

**YANAL FINANCE COMPANY
(A SAUDI CLOSED JOINT STOCK COMPANY)**

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

YANAL FINANCE COMPANY
(A Saudi Closed Joint Stock Company)
INTERIM CONDENSED FINANCIAL STATEMENTS - UNAUDITED
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025

	Pages
Independent auditor's review report	1
Interim condensed statement of financial position	2
Interim condensed statement of income	3
Interim condensed statement of comprehensive income	4
Interim condensed statement of changes in shareholders' equity	5
Interim condensed statement of cash flows	6
Notes to the interim condensed financial statements	7 - 15



Report on review of interim condensed financial statements

To the Shareholders of YANAL Finance Company
(A Saudi Closed Joint Stock Company)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of YANAL Finance Company (A Saudi Closed Joint Stock Company) (the "Company") as of 31 March 2025 and the related interim condensed statements of income and comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" (IAS 34) as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.


Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the Entity" as endorsed in the Kingdom of Saudi Arabia. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, as endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

PricewaterhouseCoopers


Adel F. Alqahtani
License Number 614



28 April 2025

YANAL FINANCE COMPANY
(A Saudi Closed Joint Stock Company)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
(All amounts are in Saudi Riyals unless stated otherwise)

	Note	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Audited)
Assets			
Cash and cash equivalents	7	74,215,429	32,839,677
Advances, prepayments, and other receivables	6	21,511,608	19,708,644
Net investment in finance leases	4	781,309,492	789,168,358
Net investment in murabaha finance	5	927,113,445	801,036,405
Positive fair value of derivative		2,902	-
Equity investment designated at fair value through other comprehensive Income ("FVOCI")		892,850	892,850
Intangible assets		506,382	571,670
Property, equipment and right of use assets		8,053,719	8,414,830
Total assets		1,813,605,827	1,652,632,434
Liabilities and equity			
Liabilities			
Short-term loan		30,068,139	20,003,870
Accounts payable		47,844,007	33,175,198
Accrued expenses and other liabilities	9	31,387,160	45,947,539
Zakat and income tax	11	17,990,870	14,699,694
Negative fair value of derivative		-	1,133
Long-term loans, lease liability and grants	8	662,477,024	542,213,891
Employees' end of service benefits (EOSB)		25,313,939	24,665,514
Total liabilities		815,081,139	680,706,839
Equity			
Share capital		550,000,000	550,000,000
Statutory reserve		106,397,004	106,397,004
Retained earnings		342,124,782	315,529,724
Cash flow hedge		2,902	(1,133)
Total equity		998,524,688	971,925,595
Total liabilities and equity		1,813,605,827	1,652,632,434

The accompanying notes (1) through (16) form an integral part of these interim condensed financial statements.


Chief Executive Officer


Director


Chief Financial Officer

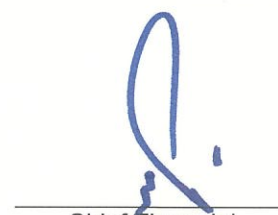
YANAL FINANCE COMPANY
(A Saudi Closed Joint Stock Company)
INTERIM CONDENSED STATEMENT OF INCOME – UNAUDITED
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH
(All amounts are in Saudi Riyals unless stated otherwise)

	Note	2025	2024
Finance income	10	58,754,401	47,908,564
Special commission expense	8.3	(10,140,473)	(8,488,772)
Net finance income		48,613,928	39,419,792
Other income		376,501	517,145
OPERATING EXPENSES			
Expected credit losses ("ECL") reversal on financial assets	4.2, 5.2	1,040,700	4,309,417
Salaries and employee related expenses		(15,818,452)	(13,254,787)
Other general and administrative expenses		(2,801,002)	(2,579,352)
Depreciation and amortization		(623,207)	(606,749)
Total operating expenses		(18,201,961)	(12,131,471)
Income for the period before zakat and income tax expense		30,788,468	27,805,466
Zakat expense	11	(3,467,048)	(3,039,207)
Income tax refund / (expense)	11	175,872	(1,437,626)
Total zakat and income tax expense		(3,291,176)	(4,476,833)
Income for the period after zakat and income tax expense		27,497,292	23,328,633
Earnings per share – basic and diluted	12	0.50	0.42

