

**NATIONAL FINANCE HOUSE COMPANY  
(A Saudi Closed Joint Stock Company)**

**INTERIM CONDENSED FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITOR'S REVIEW REPORT ON THE CONDENSED INTERIM FINANCIAL  
STATEMENTS  
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2023**

**NATIONAL FINANCE HOUSE COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2023**

---

<b><u>Table of Contents</u></b>	<b><u>Page</u></b>
Independent Auditor's Review Report on the Interim Condensed Financial Statements	1
Interim Statement of Financial Position	2
Interim Statement of Comprehensive Income / (Loss)	3
Interim Statement of Changes in Equity	4
Interim Statement of Cash Flows	5
Notes to the Interim Condensed Financial Statements	6-11

**PKF****Ibrahim Ahmed Al-Bassam  
& Co. Certified Public Accountants****INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL  
STATEMENTS**

(1 /1)

**TO THE SHAREHOLDERS OF NATIONAL FINANCE HOUSE COMPANY  
CLOSED JOINT STOCK COMPANY****INTRODUCTION**

We have reviewed the accompanying interim statement of financial position of National Finance House Company (the "Company") as at 30 September 2023 and the related interim statement of comprehensive income / (loss) for the three-month and nine-month periods then ended, and the interim statements of changes in equity and cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

**SCOPE OF REVIEW**

We conducted our review in accordance with International Standard on Review Engagement 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", that is endorsed in the Kingdom of Saudi Arabia. A review of interim condensed 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 interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

**For Al-Bassam & Co.****Ahmed A. Mohandis****Certified Public Accountant****License No. 477****Riyadh: 11 Rabi Al Thani 1445H****Corresponding to: 26 October 2023****RIYADH****Tel. +966 11 206 5333 P.O.Box 69658  
Fax +966 11 206 5444 Riyadh 11557****JEDDAH****Tel. +966 12 652 5333 P.O.Box 15651  
Fax +966 12 652 2894 Jeddah 21454****AL KHOBAR****Tel. +966 13 893 3378 P.O.Box 4636  
Fax +966 13 893 3349 Al Khobar 31952**

**NATIONAL FINANCE HOUSE COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2023**  
**(All amounts in Saudi Riyals unless otherwise stated)**

	Note	30 September 2023 (Unaudited)	31 December 2022 (Audited)
<b>ASSETS</b>			
Cash and bank balances	7	20,217,489	57,178,177
Term deposit	8	10,000,000	-
Restricted cash deposit	12	4,953,052	-
Prepayments and other receivables		3,743,466	2,578,169
Net investment in islamic financing	9	346,764,497	110,435,946
Property and equipment		619,745	430,347
Intangible assets		7,017,397	6,964,283
Right-of-use asset		-	32,056
<b>TOTAL ASSETS</b>		<b>393,315,646</b>	<b>177,618,978</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	10	150,000,000	100,000,000
Additional share capital		-	50,000,000
Accumulated losses		(17,687,327)	(11,466,414)
<b>TOTAL EQUITY</b>		<b>132,312,673</b>	<b>138,533,586</b>
<b>LIABILITIES</b>			
Other payables and accruals		50,303,562	19,708,539
Lease liabilities		-	68,392
Due to related parties	11.2	21,130,310	18,861,627
Financing facilities	12	188,882,791	-
Provision for zakat	13	177,412	145,363
Employees' post-employment benefits		508,898	301,471
<b>TOTAL LIABILITIES</b>		<b>261,002,973</b>	<b>39,085,392</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>393,315,646</b>	<b>177,618,978</b>

The accompanying notes from 1 to 18 form an integral part of these interim condensed financial statements.

**NATIONAL FINANCE HOUSE COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**INTERIM STATEMENT OF COMPREHENSIVE INCOME / (LOSS)**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2023**  
**(All amounts in Saudi Riyals unless otherwise stated)**

