | **1,000,000** | 1,000,000 |

The Ultimate Parent of the Company is Al Mumaizah United Company ("Ultimate Parent"). The Company, the Parent, the Ultimate Parent and other shareholders are wholly owned by Saudi shareholders.

### b) Insurance arrangement

With effect from January 1, 2017, the Company entered into arrangements with Insurers for an initial period of six months, (renewed every six months) for three years in respect of finance leases of vehicles. Upon each renewal, the premium rate, insurance charges and profit share was subject to be reviewed for any subsequent renewal period. During 2023, the said agreement was renewed for another three years (renewable every six months) with effect from January 1, 2023.

As per the terms of the insurance agreements, the Company is entitled to a profit share after the completion of three years from the expiry of the agreements, as agreed with the insurers. In respect of the underwriting years 2017 to 2019 that ended on December 31, 2019, the Company received a profit share during 2022 which was included in other income in the profit or loss of that year. In respect of the underwriting years 2020 to 2022, the Company received a profit share during 2024 which was included in other income in the profit or loss for the year ended December 31, 2024. The

Company is yet to receive a profit share in respect of the agreement relating to the underwriting years 2023 to 2025.
During 2020, SAMA issued the Rules for Comprehensive Insurance of Motor vehicles financially leased to individuals to regulate the relationship between the financing entities and their individual customers with regard to the insurance coverage on the financially leased vehicles. As per these rules, at the end of the finance contract between the lessee and the lessor, the lessor shall pay back the lessee the extra amount of premiums paid by the lessee or shall ask the lessee to pay the extra amount paid by the lessor to the insurer for the insurance policy.

As part of the periodic installments due from customers, the Company charges customers for insurance cover on the leased properties under lease contracts. Insurance charges represent cost of insurance (premium). Consequently, premiums are paid to the insurers for the insurance cover for the properties leased. This coverage is intended to hedge any potential risks linked with such financing comprising:

- Life insurance for customers financed to cover for the outstanding exposure in the event of death;
- Insurance coverage for financed properties against potential risks including maintenance needed from time to time.

**c) Branches of the Company**

As of September 30, 2026, the Company operates through 41 branches (December 31, 2025: 68 branches). The accompanying condensed interim financial statements include the assets, liabilities and results of these branches (including those of ALJUREF and BRJMF) as the beneficial owner of these branches is the Company.

## 2. ADOPTION OF NEW AND REVISED STANDARDS

### 2.1 Amended and revised International Financial Reporting Standards ("IFRSs") Standards that are effective for the current period

The following new and revised IFRSs, which became effective for annual periods beginning on or after January 1, 2026, have been adopted in these condensed interim financial statements.

Their adoption has not had any material impact on the disclosures or on the amounts reported in these condensed interim financial statements.

| New and revised IFRS | Summary |
|---|---|
| Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments regarding power purchase arrangements | Under the amendments, the own-use requirements in IFRS 9 are amended to include the factors an entity is required to consider when applying IFRS 9:2.4 to contracts to buy and take delivery of renewable electricity for which the source of production of the electricity is nature-dependent; and the hedge accounting requirements in IFRS 9 are amended to permit an entity using a contract for nature-dependent renewable electricity with specified characteristics as a hedging instrument. |

| | |
|---|---|
| Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments | Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.<br><br>The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system. |
| Annual Improvements to IFRS Accounting Standards — Volume 11 | These includes multiple amendments made to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows. |

### 2.2 New and revised IFRS in issue but not yet effective and not early adopted

At the date of authorization of these condensed interim financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

| New and revised IFRSs | Effective for annual periods beginning on or after |
|---|---|
| **IFRS 18, Presentation and Disclosure in Financial Statements**<br>IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences. | January 1, 2027 |
| **IFRS 19, Subsidiaries without Public Accountability: Disclosures**<br>IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date it does not have public accountability and its parent produces consolidated financial statements under IFRS Accounting Standards. | January 1, 2027 |
| **IFRS 20, Regulatory Assets and Regulatory Liabilities**<br>IFRS 20 requires an entity that is subject to a regulatory agreement to provide information about its regulatory assets, regulatory liabilities, regulatory income and regulatory expense. | January 1, 2029 |
| **Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28)**<br>The amendments provide clarity about which entities are eligible to measure investments using the fair value option in IAS 28 | January 1, 2027 |

| New and revised IFRSs | Effective for annual periods beginning on or after |
|---|---|
| **Amendments to IAS 21 - Translation to a Hyperinflationary Presentation Currency**<br>IASB amended IAS 21 to clarify the translation requirements when an entity's presentation currency is the currency of a hyperinflationary economy, but its functional currency is not, and vice versa. The amendments require entities to translate amounts using the closing rate at the date of the most recent statement of financial position when translating from a non-hyperinflationary functional currency to a hyperinflationary presentation currency. When the presentation currency ceases to be hyperinflationary but the functional currency remains non-hyperinflationary, entities apply the current IAS 21 translation method prospectively without restating comparative amounts. Entities must disclose the application of this method, including summarised financial information about foreign operations translated under the amendments, and disclose if the economy concerned ceases to be hyperinflationary. An exception is provided for entities applying IAS 29 to translate foreign operations in accordance with the amendments. | January 1, 2027 |

The management is in the process of assessing the potential financial impact of the application of the above-mentioned standards and amendments and do not expect that the adoption of the amendments and standards listed above will have a material impact on the condensed interim financial statements of the Company in future periods except for 'IFRS 18 - Presentation and Disclosures in Financial Statements'. The management of the Company is in the process of assessing the impact of the adoption of IFRS 18 on the Company's financial statements.

Other than the above, there are no other significant IFRSs and amendments that were effective for the first time for the financial period beginning on or after January 1, 2026 and relevant to the Company's operations.

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

### 3.1 Statement of compliance

The condensed interim financial statements of the Company as of and for the three month and nine month periods ended September 30, 2026 are prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia.

These condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2025.

The results for the interim three month and nine month periods ended September 30, 2026 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2026.

### 3.2 Basis of preparation

These condensed interim financial statements have been prepared under the historical cost convention using the accrual basis of accounting, except for employee benefits liabilities which is carried at present value of defined benefit obligation, using actuarial present value calculations based on projected unit credit method (which is carried out annually at the year-end), the measurement at fair value of 'Investment classified at fair value through other comprehensive income' (FVTOCI) and a segment of notes receivable portfolio, which have been measured at their fair values and both of which have been classified as 'FVTOCI'.

### 3.3 Functional and presentation currency

These condensed interim financial statements have been presented in Saudi Riyals (﷼) and have been rounded off to the nearest thousand ﷼, except as otherwise indicated.

The accounting policies used in the preparation of these condensed interim financial statements are consistent with those used in the preparation of the annual financial statements for the year ended December 31, 2025.

## 4. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about the assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The accounting estimates, judgements and assumptions used in the preparation of these condensed interim financial statements are consistent with those used in the preparation of the annual financial statements for the year ended December 31, 2025.