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Chief Executive Officer


Director


Chief Financial Officer

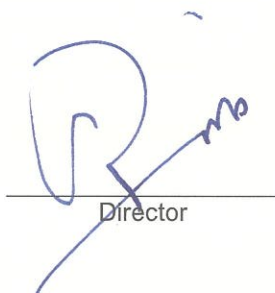
YANAL FINANCE COMPANY
(A Saudi Closed Joint Stock Company)
INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME – UNAUDITED
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH
 (All amounts are in Saudi Riyals unless stated otherwise)

	<u>2025</u>	<u>2024</u>
Income for the period after zakat and income tax expense	27,497,292	23,328,633
Other comprehensive income / (loss)		
<i>Items that are or maybe reclassified to statement of income in subsequent periods</i>		
Cash flow hedge – effective portion of changes in fair value	4,035	68,071
<i>Items that will not be reclassified to statement of income in subsequent periods</i>		
Actuarial loss on EOSB	<u>(902,234)</u>	<u>(1,165,160)</u>
Total comprehensive income for the period	<u>26,599,093</u>	<u>22,231,544</u>

The accompanying notes (1) through (16) form an integral part of these interim condensed financial statements.



Chief Executive Officer



Director




Chief Financial Officer

YANAL FINANCE COMPANY
(A Saudi Closed Joint Stock Company)
INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025
(All amounts are in Saudi Riyals unless stated otherwise)

	Share capital	Statutory reserve	Retained earnings	Cash flow hedge	Proposed dividend	Total equity
Balance as at 31 December 2023 (Audited)	550,000,000	106,397,004	290,277,738	73,453	-	946,748,195
Total comprehensive income / (loss):						
Income for the period after zakat and income tax	-	-	23,328,633	-	-	23,328,633
Other comprehensive (loss) / income	-	-	(1,165,160)	68,071	-	(1,097,089)
	-	-	22,163,473	68,071	-	22,231,544
Proposed dividends (Note 15)	-	-	(55,000,000)	-	55,000,000	-
Balance as at 31 March 2024 (Unaudited)	550,000,000	106,397,004	257,441,211	141,524	55,000,000	968,979,739
Balance as at 31 December 2024 (Audited)	550,000,000	106,397,004	315,529,724	(1,133)	-	971,925,595
Total comprehensive income / (loss):						
Income for the period after zakat and income tax	-	-	27,497,292	-	-	27,497,292
Other comprehensive (loss) / income	-	-	(902,234)	4,035	-	(898,199)
	-	-	26,595,058	4,035	-	26,599,093
Balance as at 31 March 2025 (Unaudited)	550,000,000	106,397,004	342,124,782	2,902	-	998,524,688

The accompanying notes (1) through (16) form an integral part of these interim condensed financial statements.


Chief Executive Officer


Director


Chief Financial Officer

YANAL FINANCE COMPANY
(A Saudi Closed Joint Stock Company)
INTERIM CONDENSED STATEMENT OF CASH FLOWS - UNAUDITED
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH
(All amounts are in Saudi Riyals unless stated otherwise)

	Note	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Income for the period before zakat and income tax		30,788,468	27,805,466
Adjustments for non-cash items:			
Depreciation of property and equipment and right of use assets		556,799	529,005
Amortization of intangible assets		66,408	77,744
Special commission expense		10,140,473	8,488,772
ECL reversal on financial assets	4.2, 5.2	(1,040,700)	(4,309,417)
Employees' EOSB expense		957,583	842,527
		41,469,031	33,434,097
Changes in operating assets and liabilities:			
Advances, prepayments and other receivables		(1,818,761)	(15,745,305)
Net investment in finance leases		6,654,382	(18,227,767)
Net investment in murabaha finance		(123,831,856)	(11,690,485)
Accounts payable		14,668,809	65,989,370
Accrued expenses and other liabilities		(14,571,729)	1,145,004
Employees' end of service benefits paid		(1,211,392)	(53,420)
Net cash (used in) / generated from operating activities		(78,641,516)	54,851,494
CASH FLOWS FROM INVESTING ACTIVITY			
Purchase of property and equipment		(195,688)	(240,681)
Purchase of intangible assets		(1,120)	-
Net cash used in investing activity		(196,808)	(240,681)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short-term loan		30,000,000	-
Proceeds from long-term loans		210,000,000	-
Repayments of short-term loan		(20,000,000)	-
Repayments of long-term loans		(85,947,915)	(39,418,750)
Payment of lease liability		(742,500)	-
Repayment of commission-free SAMA deposit		(3,230,293)	(4,713,086)
Special commission and other bank charges paid		(9,865,216)	(8,694,659)
Net cash generated from / (used in) financing activities		120,214,076	(52,826,495)
Net increase in cash and cash equivalents		41,375,752	1,784,318
Cash and cash equivalents at the beginning of the period		32,839,677	46,355,961
Cash and cash equivalents at the end of the period	7	74,215,429	48,140,279

The accompanying notes (1) through (16) form an integral part of these interim condensed financial statements.


