Public

SHL Finance Company

(A Joint Stock Listed Company)

Condensed Interim Financial Statements

And Independent Auditor's Review Report

Three-month and nine-month periods ended 30 September 2026

JURISDICTION	SAMA LICENCE NUMBER	COMMERCIAL REGISTRATION
Kingdom of Saudi Arabia	14/A SH/201403	1010241934

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REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders
SHL Finance Company
(A Saudi Joint Stock Listed Company)
Riyadh, Kingdom of Saudi Arabia

Introduction

We have reviewed the accompanying interim condensed statement of financial position of SHL Finance Company ("the Company") as at 30 September 2026, and the related interim condensed statements of profit or loss and other comprehensive income for the three-month and nine-month periods then ended, and the related interim condensed statements of changes in equity and cash flows for the nine-month period then ended, and the explanatory notes. 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

Tariq Bin Mohammed Al-Fattani
Certified Public Accountant
License No. 446
Jumada al-Awwal 16, 1448 AH
October 27, 2026

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 September 2026

	Notes	30 September 2026 (Unaudited)	31 December 2025 (Audited)
ASSETS			
Cash and cash equivalents	4	116,538	70,856
Due from a related party	5	263	332
Prepaid expenses and other assets	6	19,686	13,982
Other receivables, net	7	5,954	6,502
Deferred origination fees		6,741	7,973
Investments in finance lease, net	8	2,922,625	3,235,556
Murabaha receivables, net	9	1,892,752	1,334,973
Investment held at FVOCI		893	893
Other real estate, net		55,521	52,534
Right-of-use asset		4,217	6,118
Property and equipment, net		7,487	3,925
Intangible assets, net		2,142	1,797
Deferred tax	13	2,173	1,857
TOTAL ASSETS		**5,036,992**	**4,737,298**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Accounts payable and other liabilities	10	9,279	20,481
Accrued expenses	11	23,882	21,562
Advance lease rentals		24,241	21,486
Lease liability		3,733	5,931
Provision for zakat and income tax	12	11,737	11,399
Tawarruq financing facilities	14	3,213,507	2,904,416
Employee benefit obligations	15	16,522	14,502
Total liabilities		**3,302,901**	**2,999,777**
Share capital	16	1,000,000	1,000,000
Statutory reserve		128,954	128,954
Other reserve		1,041	1,397
Retained earnings		604,096	607,170
Total shareholders' equity		**1,734,091**	**1,737,521**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**5,036,992**	**4,737,298**

Yousef Alshelash
Chairman

Bandar Alghamdi
Chief Executive Officer

Abdullah Alshamrani
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three-month and nine-month periods ended 30 September 2026 (Unaudited)

	Notes	For the three-month period ended 30 September (unaudited)		For the nine-month period ended 30 September (unaudited)	
		2026	2025	2026	2025
Finance income		**111,039**	102,146	**323,364**	289,808
Service fees, net	23	**715**	830	**2,238**	2,617
Application and evaluation fee income		**1,555**	1,173	**5,402**	3,197
Origination expenses		**(429)**	(413)	**(1,232)**	(1,408)
Total revenue		**112,880**	103,736	**329,772**	294,214
Other income		**78**	513	**2,593**	3,948
Total operating income		**112,958**	104,249	**332,365**	298,162
Direct cost		**(5,561)**	(5,670)	**(16,430)**	(15,488)
Finance charges		**(49,404)**	(52,177)	**(140,270)**	(151,050)
General and administrative expenses	19	**(33,219)**	(25,864)	**(94,818)**	(73,267)
Charge of impairment losses and write-offs	20	**(6,383)**	(9,008)	**(13,511)**	(13,055)
Selling and marketing expenses	18	**(3,753)**	(1,892)	**(8,780)**	(4,569)
Total operating expenses		**(98,320)**	(94,611)	**(273,809)**	(257,429)
Net income before zakat and income tax		**14,638**	9,638	**58,556**	40,733
Zakat and income tax	12	**(3,024)**	(3,148)	**(11,737)**	(8,323)
Zakat and income tax previous periods	12	**(209)**	1,630	**(209)**	1,630
Deferred tax	13	**170**	141	**316**	235
Net income for the period		**11,575**	8,261	**46,926**	34,275
OTHER COMPREHENSIVE LOSS					
Item that cannot be reclassified to the statement of profit or loss in subsequent periods:					
Actuarial loss on defined benefit obligations	15	**(96)**	(253)	**(356)**	(730)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**11,479**	8,008	**46,570**	33,545
BASIC AND DILUTED EARNINGS PER SHARE (Saudi Riyal)	21	**0.12**	0.08	**0.47**	0.34

Yousef Alshelash
Chairman

Bandar Alghamdi
Chief Executive Officer

Abdullah Alshamrani
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the nine-month period ended 30 September 2026 (Unaudited)