## 5. NET INVESTMENT IN FINANCE LEASE

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Net investment in finance lease relating to vehicles (note 5.1) | **1,826,064** | 2,246,966 |
| Net investment in finance lease relating to real estate (note 5.2) | **171,724** | 208,835 |
| Total net investment in finance lease | **1,997,788** | 2,455,801 |
| *Non-current portion* | | |
| Net investment in finance lease relating to vehicles (note 5.1) | **1,392,692** | 1,743,440 |
| Net investment in finance lease relating to real estate (note 5.2) | **144,221** | 179,700 |
| | **1,536,913** | 1,923,140 |
| *Current portion* | | |
| Net investment in finance lease relating to vehicles (note 5.1) | **433,372** | 503,526 |
| Net investment in finance lease relating to real estate (note 5.2) | **27,503** | 29,135 |
| | **460,875** | 532,661 |

### 5.1 Net investment in finance lease relating to vehicles

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Gross investment in finance lease relating to vehicles | **2,588,140** | 3,031,143 |
| Less: unearned finance income | **(609,182)** | (691,003) |
| Present value of lease payments receivables | **1,978,958** | 2,340,140 |
| Less: allowance for impairment loss (note a) | **(152,894)** | (93,174) |
| Net investment in finance lease relating to vehicles | **1,826,064** | 2,246,966 |

| | **September 30, 2026 (Unaudited)** | | | |
|---|---|---|---|---|
| | **Gross investment** | **Unearned finance income** | **Allowance for impairment loss** | **Net investment** |
| Current portion | **837,887** | **(251,621)** | **(152,894)** | **433,372** |
| Non-current portion | **1,750,253** | **(357,561)** | **-** | **1,392,692** |
| **Total** | **2,588,140** | **(609,182)** | **(152,894)** | **1,826,064** |

| | December 31, 2025 (Audited) | | | |
|---|---|---|---|---|
| | Gross investment | Unearned finance income | Allowance for impairment loss | Net investment |
| Current portion | 889,316 | (292,616) | (93,174) | 503,526 |
| Non-current portion | 2,141,827 | (398,387) | - | 1,743,440 |
| Total | 3,031,143 | (691,003) | (93,174) | 2,246,966 |

a) The movement in allowance for impairment loss is given below:

| | **Nine month period ended September 30** | |
|---|---|---|
| | **2026 (Unaudited)** | 2025 (Audited) |
| January 1 | **93,174** | 41,579 |
| Charge during the period (note 15) | **34,997** | 35,112 |
| Provision transferred on closure of 'purchase and agency agreements' | **29,535** | 27,932 |
| Amounts written off during the period, net | **(4,812)** | (24,953) |
| September 30 | **152,894** | 79,670 |

b) The ageing of gross finance lease receivables relating to vehicles which are past due and considered impaired by the management is as follows:

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| 1 - 3 months | **19,970** | 5,680 |
| 4 - 6 months | **5,108** | 3,080 |
| 7 - 12 months | **7,971** | 4,299 |
| More than 12 months | **7,105** | 4,178 |
| | **40,154** | 17,237 |

The not yet due portion of above overdue gross finance lease receivables relating to vehicles as of September 30, 2026 amounts to ﷼ 598.3 million (December 31, 2025: ﷼ 250 million).

**5.2 Net investment in finance lease relating to real estate**

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Gross investment in finance lease relating to real estate | **251,480** | 313,897 |
| Less: unearned finance income | **(75,748)** | (98,552) |
| Present value of lease payments receivables | **175,732** | 215,345 |
| Less: allowance for impairment loss (note a) | **(4,008)** | (6,510) |
| Net investment in finance lease relating to real estate | **171,724** | 208,835 |

| | **September 30, 2026 (Unaudited)** | | | |
|---|---|---|---|---|
| | **Gross investment** | **Unearned finance income** | **Allowance for impairment loss** | **Net investment** |
| Current portion | **51,244** | **(19,733)** | **(4,008)** | **27,503** |
| Non-current portion | **200,236** | **(56,015)** | **-** | **144,221** |
| **Total** | **251,480** | **(75,748)** | **(4,008)** | **171,724** |

| | December 31, 2025 (Audited) | | | |
|---|---|---|---|---|
| | Gross investment | Unearned finance income | Allowance for impairment loss | Net investment |
| Current portion | 60,239 | (24,594) | (6,510) | 29,135 |
| Non-current portion | 253,658 | (73,958) | - | 179,700 |
| Total | 313,897 | (98,552) | (6,510) | 208,835 |

a) The movement in allowance for impairment loss is given below:

| | **Nine month period ended September 30** | |
|---|---|---|
| | **2026 (Unaudited)** | 2025 (Unaudited) |
| January 1 | **6,510** | 10,028 |
| Reversal during the period (note 15) | **(2,502)** | (1,328) |
| September 30 | **4,008** | 8,700 |

b) The ageing of gross finance lease receivables relating to real estate which are past due and considered impaired by the management is as follows:

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| 1 - 3 months | **779** | 186 |
| 4 - 6 months | **-** | 207 |
| 7 - 12 months | **487** | 1,304 |
| More than 12 months | **1,578** | 126 |
| | **2,844** | 1,823 |

The not yet due portion of above overdue gross finance lease receivables relating to real estate as of September 30, 2026 amounts to ﷼ 33.59 million (December 31, 2025: ﷼ 23.5 million).

## 6. NOTES RECEIVABLE

Notes receivable comprise of receivables arising from instalment sales of equipment and vehicles. For the purposes of these condensed interim financial statements, the notes receivable pertaining to instalment sale of vehicles have been carried at fair value through other comprehensive income (note 6.1) and notes receivable pertaining to instalment sales of equipment have been carried at amortized cost (note 6.2), as detailed below:

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Notes receivable carried at fair value through other comprehensive income (note 6.1) | **44,928** | 45,253 |
| Notes receivable carried at amortized cost (note 6.2) | **17,824** | 36,663 |

### 6.1 Notes receivable carried at fair value through other comprehensive income

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Notes receivable | **44,928** | 45,253 |
| Less: current portion | **(34,583)** | (34,182) |
| Non- current portion | **10,345** | 11,071 |

As of September 30, 2026, the amortized cost of notes receivable measured at fair value through other comprehensive income was ﷼ 41.83 million (December 31, 2025: ﷼ 42.24 million), whereas the fair value of this portfolio was determined to be ﷼ 44.93 million (December 31, 2025: ﷼ 45.25 million) resulting in fair value reserve of ﷼ 3.1 million (December 31, 2025: ﷼ 3.01 million). The changes in the fair value during the nine month period ended September 30, 2026 of ﷼ 0.11 million (September 30, 2025: negative ﷼ 0.07 million) is recognized in the 'condensed interim statement of other comprehensive income'.