	Note	<i>For the three-month period ended</i>		<i>For the nine-month period ended</i>	
		30 September 2023	30 September 2022	30 September 2023	30 September 2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>INCOME FROM ISLAMIC FINANCING</b>		<b>12,834,644</b>	1,433,058	<b>26,832,018</b>	2,176,958
<b>OPERATING (EXPENSES) / INCOME</b>					
General and administrative expenses		(5,825,534)	(3,059,090)	(17,617,876)	(7,084,234)
Impairment on islamic financing	9.2	(3,466,213)	(338,602)	(10,080,918)	(1,033,548)
Finance cost	14	(3,391,388)	(18,226)	(5,637,597)	(28,156)
Selling and marketing expenses		(399,853)	(759,594)	(1,175,696)	(963,660)
Other income		511,762	632,390	1,636,568	1,103,650
<b>NET OPERATING INCOME / (LOSS) BEFORE ZAKAT</b>		<b>263,418</b>	(2,110,064)	<b>(6,043,501)</b>	(5,828,990)
Zakat	13	(21,491)	(18,449)	(177,412)	(31,098)
<b>NET INCOME / (LOSS) FOR THE PERIOD</b>		<b>241,927</b>	(2,128,513)	<b>(6,220,913)</b>	(5,860,088)
Other comprehensive income		-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD</b>		<b>241,927</b>	(2,128,513)	<b>(6,220,913)</b>	(5,860,088)

The accompanying notes from 1 to 18 form an integral part of these interim condensed financial statements.

**NATIONAL FINANCE HOUSE COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2023**  
**(All amounts in Saudi Riyals unless otherwise stated)**

---

**For the nine-month period ended**

**30 September 2023**

	Share capital	Additional share capital	Accumulated losses	Total equity
<b>Balance as at 1 January 2023 (Audited)</b>	<b>100,000,000</b>	<b>50,000,000</b>	<b>(11,466,414)</b>	<b>138,533,586</b>
Share capital issuance	50,000,000	(50,000,000)	-	-
Total comprehensive loss for the period	-	-	(6,220,913)	(6,220,913)
<b>Balance as at 30 September 2023 (Unaudited)</b>	<b>150,000,000</b>	<b>-</b>	<b>(17,687,327)</b>	<b>132,312,673</b>

**For the nine-month period ended**

**30 September 2022**

	Share capital	Additional share capital	Accumulated losses	Total equity
<b>Balance as at 1 January 2022 (Audited)</b>	<b>100,000,000</b>	<b>-</b>	<b>(1,497,962)</b>	<b>98,502,038</b>
Total comprehensive loss for the period	-	-	(5,860,088)	(5,860,088)
<b>Balance as at 30 September 2022 (Unaudited)</b>	<b>100,000,000</b>	<b>-</b>	<b>(7,358,050)</b>	<b>92,641,950</b>

The accompanying notes from 1 to 18 form an integral part of these interim condensed financial statements.

**NATIONAL FINANCE HOUSE COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2023**  
**(All amounts in Saudi Riyals unless otherwise stated)**

	Note	For the nine-month period ended	
		30 September 2023 (Unaudited)	30 September 2022 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net operating loss before zakat		(6,043,501)	(5,828,990)
Adjustments for:			
Depreciation of property and equipment		172,850	81,918
Depreciation of right-of-use asset		32,056	96,166
Amortization of intangibles		695,132	79,564
Impairment on Islamic financing	9.2	10,080,918	1,033,548
Finance cost		5,637,597	4,684
Provision for employees' post-employment benefits		207,427	159,046
		<u>10,782,479</u>	<u>(4,374,064)</u>
<b>Increase in operating assets</b>			
Prepayments and other receivables		(1,165,297)	(1,131,998)
Net investment in Islamic financing		(246,409,469)	(55,685,100)
Restricted cash deposit		(4,953,052)	-
<b>Increase in operating liabilities</b>			
Other payables and accruals		30,595,023	11,391,922
Due to related parties		2,268,683	-
<b>Cash used in operating activities</b>		<u>(208,881,633)</u>	<u>(49,799,240)</u>
Employees' post-employment benefits paid		-	(12,611)
Zakat paid		(145,363)	(5,542)
<b>Net cash used in operating activities</b>		<u>(209,026,996)</u>	<u>(49,817,393)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of intangible assets		(748,246)	(1,271,993)
Purchase of property and equipment		(362,248)	(148,228)
<b>Net cash used in investing activities</b>		<u>(1,110,494)</u>	<u>(1,420,221)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from short term borrowings		199,998,141	-
Repayments of short-term borrowings		(12,148,223)	-
Finance cost paid		(4,604,724)	-
Lease liability paid		(68,392)	-
<b>Net cash generated from financing activities</b>		<u>183,176,802</u>	<u>-</u>
<b>Net decrease in cash and cash equivalents</b>		<u>(26,960,688)</u>	<u>(51,237,614)</u>
Cash and cash equivalents at beginning of the period		57,178,177	92,569,539
<b>Cash and cash equivalents at end of the period</b>	6	<u>30,217,489</u>	<u>41,331,925</u>

The accompanying notes from 1 to 18 form an integral part of these interim condensed financial statements.