		For the nine-month period ended 30 September 2026 (Unaudited)				
	Notes	Share Capital	Statutory Reserve	Other Reserve	Retained Earnings	Total Shareholders' Equity
Balance at beginning of the period		**1,000,000**	**128,954**	**1,397**	**607,170**	**1,737,521**
Net income for the period		-	-	-	46,926	46,926
Actuarial loss on employee benefits obligations	15	-	-	(356)	-	(356)
Total comprehensive income for the period		**-**	**-**	**(356)**	**46,926**	**46,570**
Dividends	17	-	-	-	**(50,000)**	**(50,000)**
Balance at end of the period		**1,000,000**	**128,954**	**1,041**	**604,096**	**1,734,091**

		For the nine-month period ended 30 September 2025 (Unaudited)				
	Notes	Share Capital	Statutory Reserve	Other Reserve	Retained Earnings	Total Shareholders' Equity
Balance at beginning of the period		**1,000,000**	**128,954**	**2,190**	**556,494**	**1,687,638**
Net income for the period		-	-	-	34,275	34,275
Actuarial loss on employee benefits obligations	15	-	-	(730)	-	(730)
Total comprehensive income for the period		**-**	**-**	**(730)**	**34,275**	**33,545**
Balance at end of the period		**1,000,000**	**128,954**	**1,460**	**590,769**	**1,721,183**

Yousef Alshelash
Chairman

Bandar Alghamdi
Chief Executive Officer

Abdullah Alshamrani
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS

For the nine-month period ended 30 September 2026 (Unaudited)

	Notes	Nine-month period ended 30 September 2026 (Unaudited)	Nine-month period ended 30 September 2025 (Unaudited)
OPERATING ACTIVITIES			
Net income before zakat and income tax		58,556	40,733
Adjustments to net income before zakat and income tax:			
Depreciation and amortisation	19	3,005	3,163
Amortisation of deferred origination fees		1,232	1,408
Charge of impairment losses and write-offs	20	13,511	13,055
Provision for employee benefits obligations	15	1,944	1,716
Amortisation of discount on lease liability		336	490
Finance charges		140,270	151,050
Net (increase)/decrease in operating assets:			
Other receivables, net		2,350	2,576
Prepaid expenses and other assets, net		(5,704)	(5,168)
Due from a related party		69	(17)
Investments in finance lease		307,482	121,708
Murabaha receivables		(570,630)	(350,899)
Net increase/(decrease) in operating liabilities:		-	
Accounts payable and other liabilities		(11,202)	(3,927)
Accrued expenses		2,320	2,495
Advance lease rentals		2,755	1,622
Net cash from operations		**(53,706)**	**(19,995)**
Zakat and income tax paid	12	(12,395)	(6,185)
Income tax refund for previous periods	12	787	348
Employee benefits obligations paid	15	(280)	(440)
Net cash used in operating activities		**(65,594)**	**(26,272)**
INVESTING ACTIVITIES			
Purchase of property and equipment		(4,177)	(702)
Proceeds from disposal of property and equipment		-	47
Purchase of intangible assets		(834)	(246)
Net cash used in investing activities		**(5,011)**	**(901)**
FINANCING ACTIVITIES			
Additions in Tawarruq financing facilities		530,000	415,000
Repayment of Tawarruq financing facilities		(223,145)	(226,260)
Finance charges paid		(138,034)	(144,996)
Lease liability paid — principal portion		(2,198)	(2,044)
Lease liability paid — interest portion		(336)	(490)
Dividends Paid		(50,000)	-
Net cash generated from financing activities		**116,287**	**41,210**
Net change in cash and cash equivalents		**45,682**	**14,037**
Cash and cash equivalents at beginning of the period		70,856	69,189
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**4**	**116,538**	**83,226**

Yousef Alshelash
Chairman

Bandar Alghamdi
Chief Executive Officer

Abdullah Alshamrani
Chief Financial Officer

1. ORGANISATION AND ACTIVITIES

SHL Finance Company (the "Company") is a joint stock listed company registered in Riyadh, Kingdom of Saudi Arabia under commercial registration no. 1010241934 dated 22 Dhul Hijjah 1428H (corresponding to 1 January 2008), unified number 7001540165. The Company is regulated, controlled and licensed by the Saudi Central Bank ("SAMA") under licence no. 14/A SH/201403 dated 27 Rabi Al-Thani 1435H (corresponding to 27 February 2014). The address of the Company is as follows:

SHL Finance Company
P.O. Box 27072
Riyadh 11417
Kingdom of Saudi Arabia

The principal activities of the Company are to finance the purchase of houses and residential land and apartments, the financing of real estate properties, and the financing of commercial and industrial projects. During 2023, the Company also obtained a licence from SAMA to conduct small and medium enterprise financing and consumer financing activities.