The movement in impairment loss allowance against notes receivable carried at fair value through other comprehensive income is as follows:

| | **Nine month period ended September 30** | |
|---|---|---|
| | **2026 (Unaudited)** | 2025 (Unaudited) |
| January 1 | **3,570** | 13,011 |
| Charge / (reversal) during the period (note 15) | **1,076** | (6,634) |
| Provision transferred on closure of 'purchase and agency agreements'j | **155** | 74 |
| Amounts written off during the period, net | **(927)** | (660) |
| September 30 | **3,874** | 5,791 |

### 6.2 Notes receivable carried at amortized cost

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Notes receivable, gross | **23,247** | 50,905 |
| Less: unearned finance income | **(3,625)** | (10,386) |
| | **19,622** | 40,519 |
| Less: allowance for impairment loss | **(1,798)** | (3,856) |
| Notes receivable, net | **17,824** | 36,663 |

| | **September 30, 2026 (Unaudited)** | | | |
|---|---|---|---|---|
| | **Gross notes receivable** | **Unearned finance income** | **Allowance for impairment loss** | **Net notes receivable** |
| Current portion | **12,664** | **(2,011)** | **(1,798)** | **8,855** |
| Non-current portion | **10,583** | **(1,614)** | **-** | **8,969** |
| **Total** | **23,247** | **(3,625)** | **(1,798)** | **17,824** |

| | December 31, 2025 (Audited) | | | |
|---|---|---|---|---|
| | Gross notes receivable | Unearned finance income | Allowance for impairment loss | Net notes receivable |
| Current portion | 26,557 | (5,877) | (3,856) | 16,824 |
| Non-current portion | 24,348 | (4,509) | - | 19,839 |
| Total | 50,905 | (10,386) | (3,856) | 36,663 |

The movement in impairment loss allowance against notes receivable carried at amortized cost is as follows:

| | **Nine month period ended September 30** | |
|---|---|---|
| | **2026 (Unaudited)** | 2025 (Unaudited) |
| January 1 | **3,856** | 2,247 |
| Charge during the period (note 15) | **10,317** | 7,913 |
| Amounts written off during the period, net | **(12,375)** | (6,398) |
| September 30 | **1,798** | 3,762 |

a) The ageing of gross notes receivable at fair value through other comprehensive income and at amortized cost which are past due and considered impaired by the management is as follows:

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| 1 - 3 months | **472** | 374 |
| 4 - 6 months | **515** | 1,063 |
| 7 - 12 months | **1,619** | 3,769 |
| More than 12 months | **33,529** | 32,339 |
| | **36,135** | 37,545 |

The not yet due portion of above gross overdue notes receivable as of September 30, 2026 amounts to ﷼ 11.1 million (December 31, 2025: ﷼ 20.3 million).

## 7. LOANS AND ADVANCES TO CUSTOMERS, NET

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Loans and advances to customers - microfinance receivables (note 7.1) | **512,566** | 688,415 |
| Loans and advances to customers - tawarruq receivables (note 7.2) | **302,790** | 478,574 |
| Total loans and advances to customers, net | **815,356** | 1,166,989 |
| *Non-current portion* | | |
| Loans and advances to customers - microfinance receivables (note 7.1) | **493,323** | 588,184 |
| Loans and advances to customers - tawarruq receivables (note 7.2) | **241,539** | 353,105 |
| | **734,862** | 941,289 |

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| *Current portion* | | |
| Loans and advances to customers - microfinance receivables (note 7.1) | **19,243** | 100,231 |
| Loans and advances to customers - tawarruq receivables (note 7.2) | **61,251** | 125,469 |
| | **80,494** | 225,700 |

**7.1 Loans and advances to customers - microfinance receivables**

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Loans and advances to customers - microfinance receivables | **604,235** | 734,604 |
| Less: allowance for impairment loss | **(91,669)** | (46,189) |
| | **512,566** | 688,415 |

| | **Year** | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|---|
| Current portion | 2026 | **-** | 100,231 |
| | September 30, 2027 | **19,243** | - |
| Non-current portion | 2027 | **32,231** | 175,835 |
| | 2028 | **133,263** | 173,035 |
| | 2029 | **135,681** | 138,365 |
| | 2030 | **139,461** | 98,793 |
| | 2031 | **52,687** | 2,156 |
| Non-current portion | | **493,323** | 588,184 |
| **Total** | | **512,566** | 688,415 |

a) The movement in allowance for impairment loss is as follows:

| | **Nine month period ended September 30** | |
|---|---|---|
| | **2026 (Unaudited)** | 2025 (Unaudited) |
| January 1 | **46,189** | 35,929 |
| Charge during the period (note 15) | **82,753** | 41,594 |
| Amounts written off during the period, net | **(37,273)** | (13,009) |
| September 30 | **91,669** | 64,514 |

b) The ageing of loans and advances to customers (microfinance receivables) which are past due and considered impaired by the management is as follows:

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| 1 - 3 months | **2,683** | 1,065 |
| 4 - 6 months | **6,576** | 1,976 |
| 7 - 12 months | **9,795** | 6,736 |
| More than 12 months | **3,363** | 2,805 |
| | **22,417** | 12,582 |

The not yet due portion of above overdue loans and advances to customers (microfinance receivables) as of September 30, 2026 amounts to ﷼ 225.72 million (December 31, 2025: ﷼ 87.5 million).

### 7.2 Loans and advances to customers - tawarruq receivables

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Loans and advances to customers - tawarruq receivables | **346,877** | 510,396 |
| Less: allowance for impairment loss | **(44,087)** | (31,822) |
| | **302,790** | 478,574 |

| | **Year** | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|---|
| Current portion | 2026 | **-** | 125,469 |
| | September 30, 2027 | **61,251** | - |
| Non-current portion | 2027 | **28,970** | 172,445 |
| | 2028 | **107,619** | 140,333 |
| | 2029 | **72,256** | 23,184 |
| | 2030 | **19,447** | 16,975 |
| | 2031 | **13,247** | 168 |
| Non-current portion | | **241,539** | 353,105 |
| **Total** | | **302,790** | 478,574 |

a) The movement in allowance for impairment loss is as follows:

| | **Nine month period ended September 30** | |
|---|---|---|
| | **2026 (Unaudited)** | 2025 (Unaudited) |
| January 1 | **31,822** | 29,788 |
| Charge during the period (note 15) | **33,677** | 18,166 |
| Amounts written off during the period, net | **(21,412)** | (16,460) |
| September 30 | **44,087** | 31,494 |

b) The ageing of loans and advances to customers (Tawarruq receivables) which are past due and considered impaired by the management is as follows:

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| 1 - 3 months | **679** | 745 |
| 4 - 6 months | **672** | 1,938 |
| 7 - 12 months | **3,839** | 5,092 |
| More than 12 months | **4,345** | 2,204 |
| | **9,535** | 9,979 |

The not yet due portion of above overdue loans and advances to customers (tawarruq receivables) as of September 30, 2026 amounts to ﷼ 34.29 million (December 31, 2025: ﷼ 45.3 million).

