

**NAYLA FINANCE COMPANY**  
(Single Person Joint Stock Company)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026  
AND THE INDEPENDENT AUDITOR'S REVIEW REPORT

**NAYLA FINANCE COMPANY  
(SINGLE PERSON JOINT STOCK COMPANY)  
UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

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<b>INDEX</b>	<b>Pages</b>
Independent auditor's review report	1
Condensed interim statement of financial position	2
Condensed interim statement of profit or loss and comprehensive income	3
Condensed interim statement of changes in equity	4
Condensed interim statement of cash flows	5
Notes to the condensed interim financial statements	6-15

**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE CONDENSED INTERIM FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF NAYLA FINANCE COMPANY (SINGLE PERSON JOINT STOCK COMPANY)**

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of **Nayla Finance Company** ("the Company") as at 31 March 2026 and the related condensed interim statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended 31 March 2026 and a summary of material accounting policies and other explanatory notes ("condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim 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 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 statements 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, that are 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 condensed interim financial statements are not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.



**Crowe Solutions  
For Professional Consulting**

  
**Mohammad A. Al Hajri  
License No. 705**

Doul Qedah 12,1447 H (Corresponding to April 29, 2026).  
Riyadh, Kingdom of Saudi Arabia

**NAYLA FINANCE COMPANY (SINGLE PERSON JOINT STOCK COMPANY)**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2026**  
(Amounts in Saudi Riyals)

	<i>Notes</i>	<b>31 March 2026</b> <b>(Unaudited)</b>	31 December 2025 (Audited)
<b>ASSETS</b>			
Cash and cash equivalents	5	1,684,712	6,608,764
Islamic financing receivables - net	6	11,346,567	10,415,100
Prepayments and other current assets		354,174	66,985
Intangible assets		3,364,893	2,916,569
Property and equipment		955,724	995,766
Right of use asset		345,882	410,736
Deferred tax asset		2,320,335	2,320,335
<b>TOTAL ASSETS</b>		<b>20,372,287</b>	<b>23,734,255</b>
<b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>			
<b>LIABILITIES</b>			
Accrued expenses and other current liabilities		605,270	700,115
Amount due to related party	7	2,390,592	2,390,592
Borrowings	8	5,044,932	5,007,147
Lease liabilities		260,740	256,230
Employees' end of service benefits		601,163	480,255
<b>TOTAL LIABILITIES</b>		<b>8,902,697</b>	<b>8,834,339</b>
<b>SHAREHOLDER'S EQUITY</b>			
Share capital		10,000,000	10,000,000
Additional capital	9	14,828,185	14,454,240
Accumulated losses		(13,358,595)	(9,554,324)
<b>TOTAL SHAREHOLDER'S EQUITY</b>		<b>11,469,590</b>	<b>14,899,916</b>
<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>		<b>20,372,287</b>	<b>23,734,255</b>



**Chief Financial Officer**



**Chief Executive Officer**

*Layth Saleh*

**Chairman of Board of Directors**

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements.

**NAYLA FINANCE COMPANY (SINGLE PERSON JOINT STOCK COMPANY)**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026**  
(Amounts in Saudi Riyals)

	<i>Notes</i>	<b>For the three- month period ended 31 March 2026</b>	For the period from the inception 1 December 2024 to 31 March 2025
Financing income		<b>1,266,854</b>	-
Financing expense		<b>(40,541)</b>	-
<b>NET FINANCING INCOME</b>		<b>1,226,313</b>	-
Other income		<b>19,310</b>	181,279
<b>INCOME FROM OPERATIONS</b>		<b>1,245,623</b>	181,279
<b>OPERATING EXPENSES</b>			
Marketing expenses		<b>(119,127)</b>	(65,399)
General and administration expenses	<i>10</i>	<b>(3,071,019)</b>	(3,840,754)
Charge of expected credit loss allowance - net	<i>6.7</i>	<b>(1,859,748)</b>	-
<b>TOTAL OPERATING EXPENSES</b>		<b>(5,049,894)</b>	(3,906,153)
<b>LOSS FOR THE PERIOD</b>		<b>(3,804,271)</b>	(3,724,874)
Other comprehensive income		-	-
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>		<b>(3,804,271)</b>	(3,724,874)



