

TAMAM FINANCE COMPANY
(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)

**INTERIM CONDENSED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE MONTH PERIOD
ENDED 31 MARCH 2024**

TAMAM FINANCE COMPANY
(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2024

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**Independent Auditor's Review Report on the Interim Condensed Financial Statements
To the Owner of Tamam Finance Company
(Closed Joint Stock Company - Owned by One Person)**

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Tamam Finance Company (Closed Joint Stock Company- Owned by One Person) (the "Company") as at 31 March 2024, and the related interim condensed statements of Profit and loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended, and 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.

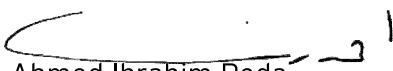
Scope of Review

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 statement consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

For Ernst & Young Professional Services


Ahmed Ibrahim Reda
Certified Public Accountant
License No. (356)



Riyadh: 1 Duh Al-Qi'dah 1445H
(9 May 2024)

TAMAM FINANCE COMPANY
(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2024

(All amounts in Saudi Riyals)

	<u>Note</u>	31 March 2024 (Unaudited)	31 December 2023 (Audited)
ASSETS			
Cash and bank balances		20,857,730	23,232,831
Net Islamic financing and other receivables	4	658,467,239	598,535,745
Property and equipment		1,633,738	1,632,551
Intangible assets		10,933,364	8,995,715
Right of use asset	5	2,978,702	3,237,684
TOTAL ASSETS		694,870,773	635,634,526
LIABILITIES AND EQUITY			
Accruals and other payables		55,742,247	46,495,095
Due to Owner	6	391,955,552	370,962,796
Lease liabilities	5	5,271,941	5,014,284
Provision for employees' end of service benefits		1,021,804	879,198
Zakat provision	8	11,852,865	10,022,817
Total liabilities		465,844,409	433,374,190
EQUITY			
Share capital	7	148,000,000	148,000,000
Statutory reserve		7,598,464	7,598,464
Other reserve		(75,871)	(75,871)
Retained earnings		73,503,771	46,737,743
Total owner equity		229,026,364	202,260,336
TOTAL LIABILITIES AND OWNER EQUITY		694,870,773	635,634,526



Mohammed AlFaraj
Acting Head of Finance



Yousef AlMusaleem
Chief Executive Officer



Sultan Al-Deghaither
Vice Chairman and Managing
Director

The accompany notes (1) to (14) form an integral part of these interim condensed financial statements

TAMAM FINANCE COMPANY
(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)

INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2024

(All amounts in Saudi Riyals)

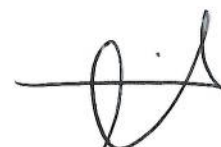
		For the three-months period ended	
	Note	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
Income from Islamic financing	9	82,482,829	67,416,040
Expenses			
Customer information inquiry fees		(12,223,237)	(9,999,710)
Business consulting		(550,000)	(32,306)
Employees' salaries and related charges		(5,255,401)	(4,153,011)
Depreciation and amortization		(1,649,556)	(927,800)
IT related costs		(3,127,571)	(2,670,046)
Other operating expenses		(12,676,883)	(10,378,850)
Allowance for expected credit losses	4	(18,404,105)	(19,688,109)
Income from operation		28,596,076	19,566,208
Financial charges		-	(967,105)
Income before zakat		28,596,076	18,599,103
Zakat	8	(1,830,048)	(1,917,704)
Net income for the period		26,766,028	16,681,399
Other comprehensive income			
<i>Item that will not be reclassified subsequently to profit or loss:</i>			
Remeasurement of employees' end of service benefits		-	-
Total comprehensive income for the period		26,766,028	16,681,399



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TAMAM FINANCE COMPANY
(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)
INTERIM CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2024
(All amounts in Saudi Riyals)

