MORABAHA MARINA FINANCING COMPANY
AND ITS SUBSIDIARY
(A Saudi Joint Stock Company)
Condensed Interim Consolidated Financial Statements

For the three-month and six-month
periods ended 30 June 2026 (Unaudited)

MORABAHA MARINA FINANCING COMPANY AND ITS SUBSIDIARY
(A SAUDI JOINT STOCK COMPANY)
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026 (UNAUDITED)

Report on review of the condensed interim consolidated financial statements

To the shareholders of Morabaha Marina Financing Company (A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying condensed interim consolidated statement of financial position of Morabaha Marina Financing Company (the "Company") and its subsidiary (collectively referred to as the "Group") as of 30 June 2026 and the related condensed interim consolidated statements of comprehensive income for the three-month and six-month periods then ended and the related condensed interim consolidated statement of changes in shareholders' equity and cash flows for the six-month period then ended and other explanatory notes (collectively referred to as "the condensed interim consolidated financial statements"). Management is responsible for the preparation and presentation of these condensed interim consolidated financial statements in accordance with International Accounting Standard 34 – "Interim Financial Reporting" (IAS 34), as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements 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", as 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, as endorsed in 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 condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

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Sahar Hashem
License Number 439

28 July 2026

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MORABAHA MARINA FINANCING COMPANY AND ITS SUBSIDIARY
(A Saudi Joint Stock Company)
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Unaudited)
(Amounts in Saudi Riyals unless otherwise stated)

	Note	30 June 2026 (Unaudited)	31 December 2025 (Audited)
ASSETS			
Cash and cash equivalents	5	**235,965,630**	146,962,036
Restricted cash deposits		**16,000,000**	16,000,000
Fair value of derivatives		**1,485**	31,457
Islamic financing receivables, net	9	**1,005,581,556**	1,191,940,694
Investment at fair value through other comprehensive income (OCI)		**892,850**	892,850
Prepayments and other assets	10	**16,762,360**	14,385,970
Property and equipment		**3,880,275**	4,661,434
Right-of-use assets	11	**5,347,537**	12,852,426
Intangible assets		**48,548,647**	52,776,224
TOTAL ASSETS		**1,332,980,340**	1,440,503,091
LIABILITIES AND EQUITY			
LIABILITIES			
Accounts payable, accruals and others	12	**42,660,953**	31,858,970
Provision for zakat	13	**264,321**	285,763
Borrowings	14	**471,606,894**	551,391,739
Lease liabilities	11	**5,454,760**	15,454,932
Employees' defined benefit liabilities		**6,154,041**	6,796,836
TOTAL LIABILITIES		**526,140,969**	605,788,240
EQUITY			
Share capital	15	**714,285,720**	714,285,720
Share premium		**63,027,745**	63,027,745
Statutory reserve		**28,787,628**	28,787,628
Treasury shares	15	**(16,062,300)**	(16,062,300)
Retained earnings		**12,925,139**	39,309,713
Equity attributable to equity holders of Parent		**802,963,932**	829,348,506
Non-controlling interests		**3,875,439**	5,366,345
TOTAL EQUITY		**806,839,371**	834,714,851
TOTAL LIABILITIES AND EQUITY		**1,332,980,340**	1,440,503,091

The accompanying notes 1 to 26 form an integral part of these condensed interim consolidated financial statements.

Yousef A. Alyousef Chief Financial Officer	Yousef A. Alyousef Chief Executive Officer (Acting)	Salman Mohammed Al Asmari Chairman of the Board of Directors

MORABAHA MARINA FINANCING COMPANY AND ITS SUBSIDIARY
(A Saudi Joint Stock Company)
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Unaudited)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026
(Amounts in Saudi Riyals unless otherwise stated)

	Note	For the three-month period ended 30 June		For the six-month period ended 30 June	
		2026 (Unaudited)	**2025 (Unaudited) (restated – note 22)**	**2026 (Unaudited)**	**2025 (Unaudited) (restated – note 22)**
Special commission income	6	**38,534,427**	52,975,079	**85,226,862**	105,142,775
Special commission expense	14(d)	**(10,750,023)**	(9,914,303)	**(21,881,151)**	(21,861,906)
NET SPECIAL COMMISSION INCOME		27,784,404	43,060,776	63,345,711	83,280,869
Other income, net	7	**2,329,946**	1,560,285	**6,994,729**	4,531,899
TOTAL OPERATING INCOME		**30,114,350**	44,621,061	**70,340,440**	87,812,768
General and administration expenses	8	**(24,963,883)**	(27,383,264)	**(46,190,902)**	(54,635,779)
Impairment losses on Islamic financing receivables, net	9	**(29,436,346)**	(20,222,112)	**(51,862,203)**	(33,371,075)
TOTAL OPERATING EXPENSES		**(54,400,229)**	(47,605,376)	**(98,053,105)**	(88,006,854)
Income from short-term deposits		**302,084**	781,683	**558,899**	1,288,955
(LOSS) / INCOME BEFORE ZAKAT		**(23,983,795)**	(2,202,632)	**(27,153,766)**	1,094,869
Zakat	13	**(272,512)**	(691,762)	**(721,714)**	(1,310,959)
NET LOSS FOR THE PERIOD		**(24,256,307)**	(2,894,394)	**(27,875,480)**	(216,090)
OTHER COMPREHENSIVE INCOME		**-**	196,958	**-**	196,958
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		**(24,256,307)**	(2,697,436)	**(27,875,480)**	(19,132)
Net loss for the period attributable to:					
Equity holders of the Parent		**(22,874,600)**	(1,243,840)	**(26,384,574)**	2,975,926
Non-controlling interest		**(1,381,707)**	(1,650,554)	**(1,490,906)**	(3,192,016)
		(24,256,307)	(2,894,394)	**(27,875,480)**	(216,090)
Total comprehensive loss for the period attributable to:					
Equity holders of the Parent		**(22,874,600)**	(1,046,882)	**(26,384,574)**	3,172,884
Non-controlling interest		**(1,381,707)**	(1,650,554)	**(1,490,906)**	(3,192,016)
		(24,256,307)	(2,697,436)	**(27,875,480)**	(19,132)
Basic and diluted earnings per share					
(Loss) / earnings per share from net (loss) / income attributable to equity holders of the Parent	23	**(0.33)**	(0.02)	**(0.38)**	0.04

The accompanying notes 1 to 26 form an integral part of these condensed interim consolidated financial statements.

Yousef A. Alyousef Chief Financial Officer	Yousef A. Alyousef Chief Executive Officer (Acting)	Salman Mohammed Al Asmari Chairman of the Board of Directors

MORABAHA MARINA FINANCING COMPANY AND ITS SUBSIDIARY
(A Saudi Joint Stock Company)
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Unaudited)
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (Unaudited)
(Amounts in Saudi Riyals unless otherwise stated)

	Attributable to equity holders of the parent							
	Share capital	**Share premium**	**Statutory reserve**	**Treasury shares**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
For the six-month period ended30 June 2026								
Balance as at 31 December 2025 (Audited)	**714,285,720**	**63,027,745**	**28,787,628**	**(16,062,300)**	**39,309,713**	**829,348,506**	**5,366,345**	**834,714,851**
Net loss for the period	**-**	**-**	**-**	**-**	**(26,384,574)**	**(26,384,574)**	**(1,490,906)**	**(27,875,480)**
Total comprehensive loss for the period	**-**	**-**	**-**	**-**	**(26,384,574)**	**(26,384,574)**	**(1,490,906)**	**(27,875,480)**
Balance as at 30 June 2026 (Unaudited)	**714,285,720**	**63,027,745**	**28,787,628**	**(16,062,300)**	**12,925,139**	**802,963,932**	**3,875,439**	**806,839,371**
For the six-month period ended 30 June 2025								
Balance as at 31 December 2024 (Audited)	714,285,720	63,027,745	28,787,628	(16,062,300)	40,474,076	830,512,869	4,799,292	835,312,161
Net income / (loss) for the period	-	-	-	-	2,975,926	2,975,926	(3,192,016)	(216,090)
Other comprehensive income for the period	-	-	-	-	196,958	196,958	-	196,958
Total comprehensive income / (loss) for the period	-	-	-	-	3,172,884	3,172,884	(3,192,016)	(19,132)
Increase in share capital of subsidiary	-	-	-	-	-	-	6,600,000	6,600,000
Balance as at 30 June 2025 (Unaudited)	714,285,720	63,027,745	28,787,628	(16,062,300)	43,646,960	833,685,753	8,207,276	841,893,029

The accompanying notes 1 to 26 form an integral part of these condensed interim consolidated financial statements.

