

NATIONAL FINANCE COMPANY SAOG

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024

Registered office:

P.O.Box 1706
Postal Code 112
Ruwi
Sultanate of Oman

Principal place of business:

Madinat Al Irfan
Muscat Hills, Block No 9993,
Building No. 95, Fifth Floor,
Sultanate of Oman

NATIONAL FINANCE COMPANY SAOG

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024

Contents	Pages
Statement of profit or loss and other comprehensive income	1
Statement of financial position	2
Statement of changes in equity	3 - 5
Statement of cash flows	6
Notes to the financial statements	7 – 21

NATIONAL FINANCE COMPANY SAOG

UNAUDITED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE

	Note	Quarter ended 30 September 2024 RO '000	Nine months ended 30 September 2024 RO '000	Quarter ended 30 September 2023 RO '000	Nine months ended 30 September 2023 RO '000
Income					
Income from financing activities	12 (a)	15,586	43,875	12,384	35,472
Finance cost		(7,310)	(21,222)	(5,979)	(16,517)
Net finance income		8,276	22,653	6,405	18,955
Other operating income	6	739	2,050	614	1,888
		9,015	24,703	7,019	20,843
Expenses					
Operating expenses	7	(3,393)	(10,332)	(2,909)	(8,914)
Depreciation	13	(245)	(615)	(145)	(415)
Amortisation	14	(94)	(274)	(78)	(260)
Net impairment loss on finance leases, working capital finance and factoring receivables	12 (b)	(1,866)	(3,037)	(834)	(1,811)
Bad debts written off		(8)	(147)	3	(25)
Total expenses		(5,606)	(14,405)	(3,963)	(11,425)
Profit before tax		3,409	10,298	3,056	9,418
Income tax expense	8 (c)	(512)	(1,545)	(459)	(1,413)
Profit after tax		2,897	8,753	2,597	8,005
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss</i>					
Movement on revaluation of Land & Building – net of tax		5	15	2	6
<i>Items that are or may be reclassified subsequently to profit or loss</i>					
Change in fair value of cash flow hedge		(132)	(429)	(246)	(445)
Other comprehensive loss		(127)	(414)	(244)	(439)
Total comprehensive income		2,770	8,339	2,353	7,566
Basic and diluted earnings per share (RO)	9	0.005	0.015	0.005	0.014

The notes and other explanatory information on pages 7 to 21 form an integral part of these unaudited condensed interim financial statements.

NATIONAL FINANCE COMPANY SAOG

UNAUDITED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT

		30 September 2024 RO '000	30 September 2023 RO '000	31 December 2023 RO '000
	Note			
ASSETS				
Cash and cash equivalents	10	7,496	7,592	5,559
Net investment in finance leases	12	448,917	381,793	397,162
Working capital	12	116,496	82,284	89,544
Factoring receivables	12	510	251	149
Advances, prepayments and other receivables	31	6,187	5,149	4,843
Asset held for sale	27	1,500	1,500	1,500
Goodwill		5,950	5,950	5,950
Intangible assets	14	231	482	424
Property, equipment and right-of-use assets	13	7,454	6,427	7,105
Statutory deposit	11	250	250	250
Total assets		594,991	491,678	512,486
LIABILITIES AND EQUITY				
LIABILITIES				
Creditors and accruals	18	15,553	13,472	9,889
Tax liabilities	8 (b)	2,096	2,360	2,799
Bank borrowings	20	381,514	334,885	351,736
Fixed deposits	21	50,570	36,732	40,343
Deferred tax liabilities	8 (b)	861	697	863
Provision for employees' end of service benefits	19	701	595	617
Total liabilities		451,295	388,741	406,247
EQUITY				
Capital and reserves				
Share capital	15	57,370	57,370	57,370
Share premium		5,786	5,786	5,786
Revaluation reserve		1,405	1,017	1,420
Foreign currency reserve	28	-	-	-
Voluntary reserve	29	-	3,000	-
Cash flow hedge reserve		197	828	626
Impairment reserve	30	7,717	-	7,717
Legal reserve	16	11,487	10,376	11,487
Retained earnings		24,734	24,560	21,833
Total shareholders' equity attributable to the equity holders of the company		108,696	102,937	106,239
Perpetual bonds	17	35,000	-	-
Total equity		143,696	102,937	106,239
Total liabilities and equity		594,991	491,678	512,486
Net assets per share (RO)	9	0.189	0.179	0.185