On 14 February 2023, in an extraordinary general assembly meeting, the shareholders resolved to change the name of the Company to SHL Finance Company from Saudi Home Loans Company. The Company has updated its bylaws accordingly.

Branches of the Company

As at 30 September 2026 and 31 December 2025, the Company operates through the following branches. The condensed interim financial statements include the assets, liabilities, and results of these branches:

Branch	Commercial Registration Number
Jeddah Branch	4030289627
Dammam Branch	2050109572

2. BASIS OF PREPARATION

a) Statement of compliance

The condensed interim financial statements of the Company as at and for the three-month and nine-month periods ended 30 September 2026 have been prepared in accordance with International Accounting Standard 34: Interim Financial Reporting ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

These condensed interim financial statements do not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 31 December 2025.

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

b) Basis of measurement and presentation

These financial statements have been prepared under the historical cost convention using the accrual basis of accounting and the going concern assumption, except for the following:

Item	Measurement Basis
Employee benefit liabilities	Present value of the defined benefit obligation, using actuarial present value calculations based on the projected unit credit method.
Investment classified as FVOCI	Carried at cost. Measurement of fair value would entail undue cost and effort.
Other real estate properties	Carried at the lower of: (i) outstanding receivables net of expected credit losses, measured at amortized cost; and (ii) fair value of the property.

2. BASIS OF PREPARATION (Continued)

c) Functional and presentation currency

These condensed interim financial statements are presented in thousands of Saudi Riyals (SAR), which is the functional and presentation currency of the Company, unless otherwise indicated.

2.1 New and Amended IFRS Standards Effective for the Current Period

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those applied in the annual financial statements for the year ended 31 December 2025, except for the adoption of new standards effective from 1 January 2026. The Company has not early adopted any standard, interpretation, or amendment that has been issued but is not yet effective. The standards effective from 1 January 2026 listed below do not have a material impact on these condensed interim financial statements.

Standard / Interpretation	Description	Effective Date
Amendments to IFRS 9 and IFRS 7 — Classification and Measurement of Financial Instruments	Under the amendments, certain financial assets including those with ESG-linked features may now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. The IASB also amended IFRS 9 to clarify recognition and derecognition of financial assets and liabilities and to provide an exception for certain financial liabilities settled via electronic payment systems.	1 January 2026
Amendments to IFRS 9 and IFRS 7 — Contracts Referencing Nature-dependent Electricity	Amends IFRS 9 and IFRS 7 to more faithfully reflect the effects of contracts referencing nature-dependent electricity on an entity's financial statements.	1 January 2026
Annual Improvements to IFRS — Volume 11	Clarifications and minor corrections to IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7.	1 January 2026
Amendments to IFRS 10 and IAS 28 — Sale or Contribution of Assets	Partial gain or loss recognition for transactions between an investor and its associate or joint venture applies only to assets that do not constitute a business under IFRS 3. The full gain or loss is recognised when the assets constitute a business.	Deferred indefinitely
IFRS 18 — Presentation and Disclosure in Financial Statements	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	1 January 2027
IFRS 19 — Subsidiaries without Public Accountability: Disclosures	Permits eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements, provided the subsidiary has no public accountability and its parent produces IFRS-consolidated financial statements.	1 January 2027
Amendments to IAS 21 Translation to a Hyperinflationary Presentation Currency	The amendments introduce a specific translation method where a non-hyperinflationary functional currency is translated into a hyperinflationary presentation currency, together with related disclosure requirements. The amendments also provide prospective application when hyperinflation ceases and certain exceptions for entities applying IAS 29.	1 January 2027
IFRS 20 — Regulatory Assets and Regulatory Liabilities	The new Standard establishes recognition, measurement, presentation and disclosure requirements for entities subject to specific rate regulation, including regulatory assets, liabilities, income and expenses. It is effective for annual periods beginning 1 January 2029, with early application permitted, and replaces IFRS 14	1 January 2029

3. MATERIAL ACCOUNTING POLICIES, JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

4. CASH AND CASH EQUIVALENTS

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Cash in hand	35	35
Cash at banks	96,577	64,577
Certified cheques in hand (Note 4.1)	19,926	6,244
	116,538	**70,856**

Cash at banks include profit bearing Murabaha deposits of SR 0.0 million as at 30 September 2026 (31 December 2025: SR 31.2 million) with profit rate approximating 5.50% (31 December 2025: 5.50%) annually.

As at each reporting date, all bank balances are assessed to have low credit risk as they are held with reputable and high credit rating banking institutions and there has been no history of default with any of the Company's bank balances. Therefore, the probability of default based on forward looking factors and any loss given defaults are considered to be negligible.