Chief Financial Officer



Chief Executive Officer

Layth Saleh

Chairman of Board of Directors

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**NAYLA FINANCE COMPANY (SINGLE PERSON JOINT STOCK COMPANY)**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026**  
(Amounts in Saudi Riyals)

	Share capital	Additional capital	Accumulated losses	Total
<b>Balance at 31 December 2025 (audited)</b>	<b>10,000,000</b>	<b>14,454,240</b>	<b>(9,554,324)</b>	<b>14,899,916</b>
Receipt of additional capital	-	373,945	-	373,945
Loss for the period	-	-	<b>(3,804,271)</b>	<b>(3,804,271)</b>
Total comprehensive loss for the period	-	-	<b>(3,804,271)</b>	<b>(3,804,271)</b>
<b>Balance at 31 March 2026 (unaudited)</b>	<b>10,000,000</b>	<b>14,828,185</b>	<b>(13,358,595)</b>	<b>11,469,590</b>
Balance at 1 December 2024 (unaudited)	-	-	-	-
Issue of share capital and capital contribution	10,000,000	14,309,450	-	24,309,450
Loss for the period	-	-	<b>(3,724,874)</b>	<b>(3,724,874)</b>
Total comprehensive loss for the period	-	-	<b>(3,724,874)</b>	<b>(3,724,874)</b>
Balance at 31 March 2025 (unaudited)	10,000,000	14,309,450	<b>(3,724,874)</b>	20,584,576



**Chief Financial Officer**



**Chief Executive Officer**

*Layth Saleh*

**Chairman of Board of Directors**

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**NAYLA FINANCE COMPANY (SINGLE PERSON JOINT STOCK COMPANY)**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026**  
(Amounts in Saudi Riyals)

	<i>Notes</i>	<b>For the three- month period ended 31 March 2026</b>	For the period from the inception 1 December 2024 to 31 March 2025
Loss for the period		<b>(3,804,271)</b>	(3,724,874)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i>Adjustments for:</i>			
Amortization of intangible assets		<b>299,006</b>	-
Depreciation on property and equipment		<b>78,367</b>	11,825
Depreciation on right of use asset		<b>64,854</b>	151,324
Charge of expected credit loss allowance	6.7	<b>1,859,748</b>	-
Provision for employees' end of service benefits		<b>120,908</b>	-
Finance charge on lease liabilities		<b>4,510</b>	-
Finance charge on borrowings	8	<b>37,785</b>	17,282
		<b>(1,339,093)</b>	(3,544,443)
<i>Changes in operating assets and liabilities:</i>			
Islamic financing receivables - net	6	<b>(2,791,215)</b>	-
Prepayments and other assets		<b>(287,189)</b>	(389,340)
Accrued expenses and other current liabilities		<b>(94,845)</b>	228,695
Amount due to related parties	7	<b>-</b>	2,375,204
<b>Net cash used in operating activities</b>		<b>(4,512,342)</b>	(1,329,884)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Software development costs		<b>(747,330)</b>	(1,395,314)
Purchase of property and equipment		<b>(38,325)</b>	(1,194,599)
<b>Net cash used in investing activities</b>		<b>(785,655)</b>	(2,589,913)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceed for additional capital	9	<b>373,945</b>	14,309,450
Proceed from issuance of share capital		<b>-</b>	10,000,000
Payment of lease liability		<b>-</b>	(270,000)
<b>Net cash generated from financing activities</b>		<b>373,945</b>	24,039,450
Net change in cash and cash equivalents		<b>(4,924,052)</b>	20,119,653
Cash and cash equivalents at the beginning of the period		<b>6,608,764</b>	-
<b>Cash and cash equivalents at the end of the period</b>	5	<b>1,684,712</b>	20,119,653



**Chief Financial Officer**



**Chief Executive Officer**

*Layth Saleh*

**Chairman of Board of Directors**

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements.

**NAYLA FINANCE COMPANY (SINGLE PERSON JOINT STOCK COMPANY)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026**  
(Amounts in Saudi Riyals)

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**1. GENERAL**

Nayla Finance Company (the “Company”) is a single person joint stock company registered in the Kingdom of Saudi Arabia under the commercial registration number 1009145092 dated 29 Jumada al-Awwal 1446H (corresponding to 01 December 2024). The Company is a wholly owned subsidiary of Nayla Lending Solutions Holding Limited (“Parent Company”) incorporated and registered under the laws of Cayman Islands with registration number WC-404451.