	Share capital	Statutory reserve	Other reserve	Retained earnings	Total
Balance as at 1 January 2024 (Audited)	148,000,000	7,598,464	(75,871)	46,737,743	202,260,336
Net income for the period	-	-	-	26,766,028	26,766,028
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	26,766,028	26,766,028
Balance as at 31 March 2024 (Unaudited)	148,000,000	7,598,464	(75,871)	73,503,771	229,026,364
Balance as at 1 January 2023 (Audited)	148,000,000	2,427,849	447,944	200,827	151,076,620
Net income for the period	-	-	-	16,681,399	16,681,399
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	16,681,399	16,681,399
Balance as at 31 March 2023 (Unaudited)	148,000,000	2,427,849	447,944	16,882,226	167,758,019



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TAMAM FINANCE COMPANY
(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)
INTERIM CONDENSED STATEMENT OF CASH FLOWS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2024
(All amounts in Saudi Riyals)

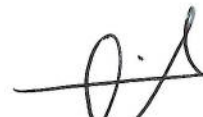
	Note	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before zakat		28,596,076	18,599,103
Adjustments to reconcile net income for the period to net cash from operating activities:			
Allowance for expected credit losses	4	18,404,105	19,688,109
Financial charges		-	967,105
Depreciation and amortization		1,649,556	927,800
Provision for employees' end-of-service benefits		142,606	108,756
		48,792,343	40,290,873
Changes in working capital			
Islamic financing and other receivables		(78,335,599)	(105,821,127)
Accruals and other payables		9,177,068	4,915,125
Due to an Owner		17,991,087	202,714,686
Cash flows generated (used in) / from operating activities		(2,375,101)	142,099,557
Zakat paid		-	(77,228)
Employees' end-of-service benefits paid		-	(10,211)
Cash flows generated (used in) / from operating activities		(2,375,101)	142,012,118
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceed from Murabaha loan		-	25,000,000
Payment of Murabaha loan		-	(145,000,000)
Financial charges paid		-	(891,370)
Net cash used in from financing activities		-	(120,891,370)
Net change in cash and cash equivalents		(2,375,101)	21,120,748
Cash and cash equivalents at beginning of the period		23,232,831	29,008,219
Cash and cash equivalents at end of the period		20,857,730	50,128,967
Non-cash items			
Right of used assets and lease liabilities		327,741	4,711,344
Transfer of property and equipment	6	(118,249)	-
Transfer of intangible assets	6	(2,883,420)	(134,244)



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TAMAM FINANCE COMPANY

(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2024

(All amounts in Saudi Riyals)

1 ORGANIZATION AND ACTIVITIES

1.1 General Information

The Company is a "Closed Joint Stock Company" registered in Riyadh, Kingdom of Saudi Arabia under Commercial Registration no. 1010573360 dated 9 Shaban 1440 (H) corresponding to 15 April 2019 (G).

The Company is wholly owned by Mobile Telecommunications Company Saudi Arabia ("Parent Company"). The ultimate parent company of the Company is Oman Telecommunications Company SAOG, Oman.

The Company is engaged in providing consumer finance services in accordance with the approval of Saudi Central Bank ("SAMA") numbered 57/A SH/202012 issued on 15 Jamada Awwal 1442 (H) corresponding to 20 December 2020.

The duration of the Company is 49 years starting from the date of registration of the Commercial Registration.

The registered address of the Company is P.O. Box 295814, Riyadh 11351, Kingdom of Saudi Arabia.

On 1 Safar 1441 (H) corresponding to 30 September 2019 (G), the Company was converted from Limited Liability Company to Closed Joint Stock Company. During 2020, the name of the Company was changed from "Zain Payments Company Ltd" to "Tamam Finance Company".

2 BASIS OF PREPARATION

These interim condensed financial statements of the Company as at and for the period ended 31 March 2024, 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 endorsed by the Saudi Organisation for Chartered and Professional Accountants ("SOCPA"). These interim condensed financial statements do not include all the information and disclosure required in the annual financial statements and should be read in conjunction with the annual audited financial statements for the year ended 31 December 2023. These interim results may not be an indicator of the annual results of the Company.

