

TAMAM FINANCE COMPANY
(CLOSED JOINT STOCK COMPANY - OWNED BY
ONE PERSON)
INTERIM CONDENSED FINANCIAL
STATEMENTS AND INDEPENDENT
AUDITOR'S REVIEW REPORT
FOR THE THREE AND NINE MONTHS PERIOD
ENDED 30 SEPTEMBER 2023

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

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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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 30 September 2023 and the related interim condensed statement of comprehensive income for the three-month and nine-month periods ended 30 September 2023 and the related interim condensed statement of changes in owner equity and cash flows for the nine-month period then ended and other explanatory notes (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 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.


Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as endorsed in the Kingdom of Saudi Arabia. A review of interim financial information consists of making inquiries, primarily of the 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

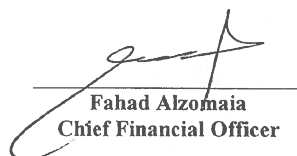

Ahmed Ibrahim Reda
Certified Public Accountant
License No. (356)

Riyadh: 15 Rabi Al-Thani 1445H
(30 October 2023)

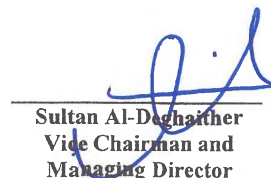


TAMAM FINANCE COMPANY
(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023
(All amounts in Saudi Riyals)

	Note	30 September 2023 (Unaudited)	31 December 2022 (Audited)
ASSETS			
Cash at bank		46,576,328	29,008,219
Islamic financing and other receivables	4	537,455,156	334,249,663
Property and equipment		58,457	69,285
Right of use assets	5	3,606,099	-
Intangible assets		9,696,376	6,665,805
TOTAL ASSETS		597,392,416	369,992,972
LIABILITIES AND EQUITY			
Accruals and other payables		33,937,492	21,700,591
Due to an Owner	6	362,179,894	76,681,543
Murabaha loan	8	-	120,000,000
Lease liabilities	5	4,938,549	-
Employees' end of service benefits obligation		113,368	534,218
Total liabilities		401,169,303	218,916,352
EQUITY			
Share capital	7	148,000,000	148,000,000
Statutory reserve		2,427,849	2,427,849
Other reserve		447,944	447,944
Retained earnings		45,347,320	200,827
Total owner equity		196,223,113	151,076,620
TOTAL LIABILITIES AND OWNER EQUITY		597,392,416	369,992,972


Fahad Alzomaia
Chief Financial Officer


Yousef AlMusaleem
Chief Executive Officer


Sultan Al-Daghather
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 AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023**

(All amounts in Saudi Riyals)

	Note	For the three-months period ended		For the nine-months period ended	
		30 September 2023 (Unaudited)	30 September 2022 (Unaudited)	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)
Income from Islamic financing	10	74,946,581	39,932,832	214,689,382	73,693,706
Expenses					
Subscription fees		(15,403,537)	(6,845,947)	(37,108,771)	(12,389,340)
Business consulting		(379,232)	(40,000)	(606,069)	(58,835)
Employees' salaries and related charges		(5,299,323)	(3,242,378)	(12,653,062)	(8,954,564)
Depreciation and amortization		(1,152,017)	(475,397)	(3,091,239)	(1,344,755)
IT related costs		(3,677,429)	(2,088,134)	(9,101,006)	(4,965,135)
Other operating expenses		(10,307,936)	(4,871,330)	(29,802,391)	(8,153,348)
Allowance for expected credit losses	4	(27,365,561)	(17,474,159)	(72,242,402)	(24,996,511)
Income from operation		11,361,546	4,895,487	50,084,442	12,831,218
Other income		648,059	41,863	1,370,695	133,850
Financial charges		(75,735)	(625,111)	(1,118,575)	(645,946)
Income before zakat		11,933,870	4,312,239	50,336,562	12,319,122
Zakat	9	(1,230,470)	(670,231)	(5,190,069)	(1,415,284)
Income for the period		10,703,400	3,642,008	45,146,493	10,903,838
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		10,703,400	3,642,008	45,146,493	10,903,838



