

**AL YUSR LEASING AND FINANCING COMPANY**  
(A Saudi Closed Joint Stock Company)

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED  
MARCH 31, 2026 (UNAUDITED)  
AND INDEPENDENT AUDITOR'S REVIEW REPORT**

**AL YUSR LEASING AND FINANCING COMPANY**  
(A Saudi Closed Joint Stock Company)  
**Condensed interim consolidated financial statements (Unaudited)**  
**For the three-month period ended March 31, 2026**

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## Report on review of condensed interim consolidated financial statements

To the shareholders of Al Yusr Leasing and Financing Company  
(A Saudi Closed Joint Stock Company)

### Introduction

We have reviewed the accompanying condensed interim consolidated statement of financial position of Al Yusr Leasing and Financing Company (the "Company") and its subsidiaries (together the "Group") as of March 31, 2026 and the related condensed interim consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended and other explanatory notes. The Board of Directors is responsible for the preparation and presentation of these condensed interim consolidated 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 condensed interim consolidated financial statements based on our review.


### Scope of review

We conducted our review in accordance with the 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 condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

### PricewaterhouseCoopers

  
Khalid A. Mahdhar  
License Number 368



April 28, 2026

PricewaterhouseCoopers Public Accountants  
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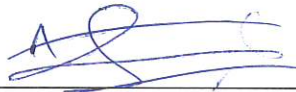
**AL YUSR LEASING AND FINANCING COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
(All amounts in Saudi Riyals unless otherwise stated)

	Notes	As at March 31, 2026 Unaudited	As at December 31, 2025 Audited
<b>ASSETS</b>			
Cash at banks and short term deposit	5	74,547,402	116,509,798
Prepayments, advances and other receivables		67,061,219	67,796,200
Due from related parties	6	842,067,325	840,810,984
Investment in Islamic financing, net	7	1,495,839,745	1,554,614,400
Investment in equity instruments carried at fair value through other comprehensive income ("FVOCI")	8	40,835,634	40,835,634
Intangible assets, net		15,042,330	15,761,068
Right-of-use assets, net		12,567,708	13,320,222
Property and equipment, net		3,285,248	3,479,078
<b>Total assets</b>		<b>2,551,246,611</b>	<b>2,653,127,384</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Accounts payable		5,079,445	6,446,139
Accruals, provisions and other liabilities		38,860,049	34,814,206
Due to related parties	6	54,743,832	26,578,926
Zakat payable	9	16,327,223	18,603,800
Lease liabilities		12,828,039	12,714,179
Employees' end of service benefits		9,872,750	9,730,000
Borrowings	10	1,589,183,356	1,696,574,348
<b>Total liabilities</b>		<b>1,726,894,694</b>	<b>1,805,461,598</b>
<b>Equity</b>			
Share capital		500,000,000	500,000,000
Statutory reserve		125,715,019	125,715,019
Retained earnings		181,431,523	204,745,392
Fair value reserve on investments		11,817,721	11,817,721
Employees' end of service benefits reserve		5,387,654	5,387,654
<b>Total equity</b>		<b>824,351,917</b>	<b>847,665,786</b>
<b>Total liabilities and equity</b>		<b>2,551,246,611</b>	<b>2,653,127,384</b>


The accompanying notes from 1 to 15 are an integral part of these condensed interim consolidated financial statements.



Eng. Abdulmohsen  
Abdullatif Alisa  
Chairman



Abdullah Al Zuhair  
Chief Executive Officer



Othman Alabdulkarim  
Chief Financial Officer

**AL YUSR LEASING AND FINANCING COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER**  
**COMPREHENSIVE INCOME (UNAUDITED)**  
(All amounts in Saudi Riyals unless otherwise stated)

	Notes	For the three-month period ended March 31,	
		2026	2025
<b>Revenue</b>			
Income from investment in Islamic financing	11	75,732,138	81,122,748
Other income, net	12	31,052	9,729,523
<b>Total revenue</b>		<b>75,763,190</b>	<b>90,852,271</b>
<b>Operating expenses</b>			
Salaries, wages and other employee related costs		(24,297,459)	(25,975,896)
Depreciation and amortization		(2,690,434)	(2,657,562)
Other operating expenses	13	(24,373,141)	(18,166,497)
Charge for expected credit losses ("ECL") on financial assets, net	7.6	(12,641,333)	(3,872,812)
<b>Total operating expenses</b>		<b>(64,002,367)</b>	<b>(50,672,767)</b>
<b>Operating profit</b>		<b>11,760,823</b>	<b>40,179,504</b>
Finance costs, net		(35,074,692)	(35,759,258)
<b>(Loss) / income before zakat</b>		<b>(23,313,869)</b>	<b>4,420,246</b>
Zakat expense	9	-	(911,632)
<b>Net (loss) / income for the period</b>		<b>(23,313,869)</b>	<b>3,508,614</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Other comprehensive income for the period</b>		-	-
<b>Total comprehensive (loss) / income for the period</b>		<b>(23,313,869)</b>	<b>3,508,614</b>

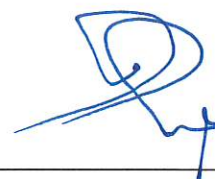
The accompanying notes from 1 to 15 are an integral part of these condensed interim consolidated financial statements.