These interim condensed financial statements have been presented in Saudi Riyals ("SR"), which is also the functional currency of the Company.

The accounting and risk management policies adopted in the preparation of these interim condensed financial statements are consistent with those used in the preparation of the annual audited financial statements for the year ended 31 December 2023.

TAMAM FINANCE COMPANY

(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2024**

(All amounts in Saudi Riyals)

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES**3.1 *Material accounting policies***

The interim condensed financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as endorsed in KSA. In addition, results for the three-month period ended 31 March 2024 are not necessarily be indicative of the results that may be expected for the financial year ending 31 December 2024.

The accounting policies used in the preparation of these interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2023. The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2023 which had no material impact on Company's interim condensed financial statements. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3.2 *Significant accounting judgements, estimates and assumptions*

The preparation of the Company's interim condensed financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

Other than above, the accounting estimates and assumptions used in the preparation of these interim condensed financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2023.

3.3 *New standards, interpretations and amendments adopted by the Company*

The following new and amended IFRSs, which became effective for annual periods beginning on or after January 1, 2024, have been adopted in these financial statements.

TAMAM FINANCE COMPANY

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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2024**

(All amounts in Saudi Riyals)

3 MATERIAL ACCOUNTING POLICIES (continued)

Standard/ interpretation	Description	Effective from periods beginning on or after
Amendment to IFRS 16 – Leases on sale and leaseback	These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.	1 January 2024
Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements	These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.	1 January 2024
Amendment to IAS 1 – Non-current liabilities with covenants	These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.	1 January 2024

3.4 Material standards issued but not yet effective

Standard/ interpretation	Description	Effective from periods beginning on or after
Amendment to IFRS 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.	1 January 2025
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 S1, 'General requirements for disclosure of sustainability-related financial information'	This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.	Subject to endorsement from SOCPA
IFRS S2, 'Climate-related disclosures'	This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.	Subject to endorsement from SOCPA
IFRS 18- Presentation and Disclosure in Financial Statements	IFRS 18: Presentation and Disclosure in Financial Statements – Replaces IAS (1) Presentation of Financial Statements	1 January 2027

TAMAM FINANCE COMPANY

(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2024**

(All amounts in Saudi Riyals)

4 ISLAMIC FINANCING AND OTHER RECEIVABLES

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Islamic financing receivables	709,795,157	657,254,297
Unearned finance income	(1,296,098)	(1,361,983)
	708,499,059	655,892,314
Less: Allowance for expected credit losses	(51,322,516)	(58,787,687)
Net Islamic financing receivables	657,176,543	597,104,627
Other receivables	1,290,696	1,431,118
	658,467,239	598,535,745

All the financing facilities provided by Company are Shariah compliant, accordingly they are unconventional in nature.

The Company performs credit-vetting procedures before granting credit to new customers. These procedures are reviewed and updated on an ongoing basis. There have been no changes to these procedures from the previous year.

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Performing	584,479,365	509,052,290
Non-performing	72,697,178	88,052,337
	657,176,543	597,104,627

Movement on the allowance for expected credit losses

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Opening balance	58,787,687	36,354,290
Write-off for the period / year	(29,335,987)	(71,860,497)
Charged for the period / year	21,870,816	94,293,894
Closing balance	51,322,516	58,787,687

The allowance for impairment of Islamic financing receivables, charged to the interim condensed statement of profit or loss and other comprehensive income comprise of the following:

	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
Charged for the period / year	21,870,816	20,146,726
Recovery from written off	(3,466,711)	(458,617)
Closing balance	18,404,105	19,688,109

In determining the recoverability of an Islamic financing receivable, the Company considers any change in the credit quality of the Islamic financing receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated. The Company does not hold any collateral over the impaired Islamic financing receivables.

