

**Nama United Financing Company
(A Closed Joint Stock Company)**

**FINANCIAL STATEMENTS AND INDEPENDENT
AUDITOR'S REPORT**

FOR THE YEAR ENDED 31 DECEMBER 2025

Nama United Financing Company
(A Closed Joint Stock Company)

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

For the year ended 31 December 2025

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Ernst & Young Professional Services (Professional LLC)
Paid-up capital (٥,500,000 - Five million five hundred thousand Saudi Riyal)

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**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF NAMA UNITED FINANCING COMPANY
(A CLOSED JOINT STOCK COMPANY)**

Opinion

We have audited the financial statements of Nama United Financing Company (A Closed Joint Stock Company) (the "Company") which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia ("KSA") and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") (collectively, referred to as "IFRS endorsed in KSA").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA") that are endorsed in the KSA. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia that is relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with that Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants and the applicable provisions of the Regulations for Companies and Company's By-laws, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, the Board of Directors, is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



Shape the future
with confidence

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF NAMA UNITED FINANCING COMPANY
(A CLOSED JOINT STOCK COMPANY) (CONTINUED)**

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For Ernst & Young Professional Services

Hussain Saleh Asiri
Certified Public Accountant
License No. (414)

Jeddah: 16 Ramadhan 1447H
(5 March 2026G)



Nama United Financing Company
(A Closed Joint Stock Company)

STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Note</i>	<i>2025</i> <i>SR</i>	<i>2024</i> <i>SR</i>
ASSETS			
Cash and bank balances	5	19,372,350	90,304,986
Short term investments	6	53,000,000	100,000,000
Accrued income		119,100	1,267,077
Prepayments and other receivables	7	11,033,095	259,474
Net investment in Islamic financing	8	166,079,828	-
Right of use assets	9.1	770,758	-
Intangible assets	10	4,208,510	2,453,812
Property and equipment	11	1,560,963	453,942
TOTAL ASSETS		256,144,604	194,739,291
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	12	200,000,000	200,000,000
Accumulated losses		(21,636,930)	(8,750,912)
TOTAL SHAREHOLDERS' EQUITY		178,363,070	191,249,088
LIABILITIES			
Accounts payables, accrued and other liabilities	13	50,524,293	2,307,140
Due to related parties	14	25,493,476	994,887
Zakat payable	15	219,497	188,176
Lease liabilities	9.2	801,655	-
Employees' post-employment benefits	16	742,613	-
TOTAL LIABILITIES		77,781,534	3,490,203
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		256,144,604	194,739,291

The attached notes 1 to 26 form an integral part of these financial statements.

Nama United Financing Company
(A Closed Joint Stock Company)

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

		<i>2025</i>	<i>From 17</i>
	<i>Note</i>	<i>SR</i>	<i>December</i>
			<i>2023 to 31</i>
			<i>December</i>
			<i>2024</i>
			<i>SR</i>
Income from Islamic financing	17	7,392,678	-
Cost of revenue	18	(1,807,461)	-
Net income from financing		5,585,217	-
General and administrative expenses	19	(21,652,441)	(15,567,599)
Income from short term investments		5,058,869	8,742,048
Finance cost	20	(65,965)	(1,737,185)
LOSS BEFORE EXPECTED CREDIT LOSSES		(11,074,320)	(8,562,736)
Expected credit losses on financial assets	8	(1,592,201)	-
LOSS BEFORE ZAKAT		(12,666,521)	(8,562,736)
Zakat	15	(219,497)	(188,176)
NET LOSS FOR THE YEAR / PERIOD		(12,886,018)	(8,750,912)
Other comprehensive income		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR / PERIOD		(12,886,018)	(8,750,912)

The attached notes 1 to 26 form an integral part of these financial statements.

Nama United Financing Company
(A Closed Joint Stock Company)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2025

	<i>Share Capital SR</i>	<i>Accumulated Losses SR</i>	<i>Total SR</i>
Balance as at 1 January 2025	200,000,000	(8,750,912)	191,249,088
Net loss for the year	-	(12,886,018)	(12,886,018)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(12,886,018)	(12,886,018)
Balance as at 31 December 2025	200,000,000	(21,636,930)	178,363,070
Capital introduced	200,000,000	-	200,000,000
Net loss for the period	-	(8,750,912)	(8,750,912)
Other comprehensive income	-	-	-
Total comprehensive loss for the period	-	(8,750,912)	(8,750,912)
Balance as at 31 December 2024	200,000,000	(8,750,912)	191,249,088

The attached notes 1 to 26 form an integral part of these financial statements.

Nama United Financing Company
(A Closed Joint Stock Company)

STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

		2025	From 17 December 2023 to 31 December 2024
	Note	SR	SR
OPERATING ACTIVITIES			
Loss before zakat		(12,666,521)	(8,562,736)
Adjustments for:			
Expected credit losses on financial assets	8	1,592,201	-
Amortization of right of use assets	9.1	384,588	-
Amortization of intangible assets	10	635,376	10,993
Depreciation of property and equipment	11	199,512	80,808
Provision of employees' post-employment benefits	16	796,812	-
Finance cost	20	65,965	1,737,185
		<u>(8,992,067)</u>	<u>(6,733,750)</u>
<i>Working capital adjustments:</i>			
Changes in operating assets and liabilities:			
Net investment in Islamic financing		(167,672,028)	-
Prepayments, advance payments and other receivables		(10,773,621)	(259,474)
Accrued income		1,147,977	(1,267,077)
Accounts payables, accrued and other liabilities		48,217,152	2,307,139
Due to related parties		24,498,589	994,887
		<u>(113,573,998)</u>	<u>(4,958,275)</u>
Cash used in operations			
Zakat paid	15	(188,176)	-
Finance cost paid		(1,251)	(1,737,184)
Employees' post-employment benefits paid	16	(54,199)	-
		<u>(113,817,624)</u>	<u>(6,695,459)</u>
Net cash used in operating activities			
INVESTING ACTIVITIES			
Purchase of intangible assets	10	(2,390,074)	(2,464,805)
Purchase of property and equipment	11	(1,306,533)	(534,750)
Short-term investment		(648,000,000)	(100,000,000)
Proceeds from disposal of short-term investment		748,000,000	-
		<u>96,303,393</u>	<u>(102,999,555)</u>
Net cash generated from / (used in) investing activities			
FINANCING ACTIVITIES			
Proceeds from issuance of share capital		-	200,000,000
Payment against principal portion of lease liabilities	9.2	(418,405)	-
		<u>(418,405)</u>	<u>200,000,000</u>
Net cash (used in)/from financing activities			
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at the beginning of the year / period	5	90,304,986	-
		<u>(17,932,636)</u>	<u>90,304,986</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR / PERIOD	5	<u>72,372,350</u>	<u>90,304,986</u>

The attached notes 1 to 26 form an integral part of these financial statements.

Nama United Financing Company (A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS

At 31 December 2025

1 ORGANIZATION AND ACTIVITIES

NAMA United Financing Company, (the “Company”) is a Closed Joint-Stock Company formed under the laws of the Kingdom of Saudi Arabia and registered under the commercial registration No. 4030535994 and unified No. 7037557605. The Company was established on 04 Jumada Al-Thani 1445H (corresponding to 17 December 2023) having obtained the necessary approval from the Ministry of Commerce (“MOC”) and the Notary Public.