Chief Executive Officer


Director


Chief Financial Officer

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

1. GENERAL INFORMATION

YANAL Finance Company (the "Company") is a Saudi closed joint stock company established under the Regulations for Companies in the Kingdom of Saudi Arabia. The Company operates under Commercial Registration number 1010163957 issued in Riyadh on 21 Shawal 1421H (corresponding to 16 January 2001), non-industrial license number 99 dated 27 Safar 1421H (corresponding to 31 May 2000) issued by the Ministry of Commerce and a finance company license number 7/A Sh/201403 dated 27 Rabi-al-Thani 1435H (corresponding to 27 February 2014) issued by the Saudi Central Bank ("SAMA"), through its six branches (2024: six branches) in the Kingdom of Saudi Arabia.

The Company's head office is located in Riyadh at the following address:

YANAL Finance Company
 3612, Prince Fawaz Bin Abdul Aziz, Ar Rabwah Dist.
 Riyadh 12813 – 7997
 Kingdom of Saudi Arabia

The Company has the following branches:

Branch commercial registration number	Date	Location
2050046083	9 Jamada Awal, 1425H	Dammam
4030150057	9 Jamada Awal, 1425H	Jeddah
2055013067	9 Rabi-Al-Awwal, 1432H	Jubail
5855036378	9 Rabi-Al-Awwal, 1432H	Khamis Mushait
4031090240	26 Rabi-Al-Thanni, 1436H	Makkah Al-Mukaramah
1131344162	30 Rabi Al Awwal 1446H	Buraidah

The results, assets and liabilities of the branches are included in these interim condensed financial statements.

The objective of the Company is to provide lease financing for movable and immovable assets and murabaha financing to all economic sectors in the Kingdom of Saudi Arabia.

These interim condensed financial statements have been reviewed, not audited.

2. BASIS OF PREPARATION

- 2.1** These interim condensed financial statements of the Company as at and for the three-month period ended 31 March 2025 have been prepared in accordance with International Accounting Standard 34 "*Interim Financial Reporting*" (IAS 34) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).
- 2.2** These interim condensed financial statements do not include all information and disclosure required in the annual audited financial statements and should be read in conjunction with the annual audited financial statements for the year ended 31 December 2024.

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

2. BASIS OF PREPARATION (continued)

2.3 The International Accounting Standard Board (IASB) has issued following accounting standards, amendments, which were effective from periods on or after 1 January 2025. The management has assessed that the amendments have no significant impact on the Company's interim condensed financial statements.

- Amendment to IAS 21 – Lack of exchangeability – IASB amended IAS 21 to add requirements to help in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not exchangeable. Amendment set out a framework under which the spot exchange rate at the measurement date could be determined using an observable exchange rate without adjustment or another estimation technique.

The listing of standards and interpretations issued which the Company reasonably expects to be applicable at a future date are as follows. The Company intends to adopt these standards when they become effective, where applicable.

Standard / Interpretation	Description	Effective from periods beginning on or after
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date deferred indefinitely
Amendments to IFRS 9 and IFRS 7	Financial Instruments and Financial Instruments: Disclosures	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Reducing subsidiaries' disclosures	1 January 2027
IFRS S1	General requirements for disclosure of sustainability - related financial information	Not yet endorsed by SOCPA
IFRS S2	Climate-related disclosures	Not yet endorsed by SOCPA

2.4 The accounting and risk management policies used in the preparation of these interim condensed financial statements are consistent with those followed in the preparation of the Company's financial statements for the year ended 31 December 2024.

3. USE OF JUDGEMENTS AND ESTIMATES

The preparation of interim condensed financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The interim results may not represent a proper indication of the annual results of operations. In preparing these interim condensed financial statements, the significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to the statutory financial statements as at and for the year ended 31 December 2024.

