

TAMAM FINANCE COMPANY
(CLOSED JOINT STOCK COMPANY - OWNED BY
ONE PERSON)
**INTERIM CONDENSED FINANCIAL
STATEMENTS (UNAUDITED) AND
INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE AND NINE MONTH PERIOD
ENDED 30 SEPTEMBER 2022**

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

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTH PERIOD ENDED 30 SEPTEMBER 2022

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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 2022 and the related interim condensed statement of comprehensive income for the three-month and nine-month periods ended 30 September 2022 and 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") 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" 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 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.

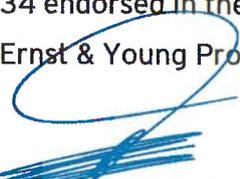
Other matter

The financial statements of the Company for the year ended 31 December 2021 were audited by another auditor who expressed an unmodified opinion on these financial statements on 10 Sha'aban 1443 (corresponding to 13 March 2022). Further, the interim condensed financial statements of the Company as at and for the three-month and nine-month periods ended 30 September 2021 were reviewed by another auditor who expressed unmodified review conclusion on those interim condensed financial statements on 21 Rabi Al-Awwal 1443H (corresponding to 27 October 2021).

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 endorsed in the Kingdom of Saudi Arabia.

For Ernst & Young Professional Services

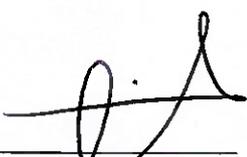

Saad M. Al-Khathlan
Certified Public Accountant
License No. (509)

Riyadh: 2 Rabi Al-Thani 1444H
(27 October 2022)



TAMAM FINANCE COMPANY
(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022
(All amounts in Saudi Riyals)

	<u>Notes</u>	30 September 2022 (Unaudited)	31 December 2021 (Audited)
ASSETS			
Cash at bank		26,486,631	8,845,876
Islamic financing and other receivables	4	243,065,505	38,898,693
Property and equipment		80,348	8,854
Intangible assets		5,428,224	5,168,849
TOTAL ASSETS		275,060,708	52,922,272
LIABILITIES AND OWNER EQUITY			
Accruals and other payables		13,130,319	3,909,567
Due to a partner	5	43,804,412	13,020,474
Murabaha loan	6	80,000,000	-
Employees' end of service benefits obligation		999,498	769,590
Total liabilities		137,934,229	17,699,631
OWNER EQUITY			
Share capital	7	57,000,000	57,000,000
Proposed increase in capital	7	91,000,000	-
Other reserve		(127,546)	(127,546)
Accumulated losses		(10,745,975)	(21,649,813)
Total owner equity		137,126,479	35,222,641
TOTAL LIABILITIES AND OWNER EQUITY		275,060,708	52,922,272



Sultan Al-Doghhaither
Vice Chairman and
Managing Director



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

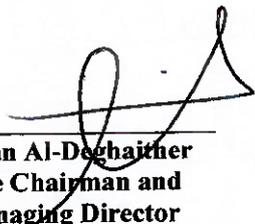
TAMAM FINANCE COMPANY
(CLOSED JOINT STOCK COMPANY - OWNED BY ONE PERSON)

INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

FOR THE THREE AND NINE MONTH PERIOD ENDED 30 SEPTEMBER 2022

(All amounts in Saudi Riyals)

	Note	For the three-months period ended September 30		For the nine-months period ended September 30	
		30 September 2022 (Unaudited)	30 September 2021 (Unaudited)	30 September 2022 (Unaudited)	30 September 2021 (Unaudited)
Income from Islamic financing	9	39,932,832	4,246,578	73,693,706	8,487,999
Expenses					
Subscription fees		(6,845,947)	(2,080,703)	(12,389,340)	(3,640,992)
Business consulting		(40,000)	(62,601)	(58,835)	(278,558)
Employees' salaries and related charges		(3,242,378)	(2,393,301)	(8,954,564)	(6,695,216)
Depreciation and amortization		(475,397)	(392,289)	(1,344,755)	(1,172,185)
IT related costs		(2,088,134)	(1,118,134)	(4,965,135)	(2,770,880)
Other operating expenses		(4,871,330)	(463,153)	(8,153,348)	(1,127,455)
Allowance for expected credit losses	4	(17,474,159)	(1,489,466)	(24,996,511)	(2,287,444)
Other income		41,863	17,342	133,850	17,342
Income (loss) from operation		4,937,350	(3,735,727)	12,965,068	(9,467,389)
Financial charges		(625,111)	-	(645,946)	-
Income (loss) before zakat		4,312,239	(3,735,727)	12,319,122	(9,467,389)
Zakat	8	(670,231)	(72,705)	(1,415,284)	(72,705)
Income (loss) for the period		3,642,008	(3,808,432)	10,903,838	(9,540,094)
Other comprehensive income		-	-	-	-
Total comprehensive income (loss) for the period		3,642,008	(3,808,432)	10,903,838	(9,540,094)