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Abdullatif Alisa  
Chairman



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Chief Executive Officer



Othman Alabdulkarim  
Chief Financial Officer

**AL YUSR LEASING AND FINANCING COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
 (All amounts in Saudi Riyals unless otherwise stated)

	Share capital	Statutory reserve	Retained earnings	Fair value reserve on investments	Employees' end of service benefits reserve	Total equity
<b>Balance as at January 1, 2025 (Audited)</b>	500,000,000	123,715,275	186,747,699	5,957,730	6,405,725	822,826,429
Net income for the period	-	-	3,508,614	-	-	3,508,614
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	3,508,614	-	-	3,508,614
<b>Balance as at March 31, 2025 (Unaudited)</b>	500,000,000	123,715,275	190,256,313	5,957,730	6,405,725	826,335,043
<b>Balance as at January 1, 2026 (Audited)</b>	500,000,000	125,715,019	204,745,392	11,817,721	5,387,654	847,665,786
Net loss for the period	-	-	(23,313,869)	-	-	(23,313,869)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(23,313,869)	-	-	(23,313,869)
<b>Balance as at March 31, 2026 (Unaudited)</b>	500,000,000	125,715,019	181,431,523	11,817,721	5,387,654	824,351,917

The accompanying notes from 1 to 15 are an integral part of these condensed interim consolidated financial statements.



Eng. Abdulmohsen Abdullatif Alisa  
Chairman



Abdullah Al Zuhair  
Chief Executive Officer



Othman Alabdulkarim  
Chief Financial Officer

**AL YUSR LEASING AND FINANCING COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**  
(All amounts in Saudi Riyals unless otherwise stated)

		<b>For the three-month period ended March 31,</b>	
	<b>Notes</b>	<b>2026</b>	<b>2025</b>
<b>Cash flows from operating activities</b>			
(Loss) / income before zakat		<b>(23,313,869)</b>	4,420,246
Adjustments to reconcile (loss) / profit before zakat to net cash flows generated from operating activities:			
Depreciation and amortization		<b>2,690,434</b>	2,657,562
Charge for ECL on financial assets, net	7.6	<b>18,280,158</b>	14,102,551
Finance income on present value of margin deposit		-	(30,879)
Finance income on due from related parties		<b>(10,134,701)</b>	(4,876,067)
Finance costs, net		<b>35,074,692</b>	35,759,258
Employees' end of service benefits		<b>785,825</b>	1,377,837
		<b>23,382,539</b>	53,410,508
Changes in working capital:			
Prepayments, advances and other receivables		<b>734,981</b>	10,852,089
Repossessed assets held for sale		-	(672,000)
Margin deposit – restricted		-	7,271,634
Due from related parties		<b>8,878,360</b>	7,451,993
Investment in Islamic financing, net		<b>40,494,498</b>	17,684,404
Accounts payable		<b>(1,366,693)</b>	(3,490,774)
Accruals, provisions and other liabilities		<b>4,045,843</b>	1,213,232
Due to related parties		<b>28,164,905</b>	14,361,223
<b>Cash generated from operating activities before zakat and employees' end of service benefits paid</b>		<b>104,334,433</b>	108,082,309
Zakat paid		<b>(2,276,577)</b>	-
Employees' end of service benefits paid		<b>(643,076)</b>	(1,247,837)
<b>Net cash generated from operating activities</b>		<b>101,414,780</b>	106,834,472
<b>Cash flows from investing activities</b>			
Purchase of property and equipment		<b>(169,370)</b>	(291,267)
Purchase of intangible assets		<b>(855,982)</b>	(203,080)
<b>Net cash used in investing activities</b>		<b>(1,025,352)</b>	(494,347)
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		<b>65,000,000</b>	155,000,000
Repayments of borrowings		<b>(171,598,729)</b>	(196,038,074)
Repayments of lease liabilities		<b>(640,001)</b>	(131,886)
Finance costs paid		<b>(35,113,094)</b>	(38,876,480)
<b>Net cash used in financing activities</b>		<b>(142,351,824)</b>	(80,046,440)
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(41,962,396)</b>	26,293,685
Cash and cash equivalents at the beginning of the period		<b>116,509,798</b>	20,109,195
<b>Cash and cash equivalents at the end of the period</b>	5	<b>74,547,402</b>	46,402,880

The accompanying notes from 1 to 15 are an integral part of these condensed interim consolidated financial statements.

**AL YUSR LEASING AND FINANCING COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE-MONTH PERIOD ENDED March 31, 2026**  
(All amounts in Saudi Riyals unless otherwise stated)

**1 Legal status and operations**

Al-Yusr Leasing and Financing Company (the “Company”) is a Saudi Closed Joint Stock Company registered in Riyadh in the Kingdom of Saudi Arabia under commercial registration (“CR”) number 1010192058 issued on Shawal 20, 1424H corresponding to December 14, 2003.

The main activities of the Company are to engage in Islamic finance lease, financing of small and medium-sized enterprises, financing of productive assets and consumer finance under the Saudi Central Bank (“SAMA”) license No. (10/AO/201403) issued on Rabi’ al-Thani 27, 1435H corresponding to February 28, 2014.

The Company’s head office is located at the following address;

Salah Uddin Ayubi Street, Al Malaz  
P.O. Box 25773  
Riyadh 11476  
Kingdom of Saudi Arabia

On Ramadan 15, 1444H (corresponding to April 8, 2023) the Company incorporated its subsidiary, Al Sharakat Alragmeya for Information Technology Company (“ASAIT”), a limited liability Company registered in Riyadh with CR number 1010873663. ASAIT is owned 100% by the Company.

ASAIT is licensed to involve in

- Software publishing and
- Computer programming activities.

On Shawwal 26, 1444H (corresponding to May 16, 2023) the Company incorporated its subsidiary, Manasat Alraqamiah for Information Technology Company (“MAIT”), a limited liability Company registered in Riyadh with CR number 1010881199. The Subsidiary is owned 100% by the Company.

MAIT is licensed to involve in

- wholesale, retail trade and repair of motor vehicles and motorcycles and
- information and communications.