On 1 Rajab 1446H (corresponding to 1 January 2025) the Company received a license from the Saudi Central Bank (“SAMA”) to conduct real estate financing, financing productive assets, financing small and medium sized enterprises, financial leasing and consumer financing activities in the Kingdom of Saudi Arabia. The Finance Companies Control Law was issued by the Saudi Council of Ministers through its publication No. 259 dated 12 Sha ban 1433H (corresponding to 2 July 2012) and the Royal Decree No. 51 dated 13 Sha ban 1433H (corresponding to 3 July 2012) and its implementing regulations were issued by SAMA for conducting lease financing business in the Kingdom of Saudi Arabia. On 1 Muharram 1439H (corresponding to 21 Sep 2017).

The registered address of the Company is located at:

Building number 9166,
Al Madinah Al Munawarah Branch Road,
Al Andalus district,
P.O. Box 23326

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants (collectively referred to as “IFRSs that are endorsed in KSA”).

The statement of financial position is presented in descending order of liquidity, as this presentation is more appropriate to the Company’s operations.

2.2 Basis of measurement

These financial statements have been prepared on a historical cost convention using accrual basis of accounting, except for financial assets classified at fair value through other comprehensive income (“FVOCI”).

These financial statements have been prepared on going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business.

2.3 Functional and presentation currency

These financial statements have been presented in Saudi Riyal (“SR”), which is also the functional and presentation currency of the Company, except as otherwise indicated.

2.4 Significant accounting judgments, estimates and assumptions

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

These estimates and assumptions are based upon experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised or in the revision period and future periods if the changed estimates affect both current and future periods.

Nama United Financing Company
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

2 BASIS OF PREPARATION (continued)

2.4 Significant accounting judgments, estimates and assumptions (continued)

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material difference in the carrying amounts of assets and liabilities within the next financial period, are presented below. The Company used these assumptions and estimates on the basis available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

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 on the Company's ability to continue as a going concern. Therefore, the financial statements have been prepared on a going concern basis.

Determination of discount rate for present value calculations

Discount rate represents the current market assessment of the risks specific to the Company, taking into consideration the tenure of the agreement and the individual risks of the underlying assets. The discount rate calculation is based on the specific circumstances of the Company

Useful lives of equipment, furniture, and vehicles

The management determines the estimated useful lives of its equipment, furniture, and vehicles for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Useful life of intangible assets

The Company's management determines the estimated useful lives of its intangible assets for calculating amortization. This estimate is determined after considering the expected benefit obtained from the usage of the intangible assets. Management reviews the carrying value and useful lives annually and future amortization charge would be adjusted where the management believes the useful lives differ from previous estimates.

Development costs

The Company capitalizes costs for product development projects. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

Impairment of non-financial assets

The carrying amounts of the non-financial assets are reviewed at the end of each reporting date or more frequently to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or a cash generating unit ("CGU") exceeds the recoverable amount. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present values using the pre-zakat discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. The fair value less cost to sell is based on observable market prices or, if no observable market prices exist, estimated prices for similar assets or if no estimated prices for similar assets are available, then based on discounted future cash flow calculations.

Classification of financial assets

Assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial assets are solely payment of principal and profit of the principal amount outstanding.

Nama United Financing Company
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

2 BASIS OF PREPARATION (continued)

2.4 Significant accounting judgments, estimates and assumptions (continued)

Impairment of financial assets

The measurement of impairment losses requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's Expected Credit Loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies.

Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's model for determination of defaults, which assigns Probabilities of Default (PDs) to the individual pool of receivables and assessing the exposure at default (EAD)
- The Company's criteria for assessing the credit losses for finance and murabaha financing receivables to be measured on a Lifetime Expected Credit Loss (LTECL) basis and the qualitative assessment.
- The segmentation of finance leases and murabaha financing receivables when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the appropriate inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as government spending, and the effect on PDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as prepayment risk, liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial Instruments.

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate. The Company included the renewal period as part of the lease term for leases due to the significance of leased assets to its operations.

Leases – Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Nama United Financing Company
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

2 BASIS OF PREPARATION (continued)

2.4 Significant accounting judgments, estimates and assumptions (continued)

Actuarial valuation of employee benefits liabilities

The cost of the end-of-service (“employee benefits”) under defined unfunded benefit plan is determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, and mortality rates. Due to the complexity of the valuation and its long-term nature, defined unfunded benefit liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed on an annual basis or more frequently, if required.

Calculation of loss allowance

The determination of expected credit losses involves key estimates by management. Management has exercised judgment in assessing the impact of current and future economic conditions, as well as other relevant factors that may affect the collectability of financial assets. Key estimates include the estimation of credit risk, probability of default, exposure at default, and loss given default.

The ECL model relies on forward-looking information. Management continually monitors changes in economic conditions and adjusts the ECL estimates as necessary. Given the inherent uncertainty in forecasting economic conditions, the Company performs sensitivity analyses to assess the potential impact of changes in key assumptions on the expected credit losses.

Business model assessment

Classification and measurement of financial assets depend on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company’s continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the periods presented.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Company’s debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks, and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relates to the Company’s core operations.

Nama United Financing Company
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

3 MATERIAL ACCOUNTING POLICIES INFORMATION

The material accounting policies set out below have been applied consistently, except if mentioned otherwise, in the preparation of these financial statements.

Leases

Lease arrangements where the Company is a lessee

The Company assesses whether a contract is or contains a lease, at the inception of the contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect finance cost on the lease liability (using the effective profit method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating profit rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received, and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Nama United Financing Company
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

3 MATERIAL ACCOUNTING POLICIES INFORMATION (continued)

Leases (continued)

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located, or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

Lease arrangements where the Company is a lessee (continued)

The Company applies IAS 36 'Impairment of Assets' to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

Lease arrangements where the Company is a lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Subsequent to initial recognition, the Company regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of IFRS 9 'Financial Instruments', recognizing an allowance for expected credit losses on the lease receivable.

Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit-impaired financial assets for which finance income is calculated with reference to their amortized cost (i.e., after a deduction of the loss allowance).

Ijarah receivables

Ijarah finance is an agreement wherein gross amounts due under originated Ijarah (finance) includes the total of future payments on Ijarah finance, plus estimated residual amounts receivable (by an option to purchase the asset at the end of the respective financing term through an independent sale contract). The difference between the Ijarah contracts receivable and the cost of the Ijarah assets is recorded as unearned Ijarah finance income and for presentation purposes, is deducted from the gross amounts due under Ijarah finance.

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

3 MATERIAL ACCOUNTING POLICIES INFORMATION (continued)

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. 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 fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

For the purpose of fair value disclosures, the Company determines 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.

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

3 MATERIAL ACCOUNTING POLICIES INFORMATION (continued)

Foreign currency translation

Foreign currency transactions are translated into Saudi Riyals at the rates of exchange prevailing at the time of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are re-translated at the exchange rates prevailing at that date. Gains and losses from settlement and translation of foreign currency transactions are included in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Revenue recognition

Income from Islamic financing

Income from Islamic financing is recognized in the statement of profit or loss using the effective profit method, using the applicable effective profit rate “EPR”, on the outstanding balance over the term of the contract. The calculation of EPR includes transaction costs and fees and commission income received that are an integral part of the EPR. Transaction costs include incremental costs that are directly attributable to the acquisition of the financial assets. Origination fees charged in respect of processing and other services are recognized as income using EPR over the term of the financing agreement.

Income from short term investment

Income from short-term investments placed with local banks is recognized in the statement of profit or loss using the profit rate agreed with the bank and recognized as other income in statement of profit or loss. Profit is accrued based on the actual number of days the funds remain invested.