These unaudited condensed interim financial statements including notes and other explanatory information on pages 7 to 21 were approved and authorised for issue in accordance with a resolution of the Board of Directors on 30 October 2024 and signed on their behalf by:

HANI MUHAMMAD AL ZUBAIR
CHAIRMAN

TARIQ SULAIMAN AL FARSI
CHIEF EXECUTIVE OFFICER

NATIONAL FINANCE COMPANY SAOG

**UNAUDITED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED**

	Share capital RO'000	Share premium RO'000	Revaluation reserve RO'000	Foreign currency reserve RO '000	Voluntary reserve RO '000	Cash flow hedge reserve RO'000	Impairment reserve RO'000	Legal reserve RO'000	Retained earnings RO'000	Total RO'000	Perpetual bonds RO'000	Total RO'000
1 January 2024	57,370	5,786	1,420	-	-	626	7,717	11,487	21,833	106,239	-	106,239
<i>Comprehensive income:</i>												
Profit for the period	-	-	-	-	-	-	-	-	8,753	8,753	-	8,753
<i>Other comprehensive income</i>												
Change in fair value	-	-	-	-	-	(429)	-	-	-	(429)	-	(429)
<i>Total comprehensive income</i>	-	-	-	-	-	(429)	-	-	8,753	8,324	-	8,324
Issue of perpetual bond (note	-	-	-	-	-	-	-	-	-	-	35,000	35,000
Perpetual Bond issue cost	-	-	-	-	-	-	-	-	(359)	(359)	-	(359)
<i>Other transactions within equity:</i>												
Incremental depreciation – net of tax	-	-	(15)	-	-	-	-	-	15	-	-	-
<i>Total other transactions within equity</i>	-	-	(15)	-	-	-	-	-	(344)	(359)	35,000	34,641
<i>Transactions with owners:</i>												
Cash dividend (note 22)	-	-	-	-	-	-	-	-	(5,508)	(5,508)	-	(5,508)
<i>Total transactions with owners</i>	-	-	-	-	-	-	-	-	(5,508)	(5,508)	-	(5,508)
30 September 2024	57,370	5,786	1,405	-	-	197	7,717	11,487	24,734	108,696	35,000	143,696

The notes and other explanatory information on pages 7 to 21 form an integral part of these unaudited condensed interim financial statements.

NATIONAL FINANCE COMPANY SAOG

UNAUDITED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS PERIOD ENDED (continued)

	Share capital RO'000	Share premium RO'000	Revaluation reserve RO'000	Foreign currency reserve RO '000	Voluntary reserve RO '000	Cash flow hedge reserve RO'000	Legal reserve RO'000	Retained earnings RO'000	Total RO'000	Perpetual bonds RO'000	Total RO'000
1 January 2023	54,123	5,786	1,023	5,319	3,000	1,273	10,376	19,529	100,429	18,200	118,629
<i>Comprehensive income:</i>											
Profit for the period	-	-	-	-	-	-	-	8,005	8,005	-	8,005
<i>Other comprehensive income</i>											
Incremental depreciation – net of tax	-	-	(6)	-	-	-	-	6	-	-	-
Change in fair value	-	-	-	-	-	(445)	-	-	(445)	-	(445)
<i>Total comprehensive income</i>	-	-	(6)	-	-	(445)	-	8,011	7,560	-	7,560
<i>Other transactions within equity:</i>											
Perpetual bond redemption (note 17)	-	-	-	-	-	-	-	-	-	(18,200)	(18,200)
Perpetual bond interest (note 17)	-	-	-	-	-	-	-	(722)	(722)	-	(722)
Foreign currency reserve (note 28)	-	-	-	(5,319)	-	-	-	5,319	-	-	-
<i>Total other transactions within equity</i>	-	-	-	(5,319)	-	-	-	4,597	(722)	(18,200)	(18,922)
<i>Transactions with owners:</i>											
Cash dividend (note 22)	-	-	-	-	-	-	-	(4,330)	(4,330)	-	(4,330)
Bonus shares under allotment (note 22)	3,247	-	-	-	-	-	-	(3,247)	-	-	-
<i>Total transactions with owners</i>	3,247	-	-	-	-	-	-	(7,577)	(4,330)	-	(4,330)
30 September 2023	57,370	5,786	1,017	-	3,000	828	10,376	24,560	102,937	-	102,937

The notes and other explanatory information on pages 7 to 21 form an integral part of these unaudited condensed interim financial statements.