4.1 Certified Cheques in Hand

This balance represents the value of certified cheques issued for the purchase of properties under approved Ijarah and Murabaha contracts for which the transfer of title deeds is in process. These cheques are submitted by authorised Company representatives directly at government offices at the time of title deed transfer. As at the reporting date, neither the risks and rewards nor control of the underlying properties have transferred to the Company, and no contractual rights and obligations exist under the related Ijarah and Murabaha contracts.

5. RELATED PARTY TRANSACTIONS

The related parties of the Company include shareholders, affiliates, and key management personnel. In the ordinary course of business, the Company enters into transactions with its related parties on terms approved by management and agreed with each party. The significant related party relationships are as follows:

Name	Relationship
Arab National Bank ("ANB")	Shareholder
Dar Al Arkan	Shareholder
Al Khair Capital	Affiliate
Quara Finance Company ("Quara")	Affiliate
Wasalt Real Estate Services ("Wasalt")	Affiliate
Tharwat Alasool Real Estate Company ("Tharwat")	Affiliate
Yousef Alshubaily Law Firm	Affiliate

Significant Transactions During the Period

	For the three-month period ended 30 September (unaudited)		For the nine-month period ended 30 September (unaudited)	
	2026	2025	2026	2025
Tawarruq financing charges (ANB)	28,195	32,207	83,296	94,783
Tawaruq facility disbursed (Quara Finance Company)	-	-	-	50,000
Residential unit purchased (Dar Al Arkan)	-	-	-	2,287
Service fees, net (ANB)	470	629	1,515	2,027
Legal fees — Yousef Alshubaily Law Firm	-	-	77	60
Rent paid (Tharwat Alasool Real Estate Company)	-	-	2,180	2,180
Profit on Murabaha deposits — Al Khair Capital	-	308	266	900

5. RELATED PARTY TRANSACTIONS (CONTINUED)

Related Party Balances Included in the Statement of Financial Position

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Loan obtained from a shareholder (ANB) (Note 14)	**1,761,788**	1,797,815
Loan disbursed to related party (Quara Finance Company)	**40,053**	47,518
Deferred origination fees (ANB)	**6,741**	7,973
Due from a related party - service fees (ANB)	**263**	332
Murabaha deposits (Al Khair Capital) (Note 4)	-	31,183

Compensation of Key Management Personnel ("KMP")

KMP are those with authority and responsibility for planning, directing, and controlling the activities of the Company, comprising the Board of Directors (including executive and non-executive members) and selected key employees meeting the above criteria.

	For the three-month period ended 30 September (unaudited)		For the nine-month period ended 30 September (unaudited)	
	2026	2025	2026	2025
Salaries	**1,140**	1,291	**3,421**	3,696
Employee benefits obligations	**75**	105	**225**	229
Other allowances	**323**	163	**970**	874
Board of directors' remuneration — connected persons	**1,063**	1,188	**3,313**	3,563
	2,601	**2,747**	**7,929**	**8,362**

6. PREPAID EXPENSES AND OTHER ASSETS

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Prepaid sales commission	12,064	9,797
Prepaid insurance	1,664	48
Prepaid software maintenance	2,918	2,867
Others	3,040	1,270
	19,686	**13,982**

7. OTHER RECEIVABLES, NET

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Insurance claims receivable on deceased case leases	21,788	24,109
Receivables under litigation	4,309	4,360
VAT receivable from Ministry of Housing	418	523
Due from Saudi Real Estate Refinance Company ("SRC")	2	2
Employees' advances and receivables	322	195
Sub-total	**26,839**	**29,189**
Allowance against insurance and legal claims	(20,885)	(22,687)
Other receivables, net	**5,954**	**6,502**

7. OTHER RECEIVABLES, NET (CONTINUED)

Allowance Against Insurance and Legal Claims

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Allowance against insurance claims receivable on deceased case leases	**16,275**	18,077
Allowance against legal claims	**4,610**	4,610
Total allowance	**20,885**	**22,687**

Movement in Allowance

	Allowance against insurance claims	Allowance against receivables under litigation
1 January 2026 (Audited)	**18,077**	**4,610**
Reversal during the period, net	(1,802)	-
30 September 2026 (Unaudited)	**16,275**	**4,610**

Movement in allowance during the year ended 31 December 2025 is as follows:

	Allowance against insurance claims	Allowance against receivables under litigation
1 January 2025 (Audited)	**18,637**	**4,610**
Reversal during the year, net	(560)	-
31 December 2025 (Audited)	**18,077**	**4,610**

The Company recognises a 100% allowance against all rejected insurance claims and is actively pursuing collection and recovery procedures to settle these amounts.

