AL-AN AL KHALIGIA FOR CONSUMER MICROFINANCE
(CLOSED JOINT STOCK COMPANY)
UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026 AND INDEPENDENT AUDITOR'S REVIEW REPORT

AL-AN AL KHALIGIA FOR CONSUMER MICROFINANCE
(CLOSED JOINT STOCK COMPANY)

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Shareholders of
Al-An Al Khaligia for Consumer Microfinance
(Closed Joint Stock Company)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of **Al-An Al Khaligia for Consumer Microfinance** ("the Company") as of 30 June 2026, and the related interim condensed statement of profit or loss and other comprehensive income, interim condensed statement of changes in equity and interim condensed statement of cash flows for the Six months period ended and notes to the interim condensed financial statements.

Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard (IAS) 34 'Interim Financial Reporting', as endorsed in the Kingdom of Saudi Arabia (KSA) by Saudi Organization for Chartered and Professional Accountants (SOCPA).

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 (ISRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity'* that is endorsed in KSA. A review of interim condensed financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISAs) that are endorsed in KSA 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.

Uncertainty related to going concern

We would like to draw attention that the Company incurred accumulated losses of ⃁ 15.9 million, which exceed its capital for the period ending 30 June 2026. In addition, the company's total liabilities exceeded its total assets by ⃁ 5.9 million as of that date. These events or conditions indicate the existence of material uncertainty that may cast doubt on the company's ability to continue as a going concern. Our opinion is unmodified in this regard. The Company has received a letter of financial support from its parent company, Flooss Holding Company B.S.C.C, confirming its commitment to provide the necessary financial support to enable the Company to meet its obligations as they fall due for the foreseeable future.

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To the Shareholders of
Al-An Al Khaligia for Consumer Microfinance
(Closed Joint Stock Company)

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 'Interim Financial Reporting', that is endorsed in the Kingdom of Saudi Arabia.

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ALDAR AUDIT BUREAU
Professional limited liability company
Head Office Riyadh
Unified number: 7000030853
Certified Accountants
Abdullah Al Basri & Co.

Saad Abdulrahman Al-Ali
Certified Public Accountant
(License No. 606)

Riyadh, 9 Safar 1448H
Corresponding to 23 July 2026G

INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026

		For the three months ended		For the Six months ended	
	Notes	**30 June 2026**	30 June 2025	**30 June 2026**	30 June 2025
		⃁	⃁	⃁	⃁
		(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Tawarruq finance income		**80,618**	-	**122,504**	-
Processing fees income		**2,572**	-	**4,099**	-
Gross profit		**83,190**	-	**126,603**	-
General and administrative expenses	7	**(1,528,162)**	(1,826,173)	**(3,396,012)**	(3,806,367)
Depreciation of property and equipment	8	**(14,643)**	(15,950)	**(29,286)**	(27,404)
Amortization of right of use	9	**(59,342)**	(60,490)	**(118,684)**	(117,544)
ECL for Tawarruq financing receivables	11	**(163,415)**	-	**(170,248)**	-
Lending operation expenses		**(97,579)**	-	**(203,108)**	-
Loss from operation		**(1,779,951)**	(1,902,613)	**(3,790,735)**	(3,951,315)
Finance cost		**(206,480)**	(9,742)	**(285,681)**	(22,353)
Foreign exchange loss		**(20,962)**	-	**(57,505)**	-
Other income		**14,045**	8,585	**14,045**	14,283
Loss for the period before Zakat		**(1,993,348)**	(1,903,770)	**(4,119,876)**	(3,959,385)
Zakat expense		**(2,532)**	-	**(2,532)**	-
Total comprehensive loss		**(1,995,880)**	(1,903,770)	**(4,122,408)**	(3,959,385)

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

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Notes	**30 June 2026**	31 December 2025
		⃁	⃁
		(Unaudited)	(Audited)
Assets			
Cash and cash equivalents	12	**2,867,896**	197,494
Tawarruq financing receivables, net	11	**1,242,139**	123,764
Prepayments and other assets	10	**429,892**	821,911
Property and equipment, net	8	**238,802**	268,088
Right of use assets, net	9	**197,808**	316,492
Total assets		**4,976,537**	1,727,749
Liabilities and equity			
Liabilities			
Accrued expenses and other liabilities	16	**557,380**	600,325
Amounts due to related party	13	**9,835,627**	2,477,632
Lease liabilities	9	**261,360**	250,737
Employee's terminal benefits	14	**267,574**	210,500
Zakat provision	15	**2,532**	14,083
Total liabilities		**10,924,473**	3,553,277
Equity			
Share capital	6	**10,000,000**	10,000,000
Accumulated losses		**(15,947,936)**	(11,825,528)
Total equity		**(5,947,936)**	(1,825,528)
Total liabilities and equity		**4,976,537**	1,727,749