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2024

(All amounts in Saudi Riyals)

4 ISLAMIC FINANCING AND OTHER RECEIVABLES (continue)

The movement of Islamic financing and ECL allowance is a follow:

	Credit loss allowance				Gross carrying amount			
	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit im- paired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit im- paired)	Total
At 1 January 2024	681,864	11,586,830	46,518,993	58,787,687	362,722,560	158,598,539	134,571,215	655,892,314
Transfers:								
- to lifetime (from Stage 1 and Stage 3 to Stage 2)	(290,743)	481,203	(190,460)	-	(56,794,395)	57,356,610	(562,215)	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(7,466)	(359,668)	367,134	-	(1,092,077)	(4,382,177)	5,474,254	-
- to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	3,937,420	(414,328)	(3,523,092)	-	16,803,360	(7,402,524)	(9,400,836)	-
New originated	207,607	2,525	-	210,132	165,700,366	46,079	-	165,746,445
Charge for the period (net)	(3,776,127)	1,949,895	23,486,916	21,660,684	(74,468,266)	(18,609,698)	9,274,251	(83,803,713)
Write-offs	-	-	(29,335,987)	(29,335,987)	-	-	(29,335,987)	(29,335,987)
At 31 March 2024 (unaudited)	752,555	13,246,457	37,323,504	51,322,516	412,871,548	185,606,829	110,020,682	708,499,059

	Credit loss allowance				Gross carrying amount			
	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit im- paired)	Total	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for SICR)	Stage 3 (lifetime ECL for credit im- paired)	Total
At 1 January 2023	458,953	8,837,888	27,057,449	36,354,290	196,976,991	101,787,403	69,457,969	368,222,363
Transfers:								
- to lifetime (from Stage 1 and Stage 3 to Stage 2)	(80,187)	401,724	(321,537)	-	(30,891,915)	31,778,197	(886,282)	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(97,548)	(2,528,279)	2,625,827	-	(26,768,338)	(29,016,348)	55,784,686	-
- to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	295,460	(215,925)	(79,535)	-	3,007,619	(2,782,448)	(225,171)	-
New originated	639,205	6,762,594	20,331,316	27,733,115	349,812,324	90,922,904	59,023,138	499,758,366
Charge for the period	(534,019)	(1,671,172)	68,765,970	66,560,779	(129,414,121)	(34,091,169)	23,277,372	(140,227,918)
Write-offs	-	-	(71,860,497)	(71,860,497)	-	-	(71,860,497)	(71,860,497)
At 31 December 2023	681,864	11,586,830	46,518,993	58,787,687	362,722,560	158,598,539	134,571,215	655,892,314

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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2024**

(All amounts in Saudi Riyals)

5 RIGHT OF USE ASSETS AND LEASE LIABILITIES

The Company has lease contracts for building used in its operations. Leases of building has lease terms of 3 years. Set out below is the carrying amount of right-of-use assets and the movements during the period:

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Opening balance	3,237,684	-
Additions	-	4,711,344
Adjustment	327,741	-
Amortized for the period	(586,723)	(1,473,660)
Closing balance	2,978,702	3,237,684

The movements in lease liabilities during the period are as follows:

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Opening balance	5,014,284	-
Addition	-	4,711,344
Adjustment	327,741	-
Interest on lease liabilities	(70,084)	302,940
Closing balance	5,271,941	5,014,284
Non-current portion	1,720,095	1,473,661
Current portion	3,551,846	3,540,623
	5,271,941	5,014,284

6 RELATED PARTY TRANSACTIONS AND BALANCES

During the period, the Company had the following related party transactions:

<u>Related party</u>	<u>Relationship</u>	<u>Nature</u>	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
Mobile Telecommunications Company Saudi Arabia	Parent Company	Expenses paid on behalf of the Company	(17,991,087)	(32,714,686)
		Transfer of property and equipment	(118,249)	
		Transfer of intangible assets	(2,883,420)	(134,244)
		Funds transfer from related party	-	170,000,000

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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2024**

(All amounts in Saudi Riyals)

6. RELATED PARTY TRANSACTIONS AND BALANCES (continue)**Due to a related party balance:**

	31 March 2024 (Unaudited)	31 December 2023 (audited)
Mobile Telecommunications Company Saudi Arabia*	391,955,552	370,962,796

*The balance is not carrying any interest bearing and repayable on demand.