Sultan Al-Daghaiter
Vice Chairman and
Managing Director

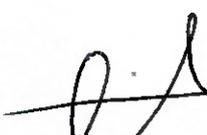
The accompany notes (1) to (14) form an integral part of these interim condensed financial statements

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

**INTERIM CONDENSED STATEMENTS OF CHANGES IN OWNER EQUITY
FOR NINE MONTH PERIOD ENDED 30 SEPTEMBER 2022**

(All amounts in Saudi Riyals)

	Share capital	Proposed increase in capital	Other Reserve	Accumulated losses	Total
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
Balance as at 1 January 2021 (Audited)	20,000,000	-	-	(9,889,869)	10,110,131
Share capital introduced	37,000,000	-	-	-	37,000,000
Loss for the period	-	-	-	(9,540,094)	(9,540,094)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(9,540,094)	(9,540,094)
Balance as at 30 September 2021 (Unaudited)	57,000,000	-	-	(19,429,963)	37,570,037


Sultan Al-Deghaither
Vice Chairman and
Managing Director



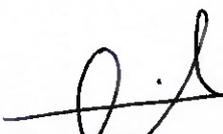
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TAMAM FINANCE COMPANY
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INTERIM CONDENSED STATEMENT OF CASH FLOWS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2022

(All amounts in Saudi Riyals)

	Notes	30 September 2022 (Unaudited)	30 September 2021 (Unaudited)
Income (loss) before zakat		12,319,122	(9,467,389)
OPERATING ACTIVITIES			
Adjustments to reconcile net Income (loss) for the period before zakat to net cash from operating activities:			
Allowance for expected credit losses	4	24,996,511	2,287,444
Depreciation and amortization		1,344,755	1,172,185
Provision for employees' end-of-service benefits		229,908	213,930
		<u>38,890,296</u>	<u>(5,793,830)</u>
Changes in working capital			
Islamic financing and other receivables		(229,163,323)	(23,813,578)
Accruals and other payables		7,805,468	2,474,242
Due to a related party		120,108,314	(17,997,946)
Net cash used in operating activities		<u>(62,359,245)</u>	<u>(45,131,112)</u>
FINANCING ACTIVITIES			
Murabaha loan	6	80,000,000	-
Proceeds from share capital introduced		-	37,000,000
Net cash generated from financing activities		<u>80,000,000</u>	<u>37,000,000</u>
Net change in Cash at bank		<u>17,640,755</u>	<u>(8,131,112)</u>
Cash at bank at beginning of the period		8,845,876	18,559,310
Cash at bank at end of the period		<u>26,486,631</u>	<u>10,428,198</u>
Non-cash items			
Transfer from due to a partner to proposed increase in capital	7	91,000,000	-
Transfer of fixed and intangible assets from parent company		1,675,624	146,589


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)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2022
(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

The interim condensed financial statements of the Company as at and for the period ended 30 September 2022, have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi 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 financial statements for the year ended 31 December 2021. The 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 2021.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
(CONTINUED)
FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2022
(All amounts in Saudi Riyals)

3 SIGNIFICANT ACCOUNTING POLICIES

The Company has applied the same accounting policies and methods of measurements in its interim condensed financial statements as mentioned in its annual financial statements for the year ended 31 December 2021 (last year annual financial statements).

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 financial statements. The Company will continue to monitor the situation, and any changes required will be reflected in future reporting periods.

New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the 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 2021, except for the adoption of new standards effective as of 1 January 2022. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2022, but do not have any impact on the interim condensed financial statements of the Company.

Amendments to IAS 1: Classification of Liabilities as Current or Non-Current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Reference to the conceptual framework – Amendments to IFRS 3 Business Combinations'

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

TAMAM FINANCE COMPANY
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
(CONTINUED)
FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2022
(All amounts in Saudi Riyals)

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

New standards, interpretations and amendments adopted by the Company (continued)

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the interim condensed financial statements of the Company as there were no contingent assets, liabilities and contingent liabilities within the scope of these amendments arisen during the period.

Property Plant and Equipment: Proceeds before intended use – Amendments to IAS 16

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss

These amendments had no impact on the interim condensed financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

IFRS 9 - Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39 Financial Instruments: Recognition and Measurement.

These amendments had no impact on the interim condensed financial statements of the Company as there were no modifications of the Company's financial instruments during the period.