The Company’s financial year ends on 31 December. However, as the Company was incorporated on 01 December 2024. Comparative figures are presented for the period from the date of inception 01 December 2024 to 31 March 2025 and have not been subject to review.

The Company is licensed to operate under the Saudi Central Bank (“SAMA”) having license no. 99/A Sh/202504 dated 18 Shawwal 1446H (corresponding to 17 April 2025). The Company is authorized to provide only micro-enterprise financing upto SAR 200,000 in the Kingdom of Saudi Arabia. The Company’s registered office is located in Riyadh at the following address:

Nayla Finance Company  
4212, Saud Ibn Abdulaziz Ibn Muhammad Branch  
Al Muruj, 12282, Riyadh  
Kingdom of Saudi Arabia

**2. BASIS OF PREPARATION**

**Statement of compliance**

These condensed interim financial statements of the Company have been prepared in accordance with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”), as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements as issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”) (collectively referred as “IAS 34 as endorsed in KSA”).

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

**Basis of measurement and presentation**

These condensed interim financial statements have been prepared on a going concern basis under the historical cost convention, except as disclosed in the notes to these condensed interim financial statements.

The condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and must be read in conjunction with the annual financial statements of the company as they are on 31 December 2025.

These condensed interim statement of financial position is stated broadly in order of liquidity.

**NAYLA FINANCE COMPANY (SINGLE PERSON JOINT STOCK COMPANY)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026**  
(Amounts in Saudi Riyals)

**2. BASIS OF PREPARATION (CONTINUED)**

**Functional and presentation currency**

These condensed interim financial statements are expressed in Saudi Arabian Riyals.

**Going concern**

In making the going concern assessment, the Company has considered a wide range of information relating to present and future projections of profitability, cash flows and other capital resources etc.

**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES**

The material accounting policies adopted in the preparation of these condensed interim financial statements are set out below.

**New standards, interpretations and amendments adopted by the entity**

Following standards, interpretations and amendments are effective from the current period and are adopted by the Company. The Company has assessed that these amendments have no significant impact on the Company's condensed interim financial statements.

<b>Standard/Interpretation</b>	<b>Description</b>	<b>Effective from periods beginning on or after</b>
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 recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.	1 January 2026

**New standards not yet effective and not early adopted**

<b>Standard/Interpretation</b>	<b>Description</b>	<b>Effective from periods beginning on or after</b>
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 recognized in full.	Effective date deferred indefinitely.

**NAYLA FINANCE COMPANY (SINGLE PERSON JOINT STOCK COMPANY)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026**  
(Amounts in Saudi Riyals)

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**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**

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	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 condensed interim financial statements under IFRS Accounting Standards.	1 January 2027

**NAYLA FINANCE COMPANY (SINGLE PERSON JOINT STOCK COMPANY)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026**  
(Amounts in Saudi Riyals)

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#### **4. MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATED AND ASSUMPTIONS**

The preparation of these condensed interim financial statements in accordance with IFRSs that are endorsed in the Kingdom of Saudi Arabia requires the use of certain critical estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

##### **Material estimates in applying accounting policies**

###### *Impairment of non-financial assets*

An impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is most sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

###### *Impairment of Islamic financing receivable*

An estimate of the collectible amount of Islamic financing receivable is made based on the expected credit loss model at an amount equal to the life time ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

###### *Useful lives and residual values of property and equipment and intangible assets*

An estimate of the useful lives and residual values of property and equipment and intangible assets is made for the purposes of calculating depreciation and amortization respectively. These estimates are made based on expected usage for useful lives. Residual value is determined based on experience and observable data where available.

###### *Provision for employees' end of service benefits*

The Company makes various estimates in determining the provision for employees' end of service benefits provision.

###### *Going concern*

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the condensed interim financial statements continue to be prepared on a going concern basis.

**NAYLA FINANCE COMPANY (SINGLE PERSON JOINT STOCK COMPANY)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026**  
(Amounts in Saudi Riyals)

**5 CASH AND CASH EQUIVALENTS**

	<i>Notes</i>	<b>31 March 2026</b> <b>(Unaudited)</b>	31 December 2025 <b>(Audited)</b>
Cash at bank	5.1	<b>1,684,712</b>	6,608,764
		<b>1,684,712</b>	<b>6,608,764</b>

5.1 This represents current accounts maintained with local banks.

5.2 Management has assessed the Expected Credit Loss (ECL) on cash and cash equivalent balances in accordance with IFRS 9 and concluded that the impact is immaterial.