**NATIONAL FINANCE HOUSE COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2023**  
**(All amounts in Saudi Riyals unless otherwise stated)**

---

**1. LEGAL STATUS AND OPERATIONS**

National Finance House Company (the “Company”) is a Saudi closed Joint-Stock Company formed under the laws of the Kingdom of Saudi Arabia and registered under the commercial registration No. 4030394711 and unified No. 7008216371. The Company was established on 27 Safar 1442H (corresponding to 14 October 2020) having obtained the necessary approval from the Ministry of Commerce (“MOC”) and the Notary Public.

In accordance with article 6 of the implementing regulations of the law of supervision of finance companies, the Company submitted its application to the Saudi Central Bank (“SAMA”) to obtain its license as a financing company. The Company obtained the license from SAMA number 202106/SA/59 on 25 Shawwal 1442H (corresponding to 06 June 2021), authorizing to engage in the finance lease activities. The principal activities of the Company include financial lease, financing to Small and Medium Enterprises (SMEs) and Consumer financing. The Company commenced its commercial operations in terms of investing in Islamic financing dated 28 July 2021.

The Company’s Head Office is located at the following address:

National Finance House Company  
Liwan Building,  
1st Floor King Abdullah Road Al Baghdadiyah Al Gharbiyah District,  
P.O. Box 8584  
Jeddah 22234  
Kingdom of Saudi Arabia.

The Company’s activities as per the commercial registration of the Company includes financial lease.

**2. BASIS OF PREPARATION**

**STATEMENT OF COMPLIANCE**

These interim condensed financial statements of the Company have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

These interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company’s financial statements for the year ended 31 December 2022.

Assets and liabilities in the interim statement of financial position are presented in the order of liquidity.

The results for the period ended 30 September 2023 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2023.

**BASIS OF MEASUREMENT**

These interim condensed financial statements are prepared under the historical cost method.

**FUNCTIONAL AND PRESENTATION CURRENCY**

These financial statements have been presented in Saudi Riyals (SR) which is the Company's functional and presentation currency. All financial information presented in SR has been rounded to the nearest SR unless otherwise mentioned.

**3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES, AND ASSUMPTIONS**

The preparation of these interim condensed financial statements is in conformity with the IFRS which require management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.



**NATIONAL FINANCE HOUSE COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2023**  
**(All amounts in Saudi Riyals unless otherwise stated)**

**3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES, AND ASSUMPTIONS (CONTINUED)**

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future period if the revision affects both current and future periods.

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements for the year ended 31 December 2022.

**Going concern**

The management of the Company has conducted a thorough evaluation of its ability to operate as a going concern in accordance with the International Financial Reporting Standards for the preparation of these interim condensed financial statements. This assessment involved the development of a comprehensive financial plan aimed at enhancing the Company's existing service offerings, as well as the creation of a budget aligned with the Company's business plan.

Furthermore, the management is not aware of any material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern. Accordingly, these financial statements have been prepared on a going concern basis.

**4. NEW AND AMENDED STANDARDS AND INTERPRETATIONS THAT ARE NOT YET EFFECTIVE**

There are no new standards issued, however, there are number of amendments to standards which are effective from 1 January 2023 and the details of the same has been explained in annual financial statements for the year ended 31 December 2022, but they do not have a material effect on the Company's interim condensed financial statements.