## 8. OTHER NON-CURRENT ASSETS

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Employees' receivables - non-current portion | **6,772** | 6,515 |
| Present value of net servicing asset (note 18) | **34,262** | 27,040 |
| Deferred consideration receivable - non-current portion (note 8.1 & 18) | **342,565** | 303,487 |
| | **383,599** | 337,042 |

8.1 Current portion of deferred consideration receivables as of September 30, 2026 amounts to ﷼ 255.9 million (December 31, 2025: ﷼ 226.81 million)

## 9. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent associated companies, shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management and agreed between the concerned parties.

i) Following are the details of related party transactions during the period:

| **Related party** | **Nature of transaction** | **For the three month period ended September 30** | | **For the nine month period ended September 30** | |
|---|---|---|---|---|---|
| | | **2026 (Unaudited)** | 2025 (Unaudited) | **2026 (Unaudited)** | 2025 (Unaudited) |
| Affiliates | Purchases, net | **250,503** | 535,833 | **966,123** | 1,349,781 |
| | Advertisement expenses | **-** | 170 | **840** | 680 |
| | Expenses charged by | **8,124** | 1,627 | **11,275** | 4,882 |
| | Supports received (rebates) | **23,570** | 18,829 | **84,531** | 45,255 |
| | Repairs and maintenance | **388** | 287 | **551** | 546 |
| | Sale of repossessed cars | **-** | - | **-** | 74 |
| | Collections on behalf of the Company | | | | |
| | Investment transferred in from ALJUREF at net book value | **-** | - | **893** | - |
| | Vehicles leased to* | **-** | 17,440 | **-** | 17,440 |

ii) Due from related parties comprised of the following:

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Abdul Latif Jameel Import and Distribution Company | **16,715** | 16,847 |
| Bab Rizq Jameel Micro Finance Company | **20** | 52 |
| Al Mumaizah United Company ("Ultimate Parent") | **17,247** | 6,149 |
| Abdul Latif Jameel Technology Company Limited* | **12,202** | 2,945 |
| Abdul Latif Jameel for Automotive Wholesale Company Limited | **706** | - |
| Al-Tasweyah for Debts Collection Company Limited | **5,440** | - |
| | **52,330** | 25,993 |

* Apart from the above, in respect of vehicles leased to Abdul Latif Jameel Technology Company Limited, gross receivables, present value of lease payments receivables and allowance for impairment loss as of September 30, 2026 amounting to Nil (December 31, 2025: ﷼ 28.7 million), Nil (December 31, 2025: 23.1) and Nil (December 31, 2025: 0.1 million) respectively have been included as such in note 5.1: "Net investment in finance lease relating to vehicles".

The above balances are unsecured, interest free and have no fixed repayment. The management estimate the allowance on due from related party balances at the reporting date at an amount equal to lifetime ECL. No receivable from any related party at the reporting date is past due. Taking into account the historical default experience and the future prospects of the industry in which the related parties operate, the management considers that the related party balances are not impaired. There has been no change in estimation techniques or significant assumptions made during the current reporting period in assessing the allowance on due from related party balances.

iii) Due to related parties comprised of the following:

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Abdul Latif Jameel Retail Company Limited | **101,447** | 120,747 |
| Abdul Latif Jameel for Automotive Wholesale Company Limited | **-** | 118,266 |
| Salim Saleh Saeed Babqui Trading Company Limited | **646** | 384 |
| Mutalabah Company for Financial Entities Debt Collection | **70** | 20 |
| Abdul Latif Jameel Bodywork and Paint Company Limited | **137** | 146 |
| Abdul Latif Jameel Company | **7,357** | 7,357 |
| Al-Tasweyah for Debts Collection Company Limited | **-** | 698 |
| Abdul Latif Jameel Industrial Equipment Company Limited | **106** | 886 |
| Abdul Latif Jameel United Real Estate Finance Company | **468** | - |
| | **110,231** | 248,504 |

iv) The total amount of compensation to key management personnel during the period is as follows:

| | **Nine month period ended September 30** | |
|---|---|---|
| | **2026 (Unaudited)** | 2025 (Unaudited) |
| Directors' remuneration | **9,507** | 11,428 |
| Short-term employee benefits | **5,000** | 8,000 |
| Employee benefits liabilities | **3,148** | 671 |
| | **17,655** | 20,099 |

The Company's Board of Directors includes the Board and other Board related committees (Credit and Risk Management Committee and Audit Committee). Compensation to the Company's key management personnel includes salaries, non-cash benefits allowances (excluding bonuses) and post-employment defined benefits plans.

## 10. CASH AND BANK BALANCES

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Cash in hand | **2,360** | 1,896 |
| Bank balances (note 'd') | **1,990,990** | 721,170 |
| Cash and cash equivalents (note 'c') | **1,993,350** | 723,066 |
| Other deposits (having original maturity of more than three months) (note 'b', 'c' & 'd') | **85,798** | 84,586 |
| Total cash and bank balances | **2,079,148** | 807,652 |

a) During the period, the Company earned ﷼ 51.02 million (September 30, 2025: ﷼ 47 million) on the murabaha deposits at the rate of return ranging from 4.6% to 6. 1% (September 30, 2025: 4.05% to 6.36%).

b) These represent murabaha deposits representing amounts set aside in respect of employees' benefits liabilities.

c) Cash and bank balances held in foreign currency amounted to □ 0.03 million (December 31, 2025: □ 0.03 million).

d) At each reporting date, all bank balances including short-term murabaha deposits are assessed to have low credit risk as they are held with reputable and high credit rating institutions and there has been no history of default with any of the Company's bank balance. Therefore, the probability of default based on forward looking factors and any loss given defaults are considered to be negligible.

## 11. OTHER NON-CURRENT LIABILITIES

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Present value of net servicing liability - non-current portion (note 'a' & 18) | **6,344** | 6,572 |
| Provision against expected defaults and discounts in respect of sold receivables - non-current portion (note 'b' & 18) | **342,565** | 303,487 |
| | **348,909** | 310,059 |

a) Current portion of present value of net servicing liability amounts to ﷼ 10.31 million (December 31, 2025: ﷼ 11.95 million) and is included under "Accounts payable, accrued and other liabilities" (note 12).

b) Current portion of provision against expected defaults and discounts in respect of sold financial assets amounts to ﷼ 881.4 million (December 31, 2025: ﷼ 724.5) and is included in 'Payable under purchase and agency agreements' under "Accounts payable, accrued and other liabilities" (note 12).

## 12. ACCOUNTS PAYABLE, ACCRUED AND OTHER LIABILITIES

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Accounts payable – trade | **116,654** | 99,536 |
| Accrued expenses* | **132,604** | 57,196 |
| Zakat payable (note 16) | **83,035** | 101,966 |
| Payable under purchase and agency agreements (note 18 & note 11 (b)) | **1,160,807** | 1,047,174 |
| Present value of net servicing liability - current portion (note 18 & note 11 (a)) | **10,307** | 11,954 |
| Amount due to the insurers | **50,670** | 157,275 |
| Current portion of lease liabilities | **1,304** | 2,407 |
| Provision for onerous arrangement (note a) | **658** | 372 |
| Advance collections and other payables | **198,809** | 212,666 |
| | **1,754,848** | 1,690,546 |

* Accrued expenses include amount due to related parties amounting to ﷼ 11.64 million (December 31, 2025: ﷼ 7.8 million).

a) The movement in the provision for onerous insurance arrangements is as follows:

| | **Nine month period ended September 30** | |
|---|---|---|
| | **2026 (Unaudited)** | 2025 (Unaudited) |
| January 1 | **372** | 615 |
| Charge / (reversal) for the period (note 14) | **286** | (329) |
| September 30 | **658** | 286 |