These condensed interim consolidated financial statements comprise the condensed interim financial statements of the Company along with its branches and its subsidiaries (collectively referred to as “the Group”).

These condensed interim consolidated financial statements were authorized for issue by the Group’s Board of Directors on April 28, 2026.

The Group has the following active branches, and the results thereof are included in these condensed interim consolidated financial statements:

Branch name	CR number	Date of issuance of CR	Status of branch as at	
			March 31, 2026	December 31, 2025
Head Office Branch	7014828904	Shawwal 20, 1424H	Active	Active
Exit -10 Branch- Riyad	7007215747	Rajab 13, 1443 H	Active	Active
Hail Branch	7012824483	Safar 19, 1443H	Active	Active
Hafer Al Batin Branch	7013913566	Safar 22, 1443H	Active	Active
Tabuk Branch	7014185297	Jumada al-Ula 9, 1443H	Active	Active
Dammam Branch	7012370198	Jumada al-Ula 9, 1443H	Active	Active
Jeddah Branch	7011801359	Thul-Qi`dah 7, 1443H	Active	Active
Madinah Branch	7011313850	Jumada al-Ula 9, 1443H	Active	Active
Abaha Branch	7014490317	Jumada al-Ula 9, 1443H	Active	Active
Jezaan Branch	7012395286	Jumada al-Ula 9, 1443H	Active	Active
Al Hassa Branch	7012243411	Muharram 6, 1445H	Active	Active

**AL YUSR LEASING AND FINANCING COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE-MONTH PERIOD ENDED March 31, 2026**  
(All amounts in Saudi Riyals unless otherwise stated)

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**2 Basis of preparation**

**2.1 Statement of compliance**

These condensed interim consolidated financial statements of the Group for the three-month period ended March 31, 2026 have been prepared in accordance with the International Accounting Standard 34 “Interim Financial Reporting” (“IAS-34”), as endorsed in the Kingdom of Saudi Arabia (“KSA”) and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”) (collectively referred to as “IAS-34 as endorsed in KSA”).

The condensed interim consolidated statement of financial position is stated in order of liquidity.

These condensed interim consolidated financial statements do not include all the notes, information and disclosures of the type normally required and included in the annual audited consolidated financial statements. Accordingly, these condensed interim consolidated financial statements are to be read in conjunction with the annual audited consolidated financial statements for the year ended December 31, 2025.

The results of operations for the interim period reported are not necessarily indicative of results expected for the year ending December 31, 2026.

**2.2 Basis of measurement**

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Investment in equity instruments carried at fair value through other comprehensive income – measured at fair value, and
- Employees’ end of service benefits - measured using Projected Unit Credit Method under IAS-19.

**2.3 Functional and presentation currency**

These condensed interim consolidated financial statements are presented in Saudi Riyal (“SR”) which is the Group's functional and presentation currency. All financial information presented in Saudi Riyals has been rounded to the nearest Saudi Riyal, unless otherwise mentioned.

**2.4 Going concern**

In making the going concern assessment, the Group has considered a wide range of information relating to present and future projections of profitability, cash flows and other capital resources etc. The Group’s management is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, the management of Group is not aware of any material uncertainty that may cast significant doubt on the Group’s ability to continue as a going concern.

**3 Consistent application of accounting policies**

The accounting policies and methods used in the preparation of these condensed interim consolidated financial statements are consistent with those used in the preparation of the annual audited consolidated financial statements for the year ended December 31, 2025 except for the new accounting policies introduced as adoption of the following amendments to IFRS explained below which became applicable for annual reporting periods commencing on or after January 1, 2026. The management has concluded that the below amendments have no significant impact on the Group’s condensed interim consolidated financial statements.

**AL YUSR LEASING AND FINANCING COMPANY**  
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**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE-MONTH PERIOD ENDED March 31, 2026**  
(All amounts in Saudi Riyals unless otherwise stated)

**3 Consistent application of accounting policies (continued)**

**New standards, interpretations and amendments adopted by the Group**

The following standards, interpretations and amendments apply for the first time to financial reporting periods commencing on or after January 1, 2026:

<b>Standards, interpretations or amendments</b>	<b>Description</b>	<b>Effective date</b>
Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments	Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.  The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.	January 1, 2026
Amendments to IFRS 9 and IFRS 7 Contracts referencing Nature-dependent Electricity	Contracts Referencing Nature-dependent Electricity amends IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to more faithfully reflect the effects of contracts referencing nature-dependent electricity on an entity's financial statements.	January 1, 2026
Annual improvements to IFRS – Volume 11	Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards: IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; IFRS 9 Financial Instruments; IFRS 10 Consolidated Financial Statements; and IAS 7 Statement of Cash Flows.	January 1, 2026

**New standards, interpretations and amendments issued but not yet effective**

The following standards, interpretations and amendments had been issued but were not mandatory for annual reporting periods commencing on or after January 1, 2026.

<b>Standards, interpretations, amendments</b>	<b>Description</b>	<b>Effective date</b>
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 apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that 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 expenses from the items that resulted in the foreign exchange differences.	January 1, 2027

**AL YUSR LEASING AND FINANCING COMPANY**  
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**FOR THE THREE-MONTH PERIOD ENDED March 31, 2026**  
(All amounts in Saudi Riyals unless otherwise stated)

**3 Consistent application of accounting policies (continued)**

**New standards, interpretations and amendments issued but not yet effective (continued)**

<b>Standards, interpretations, amendments</b>	<b>Description</b>	<b>Effective date</b>
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.	January 1, 2027

The Group's management has not opted for earlier adoption of any of the above-mentioned standards, interpretations and amendments issued but not yet effective. The Group is in the process of assessing the impact of adopting these amendments or new standards.

