

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

**INTERIM CONDENSED FINANCIAL STATEMENTS**  
**AND INDEPENDENT AUDITOR'S REVIEW REPORT**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025**

**NATIONAL FINANCE HOUSE COMPANY**  
**(A Joint Stock Company)**  
**INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025**

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL  
STATEMENTS

(1 /1)

TO THE SHAREHOLDERS OF NATIONAL FINANCE HOUSE COMPANY  
A JOINT STOCK COMPANY

**INTRODUCTION**

We have reviewed the accompanying interim statement of financial position of National Finance House Company (the "Company") as of 31 March 2025 and the related interim statement of comprehensive income, the interim statements of changes in equity and cash flows for the three-month period then ended, and a summary of material 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 the 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 PKF Albassam  
Chartered Accountants



**Sulaiman Bin Dhafir Al Hussain**  
Certified Public Accountant  
License No. 645  
Riyadh, Kingdom of Saudi Arabia  
2 Dhul Qi'dah 1446H  
Corresponding to: 30 April 2025



**NATIONAL FINANCE HOUSE COMPANY**  
**(A Joint Stock Company)**  
**INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2025**  
**(All amounts in Saudi Riyals unless otherwise stated)**

		<b>31 March 2025</b>	<b>31 December 2024</b>
	<b>Note</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>ASSETS</b>			
Cash and bank balances	7	27,129,679	49,641,237
Term deposits	8	23,020,511	-
Prepayments and other receivables		11,504,998	5,203,407
Property and equipment		503,500	541,184
Net investment in islamic financing	9	681,686,454	645,573,971
Restricted cash deposit	10	22,803,720	20,146,366
Intangible assets		7,404,524	7,541,053
<b>TOTAL ASSETS</b>		<b>774,053,386</b>	<b>728,647,218</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	11	300,000,000	300,000,000
Accumulated losses		(3,221,268)	(6,126,513)
<b>TOTAL EQUITY</b>		<b>296,778,732</b>	<b>293,873,487</b>
<b>LIABILITIES</b>			
Trade payables		33,673,481	35,425,878
Other payables and accruals		9,483,021	10,439,136
Due to related parties	12	8,898,868	8,759,262
Provision for zakat	13	3,838,540	3,083,797
Financial facilities	14	420,268,544	376,109,463
Employees' post-employment benefits		1,112,200	956,195
<b>TOTAL LIABILITIES</b>		<b>477,274,654</b>	<b>434,773,731</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>774,053,386</b>	<b>728,647,218</b>

The accompanying notes from 1 to 19 form an integral part of these interim condensed financial statements.

**NATIONAL FINANCE HOUSE COMPANY**  
**(A Joint Stock Company)**  
**INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025**  
**(All amounts in Saudi Riyals unless otherwise stated)**

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		<i>For the three-month period ended</i>	
	<b>Note</b>	<b>31 March 2025</b>	<b>31 March 2024</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>INCOME FROM ISLAMIC FINANCING, NET</b>		<b>31,177,626</b>	<b>22,557,924</b>
<b>OPERATING (EXPENSES) / INCOME</b>			
General and administrative expenses		<b>(10,830,825)</b>	(7,818,666)
Finance cost	15	<b>(7,965,869)</b>	(6,177,977)
Impairment on Islamic financing	9.4	<b>(9,925,552)</b>	(2,638,056)
Selling and marketing expenses		<b>(1,143,061)</b>	(584,460)
Other income		<b>2,347,669</b>	1,008,090
<b>NET OPERATING INCOME BEFORE ZAKAT</b>		<b>3,659,988</b>	6,346,855
Zakat	13	<b>(754,743)</b>	(1,301,417)
<b>NET INCOME FOR THE PERIOD</b>		<b>2,905,245</b>	5,045,438
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>2,905,245</b>	5,045,438

The accompanying notes from 1 to 19 form an integral part of these interim condensed financial statements.