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026

	Share capital	**Accumulated losses**	**Total**
	⃁	⃁	⃁
For the period as of 1 January 2025	10,000,000	(3,489,306)	6,510,694
Total comprehensive loss	-	(3,959,385)	(3,959,385)
Balance as of 30 June 2025 (Unaudited)	10,000,000	(7,448,691)	2,551,309
For the period as of 1 January 2026	**10,000,000**	**(11,825,528)**	**(1,825,528)**
Total comprehensive loss	**-**	**(4,122,408)**	**(4,122,408)**
Balance as of 30 June 2026 (Unaudited)	**10,000,000**	**(15,947,936)**	**(5,947,936)**

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

INTERIM CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026

	30 June 2026	30 June 2025
	⃁	⃁
	(Unaudited)	(Unaudited)
OPERATING ACTIVITIES		
Total comprehensive loss	**(4,119,876)**	(3,959,385)
Adjustments to:		
Depreciation of property and equipment	**29,286**	27,404
Amortization of right-of-use asset	**118,684**	117,544
Reversal of zakat provision	**(14,045)**	-
Finance cost on loans	**275,058**	-
Finance cost on lease liabilities	**10,623**	22,353
Charge of ECL for Tawarruq financing receivables	**170,248**	-
Charge of employees benefits	**63,837**	-
	(3,466,185)	(3,792,084)
Changes in working capital:		
Prepayments and other assets	**392,019**	(262,676)
Accrued expenses and other liabilities	**(42,945)**	(139,045)
Tawarruq financing receivables, net	**(1,288,623)**	-
Employees benefits paid	**(6,763)**	-
Zakat paid	**(38)**	(169,324)
Net cash flows used in operating activities	**(4,412,535)**	(4,363,129)
INVESTING ACTIVITIES		
Purchase of property and equipment	**-**	(54,549)
Net cash flows used in investing activities	**-**	(54,549)
FINANCING ACTIVITIES		
Loan from flooss holding	**7,082,937**	29,291
Net cash flows from financing activities	**7,082,937**	29,291
Net change in cash and cash equivalents	**2,670,402**	(4,388,387)
Cash and cash equivalents at beginning of period	**197,494**	7,046,617
Cash and cash equivalents at end of period	**2,867,896**	2,658,230

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

1. GENERAL INFORMATION

Al-an Al Khaligia for Consumer Microfinance (‘’the Company’’) is a Closed Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia under commercial registration number 1010865347 dated 10 Shaban 1444H (corresponding to 2 March 2023).

The Company is authorized to provide consumer microfinance services in the Kingdom of Saudi Arabia under Saudi Central Bank (“SAMA”) license number 102/202507 issued on 6 Safar 1447H (corresponding to 3 August 2025).

2. BASIS OF PREPARATION

Basis of measurement
These financial statements have been prepared under the historical cost method.

Functional and presentation currency
The financial statements have been presented in Saudi Riyal (⃁), which is also the Company’s functional and presentation currency. Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates.

Level of precision
The amounts have been rounded off to the nearest Saudi Riyal (⃁), unless otherwise stated.

3. STATEMENT OF COMPLIANCE

These interim condensed financial statements have been prepared in accordance with International Accounting Standard No. 34 as stated by International Financial Reporting Standards (IFRS) endorsed in the kingdom of Saudi Arabia, standards and other issues approved by the Saudi Organization for Certified Public Accountants SOCPA and the applicable requirements of regulations and legislation in the Kingdom of Saudi Arabia.

4. CHANGES IN ACCOUNTING POLICIES

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

Standards, interpretations and amendments	Description	Effective date
Amendment to IAS 21 – Lack of exchangeability	The International Accounting Standard Board (“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.	1 January 2025

4. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

Standards, interpretations and amendments are not yet effective

IASB has issued the following accounting standards, interpretation and amendments, which become effective from periods starting on or after 1 January 2027. The Company did not opt for early adoption of these pronouncements and do not expect the adoption to have a significant impact on the interim condensed financial statements of the Company.