NATIONAL FINANCE COMPANY SAOG

UNAUDITED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS PERIOD ENDED (continued)

	Share capital RO'000	Share premium RO'000	Revaluation reserve RO'000	Foreign currency reserve RO '000	Voluntary reserve RO '000	Cash flow hedge reserve RO'000	Impairment reserve RO'000	Legal reserve RO'000	Retained earnings RO'000	Total RO'000	Perpetual bonds RO'000	Total RO'000
1 January 2023	54,123	5,786	1,023	5,319	3,000	1,273	-	10,376	19,529	100,429	18,200	118,629
<i>Comprehensive income:</i>												
Profit for the year	-	-	-	-	-	-	-	-	11,106	11,106	-	11,106
<i>Other comprehensive income</i>												
Gain on revaluation of Land & Building – net of tax (note 13)	-	-	403	-	-	-	-	-	-	403	-	403
Change in fair value	-	-	-	-	-	(647)	-	-	-	(647)	-	(647)
<i>Total comprehensive income</i>	-	-	403	-	-	(647)	-	-	11,106	10,862	-	10,862
<i>Other transactions within equity:</i>												
Incremental depreciation – net of tax	-	-	(6)	-	-	-	-	-	6	-	-	-
Perpetual bond redemption (note 17)	-	-	-	-	-	-	-	-	-	-	(18,200)	(18,200)
Transfer to legal reserve (note 16)	-	-	-	-	-	-	-	1,111	(1,111)	-	-	-
Transfer from foreign currency reserve (note 28)	-	-	-	(5,319)	-	-	-	-	5,319	-	-	-
Transfer from voluntary reserve (note 29)	-	-	-	-	(3,000)	-	-	-	3,000	-	-	-
Transfer to impairment reserve (note 30)	-	-	-	-	-	-	7,717	-	(7,717)	-	-	-
Perpetual bond interest (note 17)	-	-	-	-	-	-	-	-	(722)	(722)	-	(722)
<i>Total other transactions within equity</i>	-	-	(6)	(5,319)	(3,000)	-	7,717	1,111	(1,225)	(722)	(18,200)	(18,922)
<i>Transactions with owners:</i>												
Cash dividend (note 22)	-	-	-	-	-	-	-	-	(4,330)	(4,330)	-	(4,330)
Stock dividend (note 22)	3,247	-	-	-	-	-	-	-	(3,247)	-	-	-
<i>Total transactions with owners</i>	3,247	-	-	-	-	-	-	-	(7,577)	(4,330)	-	(4,330)
31 December 2023	57,370	5,786	1,420	-	-	626	7,717	11,487	21,833	106,239	-	106,239

The notes and other explanatory information on pages 7 to 21 form an integral part of these unaudited condensed interim financial statements.

NATIONAL FINANCE COMPANY SAOG

UNAUDITED CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE NINE MONTHS PERIOD ENDED

	Note	30 September 2024 RO '000	30 September 2023 RO '000
Cash flows from operating activities			
Profit before tax		10,298	9,418
Adjustments for:			
Depreciation	13	615	415
Amortisation	14	274	260
Employees' end of service benefits charge	19	97	73
Gain on sale of property and equipment		(13)	(1)
Impairment on lease receivables	12 (b)	3,037	1,811
Bad debts written off/ (written back)		147	25
Net finance income		(22,653)	(18,955)
Cash flows from operating activities before working capital changes and payment of end of service benefits, interest and tax		(8,198)	(6,954)
Changes in working capital:			
Investment in finance leases, working capital and factoring receivables		(83,536)	(42,025)
Bank borrowings	23	29,460	46,591
Fixed deposits	23	10,694	4,726
Advances, prepayments and other receivables		(554)	(285)
Creditors and accruals		5,930	5,567
		(38,006)	14,574
Interest received		43,080	35,267
Interest paid		(21,372)	(16,087)
Income tax paid		(2,251)	(1,415)
Employees' end of service benefits paid	19	(13)	(43)
Net cash generated from operating activities		(26,760)	25,342
Cash flows from investing activities			
Purchase of property and equipment	13	(722)	(270)
Purchase of intangible assets	14	(81)	(105)
Proceeds from sale of property and equipment		8	1
Net cash used in investing activities		(795)	(374)
Cash flows from financing activities			
Perpetual bond received		35,000	-
Perpetual bond redeemed		-	(18,200)
Dividend paid		(5,508)	(4,330)
Perpetual bond interest paid		-	(722)
Net cash used in financing activities		29,492	(23,252)
Net change in cash and cash equivalents during the period		1,937	1,716
Cash and cash equivalents at the beginning of the period		5,559	5,876
Cash and cash equivalents at the end of the period	10	7,496	7,592