**4 Critical accounting judgments, estimates and assumptions**

The preparation of these condensed interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. The actual results may differ from these estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Such judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including obtaining professional advice and expectations of future events that are believed to be reasonable under the circumstances. The interim results may not represent a fully accurate indication of the annual results of operations. In preparing these condensed interim consolidated 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 were applied to the audited consolidated financial statements as at and for the year ended December 31, 2025.

**5 Cash at banks and short term deposit**

	<b>As at March 31, 2026</b>	<b>As at December 31, 2025</b>
	<b>Unaudited</b>	<b>Audited</b>
Cash at banks	<b>74,547,402</b>	56,509,798
Short term deposit	-	60,000,000
	<b>74,547,402</b>	116,509,798

The Group does not earn profits on current accounts with banks in accordance with Sharia rules and principles.

During the year ended December 31, 2025, the Group placed a short-term deposit of SR 60 million with Arab National Bank with 7 days maturity and profit rate of 3.8%. The deposit has matured subsequent to the year.

Cash and cash equivalents for the purpose of the condensed interim consolidated statement of cash flows are as follows:

	<b>As at March 31, 2026</b>	<b>As at March 31, 2025</b>
	<b>Unaudited</b>	<b>Unaudited</b>
Cash at banks	<b>74,547,402</b>	66,336,032
Less: Bank overdrafts	-	(19,933,152)
	<b>74,547,402</b>	46,402,880

**AL YUSR LEASING AND FINANCING COMPANY**  
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**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE-MONTH PERIOD ENDED March 31, 2026**  
(All amounts in Saudi Riyals unless otherwise stated)

**6 Related parties' balances and transactions**

Related parties represent associated companies, major shareholders, directors, key management personnel of the Group and entities controlled, jointly controlled or significantly influenced by such parties.

**6.1 Related parties' balances**

In the ordinary course of the Group's activities, the Group enters into business transactions with related parties. The following balances are outstanding as at the respective periods ended March 31, 2026 and December 31, 2025, in relation to transactions with related parties:

	Nature of relationship	As at	As at
		March 31, 2026	December 31, 2025
		Unaudited	Audited
<b>6.1.1 Due from related parties</b>			
- Abdullatif Alissa Group Holding Company	Parent Company	777,381,836	773,226,496
- National Automotive Trading Company	Affiliate	264,651	264,651
- Alissa Universal Motor Company	Affiliate	65,285,489	68,184,488
- General Automotive Company (GACO)	Affiliate	1,491,032	1,491,032
		<b>844,423,008</b>	843,166,667
Expected credit losses on due from related parties		<b>(2,355,683)</b>	(2,355,683)
		<b>842,067,325</b>	840,810,984
<b>6.1.2 Due to related parties</b>			
- Abdullatif Alissa Group Holding Company	Parent Company	54,273,168	26,108,262
- Aqar and Memar Real Estate Company	Affiliate	470,664	470,664
		<b>54,743,832</b>	26,578,926
<b>6.1.3 Key management personnel (KMP)*</b>			
<i>(Number of KMP as at March 31, 2026: 10; 31 December 31, 2025: 12)</i>			
Accruals, provisions and other liabilities	Accrued directors' meeting attendance fee	2,459,000	2,935,000
Long term benefits payables	Key management personnel's post-employment benefits	1,212,845	1,080,182

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**FOR THE THREE-MONTH PERIOD ENDED March 31, 2026**  
(All amounts in Saudi Riyals unless otherwise stated)

**6 Related parties' balances and transactions** (continued)

**6.2 Related parties' transactions made during the period**

Name of related party	Nature of relationship	Nature of transaction	For the three-month period ended	
			March 31,	
			2026	2025
			Unaudited	Unaudited
Abdullatif Alissa Group Holding Company	Parent Company	Collections against the portfolio sold to Parent Company	<b>27,595,764</b>	14,964,310
		Installment repaid	<b>1,000,000</b>	1,000,000
		Expense recharged by Parent Company	<b>9,017,157</b>	3,000,000
		Finance income on sold portfolio	<b>10,134,701</b>	4,876,067
		Expense charged to Parent Company	<b>1,468,654</b>	2,734,896
Alissa Universal Motor Company	Affiliate	Finance income earned	<b>334,392</b>	394,713
		Installment repaid	<b>3,233,391</b>	6,233,391
Key management personnel*		Directors' meeting attendance fee	<b>900,000</b>	1,000,000
		Salaries and other benefits	<b>1,874,952</b>	1,546,812

\* Key management personnel of the Group include all members of the Board of Directors, chief executive officer and senior management. Short-term employee benefits of the Group's key management personnel include salaries, allowances, cash and non-cash benefits, bonuses and contributions to the General Organisation for Social Insurance.

**6.2.1 Portfolio sold to Parent Company**

- a) During the year ended December 31, 2020, the Company sold Islamic financing receivables with no recourse to Abdullatif Alissa Group Holding Company (the "Parent Company") amounting to the net of SR 536 million (gross receivables sold amounted to SR 903 million less provision of ECL allowance against the sold portfolio of SR 362 million). As per the agreement, the Parent Company is required to settle SR 536 million over ten monthly instalments starting from March 2021 over a period of five years. On March 26, 2025, the Group rescheduled this agreement by modifying the repayment terms and deferring a portion of the earlier payments to later periods while keeping the overall loan tenure unchanged. This restructuring resulted in an increase in the Group's expected future profits by SR 9.3 million with no significant impact on the modification results.
- b) On February 4, 2024, the Group entered into agreement with Parent Company to sell the investment in Islamic financing portfolio amounting to the net of SR 120.4 million (gross Islamic financing receivables amounting to SR 239.4 less portfolio written off SR 39.4 million less ECL provision amounting to SR 79.6 million) against consideration of SR 120.4 million. As per the agreement, Parent Company is required to settle the purchase consideration of SR 120.4 million over sixteen semi-annual installments starting from July 2024 over a period of eight years at an initial preferred profit rate of 0.75% per annum which was finally agreed at 7% per annum pursuant negotiation between the Group and its Parent Company. On March 26, 2025, the Group rescheduled this agreement by modifying the repayment terms and deferring a portion of the earlier payments to later periods while keeping the overall loan tenure unchanged. This restructuring resulted in an increase in the Group's expected future profits by SR 11.3 million with no significant impact on the modification results.