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

4. NET INVESTMENT IN FINANCE LEASES

4.1 Reconciliation between gross and net investment in finance leases are as follows:

	Note	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Audited)
Finance lease receivables		947,153,316	1,005,565,591
Unearned finance lease income		(126,162,469)	(144,980,051)
Net investment in finance leases		820,990,847	860,585,540
Modification loss		(70,700,694)	(70,700,694)
Income on modified finance leases	10	70,474,473	70,163,316
		(226,221)	(537,378)
Net investment in finance leases after modification loss		820,764,626	860,048,162
ECL on investment in finance leases	4.2	(39,455,134)	(70,879,804)
		781,309,492	789,168,358
Current maturity		(443,260,784)	(454,179,429)
		338,048,708	334,988,929

4.2 The movement in the ECL on net investment in finance lease was as follows:

	Note	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Audited)
Balance as at 1 January		70,879,804	87,761,532
ECL charged / (reversed) for the period / year		1,204,484	(8,106,397)
Bad debt written-off		(32,629,154)	(8,775,331)
Balance at the end of the period / year	4.2.1	39,455,134	70,879,804

4.2.1 Portfolio ECL analysis for investment in finance leases is as follows:

31 March 2025 (Unaudited)	Net investment in finance lease	ECL	Expected loss rates
Days past due category			
Not yet due	542,002,104	199,603	0.00%-0.03%
1-90 days*	239,698,739	3,181,950	0.04%-1.24%
91-180 days*	3,233,477	456,069	1.25%-12.37%
181-365 days	488,087	49,072	12.38%-49.72%
366 days – 730 days	-	-	49.72%-100%
Above 730 days and specific accounts**	35,568,440	35,568,440	100%
	820,990,847	39,455,134	

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

4. NET INVESTMENT IN FINANCE LEASES (continued)

4.2.1 Portfolio ECL analysis for investment in finance leases is as follows (continued):

31 December 2024 (Audited)	Net investment in finance lease	ECL	Expected loss rates
Days past due category			
Not yet due	624,375,546	1,810,310	0.00%-0.03%
1-90 days*	167,120,612	675,157	0.04%-1.18%
91-180 days*	690,804	24,681	1.19%-14.14%
181-365 days	-	-	14.15%-51.57%
366 days – 730 days	940,527	911,605	51.58%-100%
Above 730 days and specific accounts**	67,458,051	67,458,051	100%
	<u>860,585,540</u>	<u>70,879,804</u>	

* Net investment in finance lease of SR 18.9 million (2024: SR 20.1 million) under overdue category of 1-90 days and 91-180 days are secured by real estate collateral, while the balance is secured by title to vehicle, machinery and equipment.

** Includes fully provided specific accounts reclassified from 'Not yet due' to '366 days – 730 days' overdue category with net investment in finance lease amounting to SR 27.7 million (2024: SR 61 million).

5. NET INVESTMENT IN MURABAHA FINANCE

5.1 Reconciliation between murabaha finance receivables and net investment in murabaha finance is as follows:

	Note	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Audited)
Murabaha finance receivables		1,083,464,429	943,911,452
Unearned murabaha finance income		(150,431,677)	(134,659,902)
Net investment in murabaha finance		933,032,752	809,251,550
Modification loss		(11,580,516)	(11,580,516)
Income on modified murabaha finance	10	11,287,799	11,237,145
		(292,717)	(343,371)
Net investment in murabaha finance after modification loss		932,740,035	808,908,179
ECL on investment in murabaha finance	5.2, 5.4	(5,626,590)	(7,871,774)
		927,113,445	801,036,405
Current maturity		(399,403,241)	(347,212,591)
		527,710,204	453,823,814

5.2 The movement in the ECL on Murabaha finance receivables was as follows:

	Note	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Audited)
Balance as at 1 January		7,871,774	2,657,414
ECL (reversed) / charge for the period / year		(2,245,184)	5,214,360
Balance at the end of the period / year	5.2.1	5,626,590	7,871,774

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

5. NET INVESTMENT IN MURABAHA FINANCE (continued)

5.2.1 Stage wise analysis of murabaha finance receivables and ECL is as follow:

	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Total
31 March 2025 (Unaudited)				
Net investment in murabaha finance	821,808,351	90,833,312	20,391,089	933,032,752
ECL	(2,100,718)	(55,474)	(3,470,398)	(5,626,590)
Net receivables	819,707,633	90,777,838	16,920,691	927,406,162
	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Total
31 December 2024 (Audited)				
Net investment in murabaha finance	782,285,297	9,732,676	17,233,577	809,251,550
ECL	(2,035,279)	(25,761)	(5,810,734)	(7,871,774)
Net receivables	780,250,018	9,706,915	11,422,843	801,379,776