8. INVESTMENTS IN FINANCE LEASE, NET

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Investments in finance lease, gross	**4,518,003**	**5,058,161**
Less: Unearned finance income	(1,572,375)	(1,801,685)
Investments in finance lease before expected credit loss	**2,945,628**	**3,256,476**
Less: Allowance for expected credit loss	(23,003)	(20,920)
Investments in finance lease, net	**2,922,625**	**3,235,556**

Total number of outstanding lease agreements as at 30 September 2026 is 5,185 (31 December 2025: 5,423).

The Company generates substantially all of its revenues from leasing real estate properties in the Kingdom of Saudi Arabia. Investment in finance lease represents amounts due from individual customers.

8.1 The movement in the allowance for expected credit losses is shown below:

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period/year	**20,920**	**17,356**
Charge during the period/year	2,083	3,564
Balance at the end of the period/year	**23,003**	**20,920**

8. INVESTMENTS IN FINANCE LEASE, NET (CONTINUED)

8.2 The credit quality of investments in finance lease is as follows:

30 September 2026 (Unaudited)	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Loss rate in %	0.06%	2.20%	11.16%	0.78%
Investments in finance lease before ECL	2,515,632	296,083	133,913	2,945,628
Allowance for ECL	(1,543)	(6,510)	(14,950)	(23,003)
Net carrying amount	**2,514,089**	**289,573**	**118,963**	**2,922,625**

31 December 2025 (Audited)	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Loss rate in %	0.06%	2.18%	11.08%	0.64%
Investments in finance lease before ECL	2,884,306	248,073	124,097	3,256,476
Allowance for ECL	(1,774)	(5,396)	(13,750)	(20,920)
Net carrying amount	**2,882,532**	**242,677**	**110,347**	**3,235,556**

8.3 Maturity profile of the lease receivables is as follows:

Year	Gross lease receivables	Unearned finance income	Investments in finance lease	Investments in finance lease
		30 September 2026 (unaudited)		*31 December 2025 (audited)*
Within one year	530,923	(238,700)	292,223	303,677
Year two	477,837	(210,799)	267,038	283,463
Year three	446,618	(186,694)	259,924	284,424
Year four	410,764	(163,686)	247,078	274,642
Year five and later	2,651,861	(772,496)	1,879,365	2,110,270
	4,518,003	**(1,572,375)**	**2,945,628**	**3,256,476**

8.4 The ageing of net lease receivables is as follows:

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Current	1,795,064	2,188,451
1 – 30 days	849,950	872,631
31-60 days	183,025	117,937
61-90 days	41,457	23,627
91-180 days	26,750	7,534
+180 days	26,379	25,376
Total	**2,922,625**	**3,235,556**

The Company in ordinary course of its business, holds collateral in respect of the finance lease receivables (being the title of properties leased out) in order to mitigate the credit risk associated with them. These collaterals (i.e. real estate) are not readily convertible into cash and are accepted by the Company with intent to dispose-off in case of customer default.

The Company is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in SR. No residual value is considered when entering or accounting for the lease contracts.

9. MURABAHA RECEIVABLES, NET

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Murabaha receivables, gross	**2,835,730**	**1,985,885**
Less: Unearned finance income	(915,166)	(635,951)
Murabaha receivables before expected credit loss	**1,920,564**	**1,349,934**
Less: Allowance for expected credit loss	(27,812)	(14,961)
Murabaha receivables, net	**1,892,752**	**1,334,973**

Below is the breakup of Murabaha receivables:

30 September 2026 (Unaudited)	Personal Finance	SMEs	Real estate	Total
Murabaha receivables, gross	**161,591**	**596,355**	**2,077,784**	**2,835,730**
Less: Unearned finance income	(44,392)	(96,818)	(773,956)	(915,166)
Murabaha receivables before expected credit loss	**117,199**	**499,537**	**1,303,828**	**1,920,564**
Less: Allowance for expected credit losses	(8,291)	(5,116)	(14,405)	(27,812)
Murabaha receivables, net	**108,908**	**494,421**	**1,289,423**	**1,892,752**
31 December 2025 (Audited)	**Personal Finance**	**SMEs**	**Real estate**	**Total**
Murabaha receivables, gross	**84,954**	**422,955**	**1,477,976**	**1,985,885**
Less: Unearned finance income	(19,526)	(68,000)	(548,425)	(635,951)
Murabaha receivables before ECL	**65,428**	**354,955**	**929,551**	**1,349,934**
Less: Allowance for expected credit losses	(2,762)	(2,469)	(9,730)	(14,961)
Murabaha receivables, net	**62,666**	**352,486**	**919,821**	**1,334,973**

Total number of outstanding Murabaha contracts, including personal finance and small and medium enterprise ("SME") loan receivables as at 30 September 2026, is 3,830 (31 December 2025: 1,608). Amounts due under real estate receivables and personal finance are due from individual natural persons.