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**7 Investment in Islamic financing, net**

	Note	As at March 31, 2026 Unaudited	As at December 31, 2025 Audited
Gross investment in Islamic financing		2,069,568,576	2,135,919,314
Unearned Islamic financing income		(531,226,212)	(561,562,410)
Deferred origination expenses net of unearned origination fee		14,304,457	14,584,657
		<b>1,552,646,821</b>	1,588,941,561
Less: ECL allowance	7.1	(56,807,076)	(34,327,161)
		<b>1,495,839,745</b>	1,554,614,400

**7.1 Portfolio expected credit losses analysis for investment in Islamic financing:**

March 31, 2026 – Unaudited	Investment in Islamic financing	ECL allowance	Expected credit loss rates
Not yet due	1,343,927,762	12,084,639	0.90%
1-90 days	106,711,351	10,585,033	9.92%
91-180 days	77,302,276	25,572,132	33.08%
181-365 days	24,705,432	8,565,272	34.67%
	<b>1,552,646,821</b>	<b>56,807,076</b>	<b>3.66%</b>
December 31, 2025 – Audited	Investment in Islamic financing	ECL allowance	Expected credit loss rates
Not yet due	1,420,032,465	10,768,064	0.76%
1-90 days	141,913,182	13,489,857	9.51%
91-180 days	26,995,914	10,069,240	37.30%
	<b>1,588,941,561</b>	<b>34,327,161</b>	<b>2.16%</b>

**7.2 Stage-wise breakup of investment in gross Islamic financing receivables is as follows:**

	As at March 31, 2026 Unaudited	As at December 31, 2025 Audited
Performing (stage 1)	1,397,452,860	1,494,030,022
Under-performing (stage 2)	53,186,253	67,915,625
Non-performing (stage 3)	102,007,708	26,995,914
	<b>1,552,646,821</b>	1,588,941,561

**7.3 The movement in investment in Islamic financing receivables is as follows:**

	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Total
<b>As at January 1, 2026</b>	1,494,030,022	67,915,625	26,995,914	1,588,941,561
Transfers from performing	(69,211,026)	47,345,262	21,865,764	-
Transfers from under- performing	7,517,015	(61,830,679)	54,313,664	-
Transfers from non-performing	434,748	364,432	(799,180)	-
Financial assets settled	(157,539,578)	(929,884)	(368,454)	(158,837,916)
Financial assets originated	122,543,176	-	-	122,543,176
Transfers from financial assets originated	(321,497)	321,497	-	-
<b>As at March 31, 2026 - Unaudited</b>	<b>1,397,452,860</b>	<b>53,186,253</b>	<b>102,007,708</b>	<b>1,552,646,821</b>

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7 **Investment in Islamic financing, net** (continued)

7.3 **The movement in investment in Islamic financing receivables is as follows:** (continued)

	<b>Performing (Stage 1)</b>	<b>Under- performing (Stage 2)</b>	<b>Non- performing (Stage 3)</b>	<b>Total</b>
<b>As at January 1, 2025</b>	1,674,151,455	57,439,503	240,161,879	1,971,752,837
Transfers from performing	(143,972,258)	20,698,149	123,274,109	-
Transfers from under- performing	2,519,854	(2,618,318)	98,464	-
Transfer from non-performing	846,330	214,097	(1,060,427)	-
Financial assets settled	(679,829,026)	(39,749,229)	(1,716,617)	(721,294,872)
Financial assets originated	786,898,571	-	-	786,898,571
Transfers from financial assets originated	(72,639,035)	49,548,203	23,090,832	-
Financial assets derecognized	(73,945,869)	(17,616,780)	(310,771,300)	(402,333,949)
Financial assets - written off	-	-	(46,081,026)	(46,081,026)
<b>As at December 31, 2025 - Audited</b>	<b>1,494,030,022</b>	<b>67,915,625</b>	<b>26,995,914</b>	<b>1,588,941,561</b>

7.4 **The movement in allowance for ECL for Islamic financing receivables is as follows:**

	<b>Performing (Stage 1)</b>	<b>Under- performing (Stage 2)</b>	<b>Non- performing (Stage 3)</b>	<b>Total</b>
<b>As at January 1, 2026</b>	<b>13,656,107</b>	<b>10,601,814</b>	<b>10,069,240</b>	<b>34,327,161</b>
Transfer from performing	(1,953,898)	1,066,096	887,802	-
Transfer from under-performing	1,319,298	(9,472,256)	8,152,958	-
Transfer from non-performing	165,536	129,115	(294,651)	-
Financial assets settled	(557,244)	(198,427)	(4,295,352)	(5,051,023)
Financial assets originated	1,130,808	-	-	1,130,808
Transfers from financial assets originated	(38,096)	38,096	-	-
Changes in PDs/LGDs/EADs	723,290	6,059,432	15,417,651	22,200,373
ECL on income in suspense	-	-	4,199,757	4,199,757
<b>As at March 31, 2026 - Unaudited</b>	<b>14,445,801</b>	<b>8,223,870</b>	<b>34,137,405</b>	<b>56,807,076</b>