Expenses

General and administrative expenses include direct and indirect costs not specifically part of the operating activities of the Company. Allocations between general and administrative expenses and direct costs, when required, are made on a consistent basis.

Zakat

The Company is subject to zakat in accordance with the regulations of the Zakat, Tax and Customs Authority (“ZATCA”) in the Kingdom of Saudi Arabia. Provision for zakat is provided on accrual basis.

The zakat charge is computed on the zakat base. The related provision is charged to profit or loss account. Additional amounts payable, if any, at the finalization of final assessments are accounted for when such amounts are determined and expected to be paid to the ZATCA.

Value added tax (“VAT”)

Assets and expenses are recognized net of amount of VAT, except when VAT incurred on a purchase of assets or services is not recoverable from the ZATCA, in which case, VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of VAT recoverable from, or payable to, ZATCA is included as part of other receivables or other payables.

Nama United Financing Company
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

3 MATERIAL ACCOUNTING POLICIES INFORMATION (continued)

Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at banks and other short term highly liquid investments with original maturities of three months or less, which are available to the Company without any restrictions.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Murabaha receivables

Murabaha is an agreement whereby the Company sells to a customer an asset, which the Company has purchased and acquired based on a promise received from the customer to buy. The selling price comprises the cost plus an agreed profit margin. Gross amounts due under the Murabaha sale contracts include the total of future sale price payments on the Murabaha agreement (Murabaha sale contract receivable). The difference between the Murabaha sale contracts receivable and the cost of the sold asset is recorded as unearned Murabaha profit and for presentation purposes, is deducted from the gross amounts due under the Murabaha sale contracts receivable.

Initial recognition and measurement

Financial assets at initial recognition, are measured at their fair values. Subsequent measurement of a financial asset is dependent on its classification and is either at amortised cost or fair value through other comprehensive income (“FVOCI”) or fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Company’s business model for managing them. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are ‘solely payments of principal and interest (SPPI)’ on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI (debt instruments)
- Financial assets designated at fair value through OCI (equity instruments)
- Financial assets at fair value through profit or loss

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

3 MATERIAL ACCOUNTING POLICIES INFORMATION (continued)

Financial instruments (continued)

Financial assets (continued)

Subsequent measurement (continued)

Financial asset at amortised cost (debt instruments)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in statement of profit or loss when the asset is derecognized, modified or impaired.

Financial assets at fair value through OCI (debt instruments)

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (HTCS); and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of income and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to statement of other comprehensive income.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under *IAS 32 Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

3 MATERIAL ACCOUNTING POLICIES INFORMATION (continued)

Financial instruments (continued)

Financial assets (continued)

Subsequent measurement (continued)

Financial assets at fair value through profit or loss (continued)

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

Business model assessment

The Company makes an assessment of the objective of a business model under which an asset is held, at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated- e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Company's stated objective for managing the financial assets is achieved and how cash flows are realized.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Financial assets that are held for trading and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessments whether contractual cash flows are solely payments of principal and interest ("SPPI" criteria).

For the purposes of this assessment, 'principal' is the fair value of the financial asset on initial recognition. 'Interest' is the consideration for the time value of money, the credit and other basic lending risk associated with the principal amount outstanding during a particular period and other basic lending costs (e.g., liquidity risk and administrative costs), along with profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Company considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;

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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

3 MATERIAL ACCOUNTING POLICIES INFORMATION (continued)

Financial instruments (continued)

Financial assets (continued)

Assessments whether contractual cash flows are solely payments of principal and interest ("SPPI" criteria). (continued)

- prepayment and extension terms;
- terms that limit the Company's claim to cash flows from specified assets (e.g., non-recourse asset arrangements); and
- features that modify consideration of the time value of money- e.g., periodical reset of interest rates.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

The Company has not designated any financial liability as at fair value through profit or loss.

Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in OCI is recognized in statement of income.

Any cumulative gain/ (loss) recognized in OCI in respect of equity investment securities designated as at FVOCI is not recognized in statement of profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Company is recognized as a separate asset or liability.

When assets are sold to a third party with a concurrent total rate of return swap on the transferred assets, the transaction is accounted for as a secured financing transaction similar to sale-and- repurchase transactions, as the Company retains all or substantially all of the risks and rewards of ownership of such assets.

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

3 MATERIAL ACCOUNTING POLICIES INFORMATION (continued)

Financial instruments (continued)

Financial Liabilities (continued)

Derecognition (continued)

Financial assets (continued)

In transactions in which the Company neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Company continues to recognize the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized, and a new financial asset is recognized at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in the statement of income. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

Financial liabilities

The Company derecognizes a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in statement of profit or loss.

Impairment

The Company recognizes loss allowances for Expected Credit Loss (“ECL”) on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments; and
- loan commitments issued, if any.

No impairment loss is recognized on equity investments.

The Company measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments on which credit risk has not increased significantly since their initial recognition.

The Company considers a debt security to have low credit risk when their credit risk rating is equivalent to the globally understood definition of ‘investment grade’.

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

3 MATERIAL ACCOUNTING POLICIES INFORMATION (continued)

Financial instruments (continued)

Impairment (continued)

The key inputs into the measurement of ECL are based on the following variables:

- Loss rate
- Exposure at default (EAD)

The Company categorizes its leasing portfolio into various groups on the basis of common credit risk characteristics for the purpose of collective basis of ECL determination using appropriate models. Lease customers which have materially different credit risk characteristics (such as customers subject to bankruptcy, significant litigation or other factors) are assessed on individual basis for ECL determination purposes.

The Company also considers the forward-looking information in its assessment of significant deterioration in credit risk since origination as well as the measurement of ECLs. The forward-looking information will include the elements such as expert judgement, macroeconomic factors (e.g., unemployment, GDP growth, inflation and profit rates) and economic forecasts obtained through internal and external sources. Management applies additional overlays to reflect current or future external factors that might not be captured by the expected credit loss model, if required.

Measurement of ECL

For finance lease receivables, ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- finance leases that are not credit-impaired at the reporting date; an estimate of lifetime loss is made, considering the loss rate, exposure at defaults, taking into account the forward looking information i.e. the macro-economic factor;
- finance leases that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash inflows.

For murabaha financing receivables, the Company measure loss allowance for stage 1 financial assets at an amount equal to 12 months expected credit losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime. 12 months expected credit losses are the portion of expected credit losses that result from default events on the financial assets that are possible within 12 months after the reporting period. The financial assets of the Company are categorized as follows:

- Stage 1: These represent the receivables where customers have low risk of default and a strong capacity to meet contractual cash flows.
- Stage 2: these represent financial assets where there is a significant increase in credit risk and that is presumed if the customer is more than 30 days past due in making contractual payment/installation.
- Stage 3: these represent defaulted receivables. A default on a receivable is considered when the customer fails to make a contractual payment/installment within 90 days after they fall due. The Company measures loss allowance for non-performing receivables at an amount equal to lifetime expected credit losses.

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognized and ECL are measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original special commission rate of the existing financial asset.

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

3 MATERIAL ACCOUNTING POLICIES INFORMATION (continued)

Financial instruments (continued)

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial asset have occurred

A financial asset that has been renegotiated due to deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

Murabaha receivables and finance lease receivables that are overdue for more than 90 days are considered credit impaired unless there is evidence to the contrary.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

- For financial assets measured at amortised cost, as a deduction from the gross carrying amount of the assets;
- For financial instrument including both a drawn and an undrawn component, where the Company cannot identify the ECL on the loan commitment component separately from those on the drawn component, the Company presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and

Debt instruments measured at FVOCI

No loss allowance is recognized in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognized in the fair value reserve. Impairment losses are recognized in statement of profit or loss and changes between the amortised cost of the assets and their fair value are recognized in OCI.