Yousef A. Alyousef
Chief Financial Officer

Yousef A. Alyousef
Chief Executive Officer (Acting)

Salman Mohammed Al Asmari
Chairman of the Board of Directors

MORABAHA MARINA FINANCING COMPANY AND ITS SUBSIDIARY
(A Saudi Joint Stock Company)
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (Unaudited)
(Amounts in Saudi Riyals unless otherwise stated)

	Notes	30 June 2026 (Unaudited)	30 June 2025 (Unaudited) (restated – note 22)
Cash flow from operating activities			
Net (loss) / income for the period before Zakat		**(27,153,766)**	1,094,869
Adjustments for:			
Impairment losses on Islamic financing receivables	9	**76,304,309**	47,578,964
Depreciation of property and equipment	8	**802,797**	1,043,861
Depreciation of right-of-use assets	8	**1,304,356**	2,284,619
Amortisation of intangible assets	8	**5,099,002**	2,232,587
Finance charge on lease	11	**245,951**	416,907
Finance cost		**21,635,200**	21,444,999
Income from short-term deposits		**(558,899)**	(1,288,955)
Provision for employees' terminal benefits		**7,874**	1,804,853
Gain on disposal of right-of-use asset		**(2,743,195)**	-
Unrealised loss on fair value of derivatives	7	**29,972**	376,583
Operating cash flows before working capital changes		**74,973,601**	76,989,287
Working capital adjustments:			
Islamic financing receivables		**110,054,829**	(143,760,312)
Prepayments and other assets		**(2,376,390)**	(3,936,766)
Accounts payable, accruals and others		**14,546,445**	5,244,516
Net cash used in operations		**197,198,485**	(65,463,275)
Employees' terminal benefits paid		**(650,669)**	(722,811)
Zakat paid	13	**(743,156)**	(7,695,952)
Income from short-term deposits received		**558,899**	1,114,153
Finance cost paid		**(22,165,313)**	(22,259,183)
Net cash generated from / (used in) operating activities		**174,198,246**	(95,027,068)
Cash flow from investing activities			
Addition to property and equipment		**(21,638)**	(709,985)
Addition to intangible assets		**(871,425)**	(2,902,144)
Net cash used in investing activities		**(893,063)**	(3,612,129)
Cash flow from financing activities			
Proceeds from borrowings		**40,000,000**	350,318,153
Repayment of borrowings		**(122,999,194)**	(221,420,724)
Repayment of principal portion of lease liabilities paid	11	**(1,302,395)**	(310,899)
Increase in share capital of subsidiary related to non-controlling interests		**-**	6,600,000
Net cash generated from financing activities		**(84,301,589)**	135,186,530

The accompanying notes 1 to 26 form an integral part of these condensed interim consolidated financial statements.

Yousef A. Alyousef Chief Financial Officer	Yousef A. Alyousef Chief Executive Officer (Acting)	Salman Mohammed Al Asmari Chairman of the Board of Directors

(Amounts in Saudi Riyals unless otherwise stated)

	30 June 2026 (Unaudited)	30 June 2025 (Unaudited) (restated – note 22)
Net increase in cash and cash equivalents during the period	**89,003,594**	36,547,333
Cash and cash equivalents at the beginning of the period	**146,962,036**	109,882,697
Cash and cash equivalents at the end of the period	**235,965,630**	146,430,030
Additional information on operation cash flows		
Special commission income received	**81,814,550**	100,295,018
Significant non-cash transactions:		
Disposal of right of use asset	**6,200,533**	5,669,941

The accompanying notes 1 to 26 form an integral part of these condensed interim consolidated financial statements.

Yousef A. Alyousef Chief Financial Officer	Yousef A. Alyousef Chief Executive Officer (Acting)	Salman Mohammed Al Asmari Chairman of the Board of Directors

(Amounts in Saudi Riyals unless otherwise stated)

1 General

Morabaha Marina Financing Company (the "Company") is a Saudi Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia and operates under commercial registration numbered 1010337706 dated 14 Jumad Al Thani 1433H (corresponding to 5 May 2012) through its 14 branches (31 December 2025: 14 branches and 30 June 2025: 14 branches). The Company's head office is located in Riyadh and its registered address is as follows:

Morabaha Marina Financing Company Head Office
Northern Ring Branch Street
Al Nakheel District
P.O. Box: 8055
Riyadh 12385, Kingdom of Saudi Arabia

The Company has the following branches:

Branch Commercial Registration Number	Branch location	Date
3450015199	Arar	8 Jumada II 1437H
1010337706	Riyadh Main	14 Jumada II 1433H
1010351999	Riyadh	16 Dhul-Qadah 1433H
1010453589	Riyadh	2 Dhul-Qadah 1439H
1116010899	Dawadmi	19 Jumada II 1436H
2050125719	Dammam	8 Ramdan 1440H
3400019877	Skaka	20 Sahwwal 1437H
3452010771	Qurayyat	27 Sha'aban 1438H
4030288370	Jeddah	8 Jumada II 1437H
5900034225	Jizan	8 Jumada II 1437H
3350149330	Hail	8 Muharram 1442H
5950028443	Najran	25 Muharram 1435H
5855359542	Khamis mushait	27 Sha'aban 1443H
4032258441	Taif	27 Sha'aban 1443H

The objective of the Company is financing facilities to medium and small enterprises and consumer finance in accordance with The Saudi Central Bank ("SAMA") approval number 22/201410 dated 19 Dhul Qadah 1435H (corresponding to 13 September 2014).

On 20 August 2019, the shareholders of the Company decided to go for an Initial Public Offering (IPO). On 26 December 2022, the Capital Market Authority's (CMA) Board has issued its resolution approving the Company's application for the registration and offering of 21,428,572 shares representing 30% of Company's share capital post listing in Saudi Stock Exchange (Tadawul).

On 1 May 2023, the Company announced its intention to proceed with the initial public offering and listing of its ordinary shares by way of issuance of 21,428,572 new shares.

On 14 May 2023, the Company announced commencement of retail subscription period from 28 May 2023 to 29 May 2023 and institutional investors subscription period from 14 May 2023 to 18 May 2023 at an offer price of SR 14.6 per share. Allotment of shares to new shareholders completed on 5 June 2023 and the Company's ordinary shares trading was commenced in Saudi Stock Exchange (Tadawul) on 21 June 2023.

These condensed interim consolidated financial statements include the financial statements of the Company and the financial statements of Digital Payments Company for Financial Technology, an 80% owned subsidiary (collectively with the Company referred to as the "Group"). Digital Payments Company for Financial Technology is a limited liability company registered in the Kingdom of Saudi Arabia under Commercial Registration No. 1010949680 issued on 28 Sha'ban 1439H (corresponding to 14 May 2018). The company is engaged in building the technology of payments getaway (aggregation model), capable of satisfying the rapidly growing electronic commerce payments (Bayan) and providing electronic wallet services (Bayan wallet) in the Kingdom of Saudi Arabia.