## 13. REVENUES

| | **For the three month period ended September 30** | | **For the nine month period ended September 30** | |
|---|---|---|---|---|
| | **2026 (Unaudited)** | 2025 (Unaudited) | **2026 (Unaudited)** | 2025 (Unaudited) |
| Income from finance lease relating to vehicles | **54,005** | 68,994 | **180,125** | 214,446 |
| Income from finance lease relating to real estate | **5,834** | 11,969 | **18,593** | 40,490 |
| Income from instalment sales | **3,653** | 7,823 | **10,132** | 36,624 |
| Income from loans and advances to customers – microfinance receivables | **39,172** | 44,346 | **123,730** | 115,826 |
| Income from loans and advances to customers – tawarruq receivables | **14,075** | 24,716 | **64,868** | 64,671 |
| Contract fee income | **7,835** | 16,544 | **30,472** | 44,035 |
| Income from purchase and agency agreements (note 18) | **49,503** | 37,468 | **140,572** | 105,856 |
| Others | **14,183** | 3,435 | **33,363** | 8,003 |
| | **188,260** | 215,295 | **601,855** | 629,951 |

## 14. DIRECT COSTS

| | For the three month period ended September 30 | | For the nine month period ended September 30 | |
|---|---|---|---|---|
| | **2026 (Unaudited)** | 2025 (Unaudited) | **2026 (Unaudited)** | 2025 (Unaudited) |
| Direct costs on finance lease relating to vehicles | **17,150** | 9,395 | **53,095** | 35,187 |
| Direct costs on finance lease relating to real estate | **611** | 661 | **2,085** | 2,428 |
| Direct cost on instalment sales | **2,137** | 3,847 | **4,848** | 24,823 |
| Direct costs on loans and advances to customers – microfinance receivables | **1,775** | - | **2,593** | 654 |
| Direct costs on loans and advances to customers – tawarruq receivables | **4,928** | 9,752 | **15,701** | 18,382 |
| (Reversal) / charge for provision for onerous insurance arrangements (note 12) | **(67)** | (1,821) | **286** | (329) |
| | **26,534** | 21,834 | **78,608** | 81,145 |

## 15. IMPAIRMENT CHARGE ON FINANCIAL ASSETS, NET

| | For the three month period ended September 30 | | For the nine month period ended September 30 | |
|---|---|---|---|---|
| | **2026 (Unaudited)** | 2025 (Unaudited) | **2026 (Unaudited)** | 2025 (Unaudited) |
| Impairment charge on lease receivables relating to vehicles (note 5.1) | **36,311** | 12,653 | **34,997** | 35,112 |
| Reversal of impairment on lease receivables relating to real estate (note 5.2) | **(2,805)** | (860) | **(2,502)** | (1,328) |
| Impairment charge / (reversal of impairment) on notes receivable carried at fair value through other comprehensive income (note 6.1) | **576** | (9,237) | **1,076** | (6,634) |
| Impairment charge on notes receivable carried at amortized cost (note 6.2) | **3,397** | 6,553 | **10,317** | 7,913 |
| Impairment charge / (reversal of impairment) on loans and advances to customers - microfinance receivables (note 7.1) | **40,944** | (12,122) | **82,753** | 41,594 |
| Impairment charge / (reversal of impairment) on loans and advances to customers – tawarruq receivables (note 7.2) | **21,315** | (651) | **33,677** | 18,166 |
| Reversal of impairment on receivables under purchase and agency agreements | **-** | - | **-** | (26) |
| | **99,738** | (3,664) | **160,318** | 94,797 |

## 16. ZAKAT

During the nine month period ended September 30, 2026, an amount of ﷼ 54.39 million has been recorded as zakat charge (September 30, 2025: ﷼ 33.05 million) and an amount of ﷼ 73.32 million (September 30, 2025: ﷼ 64.96 million) has been paid to Zakat, Tax And Customs Authority (ZATCA).

**Status of zakat assessments**
ZATCA has not issued any assessment for the years ended 31 December 2013, 2019 and 2020. Given that the statutory period of 5 years to issue an assessment has lapsed, there may not be any further correspondence for these years.

ZATCA has not yet issued the final assessments for the years ended 31 December 2021 through 2025. The Zakat declarations have been finalized for the remaining years. The Company has a zakat certificate valid up to April 30, 2027.

## 17. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing the net income for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the nine month periods ended September 30, 2026 and September 30, 2025.

There has been no dilutive effect on the weighted average number of shares during the nine month periods ended September 30, 2026 and September 30, 2025.

The basic and diluted earnings per share are calculated as follows:

| | **For the three month period ended September 30** | | **For the nine month period ended September 30** | |
|---|---|---|---|---|
| | **2026 (Unaudited)** | 2025 (Unaudited) | **2026 (Unaudited)** | 2025 (Unaudited) |
| Net income for the period *(in ﷼ '000)* | **105,766** | 177,937 | **423,486** | 456,684 |
| Weighted average number of ordinary shares *(in'000)* (note 1(a)) | **100,000** | 100,000 | **100,000** | 100,000 |
| Basic and diluted earnings (expressed in ﷼ per share) | **1.06** | 1.78 | **4.23** | 4.57 |

## 18. PURCHASE AND AGENCY AGREEMENTS

The Company has entered into purchase and agency agreements (the 'agreements') with certain local banks in respect of certain financial assets comprising of finance lease, notes receivable and loans and advances to customers (collectively referred to as "receivables").

Under the terms of the purchase and agency agreements, the Company first sells the eligible receivables to the banks and then manages them on behalf of the banks as an agent for a monthly fee as per the terms of the agreements.

During the nine month period ended September 30, 2026, the Company sold ﷼ 4,300.64 million (September 30, 2025: ﷼ 3,401.9 million) of its net receivables and the total amount received from the banks in respect of such sales was ﷼ 4,706.73 million (September 30, 2025: ﷼ 3,709.9 million). Upon sale, the Company derecognizes the receivables from its books and recognizes the difference as either gain or loss on derecognition of receivables (note (c)).

The following are the significant terms of the agreement:

a) The Company continues to manage the sold receivables on behalf of the banks for a fee (agency fee). The total settlement of receivables to be made to the banks (as per the agreed cash flows), as an agent under purchase and agency arrangements amounts to ﷼ 12,147.49 million as of September 30, 2026 (December 31, 2025: ﷼ 10,773.6 million).