Write-off

Financial assets are written off (either partially or in full) when there is no realistic prospect of recovery. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Collateral repossession and disposal

As part of collection strategy, all litigation tools including repossession could be used once the past dues of the customer exceed 90 days. Repossessed assets could only be returned to the customer either after complete settlement of past dues or after signing a rescheduling agreement. The Company waits for a cure period before offering the asset for sale and the Company notifies the customer in writing of its intention.

Collateral valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as personal guarantees other non-financial assets. The immovable collateral is valued only by the Licensed Valuers. However, for movable collateral, the Company uses market prices through dealers/sellers of identical or similar assets, benchmarking recent sale of repossessed assets and financing of similar used for movable branded collateral or through written-down values.

Offsetting

Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial position if, and only if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

3 MATERIAL ACCOUNTING POLICIES INFORMATION (continued)

Net investment in finance leases

The determination of whether an arrangement contains a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets, or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Gross investment in finance leases represents the gross lease payments receivable by the Company, and the net investment represents the present value of these lease payments, discounted at commission rate implicit in the lease.

Property and equipment

Property and equipment initially recorded at cost and stated at cost less accumulated depreciation and any impairment in value. Cost includes expenditure that is directly attributable to the acquisition of the asset including any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located.

The cost less estimated residual value of equipment, furniture, and vehicles is depreciated on a straight-line basis over the estimated useful lives of the assets and is generally recognized in the statement of profit or loss and other comprehensive income. Leasehold assets are depreciated on a straight-line basis over the shorter of the useful life of the assets or the term of the lease after deducting the estimated residual value from the cost of such assets. Capital work-in-progress is not depreciated.

The following rates of depreciation are applied:

<i>Category of property and equipment</i>	<i>Years</i>
Computers and hardware's	4 to 5
Office Equipment	4 to 5
IT Infrastructure	4 to 5
Furniture & Fixtures	10

Depreciation methods, estimated useful lives and residual values are reviewed at each reporting date and adjusted with the effect of any changes in estimate accounted for on a prospective basis.

Expenditure for repairs and maintenance are charged to the statement of profit or loss. Expenditure that increases the value or materially extends the life of the related assets is capitalized.

An item of Property and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

The carrying values of Property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles are not capitalized and the related expenditure is reflected in the statement of profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that an intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

3 MATERIAL ACCOUNTING POLICIES INFORMATION (continued)

Intangible assets (continued)

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss.

Subsequent costs are included in the asset's carrying amounts or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

Impairment losses of continuing operations are recognized in the statement of profit or loss if those expense categories are consistent with the function of the impaired asset. For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a discount rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions for legal claims

The Company receives legal claims in the ordinary course of business. Management makes judgments in assigning the risk that might exist in such claims. It also sets appropriate provisions against probable losses. The claims are recorded or disclosed, as appropriate, in the financial statements based on the best estimates of the amounts required to settle these claims.

Onerous contracts

An onerous contract is one where the unavoidable costs of meeting the Company's contractual obligations exceed the expected economic benefits.

Nama United Financing Company
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

3 MATERIAL ACCOUNTING POLICIES INFORMATION (continued)

Onerous contracts (continued)

If the Company has a contract that is onerous, it recognizes the present obligation under the contract as a provision. The estimated future cash flows of the onerous contract are discounted at the Company's weighted average cost of capital ("WACC"). The unwinding of the discount is expensed as incurred and recognized in the statement of profit or loss as a finance cost.

Employees' post-employment benefits

These represent end-of-service benefits under defined unfunded benefit plans. Employees' post-employment benefits, as required by Saudi Arabia Labor Law, are required to be provided based on the employees' length of service.

The Company's net obligations in respect of defined unfunded benefit plan are calculated separately by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and any unrecognized past service costs.

The discount rate used is the market yield on government bonds at the reporting date that has maturity dates approximating the terms of the Company's obligations. The cost of providing benefits under the defined benefit plans is determined using the projected unit credit method to determine the Company's present value of the obligation by a qualified actuary. The defined benefit liability comprises of the following:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense/income; and
- Remeasurement gains/(losses)

The Company recognizes and presents the first two components of the defined benefit costs in profit or loss. Gains/(losses) due to re-measurement of employee benefits liabilities are recognized in other comprehensive income immediately. Curtailment gains/(losses) are accounted for as past service cost in the profit or loss in the period of plan amendment.

The Company is also required to contribute towards a state-owned benefit plan, General Organization for Social Insurance ("GOSI"), where the Company's obligation under the plan is to make specified monthly contribution based on specified percentage of payroll cost as stipulated under the regulation. These contributions are recognized as an expense when employees have rendered the service entitling them to the contributions. Any unpaid amounts are classified as accruals.

A liability is also recognized for benefits accruing to the employees in respect of wages and salaries, annual leaves and other related benefits in the period the related services are rendered at the undiscounted amount of the benefits expected to be paid and are classified as accruals.

4 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

(a) Standards, interpretations and amendments that became effective during the year

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2025 (unless otherwise stated). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Lack of exchangeability – Amendments to IAS 21

For annual reporting periods beginning on or after 1 January 2025, Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments did not have a material impact on the Company's financial statements.

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

4 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (continued)

(b) Standards and amendments issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and the introduction of an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

The Amendments are effective for annual periods starting on or after 1 January 2026 with early adoption permitted for classification of financial assets and related disclosures only. The Company does not anticipate that the amendments will have a material effect on the Company's financial statements.

Nama United Financing Company
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

4 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (continued)

(b) Standards and Amendments Issued but Not Yet Effective (continued)

Annual Improvements to IFRS Accounting Standards - Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

The amendments will be effective for reporting periods beginning on or after 1 January 2026. Earlier application is permitted and must be disclosed.

The amendments are not expected to have a material impact on the Company's financial statements.

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity; the amendments:

- Clarify the application of the 'own-use' requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a Group's financial performance and cash flow.

The amendments will take effect for annual reporting periods starting on or after 1 January 2026. Early adoption is allowed, but it must be disclosed. The amendments concerning the own-use exception are to be applied retrospectively, while the hedge accounting amendments should be applied prospectively to new hedging relationships designated from the initial application date. Additionally, the IFRS 7 disclosure amendments must be implemented alongside the IFRS 9 amendments. If an entity does not restate comparative information, it cannot present comparative disclosures.

The Company does not expect that the amendments will have a material impact on the financial statements.

5 CASH AND CASH EQUIVALENTS

	<i>Note</i>	2025 SR	2024 SR
<i>Financial assets carried at amortized cost</i>			
Cash at banks	5.1	19,372,350	90,304,986
Cash and bank balances		19,372,350	90,304,986
Add: Term deposits - original maturity less than three-months	6.1	53,000,000	-
		72,372,350	90,304,986

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

Nama United Financing Company
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

6 SHORT TERM INVESTMENTS

	<i>2025</i> <i>SR</i>	<i>2024</i> <i>SR</i>
<i>Financial assets carried at amortized cost</i>		
Term deposits		
- Original maturity – less than three months	53,000,000	-
- Original maturity – more than three months	-	100,000,000
	53,000,000	100,000,000

6.1 These time deposits carry profit rates ranging from 4.05% to 11.44% per annum (31 December 2024: 5.41% to 5.90% per annum). The Company has placed these time deposits with local Banks.