	<b>Performing (Stage 1)</b>	<b>Under- performing (Stage 2)</b>	<b>Non- performing (Stage 3)</b>	<b>Total</b>
<b>As at January 1, 2025</b>	18,991,839	14,537,047	93,941,560	127,470,446
Transfer from performing	(383,052)	238,925	144,127	-
Transfer from under-performing	552,589	(568,619)	16,030	-
Transfer from non-performing	318,825	77,158	(395,983)	-
Financial assets – settled	(5,822,407)	(10,460,940)	(8,000,972)	(24,284,319)
Financial assets originated	22,549,533	-	-	22,549,533
Transfers from financial assets originated	(15,592,982)	7,000,028	8,592,954	-
Changes in PDs/LGDs/EADs	5,366,659	1,176,662	19,290,459	25,833,780
Financial assets - written off	-	-	(46,081,026)	(46,081,026)
Additional ECL on financial assets written-off	-	-	27,338,348	27,338,348
Financial assets derecognized	(12,324,897)	(1,398,447)	(83,974,583)	(97,697,927)
ECL on income in suspense	-	-	(801,674)	(801,674)
<b>As at December 31, 2025 - Audited</b>	<b>13,656,107</b>	<b>10,601,814</b>	<b>10,069,240</b>	<b>34,327,161</b>

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**7 Investment in Islamic financing, net** (continued)

**7.4 The movement in allowance for ECL for Islamic financing receivables is as follows:**  
(continued)

There are certain investment in Islamic financing receivables amounting to SR 58.9 million (December 31, 2025: SR 103.5 million) with an expected credit loss (ECL) allowance of SR 1.9 million (December 31, 2025: SR 2.8 million), which are classified as stage 1 based on the Days Past Due (DPD) criteria. However, when assessed using the Group's ECL model in line with IFRS 9, out of these Islamic financing receivables, SR 54.5 million (December 31, 2025: SR 103.1 million) are reclassified to stage 2, with an ECL allowance of SR 0.6 million (December 31, 2025: SR 2.6 million), and SR 4.4 million (December 31, 2025: SR 0.4 million) are reclassified to Stage 3, with an ECL allowance of SR 1.2 million (December 31, 2025: SR 0.1 million). These receivables in stages 2 and 3 are in the curing period according to the Group's internal credit risk guidelines.

**7.5 Write-offs**

The Group writes off a financial asset when it has no reasonable expectations of recovering such financial asset in its entirety or a portion thereof. However, financial assets that are written off are still subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

During the period, the Board of Directors has approved the write-off of investment in Islamic financing amounting to SR nil (three-month period ended March 31, 2025: SR 19.6 million).

**7.6 ECL allowance on investment in Islamic financing during the period, net**

	<b>For the three-month period ended March 31, 2026</b>	<b>For the three-month period ended March 31, 2025</b>
	<b>Unaudited</b>	<b>Unaudited</b>
Charge for ECL allowance - investment in Islamic financing	<b>(18,280,158)</b>	(2,975,266)
Additional ECL on financial assets written off	-	(11,127,285)
Charge for ECL before recoveries against written off financial assets	<b>(18,280,158)</b>	(14,102,551)
Recoveries against written off financial assets	<b>5,638,825</b>	10,229,739
Net charge for the period	<b>(12,641,333)</b>	(3,872,812)

**7.7 Assignment of Islamic financing receivables**

The Group assigned gross Islamic financing receivables amounting to SR 1,818 million as of March 31, 2026 (December 31, 2025: SR 1,950 million) to local commercial banks for obtaining borrowings. These Islamic financing receivables have not been derecognized from the condensed interim consolidated statement of financial position as the Group retains substantially all the risks and rewards, primarily credit risk. The Group is liable for the repayments of its assigned receivables to local commercial banks in case of customers' default in accordance with the terms of the agreement. The amount received on assignment of Islamic financing receivables has been recognized as borrowings in the condensed interim consolidated statement of financial position.

Pursuant to the terms of the transfer agreements, the Group is not allowed to repledge those receivables and the financial institution has recourse only to the receivables in the event the Group defaults on its obligation. The carrying value of these receivables and their related liabilities ("the related liabilities") approximate their fair value.

**7.8 Changes in assumptions including incorporation of forward-looking information**

The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. The Group has used GDP and Government Expenditure as key macroeconomic factors giving a weight of 65% to GDP growth rate and 35% to Government Expenditure. The macroeconomic factors have been updated based on available information (as issued by IMF April's 26 forecasts), where the average GDP and Government Expenditure for the next years are expected to be 3.25% and 32.49% (as a percentage of GDP) respectively. The Group has incorporated the forecasts from IMF which are representatives of the current and projected macro-economic outlook.

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**7 Investment in Islamic financing, net** (continued)

**7.8 Changes in assumptions including incorporation of forward-looking information** (continued)

Further, the Group has also reconsidered weightages of scenarios for macroeconomic scenarios as adopted by SAMA for IFRS 9 ECL computation, where scenario weightages of 30% to baseline scenario, 0% to upturn scenario and 70% to downturn scenario were considered.

Sensitivity analysis:

The increase or decrease of 10% change in macroeconomic factors will result in decrease of SR 1.47 million (March 31, 2025: SR 1.13 million) or increase of SR 1.98 million (March 31, 2025: SR 10.10 million) in the ECL provision, respectively.

The increase or decrease of 10% change in loss rates (PDs and LGDs) assuming macroeconomic factors remain the same will result in increase of SR 4.77 million (March 31, 2025: SR 9.25 million) or a decrease of SR 4.69 million (March 31, 2025: SR 9.06 million) in the ECL provision, respectively.