The maturity analysis of derecognized receivables is as follows:

| ***Under purchase and agency agreements*** | **Up to 1 year** | **2 - 3 years** | **After 3 years** | **Total** |
|---|---|---|---|---|
| **September 30, 2026 (Unaudited)** | **4,815,371** | **5,557,312** | **1,774,806** | **12,147,489** |
| December 31, 2025 (Audited) | 4,268,513 | 4,709,857 | 1,795,208 | 10,773,578 |

b) Each agreement is supported by a "cash flow statement" which stipulates the principal amount and the monthly receivables falling due. Under the terms of the agreements, the Company, in the capacity of an agent, settles to the banks a monthly amount based on the cash flow statement. Any excess collections over and above the stipulated amounts and after retaining the amount for the next month's repayment, are transferred monthly by the Company to the banks. The amount of the next month's repayment is recognized as a liability and included in 'Payable under purchase and agency agreements' under "Accounts payable, accrued and other liabilities" (note 12).

c) A reserve is to be maintained out of the monthly receipts, which is to be distributed at the end of the term of the agreements after deducting the actual defaults and discounts due to premature terminations. The balance in the reserve account after deducting the actual defaults and discounts shall be retained by the Company as deferred consideration on sale of receivables. Any shortfall in the reserve account is to be borne by the banks.

During the nine month period ended September 30, 2026, the Company made a gain amounting to ﷼ 427.41 million (September 30, 2025: ﷼ 326.6 million) on derecognition of receivables sold to the banks under the agreements, which is calculated as follows:

| | **For the three month period ended September 30** | | **For the nine month period ended September 30** | |
|---|---|---|---|---|
| | **2026 (Unaudited)** | 2025 (Unaudited) | **2026 (Unaudited)** | 2025 (Unaudited) |
| Gross amount of finance lease receivables sold | **1,243,933** | 1,251,763 | **4,082,230** | 3,951,458 |
| Gross amount of tawarruq receivables sold | **250,927** | 224,492 | **907,309** | 638,329 |
| Gross amount of microfinance receivables sold | **399,629** | - | **807,566** | - |
| Less: deferred finance income | **(520,224)** | (364,834) | **(1,496,461)** | (1,187,914) |
| Less: present value of deferred consideration receivable (note (i)) | **-** | - | **-** | - |
| Less: present value of net servicing liability (note (ii)) | **(6,872)** | (5,292) | **(21,322)** | (18,630) |
| Less: amounts received from the banks | **(1,524,312)** | (1,205,971) | **(4,706,731)** | (3,709,853) |
| Net gain on derecognition of receivables | **156,919** | 99,842 | **427,409** | 326,610 |

During the nine month period ended September 30, 2026 certain purchase and agency agreements entered into by the Company, matured and the Company recorded a net gain amounting to ﷼ 14.27 million (September 30, 2025: ﷼ 26.4 million) after deducting the actual customer defaults and discounts on premature terminations. The Company obtained final settlement and discharge letters from the banks with respect to these agreements.

The total gain on derecognized receivables for the period is as follows:

| | For the three month period ended September 30 | | For the nine month period ended September 30 | |
|---|---|---|---|---|
| | **2026 (Unaudited)** | 2025 (Unaudited) | **2026 (Unaudited)** | 2025 (Unaudited) |
| Gain on derecognition of receivables | **156,919** | 99,842 | **427,409** | 326,610 |
| Gain on maturity of derecognized pools | **4,681** | 10,006 | **14,273** | 26,398 |
| | **161,600** | 109,848 | **441,682** | 353,008 |

i. The deferred consideration receivable represents the continuing involvement in the transferred asset. Provision against expected defaults in respect of sold receivable represents a guarantee provided by the Company under purchase and agency agreements to pay for default losses on a transferred asset. These have been disclosed as deferred consideration receivable (note 8) and provision against expected defaults and discounts in respect of sold receivables (notes 11 and 12).

ii. The Company's net servicing assets and related liabilities are calculated separately for each agreement by calculating the present value of servicing assets, as per the terms of the agreement and by estimating the present value of servicing liability and related provisions. The net amount is classified as a net servicing asset or a net servicing liability on the condensed interim statement of financial position. This has been presented as follows:

| | **September 30, 2026 (Unaudited)** | December 31, 2025 (Audited) |
|---|---|---|
| Present value of net servicing assets (note 8) | **34,262** | 27,040 |
| Present value of net servicing liability | **16,651** | 18,526 |
| Less: current portion (note 12) | **(10,307)** | (11,954) |
| Non-current portion (note 11) | **6,344** | 6,572 |

The present value of net deferred consideration receivable and the present value of net servicing asset and net servicing liability is calculated by using the appropriate discount rate.

## 19. FINANCIAL RISK MANAGEMENT

***Credit Risk***

**Credit quality analysis**

**i) Financial assets carried at fair value through other comprehensive income (FVTOCI)**

The following tables set out information about the credit quality of financial assets measured at fair value through other comprehensive income as of September 30, 2026 and December 31, 2025. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

**a) Net carrying amounts**

| | **September 30, 2026 (Unaudited)** | | | |
|---|---|---|---|---|
| | **12 month ECL** | **Lifetime ECL not credit impaired** | **Lifetime ECL credit impaired** | **Total** |
| Notes receivable carried at fair value through other comprehensive income | **13,808** | **1,164** | **29,956** | **44,928** |

| | December 31, 2025 (Audited) | | | |
|---|---|---|---|---|
| | 12 month ECL | Lifetime ECL not credit impaired | Lifetime ECL credit impaired | Total |
| Notes receivable carried at fair value through other comprehensive income | 14,871 | 391 | 29,991 | 45,253 |

**b) Allowance for ECL**

| | **September 30, 2026 (Unaudited)** | | | |
|---|---|---|---|---|
| | **12 month ECL** | **Lifetime ECL not credit impaired** | **Lifetime ECL credit impaired** | **Total** |
| Notes receivable carried at fair value through other comprehensive income | **284** | **35** | **3,555** | **3,874** |

| | December 31, 2025 (Audited) | | | |
|---|---|---|---|---|
| | 12 month ECL | Lifetime ECL not credit impaired | Lifetime ECL credit impaired | Total |
| Notes receivable carried at fair value through other comprehensive income | 94 | 2 | 3,474 | 3,570 |

**ii) Financial assets carried at amortized cost**

The following tables set out information about the credit quality of financial assets measured at amortized cost as of September 30, 2026 and December 31, 2025. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

**a) Gross carrying amounts**

| | **September 30, 2026 (Unaudited)** | | | |
|---|---|---|---|---|
| | **12 month ECL** | **Lifetime ECL not credit impaired** | **Lifetime ECL credit impaired** | **Total** |
| Net investment in finance lease relating to vehicles | **2,129,384** | **358,643** | **100,113** | **2,588,140** |
| Net investment in finance lease relating to real estate | **224,506** | **18,433** | **8,541** | **251,480** |
| Notes receivable carried at amortized cost | **10,148** | **4,244** | **8,855** | **23,247** |
| Loans and advances to customers - microfinance receivables | **734,524** | **43,336** | **148,645** | **926,505** |
| Loans and advances to customers - tawarruq receivables | **438,048** | **16,696** | **28,997** | **483,741** |
| Carrying amount | **3,536,610** | **441,352** | **295,151** | **4,273,113** |

| | December 31, 2025 (Audited) | | | |
|---|---|---|---|---|
| | 12 month ECL | Lifetime ECL not credit impaired | Lifetime ECL credit impaired | Total |
| Net investment in finance lease relating to vehicles | 2,853,859 | 122,950 | 54,333 | 3,031,142 |
| Net investment in finance lease relating to real estate | 294,800 | 6,622 | 12,475 | 313,897 |
| Notes receivable carried at amortized cost | 25,457 | 5,127 | 20,321 | 50,905 |
| Loans and advances to customers - microfinance receivables | 992,827 | 16,120 | 58,285 | 1,067,232 |
| Loans and advances to customers - tawarruq receivables | 636,166 | 19,508 | 38,621 | 694,295 |
| Carrying amount | 4,803,109 | 170,327 | 184,035 | 5,157,471 |