9.1 The movement in allowance for expected credit losses is shown below:

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period/year	**14,961**	**6,690**
Charge for the period/year	12,851	8,271
Balance at the end of the period/year	**27,812**	**14,961**

9. MURABAHA RECEIVABLES, NET (CONTINUED)

9.2 The credit quality of Murabaha receivables is as follows:

30 September 2026 (Unaudited)	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Loss rate in %	0.33%	4.14%	25.89%	1.45%
Murabaha receivables before ECL	1,663,061	203,670	53,833	1,920,564
Allowance for ECL	(5,435)	(8,440)	(13,937)	(27,812)
Net carrying amount	**1,657,626**	**195,230**	**39,896**	**1,892,752**
31 December 2025 (Audited)	**12-month ECL**	**Lifetime ECL not credit impaired**	**Lifetime ECL credit impaired**	**Total**
Loss rate in %	0.33%	10.43%	21.10%	1.11%
Murabaha receivables before ECL	1,267,125	62,578	20,231	1,349,934
Allowance for ECL	(4,169)	(6,524)	(4,268)	(14,961)
Net carrying amount	**1,262,956**	**56,054**	**15,963**	**1,334,973**

9.3 Maturity profile of the Murabaha receivables is as follows:

Year	Gross Murabaha receivables	Unearned finance income	Murabaha receivables	Murabaha receivables
		30 September 2026 (Unaudited)		*31 December 2025 (Audited)*
Within one year	559,945	(202,050)	357,895	255,642
Year two	441,611	(161,448)	280,163	169,066
Year three	366,152	(126,784)	239,368	158,367
Year four	296,221	(98,099)	198,122	132,825
Year five and later	1,171,801	(326,785)	845,016	634,034
	2,835,730	**(915,166)**	**1,920,564**	**1,349,934**

9.4 The ageing of net Murabaha receivables is as follows:

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Current	1,543,499	1,089,016
1 – 30 days	194,886	180,260
31-60 days	103,535	36,665
61-90 days	16,149	15,546
91-180 days	4,232	2,170
+180 days	30,451	11,316
Total	**1,892,752**	**1,334,973**

10. ACCOUNTS PAYABLE AND OTHER LIABILITIES

Accounts payable mainly includes amounts pertaining to VAT payable to ZATCA and payable for evaluation and other services provided to the Company.

11. ACCRUED EXPENSES

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Employees' related expenses	8,093	7,529
Deferred application and accrued fee	9,649	6,483
Board related expenses	3,467	4,684
Management consultancy fees	872	1,773
Others	1,801	1,093
Total	**23,882**	**21,562**

12. PROVISION FOR ZAKAT AND INCOME TAX

Movements in the provision for zakat is as follows:

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period/year	**10,639**	**6,168**
Provision for zakat for the current period/year	10,357	10,639
Provision for zakat for the previous years	7	17
Payment during the period/year	(10,646)	(6,185)
Balance at the end of the period/year	**10,357**	**10,639**

Movements in the provision for tax is as follows:

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period/year	760	-
Reclassified from prepaid expenses and other assets	-	(986)
Provision for income tax for current year	1,380	1,746
Under provision for previous year	202	-
Tax refund previous year	787	-
Payment during the period/year	(1,749)	-
Balance at the end of the period/year	**1,380**	**760**

Zakat is a levy as defined by the ZATCA in the Kingdom of Saudi Arabia on the Saudi shareholders.

Income tax charge for the period has been calculated based on adjusted net income of the Company attributable to non-Saudi shareholders at the rate of 20% per annum.

The Company has filed its zakat and income tax returns for the years from 2008 up to 2024 and have received final assessment up to 2024.

13. DEFERRED TAX

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period/year	**1,857**	**1,605**
Movement during the period/year	316	252
Balance at the end of the period/year	**2,173**	**1,857**

14. TAWARRUQ FINANCING FACILITIES

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Principal amounts outstanding	3,203,860	2,897,005
Accrued Tawarruq financing charges	9,647	7,411
Total	**3,213,507**	**2,904,416**

All facilities are secured by promissory notes and assignment of contracts and proceeds from investments in finance lease, these facilities bear finance charges at profit margin plus market variable rates. Facility repayment schedule is based on equal semi-annual or quarterly payment except for SRC that would be paid fully at the end of the facility period.

15. EMPLOYEE BENEFIT OBLIGATIONS

The Company operates an end of service benefit plan for its staff based on prevailing Saudi Labor Laws. The movements in the present value of defined benefit obligation is as follows:

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Defined benefit obligations at the beginning of the period/year	**14,502**	**11,866**
Current service cost	1,380	1,692
Interest cost on defined benefit obligations	564	623
Benefits paid to outgoing employees	(280)	(472)
Actuarial loss on defined benefit obligations	356	793
Defined benefit obligation at the end of the period/year	**16,522**	**14,502**

16. SHARE CAPITAL

The authorised, issued and fully paid share capital of the Company consists of 100 million shares of SR 10 each.