Fahad Alzomaia
Chief Financial Officer



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Chief Executive Officer




Sultan Al-Deghaither
Vice Chairman and
Managing Director


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TAMAM FINANCE COMPANY
(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)
INTERIM CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023
(All amounts in Saudi Riyals)

	Share capital	Proposed increase in Share capital	Statutory reserve	Other reserve	Retained earnings (accumulated losses)	Total
Balance as at 1 January 2023 (Audited)	148,000,000	-	2,427,849	447,944	200,827	151,076,620
Profit for the period	-	-	-	-	45,146,493	45,146,493
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	45,146,493	45,146,493
Balance as at 30 September 2023 (Unaudited)	148,000,000	-	2,427,849	447,944	45,347,320	196,223,113
Balance as at 1 January 2022 (Audited)	57,000,000	-	-	(127,546)	(21,649,813)	35,222,641
Proposed increase in capital	-	91,000,000	-	-	-	91,000,000
Profit for the period	-	-	-	-	10,903,838	10,903,838
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	10,903,838	10,903,838
Balance as at 30 September 2022 (Unaudited)	57,000,000	91,000,000	-	(127,546)	(10,745,975)	137,126,479


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Chief Financial Officer


Yousef AlMusaileem
Chief Executive Officer


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Vice Chairman and Managing Director

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

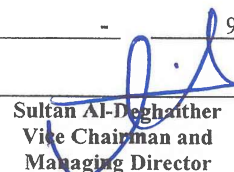
INTERIM CONDENSED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(All amounts in Saudi Riyals)

	Note	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before zakat		50,336,562	12,319,122
Adjustments to reconcile net income for the period to net cash from operating activities:			
Allowance for expected credit losses	4	72,242,402	24,996,511
Depreciation and amortization and interest on lease liabilities		3,318,444	1,344,755
Provision for employees' end-of-service benefits		356,913	229,908
		126,254,321	38,890,296
Changes in working capital			
Islamic financing and other receivables		(275,447,895)	(229,163,323)
Accruals and other payables		7,124,060	7,805,468
Due to an Owner		285,498,351	121,783,938
Cash flows generated from / (used in) operating activities		143,428,837	(60,683,621)
Zakat paid		(77,228)	-
Employees' end-of-service benefits paid		(777,763)	-
Cash flows generated from / (used in) operating activities		142,573,846	(60,683,621)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		(24,250)	-
Purchase of intangible assets		(4,981,487)	(1,675,624)
Net cash used in investing activities		(5,005,737)	(1,675,624)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceed from Murabah loan		25,000,000	80,000,000
Payment of Murabah loan		(145,000,000)	-
Net cash (used in)/generated from financing activities		(120,000,000)	80,000,000
Net change in cash and cash equivalents		17,568,109	17,640,755
Cash and cash equivalents at beginning of the period		29,008,219	8,845,876
Cash and cash equivalents at end of the period		46,576,328	26,486,631
Non-cash items			
Right of used assets and lease liabilities		4,711,344	-
Transfers of fixed and intangible assets from parent company		-	1,675,624
Transfer from due to a partner to proposed increased in share capital		-	91,000,000


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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)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(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 30 September 2023, 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 2022. 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 2022.

TAMAM FINANCE COMPANY

(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023**

(All amounts in Saudi Riyals)

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these interim condensed financial statement are consistent with those followed in the preparation of Company's annual audited financial statements for the year ended 31 December 2022, except for the adoption of new standards effective as of 1 January 2023. The company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The International Accounting Standard Board (IASB) has issued following accounting standards, amendments, which were effective from periods on or after January 1, 2023. The management has assessed that the amendments have no significant impact on the Company's interim condensed financial statements.

IFRS 17, 'Insurance contracts' This standard replaces IFRS 4, which permits a wide variety of practices in accounting for insurance contracts.

Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8. The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.

Amendment to IAS 12 – deferred tax related to assets and liabilities arising from a single transaction - requires companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

Standards and amendments issued and not yet effective

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

Effective for annual financial periods beginning on or after	Standard, amendment or interpretation	Summary of requirements
1 January 2024	Amendments to IAS 1, 'Presentation of financial statements', on classification of liabilities	These narrow-scope amendments to IAS 1, 'Presentation of financial statements', clarify that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period and non-current liabilities with covenants.
1 January 2024	Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback	The amendments require seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains.