**NATIONAL FINANCE HOUSE COMPANY**  
**(A Joint Stock Company)**  
**INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025**  
**(All amounts in Saudi Riyals unless otherwise stated)**

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**For the three-month period ended**

**31 March 2024**

	Share capital	Accumulated losses	Total equity
Balance as at 1 January 2024 (Audited)	150,000,000	(18,227,195)	131,772,805
Issuance of share capital	75,000,000	-	75,000,000
Total comprehensive income for the period	-	5,045,438	5,045,438
Balance as at 31 March 2024 (Unaudited)	<u>225,000,000</u>	<u>(13,181,757)</u>	<u>211,818,243</u>

**For the three-month period ended**

**31 March 2025**

	Share capital	Accumulated losses	Total equity
Balance as at 1 January 2025 (Audited)	300,000,000	(6,126,513)	293,873,487
Total comprehensive income for the period	-	2,905,245	2,905,245
Balance as at 31 March 2025 (Unaudited)	<u>300,000,000</u>	<u>(3,221,268)</u>	<u>296,778,732</u>

The accompanying notes from 1 to 19 form an integral part of these interim condensed financial statements.

**NATIONAL FINANCE HOUSE COMPANY**  
**(A Joint Stock Company)**  
**INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025**  
**(All amounts in Saudi Riyals unless otherwise stated)**

		<b>For the three-month period ended</b>	
		<b>31 March 2025</b>	<b>31 March 2024</b>
	<b>Note</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Net operating income before zakat</b>		<b>3,659,988</b>	<b>6,346,855</b>
<b>Adjustments for:</b>			
Impairment on Islamic financing	9.4	9,925,552	2,638,056
Finance cost		7,965,869	6,177,977
Amortization of intangibles		277,837	233,072
Provision for employees' post-employment benefits		169,741	127,479
Depreciation of property and equipment		87,859	81,802
Accrued profit on term deposit		(12,711)	-
		<b>22,074,135</b>	<b>15,605,241</b>
<b>Increase in operating assets</b>			
Prepayments and other receivables		(6,301,591)	(429,775)
Net investment in Islamic financing		(46,038,035)	(76,538,065)
Restricted cash deposit		(2,657,354)	(2,084,048)
<b>(Decrease) / increase in operating liabilities</b>			
Trade payables		(1,752,397)	11,402,919
Other payables and accruals		(956,115)	1,356,789
Due to related parties		139,606	(5,936,011)
<b>Cash used in operating activities</b>		<b>(35,491,751)</b>	<b>(56,622,950)</b>
Employees' post-employment benefits paid		(13,736)	(8,783)
<b>Net cash used in operating activities</b>		<b>(35,505,487)</b>	<b>(56,631,733)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of intangible assets		(141,308)	(13,140)
Purchase of property and equipment		(50,175)	-
Placement of term deposits		(35,000,000)	(10,000,000)
Proceeds from encashment of term deposits		27,000,000	10,000,000
<b>Net cash used in investing activities</b>		<b>(8,191,483)</b>	<b>(13,140)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issuance of share capital		-	75,000,000
Proceeds from borrowings		74,940,749	45,234,730
Repayments of borrowings		(30,805,355)	(18,693,399)
Finance cost paid		(7,942,182)	(6,020,911)
<b>Net cash generated from financing activities</b>		<b>36,193,212</b>	<b>95,520,420</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(7,503,758)</b>	<b>38,875,547</b>
Cash and cash equivalents at beginning of the period		49,641,237	10,060,915
<b>Cash and cash equivalents at the end of the period</b>	6	<b>42,137,479</b>	<b>48,936,462</b>

The accompanying notes from 1 to 19 form an integral part of these interim condensed financial statements.

**NATIONAL FINANCE HOUSE COMPANY**  
**(A Joint Stock Company)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025**  
**(All amounts in Saudi Riyals unless otherwise stated)**

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**1. LEGAL STATUS AND OPERATIONS**

National Finance House Company (the “Company”) is a 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  
Building number 3388, Al Amir Muhammad Bin AbdulAziz Branch,  
Secondary number 6320, Ar Rawdah Dist.  
P.O. Box 23432  
Jeddah  
Kingdom of Saudi Arabia.