The notes and other explanatory information on pages 7 to 21 form an integral part of these unaudited condensed interim financial statements.

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024****1. General****1.1 Legal status and principal activities**

National Finance Company SAOG (the Company or NFC) is an Omani joint stock company registered under the Commercial Companies Law of the Sultanate of Oman and is listed on the Muscat Securities Market. The principal activity of the Company is leasing business. The Company derives all of its income from financing operations, factoring and working capital funding within the Sultanate of Oman.

The Company operates across the Sultanate of Oman in 23 branches as at 30 September 2024 (30 September 2023: 21 branches, 31 December 2023: 21 branches).

2 Summary of material accounting policies

This unaudited condensed interim financial information as at and for the nine months period ended 30 September 2024 has been prepared in accordance with IAS 34, 'Interim financial reporting' and in compliance with the applicable provisions of the Rules and Guidelines on Disclosure by Issuers of Securities and Insider Trading ('R&G') issued by the Capital Market Authority ('CMA') of the Sultanate of Oman and the Commercial Companies Law of 2019, as amended.

This unaudited condensed interim financial information does not include all the information required for full annual financial statements, and should be read in conjunction with the most recent full audited financial statements of the Company as at and for the year ended 31 December 2023.

2.1 Basis of preparation*(a) Compliance with IFRS*

The financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB) and comply with the requirements of the Commercial Companies Law and the relevant disclosure requirements of the Capital Market Authority ("CMA") and applicable regulations of the Central Bank of Oman (CBO).

(b) Historical cost convention

These interim financial statements have been prepared under the historical cost convention except for asset held for sale, derivatives, freehold land and buildings which are measured at fair value.

The statement of financial position is presented in descending order of liquidity, as this presentation is more appropriate to the Company's operations.

(c) New and amended standards adopted by the Company

For the period ended 30 September 2024, the Company has adopted all of the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRS IC) of the IASB that are relevant to its operations and effective for periods beginning on 1 January 2024.

3 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements as at 31 December 2023. There have been no changes in the risk management policies since that date.

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (continued)**

4 Critical estimates and judgements

The preparation of condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2023.

5 Operating segments

The Company has only one reportable segment namely, leasing and financing activities which includes leasing activities, working capital and debt factoring, all of which are carried out in Oman; hence no geographical segmentation is disclosed. Although the Company has individual and corporate customers, the entire lease portfolio is managed internally as one operating segment. All the Company's funding and costs are common. All relevant information relating to this reportable segment is disclosed in the unaudited condensed interim statement of financial position, unaudited condensed interim statement of profit or loss and other comprehensive income and notes to the interim financial statements.

6 Other operating income

	Quarter ended 30 September 2024 RO '000	Nine months ended 30 September 2024 RO '000	Quarter ended 30 September 2023 RO '000	Nine months ended 30 September 2023 RO '000
Income from pre-closed leases	142	362	127	402
Penal charges	136	344	123	378
Cheque related charges	212	572	158	456
Miscellaneous income	249	772	206	652
	<u>739</u>	<u>2,050</u>	<u>614</u>	<u>1,888</u>

7 Operating expenses

	Quarter ended 30 September 2024 RO '000	Nine months ended 30 September 2024 RO '000	Quarter ended 30 September 2023 RO '000	Nine months ended 30 September 2023 RO '000
Employee related expenses	2,513	7,577	2,221	6,483
Office expenses	424	1,140	273	903
Communication costs	241	733	159	653
Professional fees and subscriptions	61	283	60	294
Directors' remuneration and sitting fees (note 26)	75	225	75	225
Advertising and sales promotion	68	266	75	230
Occupancy costs	11	108	46	126
	<u>3,393</u>	<u>10,332</u>	<u>2,909</u>	<u>8,914</u>

8 Taxation

The Company is liable to income tax in accordance with the income tax law of the Sultanate of Oman at the tax rate of 15% (2023 – 15%) on the taxable profits.