The shareholding structure as at 30 September 2026 and 31 December 2025 is as follows:

Shareholder	Number of Shares (thousands)	Share Capital (SAR thousands)
Arab National Bank (ANB)	29,400	294,000
Dar Al Arkan Real Estate Development Company	10,500	105,000
Youssef bin Abdullah Al Shalash	5,600	56,000
Public and others (listed on Tadawul)	54,500	545,000
Total	**100,000**	**1,000,000**

Public and others include shareholders and founding shareholders holding less than 5% of shares.

17. DIVIDENDS

On 20 April 2026, the Board of Directors recommended a cash dividend distribution of SR 50 million. On 22 June 2026, the general assembly approved the distribution of SR 50 million which was distributed on 2 July 2026.

18. SELLING AND MARKETING EXPENSES

	For the three-month period ended 30 September (unaudited)		For the nine-month period ended 30 September (unaudited)	
	2026	2025	2026	2025
Sales & title commission	2,700	1,618	6,717	3,689
Marketing expenses	12	146	391	493
Others	1,041	128	1,672	387
Total	**3,753**	**1,892**	**8,780**	**4,569**

19. GENERAL AND ADMINISTRATIVE EXPENSES

	For the three-month period ended 30 September (unaudited)		For the nine-month period ended 30 September (unaudited)	
	2026	2025	2026	2025
Employees' salaries and other benefits	19,183	15,669	54,999	46,394
Board of directors' remuneration	1,063	1,188	3,313	3,563
Consultation fees	1,705	2,037	4,848	5,587
Depreciation and amortisation	1,000	1,030	3,005	3,163
Software support charges	2,622	1,109	7,765	2,860
Collection commission	825	817	2,407	2,434
VAT expense	2,226	1,578	5,050	3,451
Telecommunication expenses	440	375	1,210	1,125
Auditors' remuneration	280	262	840	853
Repairs and maintenance	50	103	274	205
Others	3,825	1,696	11,107	3,632
Total	**33,219**	**25,864**	**94,818**	**73,267**

20. ALLOWANCE FOR IMPAIRMENT LOSSES

Below is the break-up of the charge / (reversal) of allowance for expected credit losses recognized during the period:

	For the three-month period ended 30 September (unaudited)		For the nine-month period ended 30 September (unaudited)	
	2026	2025	2026	2025
Charge of allowance — investments in finance lease (Note 8)	3,619	6,474	2,083	10,019
Charge — Murabaha receivables (Note 9)	3,188	1,876	12,851	1,346
Reversal — insurance claims receivable, deceased cases (Note 7)	(547)	(582)	(1,802)	(1,016)
Impairment loss on other real estate, net	123	1,240	379	2,706
Total	**6,383**	**9,008**	**13,511**	**13,055**

21. EARNINGS PER SHARE

Basic and diluted earnings per share are computed by dividing net income after zakat and income tax for the period by the weighted average number of shares outstanding during the period. The calculation of diluted earnings per share is not applicable to the Company.

	For the three-month period ended 30 September (unaudited)		For the nine-month period ended 30 September (unaudited)	
	2026	2025	2026	2025
Net income for the period (SAR thousands)	11,575	8,261	46,926	34,275
Weighted average number of ordinary shares (thousands)	100,000	100,000	100,000	100,000
Basic and diluted earnings per share (SAR per share)	**0.12**	0.08	**0.47**	0.34

22. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company maximizes the use of observable inputs and minimizes the use of unobservable inputs when estimating fair values.

Financial instruments comprise primarily: cash and cash equivalents, amounts due from related parties, other receivables, investment held at FVOCI, investments in finance leases, Murabaha receivables, Tawarruq financing facilities, accounts payable and lease liabilities.

All financial assets and financial liabilities are measured at amortized cost except for derivative financial instrument which was classified as FVTPL. Investment classified as held at FVOCI is measured at cost as measurement of fair value would entail undue cost and efforts and any changes are not expected to be material to the condensed interim financial statements.

Tawarruq financing facilities bear floating rates of profit based on market variable rates; accordingly, there is no significant difference between their carrying values and fair values.

The fair values of the financial instruments are not materially different from their carrying amounts except for the finance lease receivables and Murabaha receivables measured at amortized cost.

Fair Value Hierarchy

The Company applies the following hierarchy for determining and disclosing fair values:

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

Level 2 — Inputs other than quoted prices included in level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3 — Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments. For assets and liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. During the period there were no transfers between the hierarchy levels.