The Company’s activities as per the commercial registration of the Company includes financial leasing, consumer financing and small and medium enterprise financing.

**2. BASIS OF PREPARATION**

**2.1. 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 2024.

The results for the three-month period ended 31 March 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

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

**2.2. BASIS OF MEASUREMENT**

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

**2.3. FUNCTIONAL AND PRESENTATION CURRENCY**

These interim condensed 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.



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**3. MATERIAL 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 2024.

**4. KEY 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.

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 2024.

**5. NEW AND AMENDED STANDARDS AND INTERPRETATIONS**

- 5.1.** A number of new amendments to standards, enlisted below, are effective this year but they do not have a material effect on the Company's interim condensed financial statements.

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of amendment
IAS 21	Lack of Exchangeability	1 January 2025	The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.
			The amendments introduce new disclosures to help financial statement users assess the impact of using an estimated exchange rate.
			Company is not dealing with foreign currencies and accordingly there is no impact of this amendment.

- 5.2.** The Company has not applied the following new and revised IFRS standards and amendments to IFRS that have been issued but are not yet effective:

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of amendment
IFRS 19	Subsidiaries without Public Accountability	1 January 2027	IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements.
			A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

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**5. NEW AND AMENDED STANDARDS AND INTERPRETATIONS (CONTINUED)**

- 5.2.** The Company has not applied the following new and revised IFRS standards and amendments to IFRS that have been issued but are not yet effective:

<b>Amendments to standard</b>	<b>Description</b>	<b>Effective from accounting period beginning on or after</b>	<b>Summary of amendment</b>
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027	IFRS 18 replaces IAS 1, which sets out presentation and base disclosure requirements for financial statements. The changes, which mostly affect the income statement, include the requirement to classify income and expenses into three new categories – operating, investing and financing – and present subtotals for operating profit or loss and profit or loss before financing and income taxes.
			Further, operating expenses are presented directly on the face of the income statement – classified either by nature (e.g. employee compensation), by function (e.g. cost of sales) or using a mixed presentation. Expenses presented by function require more detailed disclosures about their nature.
			IFRS 18 also provides enhanced guidance for aggregation and disaggregation of information in the financial statements, introduces new disclosure requirements for management-defined performance measures (MPMs)* and eliminates classification options for interest and dividends in the statement of cash flows.
IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026	These amendments clarify financial assets and financial liabilities are recognized and derecognized at settlement date except for regular way purchases or sales of financial assets and financial liabilities meeting conditions for new exception. The new exception permits companies to elect to derecognize certain financial liabilities settled via electronic payment systems earlier than the settlement date.
			They also provide guidelines to assess contractual cash flow characteristics of financial assets, which apply to all contingent cash flows, including those arising from environmental, social, and governance (ESG)-linked features.
			Additionally, these amendments introduce new disclosure requirements and update others.

Management anticipates that this amendment will be adopted in the Company's financial statements as and when it is applicable and adoption of this amendments may have no material impact on the financial statements of the Company in the period of initial application.

**NATIONAL FINANCE HOUSE COMPANY**  
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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
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**6. CASH AND CASH EQUIVALENTS**

	<b>Note</b>	<b>31 March 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
<i>Financial assets carried at amortized cost - secured</i>			
Cash at banks – secured	7	27,084,125	49,641,237
Cash in hand	7	45,554	-
Term deposit	8		
- Original maturity – less than three months		15,000,000	-
Accrued profit on term deposits		7,800	-
		<b>42,137,479</b>	<b>49,641,237</b>

**7. CASH AND BANK BALANCES**

	<b>Note</b>	<b>31 March 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
<i>Financial assets carried at amortized cost - secured</i>			
Cash at banks – secured	7.1	27,084,125	49,641,237
Cash in hand		45,554	-
		<b>27,129,679</b>	<b>49,641,237</b>

- 7.1.** The Company's does not earn profits on current accounts with banks and financial institutions in accordance with Shari'a rules and principles.