**7.9 Impact of geo-political situation on expected credit losses**

The geopolitical situation in the Middle East has deteriorated significantly starting February 28, 2026. The situation has remained highly volatile and has impacted several countries in the Middle East including the Kingdom of Saudi Arabia, causing disruption to some business and economic activities.

The prevailing geopolitical situation has brought about uncertainties in the economic environment which require the Group to revise certain inputs and assumptions used for the determination of ECL.

To cater for the additional uncertainty, the Group has reassessed the probability weightings assigned to the economic scenarios used in the estimation of ECL as of March 31, 2026. The revised weightings reflect the increased likelihood of adverse economic outcomes.

The weightings assigned to each macro-economic scenario are as follows:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>
	<b>Unaudited</b>	<b>Audited</b>
Upturn scenario	<b>0%</b>	30%
Baseline scenario	<b>30%</b>	40%
Downturn scenario	<b>70%</b>	30%

The Group's downturn scenario assumes a prolonged downturn and a slow recovery from the effects of the on-going war.

The impact of such uncertain economic environment is judgmental, and the Group will continue to close monitor the current situation, reassess its position and the related impact on a regular basis as more reliable data becomes available and accordingly determine if any adjustment in the ECL is required in subsequent reporting periods.

**8 Investment in equity instruments carried at FVOCI**

<b>Name of the equity investments</b>	<b>As at March 31, 2026</b>	<b>As at December 31, 2025</b>
	<b>Unaudited</b>	<b>Audited</b>
Saudi Financial Lease Contract Registry Company	<b>892,875</b>	892,875
HyperPay Inc.	<b>39,743,686</b>	39,743,686
Car Switch Ltd.	<b>199,073</b>	199,073
	<b>40,835,634</b>	40,835,634

**8.1** These investments are not held for trading instead, these are held for medium to long-term purposes. Accordingly, the Group has elected to designate these investments in equity instruments at FVOCI.

**8.2**

Management reassessed the fair value of the above investments as at March 31, 2026 and concluded that there was no material change in their fair values compared to those reported as at December 31, 2025

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**9 Zakat payable**

	<b>As at March 31, 2026</b>	<b>As at December 31, 2025</b>
	<b>Unaudited</b>	<b>Audited</b>
Balance at the beginning of the period / year	<b>18,603,800</b>	15,301,665
Charge for the period / year	-	5,203,219
Payment made during the period / year	<b>(2,276,577)</b>	(1,901,084)
Balance at the end of the period / year	<b>16,327,223</b>	18,603,800

**9.1 Status of zakat assessments**

There is no open assessment as at March 31, 2025.

The Group has filed the zakat return with the Zakat, Tax and Customs Authority ("ZATCA") for the year ended December 31, 2025 on April 30, 2026.

**10 Borrowings**

	<b>As at March 31, 2026</b>	<b>As at December 31, 2025</b>
	<b>Unaudited</b>	<b>Audited</b>
Bank borrowings	<b>1,581,937,745</b>	1,689,368,800
Accrued finance costs	<b>7,245,611</b>	7,284,013
Present value gain on profit free borrowings	-	(78,465)
	<b>1,589,183,356</b>	1,696,574,348
<i>Borrowings:</i>		
Current portion	<b>656,629,977</b>	667,003,099
Non-current portion	<b>932,553,379</b>	1,029,571,249
Total borrowings	<b>1,589,183,356</b>	1,696,574,348

The Group has long-term financing facilities with banks, to finance current and long-term funding needs, primarily to finance Islamic finance receivables, original facilities amounting to SR 2,648 million as of March 31, 2026 (December 31, 2025: SR 2,648 million). These financing facilities, the majority of these financing facilities are repayable in three to four years in monthly, quarterly or six-monthly installments. These bank facilities bear finance costs at market prevailing rates ranging from 6.45% to 12% per annum (2025: 3.45% to 10% per annum).

The Group is in compliance with debt covenants.

**11 Income from investment in Islamic financing**

	<b>For the three-month period ended March 31, 2026</b>	<b>For the three-month period ended March 31, 2025</b>
	<b>Unaudited</b>	<b>Unaudited</b>
Income from Murabaha	<b>1,997</b>	300,771
Income from Ijara	<b>107,156</b>	546,491
Income from Tawarruq	<b>65,488,284</b>	75,399,419
Income on receivables against portfolio sold to Parent Company	<b>10,134,701</b>	4,876,067
	<b>75,732,138</b>	81,122,748

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**12 Other income, net**

	<b>For the three-month period ended March 31, 2026</b>	<b>For the three -month period ended March 31, 2025</b>
	<b>Unaudited</b>	<b>Unaudited</b>
Vehicle servicing fees *	<b>2,933</b>	4,326,695
Recovery against legal expenses and charges, net	<b>13,265</b>	967,873
Commission on transfer of vehicles ownership	<b>2,851</b>	1,664,149
Administration fee on additional services to customers, net	<b>4,229</b>	40,199
Income from margin deposit	-	30,879
Additional other insurance income / (cost), net of collections	<b>7,774</b>	2,699,728
	<b>31,052</b>	9,729,523

\* Vehicle servicing fees include miscellaneous fee income such as vehicles valuation fee, vehicle insurance fee and ownership transfer fee.