**b) Allowance for ECL**

| | **September 30, 2026 (Unaudited)** | | | |
|---|---|---|---|---|
| | **12 month ECL** | **Lifetime ECL not credit impaired** | **Lifetime ECL credit impaired** | **Total** |
| Net investment in finance lease relating to vehicles | **24,897** | **15,609** | **112,388** | **152,894** |
| Net investment in finance lease relating to real estate | **1,840** | **313** | **1,855** | **4,008** |
| Notes receivable carried at amortized cost | **73** | **42** | **1,683** | **1,798** |
| Loans and advances to customers - microfinance receivables | **19,321** | **5,052** | **67,296** | **91,669** |
| Loans and advances to customers - tawarruq receivables | **28,190** | **1,399** | **14,498** | **44,087** |
| | **74,321** | **22,415** | **197,720** | **294,456** |

| | December 31, 2025 (Audited) | | | |
|---|---|---|---|---|
| | 12 month ECL | Lifetime ECL not credit impaired | Lifetime ECL credit impaired | Total |
| Net investment in finance lease relating to vehicles | 22,157 | 4,157 | 66,860 | 93,174 |
| Net investment in finance lease relating to real estate | 3,930 | 566 | 2,014 | 6,510 |
| Notes receivable carried at amortized cost | 101 | 29 | 3,726 | 3,856 |
| Loans and advances to customers - microfinance receivables | 18,757 | 1,046 | 26,386 | 46,189 |
| Loans and advances to customers - tawarruq receivables | 12,225 | 411 | 19,186 | 31,822 |
| | 57,170 | 6,209 | 118,172 | 181,551 |

The allowance for ECL for net investment in finance lease also includes the ECL on insurance, which the Company arranges on behalf of the customers.

**Amounts arising from ECL - Significant increase in credit risk (SICR)**

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort.

The Company groups its receivables into Stage 1, Stage 2, Stage 3 as described below:

Stage 1: When loans are first recognized, the Company recognizes an allowance based on 12 months ECLs. Stage 1 receivables also include receivables where the credit risk has improved, and the balance has been reclassified from Stage 2.

Stage 2: When a receivable has shown a significant increase in credit risk since origination, the Company records an allowance for the Lifetime ECL. Stage 2 receivables also include receivables, where the credit risk has improved, and the receivable has been reclassified from Stage 3.

Stage 3: Receivables considered credit impaired. The Company records an allowance for the Lifetime ECL.

**Credit risk grades**

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgment. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower.

Credit risk grades are defined and calibrated such that the risk of default occurring increases exponentially as the credit risk deteriorates so, for example, the difference in risk of default between credit risk grades 1 and 2 is smaller than the difference between credit risk grades 2 and 3.

Each exposure is allocated to a credit risk grade at initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade.

**a) Generating the term structure of PD**

For the determination of term structure of PD for exposures, the Company does not recognize the deterioration of credit quality to intermediate-risk buckets/grades. Rather PD term structure has been created using cumulative PD methodologies.

The Company employs statistical models to analyze the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time.

This analysis includes the identification and calibration of relationships between changes in default rates and macroeconomic factors as well as in depth analysis of the input of certain other factors (e.g. forbearance experience) on the risk of default include oil prices, inflation, manufacturing purchasing manager's index, money supply, GDP etc. For exposures to specific industries and/or regions, the analysis may extend to relevant commodity and/or real estate prices.

Based on external actual and forecast information, the Company formulates a 'base case' view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios (see incorporation of forward-looking information). The Company then uses these forecasts to adjust its estimates of PDs.

**b) Determining whether credit risk has increased significantly**

The criteria for determining whether credit risk has increased significantly include quantitative changes in PDs and qualitative factors, including a backstop based on delinquency.

The credit risk of a particular exposure is deemed to have increased significantly since initial recognition, which is determined under basis of Company's staging criteria.

Using its expert credit judgment and, where possible, relevant historical experience, the Company may determine that an exposure has undergone a significant increase in credit risk based on particular qualitative indicators that it considers are indicative of such and whose effect may not otherwise be fully reflected in its quantitative analysis on a timely basis.

As a backstop, the Company considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower.
The Company monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:

- the criteria are capable of identifying significant increases in credit risk before an exposure is in default;
- the criteria do not align with the point in time when an asset becomes 30 days past due; and
- there is no unwarranted volatility in loss allowance from transfers between 12-month PD (stage 1) and lifetime PD (stage 2).

No change has been made in the backstop criteria for all types of exposures, except as disclosed below.

**c) Modified financial assets**

The contractual terms of finance lease, notes receivables and loans and advances to customers may be modified for a number of reasons, including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer. An existing financing and advances whose terms have been modified may be derecognized and the renegotiated financing and advances recognized as a new financing and advances at fair value in accordance with the accounting policy.

When the terms of finance lease, notes receivables and loans and advances to customers are modified and the modification does not result in de-recognition, the determination of whether the asset's credit risk has increased significantly is completed on the basis of the approved staging criteria.

The Company renegotiates finance lease, notes receivables and loans and advances to customers in financial difficulties (referred to as 'forbearance activities') to maximize collection opportunities and minimize the risk of default. Under the Company's forbearance policy, finance lease, notes receivable and loans and advances to customers forbearance is granted on a selective basis if the debtor is currently in default on its debt or if there is a high risk of default, there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms.

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of leasing and instalments covenants. Both consumer and corporate portfolios are subject to the forbearance policy.

**d) Definition of 'Default'**

A default is considered to have occurred with regard to a particular obligor when either or both of the two following events have taken place:

- The obligor is past due for 90 days or more on any material credit obligations to the Company including principal instalments, interest payments and fees.
- The Company considers that the obligor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any).

The definition of default largely aligns with that applied by the Company for regulatory capital purposes.

**e) Incorporation of forward-looking information**

The Company incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on advice from the external actual and forecast information, the Company formulates a 'base case' view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. External information includes economic data and forecasts published by governmental bodies and monetary authorities in the Kingdom of Saudi Arabia and selected private sector and academic forecasters.

The Company has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.

There have been no changes to the types of forward looking variables (key economic drivers) used as model inputs in the current year.

**f) Measurement of ECL**

The key inputs into the measurement of ECL are the term structure of the following variables:

- probability of default (PD);
- loss given default (LGD);
- exposure at default (EAD)

These parameters are generally derived from internally developed statistical models and other historical data. They are adjusted to reflect forward-looking information as described above.