**8. TERM DEPOSITS**

	<b>31 March 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
<i>Financial assets carried at amortized cost</i>		
Term deposits		
- Original maturity – less than three months	15,000,000	-
- Original maturity – more than three months	8,000,000	-
Accrued profit on term deposits	20,511	-
	<b>23,020,511</b>	<b>-</b>

- 8.1.** The Company has placed term deposit of SR 15 million with Saudi National Bank and SR 8 million with Al Rajhi bank. The profit rate on these term deposits ranges from 4.68% to 5.20%.

**9. NET INVESTMENT IN ISLAMIC FINANCINGS**

	<b>31 March 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
<i>Financial assets carried at amortized cost - unsecured</i>		
Tawarruq	191,234,606	193,031,382
Murabaha	2,983,432	2,774,075
<i>Investment classified as a finance lease - secured</i>		
Ijara	510,046,034	475,852,370
	<b>704,264,072</b>	<b>671,657,827</b>

**NATIONAL FINANCE HOUSE COMPANY**  
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**9. NET INVESTMENT IN ISLAMIC FINANCINGS (CONTINUED)**

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

	Tawarruq		Murabaha		Ijara		Total	
	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Gross investment in Islamic financings	287,170,204	292,753,871	4,400,623	4,032,501	727,634,358	681,133,679	1,019,205,185	977,920,051
Unearned / deferred Islamic financing income	(95,935,598)	(99,722,489)	(1,417,191)	(1,258,426)	(217,588,324)	(205,281,309)	(314,941,113)	(306,262,224)
	191,234,606	193,031,382	2,983,432	2,774,075	510,046,034	475,852,370	704,264,072	671,657,827
Unearned origination fees							(3,171,431)	(3,122,721)
Deferred transaction costs							7,235,238	6,275,278
Impairment on Islamic financing							(26,641,425)	(29,236,413)
Net Investment in Islamic financing							681,686,454	645,573,971
Current portion							129,750,175	114,181,639
Non-current portion							551,936,279	531,392,332

  

	Tawarruq		Murabaha		Ijara		Total	
	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Secured	-	-	-	-	510,046,034	475,852,370	510,046,034	475,852,370
Unsecured	191,234,606	193,031,382	2,983,432	2,774,075	-	-	194,218,038	195,805,457
	191,234,606	193,031,382	2,983,432	2,774,075	510,046,034	475,852,370	704,264,072	671,657,827

**NATIONAL FINANCE HOUSE COMPANY**  
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**9. NET INVESTMENTS IN ISLAMIC FINANCINGS (CONTINUED)**

- 9.2.** The Company in the ordinary course of its business holds collateral in respect of Islamic financing (being the title of assets leased out) in order to mitigate the credit risk associated with them. These collaterals are not readily convertible into cash and are intended to be repossessed and disposed of in case the customer defaults.
- 9.3.** The Company has assigned Islamic financing receivables amounting to SR 522 million (31 December 2024: SR 604 million) to local commercial banks for obtaining financial facilities. These Islamic financing receivables have not been derecognized from the statement of financial position as the Company retains substantially all the risks and rewards, primarily credit risk.
- 9.4.** The movement in provision for impairment of Islamic financings during the period is as follows:

		<b>For the three-month period ended 31 March 2025 (Unaudited)</b>	<b>For the year ended 31 December 2024 (Audited)</b>
	<b>Note</b>		
Balance at the beginning of the period / year		<b>29,236,413</b>	19,651,127
Charge for the period / year		<b>9,925,552</b>	32,862,881
Written off during the period / year	9.5	<b>(12,520,540)</b>	(23,277,595)
Balance at the end of period / year		<b>26,641,425</b>	29,236,413

- 9.5.** During the period, the Credit and Risk Committee of the Company, authorized by the Board of directors, approved a write-off of gross investment in Islamic financing receivable amounting to SR 12.52 million (31 December 2024: 23.3 million) for certain customers with an existing provision of SR 12.52 million (31 December 2024: 23.3 million). These amounts are subject to enforcement activities.
- 9.6.** The Company's Islamic financing arrangements do not include variable payments.
- 9.7.** The Company is not exposed to foreign currency risk as a result of the financing arrangements, as all financings are denominated in Saudi Riyals.