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

7 PREPAYMENTS AND OTHER RECEIVABLES

	<i>2025</i> <i>SR</i>	<i>2024</i> <i>SR</i>
VAT receivable	10,341,159	259,474
Prepaid office rent	77,932	-
Prepaid expenses	614,004	-
	11,033,095	259,474

8 NET INVESTMENT IN ISLAMIC FINANCING

	<i>2025</i> <i>SR</i>	<i>2024</i> <i>SR</i>
<i>Financial assets carried at amortized cost – unsecured</i>		
Murabaha	23,853,486	-
<i>Investment classified as a finance lease – secured</i>		
Ijarah	142,226,342	-
	166,079,828	-

Nama United Financing Company
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

8 Net investment in Islamic financing (continued)

8.1 Details of net investment in Islamic financings:

	<i>Murabaha</i>		<i>Ijarah</i>		<i>Total</i>	
	<i>31 December 2025 SR</i>	<i>31 December 2024 SR</i>	<i>31 December 2025 SR</i>	<i>31 December 2024 SR</i>	<i>31 December 2025 SR</i>	<i>31 December 2024 SR</i>
Gross investment in Islamic financing	28,875,720	-	172,364,624	-	201,240,344	-
Unearned / deferred Islamic financing income	(4,620,162)	-	(27,776,757)	-	(32,396,919)	-
	24,255,558	-	144,587,867	-	168,843,425	-
Less: Unearned administrative fees					(1,171,396)	-
Less: allowance for expected credit losses					(1,592,201)	-
Net investment in Islamic financing					166,079,828	-
Current portion					22,285,438	-
Non-current portion					143,794,390	-

Nama United Financing Company
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

8 Net investment in Islamic financing (continued)

8.2 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.

8.3 The movement in the provision for impairment of Islamic financings during the year / period is as follows:

	<i>From 17 December 2023 to 31 December</i>	
	<i>2025</i>	<i>2024</i>
	<i>SR</i>	<i>SR</i>
At the beginning of the year / period	-	-
Charge during the year / period	1,592,201	-
At the end of the year / period	1,592,201	-

8.4 The Company's Islamic financing arrangements do not include variable payments.

9 LEASES

9.1 Right of use assets

	<i>From 17 December 2023 to 31 December</i>	
	<i>2025</i>	<i>2024</i>
	<i>SR</i>	<i>SR</i>
Costs:		
At the beginning of the year / period	-	-
Addition during the year / period	1,155,346	-
At the end of the year / period	1,155,346	-
Accumulated depreciation:		
At the beginning of the year / period	-	-
Depreciation for the year / period	384,588	-
At the end of the year/ period	384,588	-
Carrying amount at the end of the year / period	770,758	-

Nama United Financing Company
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

9 LEASES (continued)

9.2 Lease liabilities

	2025 SR	<i>From 17 December 2023 to 31 December 2024 SR</i>
At the beginning of the year / period	-	-
Addition during the year / period	1,155,346	-
Accretion of interest cost	64,714	-
Payments against lease liabilities (principal)	(418,405)	-
Payments against lease liabilities (interest)	-	-
	<hr/>	<hr/>
At the end of the year / period	801,655	-
	<hr/>	<hr/>
Current portion	391,144	-
	<hr/>	<hr/>
Non-current portion	410,511	-
	<hr/>	<hr/>

9.3 The Company has lease contract for head office premises which has lease term of 3 years. The lease payments for the office are discounted using an incremental rate of borrowing of 7%.

10 INTANGIBLE ASSETS

	<i>Software SR</i>	<i>Capital work in progress SR</i>	<i>Total SR</i>
Cost:			
At the beginning of the period	-	-	-
Additions during the period	83,821	2,380,984	2,464,805
	<hr/>	<hr/>	<hr/>
At 31 December 2024	83,821	2,380,984	2,464,805
Additions during the year	230,103	2,159,971	2,390,074
Transfers during the year	3,069,168	(3,069,168)	-
	<hr/>	<hr/>	<hr/>
At 31 December 2025	3,383,092	1,471,787	4,854,879
	<hr/>	<hr/>	<hr/>
Amortization:			
At the beginning of the period	-	-	-
Charge for the period	(10,993)	-	(10,993)
	<hr/>	<hr/>	<hr/>
At 31 December 2024	(10,993)	-	(10,993)
Charge for the year	(635,376)	-	(635,376)
	<hr/>	<hr/>	<hr/>
At 31 December 2025	(646,369)	-	(646,369)
	<hr/>	<hr/>	<hr/>
Net carrying value at 31 December 2025	2,736,723	1,471,787	4,208,510
	<hr/>	<hr/>	<hr/>
Net carrying value at 31 December 2024	72,828	2,380,984	2,453,812
	<hr/>	<hr/>	<hr/>

Capital work in progress represents software being developed for the company's leasing business operations

Nama United Financing Company
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

11 PROPERTY AND EQUIPMENT

Property and equipment at 31 December 2025 comprise of the following:

	<i>Leasehold improvement SR</i>	<i>Furniture and fixtures SR</i>	<i>Computers and hardware SR</i>	<i>Total SR</i>
Cost:				
At the beginning of the period	-	-	-	-
Additions during the period	-	39,501	495,249	534,750
At 31 December 2024	-	39,501	495,249	534,750
Additions during the year	58,253	182,260	1,066,020	1,306,533
At 31 December 2025	58,253	221,761	1,561,269	1,841,283
Accumulated depreciation:				
At the beginning of the period	-	-	-	-
Charge for the period	-	(2,300)	(78,508)	(80,808)
At 31 December 2024	-	(2,300)	(78,508)	(80,808)
Charge for the year	(2,040)	(10,839)	(186,633)	(199,512)
At 31 December 2025	(2,040)	(13,139)	(265,141)	(280,320)
Net carrying value at 31 December 2025	56,213	208,622	1,296,128	1,560,963
Net carrying value at 31 December 2024	-	37,201	416,741	453,942

12 SHARE CAPITAL

The Company's subscribed, issued and paid-up share capital of SR 200,000,000 (31 December 2024: SR 200,000,000) is divided into 20,000,000 equity shares (31 December 2024: 20,000,000 equity shares) of SR 10 each which are fully subscribed, issued and paid, and are distributed among shareholders as follows:

	<i>No. of shares of SR 10 each</i>	<i>31 December 2025 SR</i>	<i>31 December 2024 SR</i>	<i>Percentage of ownership %</i>
Omar Kassem International Sons Company Limited	10,000,000	100,000,000	100,000,000	50%
Omar Kassem Alesayi Trading Industrial Investment Company Limited	10,000,000	100,000,000	100,000,000	50%
	20,000,000	200,000,000	100,000,000	100%

Nama United Financing Company
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

13 ACCOUNTS PAYABLES, ACCRUED AND OTHER LIABILITIES

	2025	2024
	SR	SR
Accounts payable	30,273,451	379,450
Other payables	8,445,636	-
Payable to employees	522,763	1,237,204
VAT payable	1,110,809	-
Advance from customers	1,811,460	-
Unearned rebates	3,879,283	-
Accrued audit fees	96,547	110,000
Accrued expenses	4,384,344	580,486
	50,524,293	2,307,140

14 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent associated companies, major shareholders, directors and key management personnel of the Company, and entities controlled or significantly influenced by such parties (other related parties). Related party transactions are undertaken at mutually agreed terms and conditions and approved by the Company's management.