**6 ISLAMIC FINANCING RECEIVABLES - NET**

**6.1 The breakup of islamic financing receivables is as follows:**

	<b>31 March 2026</b> <b>(Unaudited)</b>	31 December 2025 <b>(Audited)</b>
Performing	<b>8,729,551</b>	7,456,255
Under-performing	<b>1,789,903</b>	1,291,639
Non-performing	<b>1,555,382</b>	3,177,313
<b>Gross receivables</b>	<b>12,074,836</b>	11,925,207
Expected credit loss allowance	<b>(728,269)</b>	(1,510,107)
<b>Net receivables</b>	<b>11,346,567</b>	<b>10,415,100</b>

**6.2 Reconciliation of gross to net islamic financing receivables:**

	<b>31 March 2026</b> <b>(Unaudited)</b>	31 December 2025 <b>(Audited)</b>
Gross receivables	<b>12,855,166</b>	12,688,779
Unearned finance income	<b>(780,330)</b>	(763,572)
	<b>12,074,836</b>	11,925,207
Expected credit loss allowance	<b>(728,269)</b>	(1,510,107)
<b>Net receivables</b>	<b>11,346,567</b>	<b>10,415,100</b>

**6.3 Stage wise analysis of islamic financing receivables:**

	<b>31 March 2026</b> <b>(Unaudited)</b>	31 December 2025 <b>(Audited)</b>
Stage 1	<b>8,729,551</b>	7,456,255
Stage 2	<b>1,789,903</b>	1,291,639
Stage 3	<b>1,555,382</b>	3,177,313
	<b>12,074,836</b>	11,925,207
Expected credit loss allowance	<b>(728,269)</b>	(1,510,107)
<b>Net receivables</b>	<b>11,346,567</b>	<b>10,415,100</b>

**NAYLA FINANCE COMPANY (SINGLE PERSON JOINT STOCK COMPANY)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026**  
(Amounts in Saudi Riyals)

**6 ISLAMIC FINANCING RECEIVABLES - NET**

**6.4 Reconciliation of gross islamic financing receivables**

31 March 2026 (Unaudited)	Stage 1	Stage 2	Stage 3	Total
	(12 months ECL)	(lifetime ECL for increase in SICR but not impaired)	(lifetime ECL for credit impaired)	
As at 1 January 2026	7,456,255	1,291,639	3,177,313	11,925,207
Transfer from Stage 1	-	-	-	-
Transfer from Stage 2	(1,964,321)	1,964,321	-	-
Transfer from Stage 3	(584,060)	(948,025)	1,532,085	-
Finance originated / other movements	3,821,677	(518,032)	(100,230)	3,203,415
	1,273,296	498,264	1,431,855	3,203,415
Write-off during the period	-	-	(3,053,786)	(3,053,786)
	8,729,551	1,789,903	1,555,382	12,074,836

31 December 2025 (Audited)	Stage 1	Stage 2	Stage 3	Total
	(12 months ECL)	(lifetime ECL for increase in SICR but not impaired)	(lifetime ECL for credit impaired)	
As at 1 December 2024	-	-	-	-
Transfer from Stage 1	-	-	-	-
Transfer from Stage 2	-	-	-	-
Transfer from Stage 3	-	-	-	-
Finance originated	7,456,255	1,291,639	3,398,313	12,146,207
	7,456,255	1,291,639	3,398,313	12,146,207
Write-off during the period	-	-	(221,000)	(221,000)
	7,456,255	1,291,639	3,177,313	11,925,207

**6.5 Movement in expected credit loss allowance of islamic financing receivables:**

31 March 2026 (Unaudited)	Stage 1	Stage 2	Stage 3	Total
	(12 months ECL)	(lifetime ECL for increase in SICR but not impaired)	(lifetime ECL for credit impaired)	
As at 1 December 2026	68,724	9,821	1,431,562	1,510,107
Transfer from Stage 1	-	-	-	-
Transfer from Stage 2	(17,332)	17,332	-	-
Transfer from Stage 3	(5,378)	(7,608)	12,986	-
Finance originated / other movements	(23,372)	(14,674)	2,309,994	2,271,948
	(46,082)	(4,950)	2,322,980	2,271,948
Write-off during the period	-	-	(3,053,786)	(3,053,786)
	22,642	4,871	700,756	728,269