Name of subsidiary	Country of incorporation	Proportion of ownership	Functional Currency
Digital Payments for Financial Technology Company	Kingdom of Saudi Arabia	80%	Saudi Riyal

2 Basis of preparation

2.1 Statement of compliance

These condensed interim consolidated financial statements of the Group as at and for the three-month and six-month periods ended 30 June 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 endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

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

An interim period is considered an integral part of the whole fiscal year, however, the results of operations for the interim periods may not be a fair indication of the results of the full year operations.

These condensed interim consolidated financial statements have been presented in Saudi Riyals ("SR"), as it is the functional currency of the Group.

The Group presents its statement of financial position in order of liquidity based on the Group's intention and perceived ability to recover/settle the majority of assets/liabilities of the corresponding financial statement line item.

3 Material accounting policies.

3.1 New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2026 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The amendments had no impact on the Group's consolidated financial statements.

Standard, interpretation, amendments	Description	Effective from periods beginning on or after
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	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. The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognised and derecognised and to provide an exception for certain financial liabilities settled using an electronic payment system.	1 January 2026

(Amounts in Saudi Riyals unless otherwise stated)

3 Impact of changes in accounting policies due to adoption of new standards (continued)

3.2 Accounting standards issued but not yet effective

The following accounting standards, amendments, which will become effective from periods on or after 1 January 2027. The Group has opted not to early adopt these pronouncements and, except for IFRS 18, they are not likely to have a significant impact on the Group's condensed interim consolidated financial statements.

Standard, interpretation, amendments	**Description**	**Effective from periods beginning on or after**
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.	January 2027
IFRS 19, Subsidiaries without Public Accountability: Disclosures	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.	1 January 2027
IFRS S1, 'General requirements for disclosure of sustainability-related financial information	This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.	Not yet endorsed by SOCPA
IFRS S2, 'Climate-related disclosures'	This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.	Not yet endorsed by SOCPA
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognised in full.	Effective date deferred indefinitely

IFRS 18 – Presentation and Disclosure in Financial Statements

IFRS 18 '*Presentation and Disclosure in Financial Statements', as endorsed in Kingdom of Saudi Arabia (IFRS 18)* will replace IAS 1 '*Presentation of Financial Statements'' as endorsed in the Kingdom of Saudi Arabia,* for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted. The Group has not early adopted IFRS 18 in preparing this condensed interim consolidated financial statements.

The Group is currently assessing the estimated impact that the initial application of IFRS 18 will have on its consolidated financial statements. Based on the assessment performed to date, the expected impacts pertain to the presentation, aggregation, disaggregation and disclosure of information within the consolidated financial statements.

3 Impact of changes in accounting policies due to adoption of new standards (continued)

3.2 Accounting standards issued but not yet effective (continued)

Presentation of Statement of Comprehensive Income

IFRS 18 requires entities to classify income and expenses into specified categories within the statement of comprehensive income, namely operating, investing, financing, income taxes and discontinued operations. It also introduces mandatory subtotal including *Operating Profit* and *Profit for the year*.

Neither total profit for the period nor total equity is expected to change as a result of adopting IFRS 18. However, the Group expects changes to the presentation and classification of certain income and expense items within the statement of income, including the introduction of IFRS-defined subtotals.

Based on its preliminary assessment, the Group has concluded that providing Islamic financing to customers is considered as the main activities constitute specified main business activities for the purposes of IFRS 18. Based on this, the Group expects the following impacts on the condensed interim consolidated financial statements:

- Financing income arising from Islamic financing customer assets supporting the Group's specified main business activities is expected to be presented within the operating category.

- Funding costs relating to borrowings and other financing liabilities that support the Group's specified main business activities are expected to be presented within the operating category.

Certain expenses arising from liabilities or other obligations that are not directly linked to the Group's specified main business activities, i-e. interest charge on lease liabilities and the interest cost of employee benefit obligations are currently being assessed and would be presented within the financing category in accordance with IFRS 18.

In addition, IFRS 18 may require changes to certain line-item descriptions, subtotals and disclosures currently presented in the statement of comprehensive income. The assessment remains subject to completion of the Group's implementation activities and any future interpretative or regulatory developments.

Management-defined Performance Measures

IFRS 18 introduces new disclosure requirements for Management-defined Performance Measures ("MPMs"), which are subtotals of income and expenses used in public communications to communicate management's view of an aspect of the Group's financial performance. Such measures will be required to be disclosed within a single note to the financial statements together with explanations of their purpose and reconciliations to the most directly comparable IFRS-defined totals or subtotals.

The Group is assessing whether measures communicated externally, net operating income before impairment provision or other performance metrics that meet the definition of Management-defined Performance Measures under IFRS 18 and may therefore require enhanced disclosures and reconciliations.

Principles of Aggregation and Disaggregation

IFRS 18 introduces enhanced requirements relating to the aggregation and disaggregation of information throughout the financial statements and accompanying notes. These requirements are intended to improve transparency by ensuring that material information is presented separately and dissimilar items are not obscured through aggregation. The Group is currently assessing whether additional disaggregation may be required for other assets, other liabilities, other operating income, other general and administrative expenses, other operating expenses. The Group also expects certain line-item descriptions currently used within the financial statements to be refined to enhance clarity and consistency with the objectives of IFRS 18.

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 Group is currently assessing the impact of these amendments, including potential changes to the presentation of operating cash flows and the classification of interest and other cash flow items. The Group is also evaluating requirements relating to comparative information and retrospective application upon adoption of IFRS 18. The Group'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.

(Amounts in Saudi Riyals unless otherwise stated)

4 Accounting policies, estimates and assumptions

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

5 Cash and cash equivalents

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Bank balances	**235,851,276**	144,842,939
Cash in hand	**114,354**	112,855
Short term deposits	**-**	2,006,242
	235,965,630	146,962,036

6 Special commission income

Special commission income comprises of income from the following financing products:

	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)	2026 (Unaudited)	2025 (Unaudited)
Tawarruq	**38,105,533**	52,000,934	**84,271,525**	102,840,509
Ijara	**342,992**	851,214	**438,699**	2,133,837
Others	**85,902**	122,931	**516,638**	168,429
	38,534,427	52,975,079	**85,226,862**	105,142,775

All the special commission income are from financing products which are Shariah compliant.

7 Other income, net

	For the three -month period ended 30 June		For the six-month period ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)	2026 (Unaudited)	2025 (Unaudited)
Income from early settlement fees	**1,680,092**	1,354,695	**3,045,130**	3,600,575
Gain on termination of lease	**-**	-	**2,743,195**	-
Realised gain on fair value of derivatives	**-**	155,384	**22,507**	485,110
Gain on sale of repossessed asset held for sale	**-**	-	**15,000**	702,119
Unrealised loss on fair value of derivatives	**(7,178)**	(56,402)	**(29,973)**	(376,583)
Others	**657,032**	106,608	**1,198,780**	120,678
	2,329,946	1,560,285	**6,994,729**	4,531,899

(Amounts in Saudi Riyals unless otherwise stated)