14.1 Following are the details of major related party transactions entered during the year / period:

<i>Related party</i>	<i>Nature of transaction</i>	<i>Amount of the transactions</i>	
		2025	<i>From 17 December 2023 to 31 December 2024</i>
		SR	SR
Omar Kassem Alesayi Holding Group Company	Expenses on behalf of company & settled during the period	-	900,012
Omar Kassem International Sons Company Limited.	Expenses on behalf of company & settled during the period	-	94,875
AlEsayi Trading Company	Purchasing vehicles for leasing	36,867,263	-
AlEsayi Electronics	Purchasing electronic items for leasing	13,804	-

14.2 Due to related parties comprise the following:

	2025	2024
	SR	SR
Omar Kassem Alesayi Holding Group Company	-	900,012
Omar Kassem International Sons Company Limited.	-	94,875
AlEsayi Trading Corp. Co.	25,479,672	-
AlEsayi Electronics	13,804	-
	25,493,476	994,887

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

14 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

14.3 Remuneration of the key management personnel of the Company is as follows:

	2025	<i>From 17 December 2023 to 31 December 2024</i>
	SR	SR
Short term employee benefits	4,560,359	2,921,732
Post-employment benefit	321,950	-
Board remuneration	300,000	-
	5,182,309	2,921,732

15 ZAKAT

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

	2025	<i>From 17 December 2023 to 31 December 2024</i>
	SR	SR
At the beginning of the year / period	188,176	-
Charge for the year / period	219,497	188,176
Payment during the year / period	(188,176)	-
At the end of the year / period	219,497	188,176

Status of assessments

Company has submitted Zakat return for the first long period ended December 31, 2024 and obtained Zakat certificate valid till 13 Dhu al-Qidah 1447 (corresponding to 30 April 2026). ZATCA did not finalize the review of the Company's Zakat return for the said period to date.

16 EMPLOYEES' POST-EMPLOYMENT BENEFITS

	2025	2024
	SR	SR
Present value of unfunded defined benefit liabilities	742,613	-

The major financial assumptions used to calculate the defined unfunded benefits plan (end-of-service benefits) liabilities are as follows:

Principal actuarial assumptions	2025	2024
Discount rate	5.35%	-
Future salary growth / expected rate of salary increases for 1 year	4.00%	-
Retirement age	60 years	-

Nama United Financing Company
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

16 EMPLOYEES' POST-EMPLOYMENT BENEFITS (continued)

(a) The movements in defined benefit liabilities recognized in the statement of financial position are as follows:

	2025	<i>From 17 December 2023 to 31 December 2024</i>
	SR	SR
At beginning of the year/ period	-	-
<i>Included in statement of profit or loss</i>		
Current service cost	796,812	-
Interest cost	-	-
Past service cost	-	-
<i>Included in statement of other comprehensive income</i>		
Actuarial gain arising from change in financial assumptions	-	-
Payments made during the year / period	(54,199)	-
31 December	742,613	-

Assumptions regarding future mortality have been based on published statistics and mortality tables.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit liabilities by the amounts shown below.

End of service benefits	31 December 2025		31 December 2024	
	<i>Increase</i>	<i>Decrease</i>	<i>Increase</i>	<i>Decrease</i>
Discount rate (1% movement)	695,060	797,102	-	-
Future salary growth (1% movement)	797,296	694,047	-	-

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

17 INCOME FROM ISLAMIC FINANCING

	2025	<i>17 December 2023 to 31 December 2024</i>
	SR	SR
Income from Murabaha	1,552,934	-
Income from Ijarah	5,839,744	-
	7,392,678	-

Nama United Financing Company
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

18 COST OF REVENUE

	<i>2025</i>	<i>From 17 December 2023 to 31 December</i>
	<i>SR</i>	<i>2024 SR</i>
Customer digital verification cost	577,835	-
Sales commission	626,508	-
VAT expenses	551,353	-
Licenses fees	50,204	-
Others	1,561	-
	<u>1,807,461</u>	<u>-</u>

19 GENERAL AND ADMINISTRATIVE EXPENSES

	<i>2025</i>	<i>From 17 December 2023 to 31 December</i>
	<i>SR</i>	<i>2024 SR</i>
Salaries, wages and other benefits	15,033,773	10,271,678
Depreciation of right of use assets (note 9)	384,588	-
Amortization of intangible assets (note 10)	635,376	10,993
Depreciation of property and equipment (note 11)	199,512	80,808
Legal and professional charges	1,504,294	1,015,787
Withholding tax expense	57,393	14,617
Board and committee	840,439	1,091,266
Information technology support and licenses	2,186,395	489,968
Rent	-	1,127,149
Office maintenance	-	729,293
Other operating expenses	810,671	736,040
	<u>21,652,441</u>	<u>15,567,599</u>

20 FINANCE COSTS

	<i>2025</i>	<i>From 17 December 2023 to 31 December</i>
	<i>SR</i>	<i>2024 SR</i>
Bank charges	1,251	-
Interest on letter of guarantee	-	1,737,185
Interest on lease liabilities (note 9.2)	64,714	-
	<u>65,965</u>	<u>1,737,185</u>

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

21 FINANCIAL RISK MANAGEMENT

The Company's significant financial liabilities include accounts payable, due to related parties, term loans, lease liabilities and other liabilities and are initially measured at fair value and thereafter stated at their amortized cost. Financial assets comprise of cash and bank balances, net investment in finance lease and murabaha finance receivables, and other receivables and are initially measured at fair value and thereafter stated at cost or amortized cost as reduced by allowance for impairment, if any.

The Company is exposed to market risk, liquidity risk and credit risk. The oversight of these risks' rests with the Company's senior management. Senior management is supported by the Credit and Risk department, who is responsible for providing guidance on risk identification, assessment, and monitoring. The Credit and Risk department assists in ensuring that the Company maintains an appropriate risk management framework.

The Credit and risk department provides assurance to the senior management that the financial risk activities are governed by appropriate policies and procedures and that the financial risks are identified, measured and managed in accordance with the policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

Credit risk

21.1 Risk management structure

Risk is inherent in the Company's activities and is managed through a process of ongoing identification, measurement, and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability. The Company's activities are exposed to a variety of financial risks which mainly include market risk, credit risk, and liquidity risk.

Board of Directors

The Board of Directors are responsible for establishing the Company's policies, including risk management framework, and reviewing the performance of the Company to ensure compliance with these policies.

Credit and risk management committee

The credit and risk management committee are appointed by the Board of Directors. The credit and risk management committee assists the Board in reviewing overall risks which the Company might face, evaluate and review operational and non-operational risks and decide on mitigating factors related therewith.

Audit committee

The audit committee is appointed by the Board of Directors. The audit committee assists the Board in carrying out its responsibilities with respect to assessing the quality and integrity of financial reporting, the audit thereof, and the soundness of the internal controls of the Company.

The risks faced by the Company and the way these risks are mitigated by management are summarized below.

Nama United Financing Company
(A Closed Joint Stock Company)

NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

21 FINANCIAL RISK MANAGEMENT (continued)

21.2 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market profit rates or the market prices of securities due to change in the credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market.

Market risk comprises three types of risks: currency risk, profit rate risk, and other price risks.

21.2.1 Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Company is subject to fluctuations in foreign exchange rates in the normal course of its business. The Company did not undertake significant transactions in currencies other than Saudi Riyals during the year. Accordingly, the Company is not exposed to any significant currency risk.

21.2.2 Profit rate risk

Profit rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market profit rates. The Company did not undertake any borrowings during the year. Accordingly, the Company is not exposed to any significant profit rate risk.