**NAYLA FINANCE COMPANY (SINGLE PERSON JOINT STOCK COMPANY)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026**  
(Amounts in Saudi Riyals)

**6 ISLAMIC FINANCING RECEIVABLES - NET (CONTINUED)**

**6.5 Movement in expected credit loss allowance of islamic financing receivables (continued):**

31 December 2025 (Audited)	Stage 1	Stage 2	Stage 3	Total
	(12 months ECL)	(lifetime ECL for increase in SICR but not impaired)	(lifetime ECL for credit impaired)	
As at 1 December 2024	-	-	-	-
Transfer from Stage 1	-	-	-	-
Transfer from Stage 2	-	-	-	-
Transfer from Stage 3	-	-	-	-
Finance originated	68,724	9,821	1,431,562	1,510,107
	68,724	9,821	1,431,562	1,510,107
Write-off during the period	-	-	-	-
	68,724	9,821	1,431,562	1,510,107

**6.6 The movement in expected credit loss is as follows:**

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Opening balance for the period	1,510,107	-
Provision for expected credit loss allowance - net of reversals	2,271,948	1,731,107
Written-off during the period	(3,053,786)	(221,000)
Closing balance for the period	728,269	1,510,107

**6.7 Charge of expected credit loss allowance - net**

	For the three- month period ended 31 March 2026	For the period from the inception 1 December 2024 to 31 March 2025
Provision for expected credit loss allowance - net of reversals	2,271,948	-
Recoveries against write off	(412,200)	-
Charge of expected credit loss allowance – net	1,859,748	-

**6.8 Ageing analysis of islamic financing receivables:**

<u>31 March 2026 (Unaudited)</u>	<u>Gross Exposure</u>	<u>ECL</u>	<u>Net exposure</u>
0 to 30 days	8,789,749	(22,772)	8,766,977
31 to 60 days	950,077	(2,483)	947,594
61 to 90 days	779,628	(2,257)	777,371
91 to 120 days	740,349	(333,926)	406,423
121 to 180 days	815,033	(366,831)	448,202
<b>Total</b>	<b>12,074,836</b>	<b>(728,269)</b>	<b>11,346,567</b>
<u>31 December 2025 (Audited)</u>	<u>Gross Exposure</u>	<u>ECL</u>	<u>Net exposure</u>
0 to 30 days	7,537,744	(69,234)	7,468,510
31 to 60 days	816,914	(23,030)	793,884
61 to 90 days	477,081	(24,011)	453,070
91 to 120 days	3,093,468	(1,393,832)	1,699,636
121 to 180 days	-	-	-
<b>Total</b>	<b>11,925,207</b>	<b>(1,510,107)</b>	<b>10,415,100</b>

**NAYLA FINANCE COMPANY (SINGLE PERSON JOINT STOCK COMPANY)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026**  
(Amounts in Saudi Riyals)

**7 AMOUNT DUE TO RELATED PARTY**

	<b>31 March 2026</b>	31 December 2025
	<b>(Unaudited)</b>	(Audited)
Opening balance	<b>2,390,592</b>	-
Funds received during the period	-	2,390,592
Closing balance	<b>2,390,592</b>	2,390,592

**7.1 RELATED PARTY TRANSACTIONS AND BALANCES**

The related parties of the Company include shareholders, Board of Directors and Committees and key management personnel. In the ordinary course of its activities, the Company transacts business with its related parties on mutually agreed terms.