8 General and administration expenses

	For the three -month period ended 30 June		For the six-month period ended 30 June	
	2026 (Unaudited)	**2025 (Unaudited)**	**2026 (Unaudited)**	**2025 (Unaudited)**
Salaries and employee related costs	**12,202,646**	14,529,897	**24,919,165**	29,106,065
Depreciation and amortisation	**4,953,994**	2,873,811	**7,206,155**	5,561,067
Professional fee	**1,732,217**	2,570,043	**3,860,824**	4,845,117
Subscriptions	**2,196,133**	1,717,627	**3,149,438**	2,984,399
Board of directors' remuneration, net of reversal (note 16)	**35,000**	24,000	**77,000**	135,000
Information technology expenses	**521,544**	306,791	**1,088,397**	904,162
Non-claimable VAT	**494,211**	985,445	**1,685,290**	2,911,912
Government related expenses	**272,019**	112,190	**371,836**	327,989
Repair and maintenance	**65,216**	-	**111,995**	253,809
Utilities expense	**828,026**	1,061,315	**1,470,555**	2,252,268
Others	**1,662,877**	3,202,145	**2,250,247**	5,488,991
	24,963,883	27,383,264	**46,190,902**	54,635,779

(Amounts in Saudi Riyals unless otherwise stated)

9 Islamic financing receivables, net

	Tawarruq receivables		**Ijara receivables**		**Total**	
	As at 30 June 2026 (Unaudited)	**As at 31 December 2025 (Audited)**	**As at 30 June 2026 (Unaudited)**	**As at 31 December 2025 (Audited)**	**As at 30 June 2026 (Unaudited)**	**As at 31 December 2025 (Audited)**
Gross Islamic financing receivables	**1,462,922,040**	1,710,362,525	**12,261,448**	22,108,100	**1,475,183,488**	1,732,470,625
Less: Unrealised profit	**(423,174,534)**	(493,511,032)	**(2,690,918)**	(4,538,728)	**(425,865,452)**	(498,049,760)
	1,039,747,506	1,216,851,493	**9,570,531**	17,569,372	**1,049,318,037**	1,234,420,865
Less: Allowance for impairment losses	**(37,871,870)**	(36,148,669)	**(5,864,611)**	(6,331,502)	**(43,736,481)**	(42,480,171)
Islamic financing receivables, net	**1,001,875,636**	1,180,702,824	**3,705,920**	11,237,870	**1,005,581,556**	1,191,940,694

All the financing facilities provided by the Group are Shariah compliant, accordingly they are unconventional in nature.

Analysis of risk concentration in gross carrying amounts and corresponding ECL in the loans portfolio by type is presented below:

As at 30 June 2026 (Unaudited)

	Gross Carrying Amount				**Allowance for ECL**				**ECL Coverage %**			
	Stage 1	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Tawarruq	**407,719,764**	**247,029,352**	**384,947,414**	**1,039,696,530**	**1,601,181**	**6,129,764**	**30,140,925**	**37,871,870**	**0.4%**	**2.5%**	**7.8%**	**3.6%**
Ijara	**465,074**	**1,309,553**	**7,846,879**	**9,621,506**	**14,686**	**169,662**	**5,680,263**	**5,864,611**	**3.2%**	**13%**	**72.4%**	**61.1%**
Total	**408,184,838**	**248,338,905**	**392,794,293**	**1,049,318,036**	**1,615,867**	**6,299,426**	**35,821,188**	**43,736,481**	**0.4%**	**2.4%**	**9.1%**	**4.1%**

As at 31 December 2025 (audited)

	Gross carrying amount				Allowance for ECL				ECL Coverage %			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Tawarruq	603,739,181	320,547,058	292,565,253	1,216,851,492	1,512,901	11,562,845	23,072,924	36,148,670	0.3%	3.6%	7.8%	3.0%
Ijara	2,424,267	3,350,956	11,794,150	17,569,373	26,779	451,292	5,853,430	6,331,501	1.1%	13.5%	49.6%	36.0%
Total	606,163,448	323,898,014	304,359,403	1,234,420,865	1,539,680	12,014,137	28,926,354	42,480,171	0.3%	3.7%	9.4%	3.4%

(Amounts in Saudi Riyals unless otherwise stated)

9 Islamic financing receivables, net (continued)

Management classifies Islamic financing receivables that are either not yet due or past due but less than 30 days as "performing" and days more than 30 days and less than 90 days that are "under performing", while all receivables that are past due for more than 90 days are classified as "non-performing". Below is the breakdown of performing, under performing and non-performing Islamic financing receivables before ECL:

	As at 30 June 2026 (Unaudited)	**As at 31 December 2025 (Audited)**
Performing	**561,568,104**	691,949,036
Under performing	**158,287,127**	280,055,332
Non-performing	**329,462,805**	262,416,497
	1,049,318,036	1,234,420,865

	As at 30 June 2026 (Unaudited)	**As at 31 December 2025 (Audited)**
Current	**365,950,850**	450,458,079
Non-current	**683,367,186**	783,962,786
	1,049,318,036	1,234,420,865

Movement in the allowance for impairment losses were as follows:

	For the six-month period ended 30 June 2026 (Unaudited)	**For the six-month period ended 30 June 2025 (Unaudited)**	**For the year ended 31 December 2025 (Audited)**
At beginning of the period / year	**42,480,171**	39,505,579	39,505,579
Charge for the period / year	**76,304,310**	47,578,965	112,432,092
Written-off during the period / year	**(75,048,000)**	(47,007,446)	(109,457,500)
At end of the period / year	**43,736,481**	40,077,098	42,480,171

The following table shows reconciliations from the opening to the closing balance of the impairment allowance for financings to customers at amortised cost.

30 June 2026 (Unaudited)	**Stage 1 12 months ECL**	**Stage 2 Lifetime ECL not credit impaired**	**Stage 3 Lifetime ECL credit impaired**	**Total**
Balance at 31 December 2025	**1,539,680**	**12,014,137**	**28,926,354**	**42,480,171**
Transfer from stage 1 to stage 2 & 3	**(11,871,829)**	**3,288,067**	**8,583,762**	**-**
Transfer from stage 2 to stage 1 & 3	**30,382**	**(11,248,619)**	**11,218,237**	**-**
Transfer from stage 3 to stage 1 & 2	**9,142**	**101,417**	**(110,559)**	**-**
New financial assets originated	**246,286**	**408,475**	**622,847**	**1,277,608**
Charge for the period	**11,662,205**	**1,735,950**	**61,628,547**	**75,026,702**
Write-offs	**-**	**-**	**(75,048,000)**	**(75,048,000)**
Balance as at 30 June 2026	**1,615,866**	**6,299,427**	**35,821,188**	**43,736,481**

31 December 2025 (Audited)	**Stage 1 12 months ECL**	**Stage 2 Lifetime ECL not credit impaired**	**Stage 3 Lifetime ECL credit impaired**	**Total**
Balance at 1 January 2025	3,658,810	5,079,321	30,767,448	39,505,579
Transfer from stage 1 to stage 2 & 3	(41,527)	34,336	7,191	-
Transfer from stage 2 to stage 1 & 3	4,229,994	(4,314,223)	84,229	-
Transfer from stage 3 to stage 1 & 2	8,512,902	3,177,813	(11,690,715)	-
New financial assets originated	920,469	6,506,717	7,771,483	15,198,670
Charge for the year	(15,740,968)	1,530,173	111,444,218	97,233,422
Write-offs	-	-	(109,457,500)	(109,457,500)
Balance as at 31 December 2025	1,539,680	12,014,137	28,926,354	42,480,171

(Amounts in Saudi Riyals unless otherwise stated)

9 Islamic financing receivables, net (continued)

The following table shows reconciliations from the opening to the closing balance of the gross outstanding for financings to customers at amortised cost.