Following are the major related party transactions with key management personnel during the period:

<i>Related parties</i>	<i>Nature of transactions</i>	<i>For the three-month period ended 31 March</i>	
		2024 (Unaudited) SR	2023 (Unaudited) SR
Key management personnel	Compensation – salaries and other incentive	3,111,862	2,926,556
	Provision for employees' defined benefit liabilities	51,866	56,388

Board of Directors remuneration

The Company did not pay any remuneration to its Board of Directors and Audit Committee member during the period ended 31 March 2024 (31 March 2023 Nil).

7. SHARE CAPITAL

The Company has 14,800,000 (31 December 2023: 14,800,000) shares of SR 10 each in issue as at the reporting date.

During the period ended 31 March 2024, the Board of Directors resolved to increase the share capital of the Company from SR 148 million to SR 248 million through transfer from amount due to Owner. The increase in capital was approved by the Saudi Central Bank via letter 45051557 dated 9 Sha'ban 1445H (corresponding to 19 February 2024). This recommendation has to be approved by the Owner in the upcoming Extraordinary General Assembly.

TAMAM FINANCE COMPANY

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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2024**

(All amounts in Saudi Riyals)

8. PROVISION FOR ZAKAT**Movement in Zakat provision**

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Balance at the beginning of the period/year	10,022,817	2,908,636
Charged for the period/year	2,948,544	7,191,409
Reconciliation from prior years	(1,118,496)	-
Payment during the period/year	-	(77,228)
Balance at the end of the period/year	11,852,865	10,022,817

Status of assessment

Till the year ended 31 December 2020, the Company had submitted its information related to zakat returns through the Parent Company as the Parent Company had filed a consolidate zakat return which includes the Company's accounts. The Parent Company had submitted its Zakat returns up to 31 December 2020 and obtained the certificates. The Company has filed Zakat return for the years ended 31 December 2021 and 31 December 2022 by itself and obtained the certificates for respective years. The Company is in the process of filling the Zakat return for the year ended December 31, 2023. Final assessments have not been raised by Zakat, Tax and Customs Authority ("ZATCA") yet.

9. INCOME FROM FINANCING

	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
Interest income	80,180,305	66,117,369
Fee income	2,302,524	1,298,671
	82,482,829	67,416,040

All the incomes are from financing products which are Shariah compliant.

10. FAIR VALUE OF FINANCIAL INSTRUMENTS

Assets and liabilities measured at fair value in the interim condensed statement of financial position are grouped into three levels of fair value hierarchy. This Grouping is determined based on the lowest level of significant inputs used in fair value measurement, as follows:

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

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All the financial assets and liabilities of the Company are carried at amortized cost. Therefore, the fair value hierarchy disclosure which requires a three-level category of fair value is not disclosed.

TAMAM FINANCE COMPANY

(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2024**

(All amounts in Saudi Riyals)

10. FAIR VALUE OF FINANCIAL INSTRUMENTS (continue)**Carrying amount vs fair value**

The Company considers that the carrying amount of the following financial assets and financial liabilities are a reasonable approximation of their fair value:

- Cash at bank
- Islamic financing and other receivables
- Accruals and other payables
- Due to Owner

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments of the Company at any of the reporting dates.

12. EVENT AFTER THE REPORTING PERIOD

No events have occurred subsequent to the reporting date and before the issuance of these interim condensed financial statements which require adjustment to, or disclosure, in these interim condensed financial statements.

13. COMPARATIVE INFORMATION

Certain of the prior period amounts have been reclassified to conform with the presentation in the current period.

14. APPROVED INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed financial statements were approved by the Board of Directors on 1 Duh Al-Qi'dah (corresponding to 9 May 2024).