**13 Other operating expenses**

	<b>For the three-month period ended March 31, 2026</b>	<b>For the three -month period ended March 31, 2025</b>
	<b>Unaudited</b>	<b>Unaudited</b>
Insurance cost, net	<b>1,343,045</b>	2,695,423
Repair and maintenance	<b>1,281,419</b>	1,396,203
VAT and Legal expenses	<b>5,924,144</b>	2,309,790
Audit fee	<b>100,000</b>	155,000
Telephone and postage	<b>1,487,108</b>	946,625
Transactions costs	<b>2,463,626</b>	764,399
Outsourcing - security & others	<b>384,883</b>	444,767
IT cost allocation	<b>9,017,157</b>	3,000,000
Rent expense	<b>287,058</b>	301,624
Advertising expenses	<b>702,182</b>	1,707,551
Stationery and printing	<b>556,480</b>	25,939
Donations	-	1,100,000
Other operating expenses*	<b>826,039</b>	3,319,176
	<b>24,373,141</b>	18,166,497

\* Others include entertainment expenses and other miscellaneous expenses.

**14 Contingency and commitments**

**Contingency**

The Group has certain legal cases pending in courts against it. However, based on management's best estimate, the recorded provision of SR 0.25 million as at March 31, 2026 (December 31, 2025: SR 0.10 million) is sufficient to cover any future liabilities that might result for the legal cases.

**Capital commitments**

The Group has commitments for short term leases amounting to SR 1 million as at March 31, 2026 (December 31, 2025: SR 1.2 million). There are no significant capital commitments at the condensed interim consolidated statement of financial position date.

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**15 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 between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability the principal or the most advantageous market must be accessible to the Group.

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash at banks, investment in Islamic financing, due from related parties, investment in equity instruments, Due from related parties and other receivables. Financial liabilities consist of accounts payable, borrowings, due to related parties and other payables.

For financial assets and financial liabilities that are recognized in the condensed interim consolidated financial statements on a recurring basis, the Group 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 period.

**Fair value hierarchy**

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

	Carrying value	Fair value			Total
		Level 1	Level 2	Level 3	
<b>March 31, 2026 - Unaudited</b>					
<b>Financial assets at amortized cost:</b>					
Cash at banks and short term deposit	74,547,402	-	-	74,547,402	74,547,402
Other receivables	67,061,219	-	-	67,061,219	67,061,219
Due from related parties	842,067,325	-	-	842,067,325	842,067,325
Investment in Islamic financing, net	1,495,839,745	-	-	1,495,839,745	1,495,839,745
<b>Financial assets at fair value:</b>					
Investment in equity instruments carried at FVOCI	40,835,634	-	-	40,835,634	40,835,634
	<b>2,520,351,325</b>	-	-	<b>2,520,351,325</b>	<b>2,520,351,325</b>
<b>Financial liabilities at amortized cost:</b>					
Accounts payable	5,079,445	-	-	5,079,445	5,079,445
Accruals and other liabilities	38,860,049	-	-	38,860,049	38,860,049
Due to related parties	54,743,832	-	-	54,743,832	54,743,832
Lease liabilities	12,828,039	-	-	12,828,039	12,828,039
Borrowings	1,589,183,356	-	-	1,589,183,356	1,589,183,356
	<b>1,700,694,721</b>	-	-	<b>1,700,694,721</b>	<b>1,700,694,721</b>

**AL YUSR LEASING AND FINANCING COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE-MONTH PERIOD ENDED March 31, 2026**  
(All amounts in Saudi Riyals unless otherwise stated)

**15 Fair value of financial instruments (continued)**

	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
<b>December 31, 2025 -Audited</b>					
<b>Financial assets at amortized cost:</b>					
Cash at banks and short term deposit	116,509,798	-	-	116,509,798	116,509,798
Other receivables	67,796,200	-	-	67,796,200	67,796,200
Due from related parties	840,810,984	-	-	840,810,984	840,810,984
Investment in Islamic financing, net	1,554,614,400	-	-	1,554,614,400	1,554,614,400
<b>Financial assets at fair value:</b>					
Investment in equity instruments carried at FVOCI	40,835,634	-	-	40,835,634	40,835,634
	2,620,567,016	-	-	2,620,567,016	2,620,567,016
<b>Financial liabilities at amortized cost:</b>					
Accounts payable	6,446,139	-	-	6,446,139	6,446,139
Accruals and other liabilities	34,814,206	-	-	34,814,206	34,814,206
Due to related parties	26,578,926	-	-	26,578,926	26,578,926
Lease liabilities	12,714,179	-	-	12,714,179	12,714,179
Borrowings	1,696,574,348	-	-	1,696,574,348	1,696,574,348
	1,777,127,798	-	-	1,777,127,798	1,777,127,798

**15.1** The Group measures certain equity investments at fair value. These investments are classified within level 3 of the fair value hierarchy due to the use of significant unobservable inputs in the valuation process.

**Valuation technique and significant unobservable inputs**

The fair value of level 3 equity investments is determined using the following valuation techniques and significant unobservable inputs:

**Discounted Cash Flow (DCF) Method:** The DCF method involves projecting the expected future cash flows of the investee and discounting them to present value using a discount rate that reflects the risks associated with the investment.

**Key inputs in DCF Method:**

Projected cash flows are estimated based on historical performance and management's expectations of market conditions, discount rate which reflects the cost of capital and specific risks related to the investee and terminal growth rate which reflects long-term growth expectations beyond the forecast period.

**Market Multiples Method:** This method involves applying multiples derived from comparable market transactions to the investee's financial metrics.

**Key inputs in Market Multiple Method:**

Comparable multiples: Companies are selected based on industry and market data.

**Unobservable Inputs**

The unobservable inputs used in the valuation of level 3 equity investments include the discount rate, terminal growth rate, discounted cash flows and market multiples. These inputs are based on management's best estimates and are subject to change based on evolving market conditions and specific investee circumstances.

**15.2 Sensitivity analysis**

Key assumptions	Change	Impact on fair value
Discount rate and terminal growth rate	+1% and -0.5%	(4,300,157)
	-1% and +0.5%	5,517,760