TAMAM FINANCE COMPANY

(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023**

(All amounts in Saudi Riyals)

3 SIGNIFICANT ACCOUNTING POLICIES (continued)**Use of estimates and judgements**

There have been no material revisions to the nature and amount of estimates of amounts reported in prior periods.

Management believes that all sources of estimation uncertainty remain similar to those disclosed in the last annual audited financial statements. The Company will continue to monitor the situation, and any changes required will be reflected in future reporting periods.

4 ISLAMIC FINANCING AND OTHER RECEIVABLES

	30 September 2023 (Unaudited)	31 December 2022 (Audited)
Islamic financing receivables	610,593,244	369,109,395
Unearned finance income	(1,284,873)	(887,032)
	609,308,371	368,222,363
Less: Allowance for expected credit losses	(74,608,819)	(36,354,290)
Net Islamic financing receivables	534,699,552	331,868,073
Other receivables	2,755,604	2,381,590
	537,455,156	334,249,663

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.

	30 September 2023 (Unaudited)	31 December 2022 (Audited)
Performing	446,875,497	289,467,553
Non-performing	87,824,055	42,400,520
	534,699,552	331,868,073

Movement on the allowance for expected credit loss

	30 September 2023 (Unaudited)	31 December 2022 (Audited)
Opening balance	36,354,290	2,719,803
Write-off for the period/ year	(33,987,873)	(5,916,780)
Charged for the period / year	72,242,402	39,551,267
Closing balance	74,608,819	36,354,290

TAMAM FINANCE COMPANY

(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023**

(All amounts in Saudi Riyals)

4 ISLAMIC FINANCING AND OTHER RECEIVABLES (continued)

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.

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 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)	(155,600)	853,599	(697,999)	-	(43,090,022)	45,242,186	(2,152,164)	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(63,915)	(5,374,321)	5,438,236	-	(23,344,818)	(58,509,165)	81,853,983	-
- to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	1,703,196	(733,303)	(969,893)	-	11,603,330	(9,056,764)	(2,546,566)	-
New originated	519,755	6,562,917	5,025,602	12,108,274	282,170,505	59,903,902	14,212,076	356,286,483
Charge for the period (net)	(1,753,246)	3,483,162	58,404,212	60,134,128	(100,561,934)	(1,907,031)	21,256,363	(81,212,602)
Write-offs	-	-	(33,987,873)	(33,987,873)	-	-	(33,987,873)	(33,987,873)
At 30 September 2023	709,143	13,629,942	60,269,734	74,608,819	323,754,052	137,460,531	148,093,788	609,308,371

TAMAM FINANCE COMPANY

(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023**

(All amounts in Saudi Riyals)

4 ISLAMIC FINANCING AND OTHER RECEIVABLES (continued)

	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 2022	55,869	305,031	2,358,903	2,719,803	31,738,639	4,338,772	5,371,650	41,449,061
Transfers:								
- to lifetime (from Stage 1 and Stage 3 to Stage 2)	(1,986)	1,986	-	-	(1,636,352)	1,636,352	-	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(9,624)	(40,437)	50,061	-	(3,573,004)	(526,353)	4,099,357	-
- to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	1,460	(1,460)	-	-	21,189	(21,189)	-	-
New originated	453,631	8,753,793	25,135,305	34,342,729	195,575,648	100,778,662	65,112,201	361,466,511
Charge for the period (net)	(40,397)	(181,025)	5,431,811	5,210,389	(25,149,129)	(4,418,841)	793,392	(28,774,578)
Write-offs	-	-	(5,918,631)	(5,918,631)	-	-	(5,918,631)	(5,918,631)
At 31 December 2022	458,953	8,837,888	27,057,449	36,354,290	196,976,991	101,787,403	69,457,969	368,222,363

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:

	30 September 2023 (Unaudited)	31 December 2022 (Audited)
Opening balance	-	-
Additions	4,711,344	-
Amortized for the period	(1,105,245)	-
Closing balance	3,606,099	-

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

	30 September 2023 (Unaudited)	31 December 2022 (Audited)
Opening balance	-	-
Addition	4,711,344	-
Interest on lease liabilities	227,205	-
Closing balance	4,938,549	-
Non-current portion	3,464,888	-
Current portion	1,473,661	-