**5. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements as at 31 December 2022.

**6. CASH AND CASH EQUIVALENTS**

	Note	30 September 2023 (Unaudited)	31 December 2022 (Audited)
Cash at banks		20,191,246	57,172,113
Cash in hand		26,243	6,064
Term deposits		10,000,000	-
		<u>30,217,489</u>	<u>57,178,177</u>

**7. CASH AND BANK BALANCES**

		30 September 2023 (Unaudited)	31 December 2022 (Audited)
<i>Financial Asset at Amortized cost - secured</i>			
Cash at bank	7.1	20,191,246	57,172,113
Cash in hand		26,243	6,064
		<u>20,217,489</u>	<u>57,178,177</u>

7.1. The Company's balances with banks are placed in the current account and the Company does not earn profit.

**8. TERM DEPOSITS**

		30 September 2023 (Unaudited)	31 December 2022 (Audited)
<i>Financial Asset at Amortized cost - secured</i>			
Term deposits – Original maturity of less than three months	8.1	10,000,000	-

8.1. The company has placed these deposits with Riyadh Bank at the profit rate of 5.4%. Their maturity period ranges from 5 to 11 days.

**NATIONAL FINANCE HOUSE COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2023**  
**(All amounts in Saudi Riyals unless otherwise stated)**

**9. NET INVESTMENT IN ISLAMIC FINANCINGS**

	<b>30 September 2023</b>	31 December 2022
	<b>(Unaudited)</b>	(Audited)
<i>Financial assets carried at amortized cost - unsecured</i>		
Tawarruq	<b>138,922,101</b>	26,553,881
Murabaha	<b>3,060,234</b>	2,278,211
<i>Investment classified as a finance lease - secured</i>		
Ijara	<b>215,971,217</b>	84,452,771
	<b>357,953,552</b>	113,284,863

**9.1. Details of net investments in Islamic financings:**

	<b>Tawarruq</b>		<b>Murabaha</b>		<b>Ijara</b>		<b>Total</b>	
	<b>30 September 2023</b>	<b>31 December 2022</b>	<b>30 September 2023</b>	<b>31 December 2022</b>	<b>30 September 2023</b>	<b>31 December 2022</b>	<b>30 September 2023</b>	<b>31 December 2022</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
Gross Investment in islamic financing	<b>236,059,415</b>	43,919,899	<b>4,473,156</b>	3,386,056	<b>304,103,457</b>	114,617,716	<b>544,636,028</b>	161,923,671
Unearned / deferred Islamic financing Income	<b>(97,137,314)</b>	(17,366,017)	<b>(1,412,922)</b>	(1,107,845)	<b>(88,132,240)</b>	(30,164,946)	<b>(186,682,476)</b>	(48,638,808)
	<b>138,922,101</b>	26,553,882	<b>3,060,234</b>	2,278,211	<b>215,971,217</b>	84,452,770	<b>357,953,552</b>	113,284,863
							<b>(1,244,392)</b>	-
							<b>2,985,172</b>	-
							<b>(12,929,835)</b>	(2,848,917)
							<b>346,764,497</b>	110,435,946
							<b>38,622,496</b>	32,951,803
							<b>308,142,001</b>	77,484,143

**NATIONAL FINANCE HOUSE COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2023**  
**(All amounts in Saudi Riyals unless otherwise stated)**

**9. NET INVESTMENTS IN ISLAMIC FINANCINGS (CONTINUED)**

9.2. The movement in provision for impairment of Islamic financings during the period is as follows:

	<b>For the nine-month period ended 30 September 2023 (Unaudited)</b>	<b>For the year ended 31 December 2022 (Audited)</b>
Balance at 1 January	2,848,917	30,949
Charge for the period / year	<b>10,080,918</b>	2,817,968
Balance at the end of period / year	<b>12,929,835</b>	2,848,917

**10. SHARE CAPITAL**

The Company's subscribed and paid-up share capital of SR. 150,000,000 is divided into 15,000,000 equity shares of SR. 10 each fully subscribed and paid, and distributed among shareholders as follows:

<b>Shareholders</b>	<b>Holding %</b>	<b>No. of Shares</b>	<b>30 September 2023 (Unaudited)</b>	<b>31 December 2022 (Audited)</b>
Balubaid Holding Company limited	<b>100%</b>	<b>15,000,000</b>	<b>150,000,000</b>	<b>100,000,000</b>

During the period, the company has increased its shares capital by issuing SR 50,000,000 shares divided in to 5,000,000 shares of SR 10 each, fully subscribed and paid.

The Company has only one class of ordinary shares which carry no right to fixed income.