(a) Status of tax assessments

The Company's tax assessments have been completed by the tax authorities up to tax year 2020. Assessments of the Company for tax years 2021 to 2023 are subject to agreement with the Oman Taxation Authorities. The management is of the opinion that the additional taxes assessed in respect of open tax assessments, if any, would not be material to the Company's financial position as at 30 September 2024.

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (continued)**

8 Taxation (continued)

(b) *Tax liabilities - net*

	30 September 2024 RO '000	30 September 2023 RO '000	31 December 2023 RO '000
Deferred tax liability	861	697	863
Provision for income tax	<u>2,096</u>	<u>2,360</u>	<u>2,799</u>
Net tax liabilities	<u>2,957</u>	<u>3,057</u>	<u>3,662</u>

(c) *Reconciliation of tax expense*

The following is a reconciliation of income taxes calculated on accounting profits at the applicable tax rates with the income tax expense for the period:

	Quarter ended 30 September 2024 RO '000	Nine months ended 30 September 2024 RO '000	Quarter ended 30 September 2023 RO '000	Nine months ended 30 September 2023 RO '000
Accounting profit before income tax	<u>3,409</u>	<u>10,298</u>	3,056	9,418
Income tax expense computed at applicable tax rates	<u>512</u>	<u>1,545</u>	459	1,413
Tax charge for the period	<u>512</u>	<u>1,545</u>	<u>459</u>	<u>1,413</u>

9 Basic and diluted earnings per share and net assets per share

The calculation of earnings per share is as follows:

	Quarter ended 30 September 2024 RO '000	Nine months ended 30 September 2024 RO '000	Quarter ended 30 September 2023 RO '000	Nine months ended 30 September 2023 RO '000
Profit for the period attributable to equity shareholders (RO '000)	<u>2,897</u>	<u>8,753</u>	2,597	8,005
Interest on perpetual bonds (RO '000)	<u>-</u>	<u>-</u>	-	(295)
Net profit attributable to ordinary shareholders (RO '000)	<u>2,897</u>	<u>8,753</u>	2,597	7,710
Weighted average number of shares during the period ('000)	<u>573,704</u>	<u>573,704</u>	563,118	563,118
Basic and diluted earnings per share (RO)	<u>0.005</u>	<u>0.015</u>	<u>0.005</u>	<u>0.014</u>

The calculation of net assets per share is as follows:

	30 September 2024 RO '000	30 September 2023 RO '000	31 December 2023 RO '000
Net assets attributable to ordinary shareholders (RO '000)	<u>108,696</u>	102,937	106,239
Number of shares at the period/ year end ('000)	<u>573,704</u>	573,704	573,704
Net assets per share (RO)	<u>0.189</u>	<u>0.179</u>	<u>0.185</u>

Earnings per share as at 30 September 2024 have been calculated using weighted average shares outstanding for the period. The weighted average shares outstanding for the period ended 30 September 2024 are 573,704,281 shares (30 September 2023: 573,704,281 shares). Net assets per share have been calculated using outstanding shares as at 30 September 2024, 30 September 2023 and 31 December 2023.

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (continued)**

10 Cash and cash equivalents

	30 September 2024 RO '000	30 September 2023 RO '000	31 December 2023 RO '000
Current accounts with banks	7,368	7,551	5,488
Cash in hand	128	41	71
	<u>7,496</u>	<u>7,592</u>	<u>5,559</u>

The company classifies its bank balances under Stage 1. In relation to exposures with banks, the credit risk exposure is expected to be minimal because the company transacts with reputable and rated local banks, with global ratings by Moody's Investors Service ranging between Aa3 to Ba2.

11 Statutory deposit

The Company is required to maintain capital deposit of RO 250,000 with the Central Bank of Oman (CBO) in accordance with the applicable licensing requirements. During the period, the deposit earned effective interest at the rate of 1.5% (2023-1.5%) per annum.