30 June 2026 (Unaudited)	**Stage 1** **12 months ECL**	**Stage 2** **Lifetime ECL not credit impaired**	**Stage 3** **Lifetime ECL credit impaired**	**Total**
Balance at 1 January 2026	**867,100,395**	**444,496,947**	**420,873,283**	**1,732,470,625**
Transfer from stage 1 to stage 2 & 3	**(323,133,589)**	**213,194,444**	**109,939,145**	**-**
Transfer from stage 2 to stage 1 & 3	**19,359,135**	**(260,833,376)**	**241,474,241**	**-**
Transfer from stage 3 to stage 1 & 2	**5,950,003**	**10,761,865**	**(16,711,868)**	**-**
New financial assets originated	**56,627,456**	**22,243,537**	**7,141,953**	**86,012,946**
Net other movements	**(40,459,350)**	**(80,713,931)**	**(107,207,252)**	**(228,380,532)**
Write-offs	**-**	**-**	**(114,919,550)**	**(114,919,550)**
Balance as at 30 June 2026	**585,444,050**	**349,149,486**	**540,589,952**	**1,475,183,488**

31 December 2025 (Audited)	**Stage 1** **12 months ECL**	**Stage 2** **Lifetime ECL not credit impaired**	**Stage 3** **Lifetime ECL credit impaired**	**Total**
Balance at 1 January 2025	1,111,833,007	306,431,470	251,453,348	1,669,717,825
Transfer from stage 1 to stage 2 & 3	(219,194,455)	136,956,890	82,237,565	-
Transfer from stage 2 to stage 1 & 3	9,447,921	(53,451,484)	44,003,563	-
Transfer from stage 3 to stage 1 & 2	2,181,793	4,675,938	(6,857,731)	-
New financial assets originated	504,506,972	192,738,019	152,376,437	849,621,428
Net other movements	(538,086,412)	(114,183,002)	(14,034,873)	(638,234,541)
Write-offs	(3,588,430)	(28,670,884)	(116,374,773)	(148,634,087)
Balance as at 31 December 2025	867,100,396	444,496,947	420,873,282	1,732,470,625

Assignment of Islamic financing receivables

The Group assigned Islamic financing receivables as a collateral amounting to SR 601.89 million (31 December 2025: SR 637.67 million) to local commercial banks for obtaining borrowings.

Impairment losses on Islamic financing receivables

	For the three-month period ended 30 June 2026 (Unaudited)	For the three-month period ended 30 June 2025 (Unaudited)	**For the six-month period ended 30 June 2026 (Unaudited)**	For the six-month period ended 30 June 2025 (Unaudited)
Provision for expected credit loss allowance (net of reversal)	**(43,997,531)**	(28,194,004)	**(76,304,309)**	(47,578,964)
Recoveries against receivables previously written off	**14,561,185**	7,971,892	**24,442,106**	14,207,889
Impairment losses on Islamic financing receivables, net	**(29,436,347)**	(20,222,112)	**(51,862,204)**	(33,371,075)

(Amounts in Saudi Riyals unless otherwise stated)

10 Prepayments and other assets

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Receivable from sale of repossessed asset	**4,966,803**	4,966,803
Prepaid expenses	**3,067,140**	1,304,630
Claim receivable	**2,991,821**	-
VAT Receivable	**3,501,587**	6,605,873
Advances to employees/suppliers	**618,229**	621,961
Accrued investment income	**168,941**	171,098
Other prepaid expenses	**1,447,839**	715,605
	16,762,360	14,385,970

11 Right of use assets and lease liabilities

The Group have lease contracts for various office spaces and data centre. These leases generally have lease terms between 2 and 5 years. Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period/year:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
At the beginning of the period/year	**12,852,426**	16,931,138
Disposal during the period	**(6,200,533)**	-
Depreciation expense	**(1,304,356)**	(4,078,712)
At the end of the period/year	**5,347,537**	12,852,426

Set out below are the carrying amounts of lease liabilities and the movements during the period / year:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
At the beginning of the period / year	**15,454,932**	16,001,721
Disposal during the period	**(8,943,728)**	-
Accretion of interest	**245,951**	617,642
Payments during the period / year	**(1,302,395)**	(1,164,431)
At the end of the period/year	**5,454,760**	15,454,932

12 Accounts payable, accruals and others

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Accounts payable	**20,477,612**	13,437,075
Legal fees	**4,916,463**	3,931,863
Bonus payable	**5,367,993**	3,537,993
Accrued expenses	**5,129,796**	3,310,051
Due to wallet holders	**3,380,441**	121,295
Payable to financial institution	**2,649,877**	2,773,266
Others	**738,771**	4,747,427
	42,660,953	31,858,970

Accounts payables are non-interest bearing and are normally settled on 60-day terms.

Legal fees were previously disclosed under accrued expenses.

(Amounts in Saudi Riyals unless otherwise stated)

13 Zakat

Charge for the period / year

The movement in the zakat provision for the period / year was as follows:

	For the six-month period ended 30 June 2026 (Unaudited)	For the six-month period ended 30 June 2025 (Unaudited)	For the year ended 31 December 2025 (Audited)
At beginning of the period / year	**285,763**	7,606,882	8,209,240
Charge for the period / year	**721,714**	1,310,959	1,659,809
Paid during the period / year	**(743,156)**	(7,695,952)	(9,583,286)
At end of the period / year	**264,321**	1,221,889	285,763

Status of assessments

Morabaha Marina Financing Company

The Group has filed its zakat returns with the Zakat, Tax and Customs Authority ("ZATCA") for all previous years up to 2025. The Company had obtained its final zakat assessments for all the years until 2025.

Digital Payments Company for Financial Technology

The Group has filed its zakat returns with ZATCA for all previous years up to 2025, which is yet to be reviewed by ZATCA.

14 Borrowings

The table below shows the details of the borrowings obtained by the Group:

		As at 30 June 2026 (Unaudited)	**As at 31 December 2025 (Audited)**
A	Bank borrowings	**468,392,545**	546,391,739
	Accrued special commission expense	**3,214,349**	
B	Borrowings from a governmental entity	**-**	5,000,000
		471,606,894	551,391,739
	Current portion	**388,983,896**	408,559,342
	Non-current portion	**82,622,998**	142,832,397
		471,606,894	551,391,739

a) The table below shows the details of the bank borrowings obtained by the Group:

	As at 30 June 2026 (Unaudited)	**As at 31 December 2025 (Audited)**
Islamic financing (Notes (i) and (ii) below)	**469,528,152**	548,228,354
Accrued special commission expense	**3,214,349**	-
Less: unamortised upfront charges	**(1,135,607)**	(1,836,615)
	471,606,894	546,391,739
Current portion	**388,983,896**	403,559,342
Non-current portion	**82,622,998**	142,832,397
	471,606,894	546,391,739

(Amounts in Saudi Riyals unless otherwise stated)

14 Borrowings (continued)

Islamic financing shown above includes:

i) The balance of thirteen (31 December 2025: seventeen) revolving Islamic facilities for a total amount of SR 426.91 million as of 30 June 2026. (31 December 2025: SR 495.12 million) at the rate of 2.0% to 3.5% + SIBOR. Each of these facilities is for an original term quarterly and renewable for additional periods of another quarter each at the lender's option up to a total of 4 years and carry special commission at floating commercial rates. The facilities are secured by assignment of receivables. The option to refinance or roll over the facilities is at the lender's discretion.

ii) The balance of three (31 December 2025: three) other Islamic facilities for a total amount of SR 41.48 million (31 December 2025: SR 51.27 million) as of 30 June 2026 obtained from commercial banks to finance the Islamic financing assets of the Group at a rate of interest from 2.0% to 3.5%. The facilities are secured by assignment of receivables and are repayable on a monthly and quarterly basis over 48 instalments.

iii) During the period 2026, included in the balances above, the Group obtained a new borrowing of SR 40.00 (31 December 2025: SR 384.82 million) from local banks, the loan carries commission average rate of 3.9% and is to be repayable by April 2030.

iv) All Facilities are secured by promissory notes and assignment of contracts which covering not less than 120% of each facility utilisation; these facilities bear finance charges at the interest margin plus market variable rages SIBOR. Facilities repayment schedule is based on equal monthly or quarterly payment. The Group is required to comply with the following financial covenants at the end of each annual and interim reporting period:

- Leverage ratio should not be greater than 3 times.
- Borrowings times to Equity ratio should not be greater than 3 times.