5.3 Stage-wise movement of net investment in murabaha finance:

	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Total
31 March 2025 (Unaudited)				
Balances as at 1 January	782,285,297	9,732,676	17,233,577	809,251,550
Transfer from Stage 1	(87,962,377)	84,400,429	3,561,948	-
Transfer from Stage 2	-	(2,197,357)	2,197,357	-
Transfer from Stage 3	131,650	-	(131,650)	-
Financial assets settled	(3,987,386)	(132,291)	-	(4,119,677)
New financial assets originated	137,905,582	-	-	137,905,582
Net re-measurement	(6,564,415)	(970,145)	(2,470,143)	(10,004,703)
	39,523,054	81,100,636	3,157,512	123,781,202
Balances as at 31 March	821,808,351	90,833,312	20,391,089	933,032,752
	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Total
31 December 2024 (Audited)				
Balances as at 1 January	577,924,053	28,333,615	14,254,596	620,512,264
Transfer from Stage 1	(18,410,223)	8,606,145	9,804,078	-
Transfer from Stage 2	12,348,787	(12,348,787)	-	-
Transfer from Stage 3	2,071,126	-	(2,071,126)	-
Financial assets settled	(38,422,138)	(459,250)	(2,675,044)	(41,556,432)
New financial assets originated	227,879,562	-	1,666,314	229,545,876
Net re-measurement	18,894,130	(14,399,047)	(3,745,241)	749,842
	204,361,244	(18,600,939)	2,978,981	188,739,286
Balances as at 31 December	782,285,297	9,732,676	17,233,577	809,251,550

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

5. NET INVESTMENT IN MURABAHA FINANCE (continued)

5.4 Stage-wise movement in ECL of net investment in murabaha finance is as follows:

	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Total
31 March 2025 (Unaudited)				
ECL as at 1 January	2,035,279	25,761	5,810,734	7,871,774
Transfer from Stage 1	(73,985)	47,347	26,638	-
Transfer from Stage 2	-	(6,515)	6,515	-
Transfer from Stage 3	131,650	-	(131,650)	-
Financial assets settled	(1,473)	(542)	-	(2,015)
New financial assets originated	4,428	-	-	4,428
Net re-measurement of ECL	4,819	(10,577)	(2,241,839)	(2,247,597)
	65,439	29,713	(2,340,336)	(2,245,184)
ECL as at 31 March	2,100,718	55,474	3,470,398	5,626,590
	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Total
31 December 2024 (Audited)				
ECL as at 1 January	96,164	98,650	2,462,600	2,657,414
Transfer from Stage 1	(196,189)	23,316	172,873	-
Transfer from Stage 2	3,078	(3,078)	-	-
Transfer from Stage 3	1,904,208	-	(1,904,208)	-
Financial assets settled	(14,545)	(346)	(119,258)	(134,149)
New financial assets originated	24,455	-	28,584	53,039
Net re-measurement of ECL	218,108	(92,781)	5,170,143	5,295,470
	1,939,115	(72,889)	3,348,134	5,214,360
ECL as at 31 December	2,035,279	25,761	5,810,734	7,871,774

6. ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES

	Note	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Audited)
Deferred value added tax ("VAT") and VAT refund		9,808,992	10,398,633
Prepaid expenses		6,167,092	4,713,547
Prepaid insurance, net		1,113,747	1,102,226
Loans and advances to staff		3,071,649	2,622,327
Receivable from lessees, net	6.1	1,142,454	729,927
Advance to suppliers		124,750	56,695
Other		82,924	85,289
		21,511,608	19,708,644

6.1 Receivable from lessees are state net of ECL balance of SR 1,667,059 (2024: SR 1,667,059). No ECL was charged during the period ended 31 March 2025 (2024: SR Nil).

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

7. CASH AND CASH EQUIVALENTS

	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Audited)
Cash at banks	74,194,979	32,822,251
Cash in hand	20,450	17,426
	74,215,429	32,839,677

8. LONG-TERM LOANS, LEASE LIABILITY AND GRANTS

	Note	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Audited)
Long-term loans	8.1	643,625,001	519,572,918
Commission-free deposit payable to SAMA	8.2	11,757,316	14,987,609
		655,382,317	534,560,527
Government grant on SAMA		-	(1,285,599)
Special commission expense on grant	8.3	-	1,285,599
		-	-
Accrued special commission expense		3,851,234	3,770,272
Total loans and deposits, net of grant		659,233,551	538,330,799
Less: unamortised fee		(24,087)	(69,183)
		659,209,464	538,261,616
Lease liability		3,267,560	3,952,275
		662,477,024	542,213,891
Less: current maturity		(294,868,422)	(250,357,835)
Non-current portion of long-term loans, lease liability and grants		367,608,602	291,856,056

8.1 Long term loans are obtained from commercial banks amounting at prevailing commercial commission rates which are payable by March 2028. The Company was fully compliant with the covenants on long-term loans during the period / year ended 31 March 2025 and 31 December 2024.