**10. RESTRICTED CASH DEPOSITS**

The Company has placed these funds in restricted bank account. Out of total deposit, SR 14.62 million has been deposited as restricted time deposit for certain financing facilities granted to the Company. The Company also earns a profit on this balance. The yields on these deposits range from 4.79% to 5.05%.

	<b>31 March 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
<i>Financial assets carried at amortized cost – secured</i>		
Restricted cash deposit	<b>22,564,027</b>	20,062,877
Accrued profit on restricted cash deposit	<b>239,693</b>	83,489
	<b>22,803,720</b>	20,146,366

**11. SHARE CAPITAL**

The Company's subscribed and paid-up share capital of SR. 300,000,000 is divided into 30,000,000 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>31 March 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Balubaid Holding Company Limited (Ultimate Parent Company)	<b>100%</b>	<b>30,000,000</b>	<b>300,000,000</b>	300,000,000

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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
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**(All amounts in Saudi Riyals unless otherwise stated)**

**12. RELATED PARTY TRANSACTIONS AND BALANCES**

<b>Names of Related Party</b>	<b>Nature of Relationship</b>	<b>Country of incorporation</b>	<b>Aggregate % of shareholding in the Company</b>
Balubaid Holding Company Limited	Shareholder	Saudi Arabia	100%
Furniture Leaders Co.	Affiliate	Saudi Arabia	-
Balubaid Automotive Company	Affiliate	Saudi Arabia	-
Omar Abu Bakr Balubaid Co.	Affiliate	Saudi Arabia	-
Arabian Plant for Lubricants and Greases	Affiliate	Saudi Arabia	-
Awtad Co.	Affiliate	Saudi Arabia	-
Digital Excellence	Affiliate	Saudi Arabia	-
Roots Co.	Affiliate	Saudi Arabia	-
Saudi Finance House Company	Affiliate	Saudi Arabia	-
Aswaq Al-Hijaz Company	Affiliate	Saudi Arabia	-

**12.1. Transactions during the period**

Following are the related parties including with whom the Company had entered into transactions or have arrangement / agreement in place:

<b>Names of Related Parties</b>	<b>Nature of Relationship</b>	<b>Nature of transactions</b>	<b>For the three-month period ended 31 March 2025 (Unaudited)</b>	<b>31 March 2024 (Unaudited)</b>
Balubaid Automotive Company	Affiliate	Purchases for Islamic financing	<b>11,340,475</b>	15,964,470
		Amount repaid to Affiliate	<b>(10,630,810)</b>	(22,284,512)
Omar Abu Bakr Balubaid Company	Affiliate	Information Technology	<b>89,738</b>	624,307
		Amount repaid to Affiliate	<b>(659,797)</b>	(188,641)
Furniture Leaders Co.	Affiliate	Purchases for furniture	-	2,990
		Amount repaid to Affiliate	-	(54,625)
Key Management Personnel	Key executive employees	Salaries and other short-term employee benefits	<b>1,584,422</b>	1,412,678
		Employees' post-employment benefits	<b>58,134</b>	54,759
	Shariah Committee	Remuneration	<b>21,000</b>	12,000
	Audit Committee	Remuneration	<b>32,125</b>	17,125
	Board of directors	Remuneration	<b>128,333</b>	112,500
	Award Committee	Remuneration	<b>20,500</b>	12,500
	Risk Committee	Remuneration	<b>32,500</b>	25,000
	Executive Committee	Remuneration	<b>28,000</b>	10,000

**Balances as at period-end**

	<b>31 March 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
<i><u>Financial liabilities at amortized cost - unsecured</u></i>		
<b>Due to related parties</b>		
Balubaid Automotive Company	<b>7,598,281</b>	6,888,616
Omar Abu Bakr Balubaid Company	<b>1,293,822</b>	1,863,881
Balubaid Holding Company Limited	<b>6,765</b>	6,765
	<b>8,898,868</b>	8,759,262

**NATIONAL FINANCE HOUSE COMPANY**  
**(A Joint Stock Company)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025**  
**(All amounts in Saudi Riyals unless otherwise stated)**