The group has complied with these covenants throughout the reporting period, as at 30 June 2026 the ratios are as follows:

- The Leverage ratio is 0.35 (2025: 0.41); and
- The Borrowings times to Equity ratio is 0.58 (2025: 0.76).

b) The Group is required to set aside profit-bearing margin deposits amounting to SR 16 million held with local bank against financing facilities obtained and the tenor of these deposits is in line with the maturity of the underlying financing facilities as at 30 June 2026 which is disclosed as restricted deposit in the condensed interim consolidated financial statements.

c) The below loans received by the Group from the Social Development Bank carries special commission at rates significantly lower than the currently prevailing market rates. These loans provided to the Group carry a number of conditions, one of which is that these loans are to be used for providing loans to specific types/sectors of customers at discounted rates. The benefit being the impact of the "lower than market value" or "interest free" loans obtained by the Group had been identified and accounted for as "government grant" and has initially been recorded as deferred income and classified within "accounts payables, accruals and others". Such benefit is being recognised in condensed interim consolidated statement of comprehensive income of the Group on a systematic basis as the expense, for which such grant is intended to compensate.

The table below shows the details of the loan balances obtained from the Saudi Development Bank:

	As at 30 June 2026 (Unaudited)	**As at 31 December 2025 (Audited)**
Current portion	-	5,000,000
Non-current portion	-	-
	-	5,000,000

(Amounts in Saudi Riyals unless otherwise stated)

14 Borrowings (continued)

d) The table below shows the details of the special commission expenses:

	For the three-month period ended 30 June 2026 (Unaudited)	For the three-month period ended 30 June 2025 (Unaudited)	For the six-month period ended 30 June 2026 (Unaudited)	For the six-month period ended 30 June 2025 (Unaudited)
Credit facilities special commission expenses	**8,450,537**	8,834,325	**17,388,830**	17,407,131
Special commission expenses – others	**1,974,125**	2,481,836	**3,791,313**	2,991,315
Credit facility administration charges	**325,361**	1,079,978	**701,008**	1,460,460
	10,750,023	9,914,303	**21,881,151**	21,861,906

Fair value of derivatives

The Group is engaged in commission rate swap agreements with local banks for Notional amount of SR 19.13 million (31 December 2025: SR 29.75 million). The change in fair value of those commission rates that are not designed in hedge relationships, but are, nevertheless, intended to reduce the level of commission rate risk. As at 30 June 2026, the fair value of the derivative instrument at FVTPL amounted to SR 0.007 million (31 December 2025: SR 0.032 million).

The fair value hierarchy for derivatives not designated as hedging instruments for disclosure purpose is in level 2, with significant inputs being directly or indirectly observable.

15 Share capital

The authorized, issued and fully paid share capital of the Group consists of 71,428,572 shares of SR 10 each (31 December 2025: 71,428,572 shares of SR 10 each). The capital of the Group excluding treasury shares consists of 69,822,342 shares of SR 10 each (31 December 2025: 69,822,342 shares of SR 10 each).

16 Related parties transactions and balances

The Group's shareholders, affiliates and key management personnel are considered as related parties of the Group. Key management personnel of the Group comprise of key members of the management having authority and responsibility for planning, directing and controlling the activities of the Group. In the ordinary course of business, the Group enters into transactions with the related parties, which are based on mutually agreed prices and contract terms approved by the Group's management. Related party balances arise in the normal course of business.

Following are the major related party transactions with key management personnel during the period:

		Amount of transactions	
		For the six-month period ended 30 June	
Related parties	**Nature of transactions**	**2026 (Unaudited)**	**2025 (Unaudited)**
Key management personnel	Compensation – salaries and other incentive	**2,133,663**	840,001
	Provision for employees' defined benefit liabilities	**30,623**	1,618,055
Board of Directors	Board of Directors remuneration, net of reversal	**77,000**	135,000

Below are the balances receivables from key management personnel as at period / year end, these are included within Islamic financing receivables presented in condensed interim consolidated statement of financial position.

Related parties	**Nature of transactions**	**As at 30 June 2026 (Unaudited)**	**As at 31 December 2025 (Audited)**
Key management personnel	Islamic financing receivables	**-**	116,647

(Amounts in Saudi Riyals unless otherwise stated)

17 Financial instruments and fair value

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash and cash equivalents, restricted cash deposits, derivatives, investment, Islamic financing receivables and other receivables. Financial liabilities consist of borrowings, accrued expenses and other payables and lease liabilities.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Following table indicates fair value level hierarchy of the financial instruments of the Group. Islamic financing receivables, investment at Fair Value Through Other Comprehensive Income ("FVOCI") and borrowings are classified within level 3 of the fair value hierarchy while the rest of the financial assets and financial liabilities included in the below table are classified within level 2 of the fair value hierarchy. Except for the investments held at FVOCI, management believes that the fair value of the financial assets and liabilities included in the table below at the reporting date, approximate their carrying values mainly due to the short maturities of most of these financial assets and liabilities.

	As at 30 June 2026 (Unaudited)	**As at 31 December 2025 (Audited)**
Financial assets		
Cash and cash equivalents	**235,965,630**	146,962,036
Restricted cash deposits	**16,000,000**	16,000,000
Other assets	**8,312,950**	8,556,648
Financial liabilities		
Accounts payables, accruals and other liabilities	**42,660,953**	27,700,417

For assets and liabilities that are recognised at fair values in the condensed interim consolidated financial statements on a recurring basis, the Group 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.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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

Fair value of Islamic financing receivables

	As at 30 June 2026		**As at 31 December 2025**	
	Carrying value (Unaudited)	**Fair value (Unaudited)**	**Carrying value (Audited)**	**Fair value (Audited)**
Financial assets				
Islamic financing receivables	**1,005,581,556**	**1,113,229,881**	1,191,940,694	1,306,627,261

For determination of the fair value of Islamic financing receivables, management assesses the market under the current conditions and assesses the profit rates that the Group could obtain against its current portfolio. The portfolio is segregated into various categories. The profit rates over the last 5 years have been assessed and used as a base for the discount rate relating to the valuation of the portfolio. Premiums have then been added to each category based on the prevailing economic conditions in the country. The premiums move from 50 basis points to 250 basis points.

(Amounts in Saudi Riyals unless otherwise stated)

17 Financial instruments and fair value (continued)

The initial base rate, before premiums, were calculated using the average quoted rate against contracts for the last 5 years. This quoted rate was compared to the average effective yield that the contracts generate to derive the factor to translate the quoted rate to an effective rate in order to lift the base rate from a quoted rate to an effective rate. The average of the quoted rate for the Group's portfolio over this period was 14.41% (2025: 14.5%), and the average effective rate for this same portfolio was 14.11% (2025: 14.1%), resulting in a lift factor of 0.98 (2025: 0.97).

Deemed premium for each category has been added to the base quoted rate, and the lift factor was applied to arrive at the effective yield which was used as a proxy discount rate to fair value the portfolio.

The cash flows of each category were discounted using the proxy discount rate applicable to each category to arrive at the fair value of the portfolio. Provision carried against the portfolio was then deducted to compare the carrying value to the deemed fair value.

The discount rates used range from 14.91% to 16.6% (2025: 14.61% to 16.5%).