Standards, interpretations and amendments	Description	Effective date
Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only to the extent of gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 Business Combinations. Gains or losses resulting from the sale or contribution in an associate or joint venture of assets that do not constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely
IFRS 18, Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations. It defines a subset of measures related to an entity’s financial performance as “management-defined performance measures” (“MPMs”). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expense from the items that resulted in the foreign exchange differences.	1 January 2027
IFRS 19, Subsidiaries without Public Accountability: Disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date it does not have public accountability and its parent produces consolidated financial statements under IFRS Accounting Standards.	1 January 2027

5. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in accordance with IFRS endorsed by SOCPA and other standards and pronouncements issued by SOCPA, requires the use of certain critical estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The areas involving a higher degree of judgment or complexity or area where assumptions and estimates are significant to the financial statements are shown in the succeeding paragraphs.

Impairment of non-financial assets

The Company's management periodically reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

Provisions

By their nature, provisions are dependent upon estimates and assessments whether the criteria for recognition have been met, including estimates of the probability of cash outflows. Provisions for litigation are based on an estimate of the costs, taking into account legal advice and other information presently available. Provisions for termination benefits and exit costs, if any, also involve management's judgment in estimating the expected cash outflows for severance payments and site closures or other exit costs. Provisions for uncertain liabilities involve management's best estimate of whether cash outflows are probable.

6. SHARE CAPITAL

The share capital of the Company amounting to ⃁ 10,000,000 divided into 1,000,000 nominal shares of equal value, the value of each share is ⃁ 10 Saudi riyals, all of which are ordinary cash shares.

The Company is currently in the process of increasing its share capital. The capital increase is subject to completion of the necessary regulatory and legal procedures and is expected to be finalized during the third quarter of 2026.

7. GENERAL AND ADMINISTRATIVE EXPENSES

	For the Six months ended	
	30 June 2026	30 June 2025
	⃁	⃁
Salaries and benefit	**2,406,019**	2,703,892
IT expenses	**575,674**	664,508
Professional and consultancy expense	**11,635**	175,635
Travelling expense	**49,280**	19,142
Other	**353,404**	243,190
Total	**3,396,012**	3,806,367

8. PROPERTY AND EQUIPMENT, NET

The following table summarizes the movement of property and equipment:

	Furniture	Office equipment	Total
Cost	⃁	⃁	⃁
As at 31 December 2024	235,000	68,545	303,545
Additions	-	54,549	54,549
As at 31 December 2025	**235,000**	**123,094**	**358,094**
As at 1 January 2026	235,000	123,094	358,094
As at 30 June 2026	**235,000**	**123,094**	**358,094**
Accumulated depreciation			
As at 31 December 2024	25,182	8,134	33,316
Depreciation for the year	33,576	23,114	56,690
As at 31 December 2025	**58,758**	**31,248**	**90,006**
As at 1 January 2026	58,758	31,248	90,006
Depreciation for the period	16,788	12,498	29,286
As at 30 June 2026	**75,546**	**43,746**	**119,292**
Net book value			
As at 31 December 2025	176,242	91,846	268,088
As at 30 June 2026	**159,454**	**79,348**	**238,802**

9. RIGHT-OF-USE OF ASSETS, NET

The book values for the right-of-use assets and the movement that occurred during the period/year are as follows:

	Building
Cost	⃁
As at 1 January 2025	684,657
Additions	-
Adjustments	20,208
As at 31 December 2025	704,865
Additions	-
As at 30 June 2026	**704,865**
Accumulated amortization	
As at 1 January 2025	152,144
Amortization for the year	236,229
As at 31 December 2025	388,373
Amortization for the period	118,684
As at 30 June 2026	**507,057**
Net book value	
As at 31 December 2025	316,492
As at 30 June 2026	**197,808**

9. RIGHT-OF-USE OF ASSETS, NET (CONTINUED)

Lease liability

The book values for the rental commitment and movement that occurred during the period/year are as follows:

	30 June 2026	31 December 2025
	⃁	⃁
Beginning balance	**250,737**	457,499
Adjustments	**-**	20,208
Interest expense for the period/year	**10,623**	34,390
Paid lease liability during the period/year	**-**	(261,360)
Balance at end of period/year	**261,360**	250,737