Significant related party balances at period end and transactions entered with the related parties during the period comprised the following:

**Balances with related parties**

	<b>31 March 2026</b>	31 December 2025
	<b>(Unaudited)</b>	(Audited)
<b>Due to related parties</b>		
a) Payable to Sanabil Venture Studio Business Solutions	<b>2,390,592</b>	2,390,592
	<b>2,390,592</b>	2,390,592

**Related party transactions during the period were as follows:**

Related party	Nature of transactions	For the three-month period ended 31 March 2026	For the period from the inception 1 December 2024 to 31 March 2025
a) Sanabil Venture Studio Business Solutions	Staff salaries & expenses paid	-	340,020
b) Nayla Lending Solutions Holding Limited	Additional capital & expenses paid	<b>373,945</b>	14,309,450

**7.2 Transactions with key management personnel**

	<b>For the three-month period ended 31 March 2026</b>	For the period from the inception 1 December 2024 to 31 March 2025
Remuneration	<b>420,863</b>	561,150
Termination and other long term benefits	<b>48,447</b>	117,336
	<b>469,310</b>	678,486

**NAYLA FINANCE COMPANY (SINGLE PERSON JOINT STOCK COMPANY)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026**  
(Amounts in Saudi Riyals)

**8 BORROWINGS**

The Company obtained a working capital facility of SR 10 million. The first tranche amounting to SR 5 million was made available during the year ended 31 December 2025 from the Social Development Bank (SDB) under Co-financing arrangement with the purpose of financing the Company's working capital requirements for financing activities. The arrangement does not specify a fixed repayment schedule and the facility limit can be increased on mutual consensus. The facility carries a fixed rate profit charged to the Company only on amounts disbursed for Islamic financing receivables as per the terms mentioned in the agreement. As of 31 March 2026, the Company had utilised SR 5 million from the facility (31 December 2025: SR 1.894 million).

	<b>31 March 2026</b>	31 December 2025
	<b>(Unaudited)</b>	(Audited)
Working capital from Social Development Bank	<b>5,000,000</b>	5,000,000
Accrued finance cost	<b>44,932</b>	7,147
	<b>5,044,932</b>	5,007,147

**9 ADDITIONAL CAPITAL**

During the period, the Company received an additional capital contribution of SR 373,945 from "Nayla Lending Solutions Holding Limited" (Parent company) . The contribution does not bear interest, has no fixed repayment date, and does not create a contractual obligation on the Company to deliver cash or another financial asset. Accordingly, it has been classified as equity under "Additional Capital" in accordance with IAS 32 Financial Instruments.

**10 GENERAL AND ADMINISTRATION EXPENSES**

	<b>For the three-</b>	For the period
	<b>month period</b>	from the inception
	<b>ended 31 March</b>	1 December 2024
	<b>2026</b>	to 31 March 2025
Salaries and employees' related expenses	<b>1,760,208</b>	2,561,429
Information technology related costs	<b>359,738</b>	574,629
Professional and consulting fees	<b>303,732</b>	207,308
Customer inquiry and verification cost	<b>117,962</b>	208,110
Depreciation of property and equipment	<b>78,367</b>	11,825
Amortization of intangible assets	<b>299,006</b>	-
Depreciation of right of use asset	<b>64,854</b>	151,324
Office supplies	<b>33,829</b>	60,817
Disallowed VAT	<b>-</b>	-
Withholding tax on foreign payments	<b>17,902</b>	10,462
Interest on lease liabilities	<b>4,510</b>	-
Utilities expenses	<b>8,411</b>	10,339
Directors and board committee fee	<b>22,500</b>	-
Other expenses	<b>-</b>	44,511
	<b>3,071,019</b>	3,840,754

**NAYLA FINANCE COMPANY (SINGLE PERSON JOINT STOCK COMPANY)**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026**  
(Amounts in Saudi Riyals)

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**11 FINANCIAL INSTRUMENTS**

**Fair value of financial instruments**

Assets and liabilities measured at fair value in the condensed interim statement of financial position are grouped into three levels of fair value hierarchy. This Grouping is determined based on the lowest level of significant inputs used in fair value measurement, as follows:

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

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial assets and financial liabilities are measured at amortized cost. The carrying amounts of these condensed interim financial instruments approximate their fair values due to their short-term nature. Accordingly, the Company has not disclosed separate fair value information for these financial instruments.

**12 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments of the Company at any of the reporting dates.

**13 SUBSEQUENT EVENTS**

There have been no significant subsequent events since the period end that require adjustments of or disclosure in these condensed interim financial statements.

**14 APPROVAL OF THE CONDENSED INTERIM FINANCIAL STATEMENTS**

These condensed interim financial statements were approved and authorized for issue by the Board of Directors on 9 Dhul Qidah 1447H (corresponding to 26 April 2026).