21.2.3 Other price risks

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instruments or its issuer, or factors affecting all similar financial instruments traded in the market. The Company does not have any financial instruments which are subject to other price risks.

21.3 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss

Amounts arising from ECL – Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, 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 expert credit assessment and including forward-looking information.

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for exposure by comparing:

- the remaining lifetime PD as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations).

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

21 FINANCIAL RISK MANAGEMENT (continued)

21.3 Credit risk (continued)

Generating the term structure of PD

The Company employs statistical models to analyze the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time.

This analysis includes the identification and calibration of relationships between changes in default rates and macroeconomic factors as well as an in-depth analysis of the impact of certain other factors (e.g., forbearance experience) on the risk of default.

Determining whether credit risk has increased significantly

The criteria for determining whether credit risk has increased significantly vary by portfolio and include quantitative changes in PDs and qualitative factors, including a backstop based on delinquency.

The credit risk of a particular exposure is deemed to have increased significantly since initial recognition if, based on the Company's quantitative modeling.

Using its expert credit judgment and, where possible, relevant historical experience, the Company may determine that exposure has undergone a significant increase in credit risk based on particular qualitative indicators that it considers are indicative of such and whose effect may not otherwise be fully reflected in its quantitative analysis on a timely basis.

As a backstop, the Company considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace year that might be available to the customer.

Definition of 'Default'

The Company considers a financial asset to be in default when:

- the customer is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the customer is past due more than 90 days on any material credit obligation to the Company.

In assessing whether a customer is in default. The Company considers indicators that are:

- qualitative- e.g., breaches of the covenant, SIMAH scoring, sector of economies, employment type;
- quantitative- e.g., overdue status and;
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances. The definition of default largely aligns with that applied by the Company for regulatory capital purposes.

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

21 FINANCIAL RISK MANAGEMENT (continued)

21.3 Credit risk (continued)

Incorporation of forward-looking information

The Company has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macroeconomic variables and credit risk and credit losses. The economic scenario used includes the key indicators of Gross Domestic Product (GDP) forecast, average consumer prices, Brent oil prices, and general governmental total expenditure.

Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the following variables:

- (i) The probability of default (PD);
- (ii) Loss given default (LGD);
- (iii) Exposure at default (EAD).

These parameters are generally derived from internally developed statistical models and other historical data. They are adjusted to reflect forward-looking information as described above.

Probability of Default (PD) measures the estimated likelihood of default over a time horizon. For the model, PD has been calculated as a probability that an exposure will move to 91 DPD or above over next 12 months. Through the Cycle (TTC) default rates have been calculated and later they have been converted using scalar factor.

LGD is the magnitude of the likely loss if there is a default. The Company estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry, and recovery costs of any collateral that is integral to the financial asset. They are calculated on a discounted cash flow basis using the effective profit rate as the discounting factor.

EAD represents the expected exposure in the event of a default. The Company derives EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract including amortization. Outstanding Balance, Instalment Amount, and Profit Rate are used to derive an amortizing balance curve for each account.

Sensitivity of ECL allowance:

The increase or decrease of 10% change in macro-economic factor will result in SR 122,373 decrease or SR 134,267 increase in the ECL provision.

Stress testing of macro-economic scenarios with a weightage of 10% for upside/increase in macroeconomic variable will result in 8% decrease in ECL provision (SR 122,373). Whereas 10% for downside/decrease in macroeconomic variable will result in 8% increase in ECL provision (SR 134,267).

Out of the total assets of SR 256 million (2024: SR 195 million), the assets which were subject to credit risk amounted to SR 241 million (2024: SR 90 million). The management analyzes the credit risk in the following:

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

21 FINANCIAL RISK MANAGEMENT (continued)

21.3 Credit risk (continued)

Measurement of ECL (continued)

Sensitivity of ECL allowance: (continued)

	2025 SR	2024 SR
Net investment in Islamic financings	168,843,425	-
Cash and cash equivalents	72,372,350	90,304,986
	<u>241,215,775</u>	<u>90,304,986</u>

21.3.1 Bank balances

The credit quality of the Company's bank balances is assessed with reference to external credit ratings which, in all cases, are above investment-grade rating. No ECL was taken for bank balances as the impact of the ECL was not material.

	2025 SR	2024 SR
Cash and cash equivalents	72,372,350	90,304,986

21.3.2 Net investment in Islamic financings

The investment in Islamic financings generally exposes to significant credit risk. Therefore, the Company has established a number of procedures to manage credit exposure including evaluation of lessees' creditworthiness, formal credit approvals, assigning credit limits, obtaining collateral and personal guarantees.

The Company also follows a credit classification mechanism, primarily driven by days delinquency as a tool to manage the quality of credit risk of the Islamic financing portfolio.

The aging of net investment in Islamic financings contracts is as under:

	2025 SR	2024 SR
Neither past nor due	162,729,917	-
Past due 1-30 days	5,367,784	-
Past due 31-90 days	485,914	-
Past due 91-180 days	3,328	-
Past due 181-365 days	256,482	-
Past due over 1 year	-	-
	<u>168,843,425</u>	<u>-</u>
Net Investment in Islamic financing before adjustment	168,843,425	-
Less: Unearned administrative fees	(1,171,396)	-
	<u>167,672,029</u>	<u>-</u>
Net Investment in Islamic financing before provision	167,672,029	-
Less: Allowance for expected credit losses	(1,592,201)	-
	<u>166,079,828</u>	<u>-</u>
Net of Impairment loss	166,079,828	-
	<u>166,079,828</u>	<u>-</u>
Total portfolio coverage ratio (impairment divided by Net Investment in Islamic financing before adjustment)	0.94%	-

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

21 FINANCIAL RISK MANAGEMENT (continued)

21.3 Credit risk (continued)

21.3.2 Net investment in Islamic financings (continued)

The portfolio that is neither past due nor impaired has a satisfactory history of repayment, where applicable. As at the statement of financial position date, the Company has adequate collateral to cover the overall credit risk exposure after making an impairment provision.

Management classifies the investment in Islamic financing that are either not yet due or otherwise past due but for 90 days or less as “performing” while all receivables that are past due for more than 90 days are classified as “non-performing”. Below is the breakdown of performing and non-performing Islamic financing:

	<i>As at 31 December</i>	
	<i>2025</i>	<i>2024</i>
	<i>SR</i>	<i>SR</i>
Performing	168,628,639	-
Non-performing	214,786	-
	<u>168,843,425</u>	<u>-</u>

An analysis of gross exposure of Islamic financing receivables and the corresponding ECL allowance is as follows:

	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
<i>At 31 December 2025</i>				
Carrying amount before ECL	<u>162,761,642</u>	<u>5,866,997</u>	<u>214,786</u>	<u>168,843,425</u>
ECL	<u>964,517</u>	<u>367,873</u>	<u>259,811</u>	<u>1,592,201</u>
<i>At 31 December 2024</i>				
Carrying amount before ECL	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
ECL	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The movement in provision for impairment for Islamic financing receivables is as follows:

	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
1 January 2025	-	-	-	-
Transfer from stage 1	-	-	-	-
Transfer from stage 2	-	-	-	-
Transfer from stage 3	-	-	-	-
Financial assets – settled	-	-	-	-
Financial assets - originated	964,517	367,873	259,811	1,592,201
Net re-measurement of loss allowance	-	-	-	-
31 December 2025	<u>964,517</u>	<u>367,873</u>	<u>259,811</u>	<u>1,592,201</u>