4 ISLAMIC FINANCING AND OTHER RECEIVABLES

	30 September 2022	31 December 2021
	(Unaudited)	(Audited)
Islamic financing receivables	267,553,677	41,610,123
Unearned finance income	(714,375)	(161,062)
	266,839,302	41,449,061
Less: Allowance for expected credit losses	(24,084,125)	(2,719,803)
Net Islamic financing receivables	242,755,177	38,729,258
Other receivables	197,627	169,435
	242,952,804	38,898,693

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

TAMAM FINANCE COMPANY
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
(CONTINUED)
FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2022
(All amounts in Saudi Riyals)

4 ISLAMIC FINANCING AND OTHER RECEIVABLES (continued)

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 2021 (Unaudited)	31 December 2021 (Audited)
Performing	215,571,352	35,423,021
Non-performing	27,183,825	3,306,237
	242,755,177	38,729,258

Movement in allowance for doubtful debts

	30 September 2022 (Unaudited)	31 December 2021 (Audited)
Opening balance	2,719,803	165,150
Charged for the period / year	24,996,511	2,885,480
Write-off for the period/ year	(3,632,189)	(330,827)
Closing balance	24,084,125	2,719,803

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:

	<u>Credit loss allowance</u>				<u>Gross carrying amount</u>			
	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	31,738,636	4,338,772	5,371,653	41,449,061
Transfers:								
- to lifetime (from Stage 1 and Stage 3 to Stage 2)	(5,845)	12,685	(6,840)	-	(2,134,280)	2,157,079	(22,799)	-
- to credit-impaired (from Stage 1 and Stage 2 to Stage 3)	(11,090)	(142,868)	153,958	-	(3,632,253)	(1,833,822)	5,466,075	-
- to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	6,069	(6,069)	-	-	94,826	(94,826)	-	-
New originated	443,367	5,206,253	15,053,162	20,702,782	158,529,628	56,280,134	38,223,246	253,033,008
Charge for the period (net)	(32,320)	(66,445)	4,392,494	4,293,729	(21,114,787)	(2,993,118)	97,327	(24,010,578)
Write-offs	-	-	(3,632,189)	(3,632,189)	-	-	(3,632,189)	(3,632,189)
At 30 September 2022	456,050	5,308,587	18,319,488	24,084,125	163,481,770	57,854,219	45,503,313	266,839,302

TAMAM FINANCE COMPANY
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
(CONTINUED)
FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2022
(All amounts in Saudi Riyals)

5 RELATED PARTY TRANSACTIONS AND BALANCES

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

<u>Related party</u>	<u>Relationship</u>	<u>Nature</u>	<u>30 September 2022</u> <u>(Unaudited)</u>	<u>30 September 2021</u> <u>(Unaudited)</u>
Mobile Telecommunications Company Saudi Arabia	Parent Company	Expenses paid on behalf of the company	(32,608,314)	(14,513,101)
		Transfer of fixed and intangible assets	1,675,624	146,549
		Net funds transfer from (to)	87,500,000	(30,000,000)

The company is located in the same rented building of the parent company where the office rent is borne by parent company and does not charge the company for the rent.

Due to a partner:

	<u>30 September 2022</u> <u>(Unaudited)</u>	<u>31 December 2021</u> <u>(Audited)</u>
Mobile Telecommunications Company Saudi Arabia	43,804,412	13,020,474

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 2022</i>		<i>For the nine-month period ended 30 September 2021</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	1,314,473	1,409,494	3,415,873	4,706,046
	Provision for employees' defined benefit liabilities	50,871	48,947	133,188	169,941

Board of Directors remuneration

The Company did not pay any remuneration to its Board of Directors for the period ended 30 September 2022.

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
(CONTINUED)
FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2022
(All amounts in Saudi Riyals)

6 MURABAHA LOAN

On 27 September 2020, the Parent Company (including its subsidiaries) has a working capital facility Murabaha agreement amounting to SAR 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. The Company has utilized only SAR 80 million during the period ended 30 September 2022 which will be fully repaid in one installment by May 2023.

7 SHARE CAPITAL

The Company had 5,700,000 (31 December 2021: 5,700,000) shares of SR 10 each in issue as at the reporting date.

During the period ended 30 September 2022, 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 partner. 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 have met on 6 October 2022 and approved the capital increase recommended by the Board of Directors. The legal formalities including update of the company's By-Laws are still in progress as at 30 September 2022.

8 PROVISION FOR ZAKAT

Movement in Zakat provision

	30 September 2022	31 December 2021
	(Unaudited)	(Audited)
Balance at the beginning of the period/year	211,026	-
Charged for the period/year	1,415,284	211,026
Balance at the end of the period/year	1,626,310	211,026

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, however the final assessments have not been raised by Zakat, Tax and Customs Authority ("ZATCA") yet. The Company will file its first Zakat return for the year ended 31 December 2021 by itself.

9 INCOME FROM ISLAMIC FINANCING

	30 September 2022	33 September 2021
	(Unaudited)	(Unaudited)
Income from Tawaruq financing	73,574,416	8,487,999
Income from Murabaha financing	119,290	-
	73,693,706	8,487,999

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

TAMAM FINANCE COMPANY
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
(CONTINUED)
FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2022
(All amounts in Saudi Riyals)

10 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.

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
- Tawaruq and other receivables
- Murabaha loan
- Due to a partner
- aOther payables

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

13 COMPARATIVE INFORMATION

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

14 APPROVAL OF INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed financial statements were authorised for issuance on 2 Rabia II 1444H (corresponding to 27 October 2022).