	30 June 2026	31 December 2025
	⃁	⃁
Total liability	**261,360**	250,737

Profit or loss for the period ended 30 June included the following amounts related to leases:

	30 June 2026	30 June 2025
	⃁	⃁
Amortization - right-of-use asset	**118,684**	117,544
Finance cost – lease liability	**10,623**	22,353
Total	**129,307**	139,897

10. PREPAYMENTS AND OTHER ASSETS

	30 June 2026	31 December 2025
	⃁	⃁
Prepaid expenses	**362,383**	273,594
Value added tax	**31,441**	494,249
Employees receivable	**10,935**	28,935
Withholding tax	**14,387**	14,387
Other	**10,746**	10,746
Total	**429,892**	821,911

11. TAWARRUQ FINANCING RECEIVABLES, NET

	30 June 2026	31 December 2025
	⃁	⃁
Gross tawarruq financing receivables	**1,828,996**	161,822
Less: Unrealized finance income	**(415,996)**	(613)
	1,413,000	124,377
Less: Allowance for expected credit losses	**(170,861)**	(613)
Tawarruq financing receivables, net	**1,242,139**	123,764
Performing	**1,235,777**	124,377
Non-performing	**177,223**	-
	1,413,000	124,377

Movement in ECL is as follows:

	30 June 2026	31 December 2025
	⃁	⃁
Beginning balance	**613**	-
Charge for the period/year	**170,248**	613
Closing balance	**170,861**	613

Profit or loss for the period ended 30 June included the following amounts related to financing receivables:

	30 June 2026	30 June 2025
	⃁	⃁
ECL for Tawarruq financing receivables	**170,248**	-

12. CASH AND CASH EQUIVALENTS

	30 June 2026	31 December 2025
	⃁	⃁
Balances at banks	**2,866,918**	175,494
Cash on hand	**978**	22,000
Total	**2,867,896**	197,494

13. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent commercial transactions that are made with key partners and upper executive company management and entities, controlled partially or wholly, which might affect these parties. These transactions are carried out on the same terms as dealing with external parties and in the context of normal commercial transactions. There are no guarantees or financial charges on the balances of related parties:

Related party transactions

	Relationship	***Nature of transaction***	**30 June 2026**	30 June 2025
			⃁	⃁
Flooss Holding Company B.S.C.C	Holding company	Loan	**7,357,995**	29,291

13. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

Due to a related party

	30 June 2026	31 December 2025
	⃁	⃁
Flooss Holding Company B.S.C.C	**9,835,627**	2,477,632

14. EMPLOYEE AND END OF SERVICE BENEFITS

During the year, the actuarial valuations of the defined benefit obligations were carried out under the Projected Unit Credit Method using the following significant assumptions:

	30 June 2026	31 December 2025
	⃁	⃁
Balance at the beginning for the period/year	**210,500**	128,999
Charge during the period/year	**63,837**	110,728
Paid during the period/year	**(6,763)**	(29,227)
Balance at end of period/year	**267,574**	210,500

15. ZAKAT PROVISION

The zakat provision movement was as follows:

	30 June 2026	31 December 2025
	⃁	⃁
Balance at the beginning for the period/year	**14,083**	169,324
Charge during the period/year	**2,532**	14,083
Reversal of zakat provision during the period/year	**(14,045)**	-
Paid during the period/year	**(38)**	(169,324)
Balance at end of period/year	**2,532**	14,083

16. ACCRUED EXPENSES AND OTHER LIABILITIES

	30 June 2026	31 December 2025
	⃁	⃁
Accrued expenses	**501,866**	577,667
Other	**55,514**	22,658
Total	**557,380**	600,325

17. UNRECOGNIZED ITEMS

This section of the notes provides information about items that are not recognized in the interim condensed financial statements as they do not yet satisfy the recognition criteria. These items are summarized as follows:

- Contingent liabilities
- Capital commitments
- Events occurring after the reporting period.

Contingent liabilities
At 30 June 2026, the Company has no contingent liabilities.

Capital commitment
No capital expenditure contracted by the Company as of 30 June 2026.

Events occurring after the reporting period
No subsequent events have been identified that are considered non-adjusting events; accordingly, there is no impact on the condensed interim financial statements for the period ended 30 June 2026.

18. INTERIM CONDENSED FINANCIAL STATEMENT APPROVAL

The interim condensed financial statements were approved by the Company's Board of Directors on 9 Safar 1448H (corresponding to 23 July 2026).