12 Net investment in finance leases, working capital finance and factoring receivables

	30 September 2024 RO '000	30 September 2023 RO '000	31 December 2023 RO '000
Gross investment in finance leases	629,891	530,861	552,996
Unearned finance lease income	(135,683)	(106,731)	(112,405)
	<u>494,208</u>	<u>424,130</u>	<u>440,591</u>
Working capital finance*	130,495	94,382	100,984
Factoring receivables	1,101	693	693
	<u>625,804</u>	<u>519,205</u>	<u>542,268</u>
Allowance for expected credit losses	(59,881)	(54,877)	(55,413)
Net investment in finance leases, working capital finance and factoring receivables	<u>565,923</u>	<u>464,328</u>	<u>486,855</u>

*This does not include unearned interest income of RO 56.33 million from Working Capital finance (30 September 2023 RO 41.94 million, 31 December 2023 RO 45.30 million)

	30 September 2024 RO '000	30 September 2023 RO '000	31 December 2023 RO '000
Net investment in finance leases	448,917	381,793	397,162
Working capital	116,496	82,284	89,544
Factoring receivables	510	251	149
	<u>565,923</u>	<u>464,328</u>	<u>486,855</u>

(a) Unearned finance lease income:

	30 September 2024 RO '000	30 September 2023 RO '000	31 December 2023 RO '000
Opening balance	112,405	95,681	95,681
Additions during the period	58,768	39,702	56,305
Recognised during the period	(35,490)	(28,652)	(39,581)
Closing balance	<u>135,683</u>	<u>106,731</u>	<u>112,405</u>

*This does not include unearned interest income of RO 56.33 million from Working Capital finance (30 September 2023 RO 41.94 million, 31 December 2023 RO 45.30 million)

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (continued)**

Income from financing activities

	Quarter ended 30 September 2024 RO '000	Nine months ended 30 September 2024 RO '000	Quarter ended 30 September 2023 RO '000	Nine months ended 30 September 2023 RO '000
Finance lease income	12,607	35,490	10,067	28,652
Working capital and factoring receivables	2,979	8,385	2,317	6,820
	15,586	43,875	12,384	35,472

(b) *Allowance for expected credit losses (ECL):*

The loss allowances for ECL reconcile to the opening loss allowances as follows:

	30 September 2024 RO '000	30 September 2023 RO '000	31 December 2023 RO '000
Opening balance	55,413	51,728	51,728
<i>Provision</i>			
Provided during the period	9,660	8,619	10,990
Released during the period	(6,623)	(6,808)	(8,963)
	3,037	1,811	2,027
Write off during the period	-	-	-
	3,037	1,811	2,027
<i>Unrecognised contractual income</i>			
Provided during the period	2,546	2,373	2,841
Released during the period	(1,115)	(1,035)	(1,183)
Write off during the period	-	-	-
	1,431	1,338	1,658
Closing balance	59,881	54,877	55,413

(c) The current and non-current amounts are disclosed in note 33 to these financial statements.

(d) The table below represents analysis of investment in finance leases, working capital finance and factoring receivables (gross and present value) for each of the following periods:

	Up to 1 year RO'000	1-2 Years RO'000	2-3 Years RO'000	3-4 Years RO'000	4-5 Years RO'000	>5 Year RO'000	Total RO'000
30 September 2024							
Gross	180,380	159,573	133,789	108,234	77,107	158,865	817,948
Present value	118,080	111,255	98,308	83,933	62,070	152,158	625,804
30 September 2023							
Gross	149,211	133,331	110,583	83,977	60,754	130,022	667,878
Present value	100,396	95,746	83,435	65,643	49,348	124,637	519,205
31 December 2023							
Gross	157,049	139,666	115,803	89,319	64,839	133,294	699,970
Present value	105,009	99,447	86,919	69,731	52,776	128,386	542,268

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (continued)**

12 Net investment in finance leases, working capital finance and factoring receivables (continued)

(e) The below table shows comparison of provision held as per IFRS 9 and required as per CBO norms:

As at 30 September 2024

Asset classification as per CBO norms	Asset classification as per IFRS 9	Gross carrying amount RO' 000	Provision required as per CBO norms RO' 000	Provision held as per IFRS 9 RO' 000	Difference RO' 000	Net carrying amount RO' 000	Interest recognized as per IFRS 9 RO' 000	Reserve interest as per CBO norms RO' 000
Standard	Stage 1	448,416	14	2,492	(2,478)	445,924	36,228	-
	Stage 2	93,398	33	10,091	(10,058)	83,307	7,238	-
	Stage 3	-	-	-	-	-	-	-
Subtotal		541,814	47	12,583	(12,536)	529,231	43,466	-
Special mention	Stage 1	67	3	2	1	65	5	-
	Stage 2	560	28	16	12	544	60	1
	Stage 3	3,373	162	586	(424)	2,787	178	132
Subtotal		4,000	193	604	(411)	3,396	243	133
Substandard	Stage 1	106	27	1	26	105	8	-
	Stage 2	51	13	1	12	50	7	-
	Stage 3	2,529	594	584	10	1,945	78	152
Subtotal		2,686	634	586	48	2,100	93	152
Doubtful	Stage 1	-	-	-	-	-	-	-
	Stage 2	15	7	1	6	14	3	-
	Stage 3	2,334	881	558	323	1,776	17	190
Subtotal		2,349	888	559	329	1,790	20	190
Loss	Stage 1	7	7	1	6	6	1	-
	Stage 2	12	12	-	12	12	2	-
	Stage 3	74,936	55,208	45,548	9,660	29,388	50	13,205
Subtotal		74,955	55,227	45,549	9,678	29,406	53	13,205
Total	Stage 1	448,596	51	2,496	(2,445)	446,100	36,242	-
	Stage 2	94,036	93	10,109	(10,016)	83,927	7,310	1
	Stage 3	83,172	56,845	47,276	9,569	35,896	323	13,679
	Total	625,804	56,989	59,881	(2,892)	565,923	43,875	13,680
Total - 30 September 2023	Stage 1	354,745	59	2,184	(2,125)	352,561	27,590	-
	Stage 2	84,223	306	10,981	(10,675)	73,242	7,096	1
	Stage 3	80,237	50,845	41,712	9,133	38,525	786	11,928
	Total	519,205	51,210	54,877	(3,667)	464,328	35,472	11,929
Total - 31 December 2023	Stage 1	377,162	38	2,194	(2,156)	374,968	38,550	-
	Stage 2	86,755	114	9,888	(9,774)	76,867	9,298	1
	Stage 3	78,351	52,090	43,331	8,759	35,020	1,059	12,248
	Total	542,268	52,242	55,413	(3,171)	486,855	48,907	12,249

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (continued)**

12 Net investment in finance leases, working capital finance and factoring receivables (continued)

The below table shows comparison of provision held as per IFRS 9 and required as per CBO norms for restructured accounts:

As at 30 September 2024

Asset classification as per CBO norms	Asset classification as per IFRS 9	Gross carrying amount RO' 000	Provision required as per CBO norms RO' 000	Provision held as per IFRS 9 RO' 000	Difference RO' 000	Net carrying amount RO' 000	Interest recognized as per IFRS 9 RO' 000	Reserve interest as per CBO norms RO' 000
Classified as performing	Stage 1	12,036	-	189	(189)	11,847	958	-
	Stage 2	59,379	33	8,742	(8,709)	50,637	4,389	-
	Stage 3	-	-	-	-	-	-	-
Subtotal		71,415	33	8,931	(8,898)	62,484	5,347	-
Classified as non-performing	Stage 1	168	30	3	27	165	13	-
	Stage 2	5	-	-	-	5	1	-
	Stage 3	13,275	9,486	6,578	2,908	6,697	-	2,208
Subtotal		13,448	9,516	6,581	2,935	6,867	14	2,208
Total	Stage 1	12,204	30	192	(162)	12,012	971	-
	Stage 2	59,384	33	8,742	(8,709)	50,642	4,390	-
	Stage 3	13,275	9,486	6,578	2,908	6,697	-	2,208
	Total	84,863	9,549	15,512	(5,963)	69,351	5,361	2,208
Total - 30 September 2023	Stage 1	17,848	30	568	(538)	17,280	1,464	-
	Stage 2	62,012	203	10,469	(10,266)	51,543	5,201	-
	Stage 3	6,992	3,971	3,221	750	3,771	-	1,036
	Total	86,852	4,204	14,258	(10,054)	72,594	6,665	1,036
Total - 31 December 2023	Stage 1	18,081	30	417	(387)	17,664	2,120	-
	Stage 2	59,272	35	9,239	(9,204)	50,033	6,306	-
	Stage 3	7,490	5,022	3,608	1,414	3,882	-	1,187
	Total	84,843	5,087	13,264	(8,177)	71,579	8,426	1,187