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

21 FINANCIAL RISK MANAGEMENT (continued)

21.3 Credit risk (continued)

21.3.2 Net investment in Islamic financings (continued)

	<i>Stage 1</i> <i>SR</i>	<i>Stage 2</i> <i>SR</i>	<i>Stage 3</i> <i>SR</i>	<i>Total</i> <i>SR</i>
1 January 2024	-	-	-	-
Transfer from stage 1	-	-	-	-
Transfer from stage 2	-	-	-	-
Transfer from stage 3	-	-	-	-
Financial assets – settled	-	-	-	-
Financial assets - originated	-	-	-	-
Net re-measurement of loss allowance	-	-	-	-
31 December 2024	-	-	-	-

The movement of gross financing receivables at gross exposure by stages is as follows:

	<i>Gross carrying amount</i>			
	<i>Stage 1</i> <i>SR</i>	<i>Stage 2</i> <i>SR</i>	<i>Stage 3</i> <i>SR</i>	<i>Total</i> <i>SR</i>
1 January 2025	-	-	-	-
Transfer from stage 1	(5,866,997)	5,866,997	-	-
Transfer from stage 2	(214,786)	-	214,786	-
Transfer from stage 3	-	-	-	-
Financial assets – settled	-	-	-	-
Financial assets - originated	168,843,425	-	-	168,843,425
Net re-measurement of loss allowance	-	-	-	-
31 December 2025	162,761,642	5,866,997	214,786	168,843,425

	<i>Gross carrying amount</i>			
	<i>Stage 1</i> <i>SR</i>	<i>Stage 2</i> <i>SR</i>	<i>Stage 3</i> <i>SR</i>	<i>Total</i> <i>SR</i>
1 January 2024	-	-	-	-
Transfer from stage 1	-	-	-	-
Transfer from stage 2	-	-	-	-
Transfer from stage 3	-	-	-	-
Financial assets – settled	-	-	-	-
Financial assets - originated	-	-	-	-
Net re-measurement of loss allowance	-	-	-	-
31 December 2024	-	-	-	-

21.4 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company will be required to pay its liabilities earlier than expected or will face difficulty in raising funds to meet commitments associated with financial liabilities as they fall due.

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

21 FINANCIAL RISK MANAGEMENT (continued)

21.4 Liquidity risk (continued)

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The shareholders of the Company are committed to provide the necessary financial support to the Company for its working capital, as and when needed.

The table below summarizes the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

<i>At 31 December 2025</i>	<i>Carrying amount SR</i>	<i>Contractual cash flows SR</i>	<i>Up to three months SR</i>	<i>More than three months and up to one year SR</i>	<i>One to five years SR</i>
Accounts payables, accrued and other liabilities	50,524,293	50,524,293	45,520,639	5,003,654	-
Due to related parties	25,493,476	25,493,476	25,493,476	-	-
Lease liabilities	801,655	836,808	209,202	418,404	209,202
	<u>76,819,424</u>	<u>76,854,577</u>	<u>71,223,317</u>	<u>5,422,058</u>	<u>209,202</u>
<i>At 31 December 2024</i>	<i>Carrying amount SR</i>	<i>Contractual cash flows SR</i>	<i>Up to three months SR</i>	<i>More than three months and up to one year SR</i>	<i>One to five years SR</i>
Accounts payables, accrued and other liabilities	2,307,139	2,307,139	379,450	690,487	1,237,202
Due to related parties	994,887	994,887	994,887	-	-
	<u>3,302,026</u>	<u>3,302,026</u>	<u>1,374,337</u>	<u>690,487</u>	<u>1,237,202</u>

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

21 FINANCIAL RISK MANAGEMENT (continued)

21.4 Liquidity risk (continued)

Analysis of financial assets and liabilities based on contractual maturities

The table shows an analysis of financial assets and liabilities according to contractual maturities:

<i>At 31 December 2025</i>	<i>Carrying amount SR</i>	<i>Up to three months SR</i>	<i>More than three months and up to one year SR</i>	<i>More than one year SR</i>
Cash and bank balances	19,372,350	19,372,350	-	-
Short term investments	53,000,000	53,000,000	-	-
Accrued Income	119,100	119,100	-	-
Net investment in Islamic financing	166,079,828	18,040,491	54,121,473	93,917,864
Financial assets	238,571,278	90,531,941	54,121,473	93,917,864
Accounts payables, accrued and other Liabilities	50,524,293	45,520,639	5,003,654	-
Due to related parties	25,493,476	25,493,476	-	-
Lease liabilities	801,655	97,786	293,358	410,511
Financial liabilities	76,819,424	71,111,901	5,297,012	410,511
Maturity gap	161,751,854	19,420,040	48,824,461	93,507,353
Cumulative maturity gap	-	19,420,040	68,244,501	161,751,854
<i>At 31 December 2024</i>	<i>Carrying amount SR</i>	<i>Up to three months SR</i>	<i>More than three months and up to one year SR</i>	<i>More than one year SR</i>
Cash and bank balances	90,304,986	90,304,986	-	-
Short term investments	100,000,000	100,000,000	-	-
Accrued income	1,267,077	1,267,077	-	-
Financial assets	191,572,063	191,572,063	-	-
Accounts payables, accrued and other liabilities	2,307,139	379,450	690,487	1,237,202
Due to related parties	994,887	994,887	-	-
Financial liabilities	3,302,026	1,374,337	690,487	1,237,202
Maturity gap	188,270,037	190,197,726	(690,487)	(1,237,202)
Cumulative maturity gap	-	190,197,726	189,507,239	188,270,037

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

21 FINANCIAL RISK MANAGEMENT (continued)

21.4 Liquidity risk (continued)

Capital Management

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern and to provide adequate return to its shareholders through the optimization of the capital structure. The Company manages the capital structure and makes adjustments in the light of changes in economic conditions and risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders or issue new shares. No changes were made in objectives, policies or processes for managing capital during the year ended 31 December 2025.

The Company monitors capital on the basis of the regulatory requirements of Regulations for Companies and SAMA minimum capital requirements for financing companies. As per SAMA regulations, the capital adequacy ratio of the Company must not exceed 3 times of equity.

	<i>31 December 2025</i>	<i>31 December 2024</i>
Capital adequacy ratio	<u>0.94 Time</u>	<u>-</u>

(Net investment in Islamic financing before expected credit losses divided by total shareholders' equity).

22 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. 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 by the Company. When measuring the fair value, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2: Inputs other than quoted prices included in 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 recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There are no transfers in the fair value levels during the years ending 31 December.

The Company's financial assets consist of cash and bank balances, investment and net investment in Islamic financing, its financial liabilities consist of trade payables, due to related party and other liabilities.

The fair values of the financial instruments are not materially different from their carrying amounts except for the net investment in Islamic financing.

Nama United Financing Company
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NOTES TO THE FINANCIAL STATEMENTS (continued)

At 31 December 2025

23 CONTINGENCIES AND COMMITMENTS

There were no contingent liabilities and commitments as at 31 December 2025 and 2024.

24 SUBSEQUENT EVENTS

There have been no significant subsequent events since the year-end that require disclosure or adjustment in these financial statements.

25 COMPARATIVE FIGURES

Certain prior period information has been reclassified/represented to conform with the presentation in the current period. As a result of such reclassification, there is no impact on the statement of profit or loss, statement of other comprehensive income, statement of cashflows and statement of changes in shareholders' equity.

26 BOARD OF DIRECTORS' APPROVAL

These financial statements were approved by the Board of Directors on 16 Ramadhan 1447H (corresponding to 5 March 2026G).