**11. RELATED PARTY TRANSACTIONS AND BALANCES**

**11.1. Transactions during the period**

<b>Names of Related Parties</b>	<b>Nature of Relationship</b>	<b>Nature of transactions</b>	<b>For the nine-month period ended 30 September 2023 (Unaudited)</b>	<b>30 September 2022 (Unaudited)</b>
Furniture Leaders Co.	Affiliate	Purchases for furniture	54,625	-
Balubaid Automotive Company	Affiliate	Purchases for Islamic financing	46,274,693	28,418,202
		Amount repaid to Affiliate	44,768,829	25,936,650
Omar Abu Bakr Balubaid Company	Affiliate	Information Technology Services	708,195	-
Key Management Personnel	Key executive employees	Salaries and other short-term employee benefits	2,969,813	2,139,584
	Key executive employees	Employees' post-employment benefits	143,090	92,232
	Shariah Committee	Meeting allowance	39,000	50,000
	Audit Committee	Meeting allowance	65,250	29,154
	Board of directors	Meeting allowance	551,250	183,850
	Award Committee	Meeting allowance	61,500	-
	Risk Committee	Meeting allowance	52,500	-
Executive Committee	Meeting allowance	84,000	-	

**NATIONAL FINANCE HOUSE COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2023**  
**(All amounts in Saudi Riyals unless otherwise stated)**

**11. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)**

**Balances as at the period-end**

**11.2. Due to related parties**

Related party	Nature of relationship	Nature of balance	30 September 2023 (Unaudited)	31 December 2022 (Audited)
<i>Financial Liabilities at amortized cost - unsecured</i>				
Balubaid Automotive Company	Affiliate	Other payable	19,129,485	17,623,622
Omar Abu Bakr Balubaid Company	Affiliate	Other payable	1,943,907	1,235,712
Balubaid Holding Company Limited	Holding Company	Other payable	2,293	2,293
Furniture Leaders Co.	Affiliate	Other payable	54,625	-
Key Management Personnel	Key executive employees	Employees' Post-Employment benefit	311,528	205,493

**12. FINANCING FACILITIES**

<i>Financial Liabilities at amortized cost - secured</i>	30 September 2023 (Unaudited)	31 December 2022 (Audited)
Short term borrowings	187,849,918	-
Accrued interest	1,032,873	-
	<b>188,882,791</b>	<b>-</b>

12.1. The Company has obtained bank financial facilities from local Islamic banks for the purpose of financing working capital needs. These bank facilities bear finance costs at market prevailing rates and also have restricted cash deposits.

**13. PROVISION FOR ZAKAT**

The movement in the provision for zakat is as follows:

	For the nine-month period ended 30 September 2023 (Unaudited)	For the year ended 31 December 2022 (Audited)
Balance at the beginning of the period / year	145,363	5,319
Provided during the period / year	177,412	145,587
Payment during the period / year	(145,363)	(5,543)
Balance at the end of the period / year	<b>177,412</b>	<b>145,363</b>

**STATUS OF ASSESSMENTS**

The Company submitted its Zakat and income tax returns to the ZATCA until the year ended 31 December 2022 and has obtained a certificate from the ZATCA valid until 21 Shawwal 1445 H corresponding to 30 April 2024. There has been no assessment rendered to the Company by ZATCA pertaining to 2022.

**14. FINANCE COST**

	Note	For the nine-month period ended	
		30 September 2023 (Unaudited)	30 September 2022 (Unaudited)
Short term loans	12	4,754,152	-
Facility management fees	12	855,866	-
Bank charges		27,579	28,156
		<b>5,637,597</b>	<b>28,156</b>

**NATIONAL FINANCE HOUSE COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2023**  
**(All amounts in Saudi Riyals unless otherwise stated)**

---

**15. FAIR VALUES OF FINANCIAL INSTRUMENTS**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Company.

The Company's financial assets consist of cash and cash equivalents, other receivables and financial liabilities consist of deferred revenue, other payables and accruals and due to related parties.

The fair values of financial assets and liabilities carried at amortized cost are not materially different from their carrying values at the statement of financial position date.

**16. RECLASSIFICATION OF PRIOR YEAR FIGURES**

Certain comparative information has been reclassified to confirm the current period presentation.

**17. SUBSEQUENT EVENTS**

There have been no significant subsequent events since the period-end that would require additional disclosure or adjustment in these interim condensed financial statements.

**18. DATE OF AUTHORIZATION FOR ISSUE**

These interim condensed financial statements were approved and authorized for issue on 25 October 2023 (corresponding to 10 Rabi Al Thani 1445H) by the Board of Directors of the Company.