There were no changes in the Company's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

23. PURCHASE AND AGENCY AGREEMENTS

The Company entered into Portfolio Purchase Agreements and Servicing Agreements (collectively the "Agreements") with Saudi Real Estate Refinance Company ("SRC"). Under these Agreements, the Company sells eligible investments in finance lease receivables to SRC and subsequently manages them on behalf of SRC as an agent for a monthly fee pursuant to the Servicing Agreements. Upon sale, the Company derecognizes the relevant receivables and recognizes any resulting gain or loss on derecognition. During 2025, the Company sold SR 61.62 million of its outstanding principal balances to SRC.

In 2014, the Company entered into Leased Assets Sale Agreements and Service Agreements with Arab National Bank ("ANB"), a shareholder, under which eligible lease agreements with all associated rights and obligations were sold to ANB. The Company's rights to the related cash flows have expired and transferred to ANB. The Company continues to service these contracts on behalf of ANB as an agent for a monthly fee, primarily relating to arranging insurance coverage for the full term of the sold agreements for no less than the outstanding principal balance.

The Company recognized servicing fee income, net of insurance charges of SR 2.24 million during the nine-month period ended 30 September 2026 (30 September 2025: SR 2.62 million).

24. COMMITMENTS AND CONTINGENCIES

The Company is, from time to time, a defendant in lawsuits relating to leased properties and receivables. Some of these suits make no specific claim for monetary relief. Although the final determination of any liability and resulting financial impact cannot be ascertained with certainty, management does not believe that any ultimate uninsured liability arising from matters in which the Company is currently involved will, individually or in the aggregate, have a material adverse effect on its financial position, liquidity, or results of operations.

The Company is also a plaintiff in a number of lawsuits primarily relating to eviction from properties and maintenance claims. Any expected recovery, which represents a contingent asset, has not been recognized in these financial statements.

During the period, management assessed the White Land Regulations in consultation with its in-house legal adviser. Based on current facts and circumstances, management believes that no provision is required in relation to the White Land Regulations.

25. IMPACT OF GEO-POLITICAL SITUATION ON EXPECTED CREDIT LOSSES (“ECL”)

The geopolitical situation in the Middle East has remained highly volatile since 28 February 2026 and has impacted several countries in the Middle East including Kingdom of Saudi Arabia, causing disruption to some business and economic activities.

The prevailing geopolitical situation, has brought about additional uncertainties in the economic environment which require the Company to review certain inputs and assumptions used for the determination of expected credit losses (“ECL”).

The impact of such uncertain economic environment is judgmental, and the Company will continue to reassess its position and the related impact on a regular basis as more reliable data becomes available and accordingly determine if any adjustment in the ECL is required in subsequent reporting periods.

26. ASSESSMENT OF IFRS 18

Basis of preparation and transition

The Company has not early adopted IFRS 18, and these interim condensed financial statements continue to be prepared in accordance with the presentation requirements of IAS 1 "Presentation of Financial Statements". Upon its effective date, IFRS 18 will be applied retrospectively, with restatement of comparative information.

Expected impact

IFRS 18 does not change the recognition or measurement requirements for items in the financial statements; accordingly, its adoption is not expected to impact the Company's net income or total equity. The principal impact is expected to relate to the presentation, aggregation, disaggregation and disclosure of information in the financial statements, including the structure of the statement of income and the disclosure of management-defined performance measures.

Status of the assessment

The Company has initiated an assessment of the expected impact of the initial application of IFRS 18 on financial statement presentation, disclosures and systems, and this assessment is in progress. Based on the initial assessment performed to date, the Company expects that providing financing to customers, through its Islamic finance receivable portfolio which will constitute as main

26. ASSESSMENT OF IFRS 18 (CONTINUED)

business activity defined in IFRS 18 and, accordingly, that the majority of its income and expenses, including finance income and financing charges (on tawarruq finance facilities), will be presented within the operating category. The Company will update its disclosure of the expected impact as implementation activities progress.

Consequential Amendments

IFRS 18 introduces consequential amendments to other IFRS, including IAS 7 Statement of Cash Flows, IAS 33 Earnings per Share and IAS 34 Interim Financial Reporting. The Company is currently assessing the impact of these amendments, including potential changes to the presentation of operating cash flows and the classification of interest, dividends and other cash flow items. The Company is also evaluating requirements relating to comparative information and retrospective application upon adoption of IFRS 18. The Company's assessment remains ongoing and further refinements to the expected impact may arise as implementation activities progress, industry practice evolves and additional guidance from regulators and standard setters become available.

27. BOARD OF DIRECTORS' APPROVAL

These condensed interim financial statements were approved by the Board of Directors on 14/05/1448H (corresponding to 25/10/2026G).