8.2 Represents the commission-free deposit received from SAMA against funding for lending program of SAMA to support SME customers. The financing tenure is thirty-six months including six-month repayments grace period. The net impact of the commission-free deposit from SAMA and commission charged on financing to SME customers with a low commission rate is not significant to the interim condensed financial statements.

8.3 Special commission expense includes an amount of SR Nil (2024: SR 6,302) commission cost on SAMA commission-free deposit.

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

9. ACCRUED EXPENSES AND OTHER LIABILITIES

	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Audited)
Proposed lease related payables	11,761,513	23,600,773
Employee related payables	7,684,086	9,226,705
Legal and professional charges	1,384,194	2,701,857
Charity payable	3,300,648	2,608,031
Accrued expenses	3,272,671	2,441,723
Leased assets insurance claims to be settled	1,665,938	1,393,440
Other	2,318,110	3,975,010
	31,387,160	45,947,539

10. FINANCE INCOME

Finance income for the three-month period ended includes reversal of SR 0.3 million (2024: SR 1.5 million) and SR 0.05 million (2024: SR 0.25 million) against modification loss on finance leases and murabaha finance contracts, respectively.

11 ZAKAT AND INCOME TAX

There is no change in the status of Zakat and income tax assessment since 31 December 2024.

12 BASIC AND DILUTED EARNINGS PER SHARE

The basic and diluted earnings per share are calculated by dividing the profit for the period attributable to the shareholders by weighted average number of shares 55,000,000 (2024: 55,000,000) at the end of the period.

13 COMMITMENTS

	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Audited)
Cost of finance lease and murabaha contracts not yet executed	7,102,005	10,694,377
Bank guarantees issued on behalf of the Company	5,000,000	5,000,000

14 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent major shareholders, Board members and key management personnel of the Company, and companies of which they are principal owners and any other entities controlled, jointly controlled or significantly influenced by them. Other related parties represent entities under common control and entities controlled by key management personnel of the Company. Key management personnel are those persons, including executive directors, having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly.

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

14 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (continued)

In the ordinary course of its activities, the Company transacts business with related parties, which are related to its shareholders. Significant related party transactions and balances are as follows:

	For the three- month period ended 31 March 2025 (Unaudited)	For the three- month period ended 31 March 2024 (Unaudited)
<u>Transactions:</u>		
The Saudi Investment Bank – shareholder		
Loans received	140,000,000	-
Loans paid	32,083,333	14,750,000
Special commission expense and other charges paid	1,975,939	2,463,337
Rent and premises related charges	62,500	62,500
The Mediterranean and Gulf Cooperative Insurance and Reinsurance Company, KSA- affiliate		
Premium for insurance and other related payments, net	548,560	271,948
Key Management Personnel		
Salaries and other short-term employee benefits	5,213,632	4,880,492
End of service benefits	269,299	424,558
Directors' meeting attendance fees	295,000	295,000
	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Audited)
<u>Balances:</u>		
The Saudi Investment Bank - shareholder		
Bank current accounts	65,423,390	23,036,464
Loans (including accrued commission)	231,145,757	122,476,343
Positive / (negative) fair value of derivative	2,902	(1,133)
The Mediterranean and Gulf Cooperative Insurance and Reinsurance Company, KSA - other related parties		
Advance / prepaid against insurance premium, net	360,467	133,280
Key Management Personnel		
Employees' end of service benefits	3,608,474	3,339,176
Loans to key management of the Company	619,558	765,616
Directors' meeting attendance fee payable	1,475,000	1,180,000

15 DIVIDENDS

Subsequent to the period ended 31 March 2025, on 22 April 2025, the Board of Directors proposed an annual dividend of SR 1.175 per share (2023: SR 1 per share) for the year ended 31 December 2024 amounting to SR 64.63 million (2023: SR 55 million) subject to obtaining No-objection from SAMA and shareholders' approval at the Annual General meeting.

16 DATE OF APPROVAL OF THESE INTERIM CONDENSED FINANCIAL STATEMENTS

The accompanying interim condensed financial statements were approved by the Board of Directors on 22 April 2025.