PD estimates are estimates at a certain date, which are calculated, based on statistical rating models, and assessed using rating tools tailored to the various categories of counterparties and exposures. These statistical models are based on internally and externally compiled data comprising both quantitative and qualitative factors. Where it is available, market data may also be used to derive the PD for large corporate counterparties. If a counterparty or exposure migrates between ratings classes, then this will lead to a change in the estimate of the associated PD. PDs are estimated considering the contractual maturities of exposures and estimated prepayment rates.

LGD is the magnitude of the likely loss if there is a default. The Company estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties while also incorporating forward-looking information through Jacobs & Frye method. The LGD models consider the structure, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset.

EAD represents the expected exposure in the event of a default. The Company derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract including amortization.

The Company measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for risk management purposes, the Company considers a longer period. The maximum contractual period extends to the date at which the Company has the right to require repayment of an advance or terminate a finance lease, notes receivables and loans and advances arrangement.

Given current economic uncertainties and the judgment applied to factors used in determining the expected default of finance lease, notes receivables and loans and advances to customers in future periods, expected credit losses reported by the Company should be considered as a best estimate within a range of possible estimates.

**Updates to the ECL Methodology**

- As of January 1, 2023, the Company has made the following material changes as a result of the change in the ECL Methodology and new SAMA rules:
- It has aligned with the SAMA guidelines the governance and controls framework over ECL estimation and reporting focusing on data integrity and model validation.
- Revised and more recent portfolio data has been used to compute the PD and LGD.
- Updated macroeconomic forecasts were used to update PIT PD and LGD estimates.
- The gross outstanding as of reporting date and each future prediction date (monthly) is considered as the EAD as opposed to net outstanding.
- Cool off periods have been defined with minimum time interval for which an account needs to stay in the worse stage before being transferred to a better stage after the criteria for classification into worse stage no longer persists.

**Updates to the SAMA write-off rules**

During 2020, SAMA issued rules governing credit risk exposure classification and provisioning. These rules set out the minimum requirements on credit risk exposure classification and provisioning. These rules shall be applicable to all finance companies licensed pursuant to finance companies control law effective from July 1, 2021. In a subsequent communication, SAMA deferred implementation of the rules to January 1, 2023, except for certain rules (relating to write offs) to be implemented on or before December 31, 2023.

Moreover, the new rules require the Company to write off any exposures meeting the following criteria:

a) Unsecured exposures (including retail, micro and small enterprises and excluding mortgages) should be written off within 360 days once they are classified as Stage 3 exposures;

b) Secured exposures (including retail, micro and small enterprises and excluding mortgages) should be written off within 720 days once they are classified as Stage 3 exposures;

c) Mortgages (including retail, micro and small enterprises mortgages) and corporate exposures (including medium corporates as per MSME definition by SAMA) should be written off before 1,080 days from the date they are classified as Stage 3 exposures;

**g) Governance and controls**

In addition to the existing risk management framework, the Company has established a Steering Committee for oversight of IFRS 9 impairment process that includes representation from Finance, Risk and Information Technology (IT), as well as the involvement of subject matter experts in the areas of methodology reviews, data sourcing, risk modelling, and formulating judgements with respect to the aspects of significant increase in credit risk determination, macroeconomic assumptions and forward looking factors. The Framework and related controls have been approved by the board of directors.

**h) Capital management**

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern and to provide adequate return to its shareholders through the optimization of the capital structure. The Company manages the capital structure and makes adjustments in the light of changes in economic conditions and risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company monitors the aggregate amount of financing offered by the Company on the basis of the regulatory requirements of Regulations for Companies and SAMA. SAMA requires finance Companies engaged in financing other than real estate, to maintain aggregate financing to capital ratio of three times. For real estate financing, the requirement for capital ratio is five times.

| | **September 30, 2026 (Unaudited )** | December 31, 2025 (Audited ) |
|---|---|---|
| Aggregate financing to capital ratio (Total financing (net investment in finance lease, notes receivable and loans and advances to customers) divided by total shareholders' equity) | **0.73 times** | 1.05 times |

## 20. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's financial assets consist of cash and bank balances, net investment in finance lease relating to vehicles, net investment in finance lease relating to real estate, notes receivable, loans and advances to customers, due from related parties, net deferred consideration receivable, employees' receivables, amount due from insurers and other receivables. Its financial liabilities consist of due to related parties, accounts payable, payable under purchase and agency agreements, lease liabilities and amount due to insurers.

The fair values of the financial instruments are not materially different from their carrying values except for the net investment in finance lease and a segment of notes receivable portfolio measured at amortized cost.

The Company's management determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement.

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table provides the fair value measurement hierarchy of the Company's financial assets as of September 30, 2026 and December 31, 2025:

| **September 30, 2026 (Unaudited)** | | **Fair value measurement using** | | |
|---|---|---|---|---|
| | **Total** | **Quoted prices in active market (Level 1)** | **Significant observable inputs (Level 2)** | **Significant unobservable inputs (Level 3)** |
| *Financial assets measured at fair value* | | | | |
| Notes receivable classified as fair value through other comprehensive income | **44,928** | **-** | **-** | **44,928** |
| Investment classified as fair value through other comprehensive income | **1,786** | **-** | **-** | **1,786** |

| December 31, 2025 (Audited) | | Fair value measurement using | | |
|---|---|---|---|---|
| | Total | Quoted prices in active market (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
| *Financial assets measured at fair value* | | | | |
| Notes receivable classified as fair value through other comprehensive income | 45,253 | - | - | 45,253 |
| Investment classified as fair value through other comprehensive income | 893 | - | - | 893 |

## 21. GEOPOLITICAL DEVELOPMENTS IN THE MIDDLE EAST

During the nine month period ended September 30, 2026, the Middle East region has experienced heightened geopolitical tensions and ongoing conflict in certain areas. The situation remains dynamic and continues to evolve, creating uncertainty in the regional and global economic environment.

The Company operates primarily within KSA and maintains investments and business relationships across several jurisdictions in the Middle East. As of the reporting date and the date of approval of these condensed interim financial statements, the Company has not experienced any material direct disruption to its core operations, assets, or supply chains.

However, the broader economic consequences of the ongoing conflict may include increased volatility in energy prices, fluctuations in foreign exchange markets, potential disruptions in regional trade flows, increased financing costs, and changes in investor sentiment. These factors may indirectly affect the Company's operations, financial performance, and valuation of certain financial and non-financial assets in future reporting periods. Accordingly, no adjustments have been made to the amounts recognized in the condensed interim financial statements as of the reporting date.

The Company continues to closely monitor the evolving geopolitical situation and has implemented appropriate risk monitoring and mitigation measures where necessary. Management will reassess the potential financial implications of these developments in future reporting periods as more information becomes available.

## 22. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the period end, the Company executed a purchase and agency agreement with a local commercial bank to sell ﷼ 530.37 million of its net financial assets. Under the terms of the purchase and agency agreement, the Company sold the eligible financial assets to the bank net of insurance premiums and undertook to manage them on behalf of the bank as an agent for a monthly fee as per the terms of the purchase and agency agreement.

## 23. BOARD OF DIRECTORS' APPROVAL

These condensed interim financial statements were approved by the Board of Directors on October 27 2026 (corresponding to 16 Jumada I, 1448 AH).