Fair value of borrowings (including accrued special commission expense)

The fair value of bank borrowings, sukuk payable and government loans is based on discounted value of expected future cash flows using the applicable market rates for similar types of instruments as of reporting date. The table below shows the fair value of bank borrowings as at 30 June 2026 and 31 December 2025, respectively:

	As at 30 June 2026		As at 31 December 2025	
	Carrying value	Fair value	Carrying value	Fair value
Financial liabilities				
Bank borrowings	471,606,894	474,613,725	546,391,739	551,244,718
Borrowings from a government entity	-	-	5,000,000	5,570,157

Fair Value of Investment at FVOCI

The valuation of the investment at FVOCI was performed as at the financial position date by an independent third-party professional valuer who holds recognised and relevant professional qualifications and recent experience in the Kingdom of Saudi Arabia and the surrounding regions. The investment at FVOCI remains a level 3 security under IFRS 13.

18 Financial risk management

The Group's activities expose it to a variety of financial risks: credit risk, market risk (including special commission rate risk and foreign currency risk) and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. Risk management is carried out by management. The most important types of risk are summarised below.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and will cause the other party to incur a financial loss. The Group seeks to manage its credit risk with respect to customers by setting credit limits for individual customers and by monitoring outstanding receivables.

The Group's maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets as disclosed in the table below.

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Cash and cash equivalents	**235,965,630**	146,962,036
Restricted cash deposits	**16,000,000**	16,000,000
Islamic financing receivables	**1,005,581,556**	1,191,940,694
Other assets	**8,312,950**	8,556,648
	1,265,860,136	1,363,459,378

(Amounts in Saudi Riyals unless otherwise stated)

18 Financial risk management (continued)

Special commission rate risk

Special commission rate risk is the risk that the value of financial instruments will fluctuate due to changes in the market interest rates. The Group is subject to special commission rate risk on its special commission bearing assets and liabilities, including bank deposits, Islamic financing receivables and borrowings.

All of the Group's special commission bearing assets, sukuk payable and loans from a government entity carry special commission at fixed rates and therefore, management believes that the Group is not exposed to any special commission rate risk in respect of these assets.

The following table depicts the sensitivity to a reasonable possible change in special commission rates, with other variables held constant, on the Group's profit or loss relating to the floating rate borrowings for which the Group does not use derivatives for hedging. The sensitivity of the income is the effect of the assumed changes in special commission rates on the net commission income for one year, based on such floating rate borrowings held as at the reporting date.

	As at 30 June 2026 (Unaudited)	
	Change in basis points	**Increase / (decrease) in net income**
Saudi Riyals	**+50**	**895,947**
Saudi Riyals	**-50**	**(895,947)**

	As at 30 June 2025 (Unaudited)	
	Change in basis points	**Increase / (decrease) in net income**
Saudi Riyals	+50	529,506
Saudi Riyals	-50	(529,506)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value. The Group manages its liquidity risk by ensuring that bank facilities are available.

The table below summarizes the maturity profile of the Group's financial liabilities at the reporting date based on contractual repayment obligations. The contractual maturities of financial liabilities have been determined based on the remaining period at the reporting date to the contractual maturity date.

Analysis of financial liabilities by remaining contractual maturities

	Within 3 months	**3 to 12 months**	**1 to 5 years**	**Total**
30 June 2026 (Unaudited)				
Accounts payable and other liabilities	**27,558,229**	**15,102,724**	**-**	**42,660,953**
Borrowings	**109,639,835**	**279,344,062**	**82,622,997**	**471,606,894**
	137,198,064	**294,446,786**	**82,622,997**	**514,267,847**

	Within 3 months	**3 to 12 months**	**1 to 5 years**	**Total**
31 December 2025 (Audited)				
Accounts payable and other liabilities	18,592,437	13,266,533	-	31,858,970
Borrowings*	119,009,298	293,294,506	142,832,397	555,136,201
	137,601,735	306,561,039	142,832,397	586,995,171

* Accrued special commission expense as at the reporting date has been included as part of borrowings for the purpose of the above disclosure.

Foreign currency risk

Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Group is not subject to fluctuations in foreign exchange rates in the normal course of its business as it does not have any significant financial assets and liabilities denominated in foreign currency.

(Amounts in Saudi Riyals unless otherwise stated)

19 Capital management

The Group's policy is to maintain a strong capital base to maintain creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The Group's objectives for managing capital are to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to provide an adequate return to shareholders by pricing the services commensurately with the level of risk.

The primary objective of the Group's capital management is to maximize the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. The Group informally monitors capital using a gearing ratio, which is 'net debt' divided by total capital plus net debt. The Group includes within net debt, short term loans, trade and other payables, less cash and bank balances.

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Accounts payable, accruals and others	**42,660,953**	31,858,970
Provision for zakat	**264,321**	285,763
Borrowings	**471,606,894**	551,391,739
Lease liabilities	**5,454,760**	15,454,932
Employees' defined benefit liabilities	**6,154,041**	6,796,836
Less: Bank balances and cash	**(235,965,630)**	(146,962,036)
Net debt	**290,175,339**	458,826,204
Equity	**806,839,371**	834,714,851
Capital and net debt	**1,097,014,710**	1,293,541,055
Gearing ratio	**26%**	35%

20 Segment information

The Group objective is to provide financing for Retails & SMEs. The Group has only one geographical segment and it operates in the Kingdom of Saudi Arabia. All assets, liabilities and operations as reflected in the statement of financial position and statement of comprehensive income belongs to the Retail & SME's segment. For management purposes, the Group is organised into the following primary business segments:

Retail
These represents financing products granted to individuals' customers.

SME
These represents finance products granted to small and medium sized businesses ("SMEs").

Digital payments
These represents electronic commerce payments (Bayan) and providing electronic wallet services.

Head office
Head office is responsible for managing the surplus liquidity of the Group through short term market placements. It also provides support services to the business functions.

The Group's total assets and liabilities as at 30 June 2026 and as at 31 December 2025 and its total operating income, expenses and net income for the three-month and six-month periods ended 30 June 2026 and 30 June 2025 are as follows:

(Amounts in Saudi Riyals unless otherwise stated)

20 Segment information (continued)

For the six-month period ended:

Condensed interim consolidated statement of comprehensive income	**Retail**	**SME**	**Digital payment**	**Head office**	**Total**
30 June 2026 (Unaudited)					
Income	**61,134,270**	**23,575,954**	**4,430,043**	**3,640,223**	**92,780,490**
Expense	**(37,081,242)**	**(19,180,438)**	**(11,810,373)**	**-**	**(68,072,053)**
Allowance for expected credit losses	**(55,772,626)**	**3,910,423**	**-**	**-**	**(51,862,203)**
Zakat	**(433,899)**	**(213,613)**	**(74,202)**		**(721,714)**
Segment (loss) / profit	**(32,153,497)**	**8,092,326**	**(7,454,532)**	**3,640,223**	**(27,8750,480)**
30 June 2025 (Unaudited)					
Income	63,938,788	44,439,178	415,329	2,170,334	110,963,629
Expense	(35,151,940)	(25,267,728)	(16,078,017)	-	(76,497,685)
Allowance for expected credit losses	(30,097,898)	(3,273,177)	-	-	(33,371,075)
Zakat	(598,853)	(414,712)	(297,394)	-	(1,310,959)
Segment profit / (loss)	(1,909,903)	15,483,561	(15,960,082)	2,170,334	(216,090)

For the three-month period ended:

Condensed interim consolidated statement of comprehensive income	**Retail**	**SME**	**Digital payment**	**Head office**	**Total**
30 June 2026 (Unaudited)					
Income	**29,143,159**	**9,305,366**	**722,179**	**1,995,753**	**41,166,457**
Expense	**(18,508,693)**	**(9,574,500)**	**(7,630,713)**	**-**	**(35,713,906)**
Allowance for expected credit losses	**(29,526,910)**	**90,564**	**-**	**-**	**(29,436,346)**
Zakat	**(182,611)**	**(89,901)**	**-**		**(272,512)**
Segment (loss) / profit	**(19,075,055)**	**(268,471)**	**(6,908,534)**	**1,995,753**	**(24,256,307)**
30 June 2025 (Unaudited)					
Income	31,899,387	22,110,500	365,831	941,329	55,317,047
Expense	(16,831,350)	(12,120,630)	(8,345,587)	-	(37,297,567)
Allowance for expected credit losses	(17,809,569)	(2,412,543)	-	-	(20,222,112)
Zakat	(247,413)	(171,336)	(273,013)	-	(691,762)
Segment profit / (loss)	(2,988,945)	7,405,991	(8,252,769)	941,329	(2,894,394)

Condensed interim consolidated statement of financial position

	Retail	**SME's**	**Digital payment**	**Head office**	**Total**
30 June 2026 (Unaudited)					
Total assets	**689,134,044**	**316,992,067**	**10,541,636**	**316,857,148**	**1,333,524,895**
Total liabilities	**316,024,910**	**155,581,984**	**12,959,170**	**41,574,905**	**526,140,969**
31 December 2025 (Audited)					
Total assets	806,680,614	385,260,080	23,717,160	224,845,237	1,440,503,091
Total liabilities	359,518,507	191,873,232	18,335,896	36,060,605	605,788,240

21 Contingent liabilities

These claims are currently under legal review and are being contested by the Group. Based on legal advice received, the Group believes that it is not probable that an outflow of resources embodying economic benefits will be required to settle these claims.

22 Changes to comparatives

In accordance with the requirements of IAS 8 "Accounting policies, changes in accounting estimates and errors" ("IAS 8"), management has restated the comparative figures to adjust prior year consolidated financial statements. The note below sets out the details of adjustments and the line items in the condensed interim consolidated statements of comprehensive income and cash flows.

(Amounts in Saudi Riyals unless otherwise stated)

22 Changes to comparatives (continued)

1 Reclassification of amortization of transactions costs from special commission expenses to special commission income

In prior periods, the Group presented the amortisation of certain transaction costs—directly attributable to the origination of financial assets measured at amortised cost—within special commission expenses rather than special commission income in the Condensed Interim Consolidated Statement of Comprehensive Income.

IFRS 9 requires transaction costs that are directly attributable to the origination of financial assets measured at amortised cost to be included in the initial measurement of the asset and subsequently amortised as part of special commission income using the effective interest method.

During the period, management considered the above requirements and reclassified the transaction costs from "special commission expenses" to "special commission income" and as a result, restated the comparative figures to present the amortisation of transaction costs within "special commission income" in the Condensed Interim Consolidated Statement of Comprehensive Income.

2 Reclassification of repossessed assets to Islamic financing receivables

The Group provides collateralised financing to certain customers, with collateral typically comprising non-financial assets such as real estate and vehicles (including assets subject to ijarah arrangements). In prior period, in certain cases where customers defaulted on these financings, the outstanding receivable balance was written off in full, and the Group recognised the related collateral as "Repossessed asset held for sale" on the consolidated statement of financial position prior to completion of the foreclosure process. The carrying value of the collateral represented the outstanding balance from the loan that could be recovered from the collateral.

In accordance with IFRS Accounting Standards, IFRS 9, collateral obtained in connection with a financial asset is not recognised as a separate asset from the collateralized financial asset unless the entity obtains control of the collateral and the relevant recognition criteria under IFRS Accounting Standards are met.

Management has reassessed the accounting treatment applied in prior periods and concluded that the collateral balances presented within the "repossessed assets held for sale" did not meet the recognition criteria for an asset separate from the collateralized financial asset. Specifically:

- the foreclosure process had not been completed and legal title to the collateral had not been transferred to the Group;
- the Group did not have control over the collateral, as it could not hold, sell, or otherwise dispose of the collateral without a court order or completion of the legal foreclosure process; and
- recovery actions remained ongoing, including customer restructuring negotiations and legal 2proceedings aimed at enforcing the collateral through court-supervised auctions.

Accordingly, management has reclassified the outstanding balance recorded within "repossessed assets held for sale" to "Islamic financing receivables" and as a result, prior period comparative figures have been restated in respect of this misstatement. The receivables are credit impaired and as such the measurement requirements for credit impaired financial assets under IFRS 9 have been applied. Prior period comparative figures have been restated in respect of this misstatement.

3 Disclosure of special commission income received

The Group provides disclosures as required by IAS 7 "Statement of Cash Flows" of special commission income received as required which were not previously disclosed, this special commission income has been presented separately in the footnotes as the movement has been captured in the movement of the Islamic financing receivables line item.

22.1 Condensed inteirm consolidated statement of comprehensive income

For the three-month periods ended 30 June 2025

	For the period ended 30 June 2025 (as previously reported)	Adjustment 1	For the period ended 30 June 2025 (restated)
Special commission income	54,014,134	(1,039,055)	52,975,079
Special commission expenses	(10,953,358)	1,039,055	(9,914,303)

(Amounts in Saudi Riyals unless otherwise stated)

22 Changes to comparatives (continued)

22.1 Condensed inteirm consolidated statement of comprehensive income (continued)

For the six-month period ended 30 June 2025

	For the period ended 30 June 2025 (as previously reported)	Adjustment 1	For the period ended 30 June 2025 (restated)
Special commission income	106,816,449	(1,673,674)	105,142,775
Special commission expenses	(23,535,580)	1,673,674	(21,861,906)

22.2 Condensed inteirm consolidated statement of cash flows

	For the period ended 30 June 2025 (as previously reported)	Adjustment 2	Adjustment 3	For the period ended 30 June 2025 (restated)
Working capital adjustments:				
Islamic financing receivables	(140,137,454)	(3,622,858)		(143,760,312)
Repossessed assets held for sale	(3,622,858)	3,622,858		-
Additional information on operating cash flows	-	-	-	-
Special commission income received	-	-	100,295,018	100,295,018

23 Earning per share

	For the three -month period ended 30 June		For the six-month period ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)	2026 (Unaudited)	2025 (Unaudited)
Total shares (Share capital less Treasury shares)	**69,822,342**	69,822,342	**69,822,342**	69,822,342
Net loss for the period attributable to equity holders of the Parent	**(22,874,600)**	(1,243,840)	**(26,384,574)**	2,975,926
	(0.33)	(0.02)	**(0.38)**	0.04

24 Impact of geo-political situation on expected credit losses

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

The Group continues to evaluate and closely monitor the current situation to assess any impact the geopolitical situation may have had on its business and financial performance, through conducting stress-testing scenarios, as appropriate, on expected movements of oil prices and its impact on key credit, liquidity, operational, solvency and performance indicators in addition to other risk management practices.

The heightened geopolitical uncertainty has introduced additional risks to the economic environment, necessitating revisions to certain assumptions and inputs used in the determination of expected credit losses ("ECL"). To reflect this increased uncertainty, the Group has adjusted its scenario weightings by applying a higher emphasis to the downside scenario, which assumes a reasonable level of portfolio stress driven by adverse macroeconomic conditions. The downside scenario reflects a prolonged economic downturn and a slower recovery resulting from the ongoing conflict. Based on the application of revised scenario weightings and sensitivity analysis, the downside ECL scenario resulted in an additional ECL charge of SAR 544,555 for the six-month period ended 30 June 2026.

24 Impact of geo-political situation on expected credit losses (continued)

The impact of such uncertain economic environment is judgmental, and the Group 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.

25 Events subsequent to the reporting date

There are no events subsequent to the reporting date that would significantly affect the amounts reported in the condensed interim consolidated financial statements as at and for the three-month and six-month periods ended 30 June 2026.

26 Approval of the condensed interim consolidated financial statements

These condensed interim consolidated financial statements have been approved by the Board of Directors on 27th of July 2026.