TAMAM FINANCE COMPANY

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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023**

(All amounts in Saudi Riyals)

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>	<u>30 September 2023</u> <u>(Unaudited)</u>	<u>30 September 2022</u> <u>(Unaudited)</u>
Mobile Telecommunications Company Saudi Arabia	Parent Company	Expenses paid on behalf of the company	(110,492,613)	(32,608,314)
		Transfer of property and equipment and intangible assets	5,005,738	1,675,624
		Net funds transfer From related party	170,000,000	87,500,000

Due to a related party balance:

	<u>30 September 2023</u> <u>(Unaudited)</u>	<u>31 December 2022</u> <u>(Audited)</u>
Mobile Telecommunications Company Saudi Arabia*	<u>362,179,894</u>	<u>76,681,543</u>

*The balance are 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>Amount of transactions</i>			
		<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
		<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
		<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
		SR	SR	SR	SR
Key management personnel	Compensation – salaries and other incentive	1,433,539	1,314,473	4,825,353	3,415,873
	Provision for employees' defined benefit liabilities	50,712	50,871	169,279	133,188

Board of Directors remuneration

The Company has paid SAR 512,500 to its Board of Directors and Audit Committee member during the period ended 30 September 2023 (30 September 2022 Nil).

TAMAM FINANCE COMPANY

(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023**

(All amounts in Saudi Riyals)

7 SHARE CAPITAL

The Company has 14,800,000 (31 December 2022: 14,800,000) shares of SR 10 each in issue as at the reporting date.

During the prior year, the Board of Directors resolved to increase the share capital of the Company from SR 57 million to SR 148 million through transfer from amount due to an owner. The increase in capital was approved by the Saudi Central Bank via letter 43102505 dated 19 Dhu Al-Hijjah 1443H (corresponding to 18 July 2022). The extraordinary General Assembly had met on 6 October 2022 and approved the capital increase recommended by the Board of Directors. The company's By-Laws and Commercial Registration had been amended.

8 MURABAHA LOAN

On 27 September 2020, the Parent Company (including its subsidiaries) has a working capital facility Murabaha agreement amounting to SR 1 billion. Financing charges, as specified under the agreement are payable in quarterly installments over five years. The facility is secured partially by a guarantee from Mobile Telecommunications Company K.S.C, pledge of shares of the parent Company owned by some of the founding shareholders, assignment of certain contracts and receivables and pledge over fixed assets up to the outstanding balance as on 31 December 2022. The Company has utilized only SR 120 million as at year ended 31 December 2022 and had obtained additional facilities of SR 25 million during January 2023. The total loan amounting to SR 145 million was fully repaid in February 2023. The USD denominated loan carried an interest of 1.5% plus LIBOR and SR denominated loan carried an interest of 1.5% plus SIBOR.

9 PROVISION FOR ZAKAT**Movement in Zakat provision**

	30 September 2023 (Unaudited)	31 December 2022 (Audited)
Balance at the beginning of the period/year	2,908,636	211,026
Charged for the period/year	5,190,069	2,697,610
Payment during the period/year	(77,228)	-
Balance at the end of the period/year	8,021,477	2,908,636

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 consolidated 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 its first Zakat return for the year ended 31 December 2021 by itself. The Company is in the process of filling the Zakat return for the year ended December 31, 2022. Final assessments have not been raised by Zakat, Tax and Customs Authority ("ZATCA") yet.

TAMAM FINANCE COMPANY

(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023**

(All amounts in Saudi Riyals)

10 INCOME FROM FINANCING

	30 September 2023	30 September 2022
	(Unaudited)	(Unaudited)
Income from Tawaruq financing	206,972,253	73,574,416
Income from Murabaha financing	7,717,129	119,290
	214,689,382	73,693,706

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

11 FAIR VALUE OF FINANCIAL INSTRUMENTS

Assets and liabilities measured at fair value in the 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.

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

12 CONTINGENCIES AND COMMITMENTS

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

13 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 requires adjustment to, or disclosure, in these interim condensed financial statements.

14 APPROVED INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed financial statements were approved by the management on 15 Rabi Al-Thani 1445H (corresponding to 30 October 2023).