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

**Balances as at period-end (continued)**

	<b>31 March 2025</b> <b>(Unaudited)</b>	<b>31 December 2024</b> <b>(Audited)</b>
<b>Key Management Personnel</b>		
Salaries and other short-term employee benefits	207,560	807,540
Post-employment benefits	658,152	527,712
Board remuneration	253,458	730,500

**13. PROVISION FOR ZAKAT**

The movement in the provision for zakat is as follows:

	<b>For the three-month period ended 31 March 2025 (Unaudited)</b>	<b>For the year ended 31 December 2024 (Audited)</b>
Balance at the beginning of the period / year	3,083,797	699,887
Provided during the period / year	754,743	3,083,797
Payment during the period / year	-	(473,142)
Prior year - reversal	-	(226,745)
Balance at the end of the period / year	<b>3,838,540</b>	<b>3,083,797</b>

**STATUS OF ASSESSMENTS**

The Company submitted its Zakat and income tax returns to the ZATCA until the year ended 31 December 2023 and has obtained a certificate from the ZATCA valid until 02 Dhul-Qi'dah 1446H, corresponding to 30 April 2025. There has been no assessment rendered to the Company by ZATCA from the year of registration through to 2023.

**14. FINANCIAL FACILITIES**

	<b>Note</b>	<b>31 March 2025</b> <b>(Unaudited)</b>	<b>31 December 2024</b> <b>(Audited)</b>
<b><u>Financial liabilities at amortized cost – secured</u></b>			
Long-term financial facilities	14.2	418,026,867	373,891,473
Finance cost payable		2,241,677	2,217,990
		<b>420,268,544</b>	<b>376,109,463</b>

**14.1. Movement in financial facilities**

	<b>For the three-month period ended 31 March 2025 (Unaudited)</b>	<b>For the year ended 31 December 2024 (Audited)</b>
Opening balance	376,109,463	252,410,029
Add: facilities obtained during the period / year	74,940,749	207,506,980
Less: payments made during the period / year	(30,805,355)	(84,286,153)
Finance cost during the period / year	7,602,735	23,928,210
Less: finance cost paid during the period / year	(7,579,048)	(23,449,603)
Closing balance	<b>420,268,544</b>	<b>376,109,463</b>

**NATIONAL FINANCE HOUSE COMPANY**  
**(A Joint Stock Company)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025**  
**(All amounts in Saudi Riyals unless otherwise stated)**

**14. FINANCIAL FACILITIES (CONTINUED)**

**14.2. Maturity profile**

	<b>31 March 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Current portion	<b>132,504,740</b>	119,439,180
Non-current portion	<b>285,522,127</b>	254,452,293
	<b>418,026,867</b>	373,891,473

**14.3. Secured financial facilities at amortized cost**

	<b>31 March 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Islamic financial facilities		
- Tawarruq	<b>418,026,867</b>	373,891,473
	<b>418,026,867</b>	373,891,473

The Company has obtained bank financial facilities from local Islamic banks for the purpose of financing working capital needs and financing to customers. These bank facilities bear finance costs according to the internal lending rates of Saudi banks (SIBOR) in addition to an agreed profit margin which ranges from 2.25% to 2.5% and also have restricted cash deposits.

**15. FINANCE COST**

	<b>For the three-month period ended</b>	
	<b>31 March 2025 (Unaudited)</b>	<b>31 March 2024 (Unaudited)</b>
Islamic financial facilities		
- Tawarruq	<b>7,602,735</b>	5,762,371
Facility management fees	<b>355,012</b>	407,048
Bank charges	<b>8,122</b>	8,558
	<b>7,965,869</b>	6,177,977

**16. 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 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.

**17. RECLASSIFICATION OF PRIOR YEAR FIGURES**

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

**18. 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.



**19. DATE OF AUTHORIZATION FOR ISSUE**

These interim condensed financial statements were approved and authorized for issue on 29 April 2025 (corresponding to 1 Dhul Qidah 1446H) by the Board of Directors of the Company.