The below table shows comparison of impairment allowance and loss held as per IFRS 9 and required as per CBO norms:

	As per CBO norms		As per IFRS 9		Difference	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
	RO' 000	RO' 000	RO' 000	RO' 000	RO' 000	RO' 000
Impairment loss charged to profit or loss	3,037	1,811	3,037	1,811	-	-
Provisions required as per CBO norms / held as per IFRS 9	70,669	63,139	59,881	54,877	10,788	8,262
Gross NPL ratio	13.4	15.7	13.3	15.5	0.1	0.2
Net NPL ratio	4.3	5.7	6.3	8.3	(2.0)	(2.6)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (continued)

13 Property, equipment and right-of-use assets

	Freehold land RO '000	Buildings RO '000	Furniture, fixtures and equipment RO '000	Motor vehicles RO '000	Right-of-use assets RO '000	Total RO '000
At 30 September 2024						
Cost or valuation						
At 1 January 2024	1,122	4,066	5,723	174	231	11,316
Additions	-	-	706	16	242	964
Disposals	-	-	(14)	(8)	(59)	(81)
At 30 September 2024	1,122	4,066	6,415	182	414	12,199
Accumulated depreciation						
At 1 January 2024	-	-	3,939	174	98	4,211
Charge for the period	-	122	420	-	73	615
Disposals	-	-	(14)	(8)	(59)	(81)
At 30 September 2024	-	122	4,345	166	112	4,745
Net book amount						
At 30 September 2024	1,122	3,944	2,070	16	302	7,454
At 30 September 2023						
Cost or valuation						
At 1 January 2023	1,050	4,201	5,173	174	334	10,932
Additions	-	-	270	-	-	270
Disposals	-	-	(160)	-	-	(160)
At 30 September 2023	1,050	4,201	5,283	174	334	11,042
Accumulated depreciation						
At 1 January 2023	-	352	3,566	174	268	4,360
Charge for the period	-	128	269	-	18	415
Disposals	-	-	(160)	-	-	(160)
At 30 September 2023	-	480	3,675	174	286	4,615
Net book amount - At 30 September 2023	1,050	3,721	1,608	-	48	6,427

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (continued)**

13 Property, equipment and right-of-use assets (continued)

	Freehold land RO '000	Buildings RO '000	Furniture, fixtures and equipment RO '000	Motor vehicles RO '000	Right-of-use assets RO '000	Total RO '000
At 31 December 2023						
Cost or valuation						
At 1 January 2023	1,050	4,201	5,173	174	334	10,932
Additions	-	-	550	-	106	656
Disposals	-	-	-	-	(205)	(205)
Revaluation adjustment	-	(521)	-	-	(4)	(525)
Revaluation surplus	72	386	-	-	-	458
At 31 December 2023	<u>1,122</u>	<u>4,066</u>	<u>5,723</u>	<u>174</u>	<u>231</u>	<u>11,316</u>
Accumulated depreciation						
At 1 January 2023	-	352	3,566	174	268	4,360
Charge for the year	-	169	373	-	35	577
Disposals	-	-	-	-	(205)	(205)
Revaluation adjustment	-	(521)	-	-	-	(521)
At 31 December 2023	<u>-</u>	<u>-</u>	<u>3,939</u>	<u>174</u>	<u>98</u>	<u>4,211</u>
Net book amount						
At 31 December 2023	<u>1,122</u>	<u>4,066</u>	<u>1,784</u>	<u>-</u>	<u>133</u>	<u>7,105</u>

A valuation of the freehold land and buildings was last performed by third party independent valuers as on 24 December 2023 on an open market value basis. The revaluation surplus net of applicable deferred income tax was credited to other comprehensive income and is shown in 'revaluation reserve'. If the freehold land and buildings were stated on the historical cost basis, the amount would be RO 4.19 million (30 September 2023- RO 4.19 million, 31 December 2023- RO 4.19 million). The fair value measurement of the land and building have been categorized as Level 3 fair value measurements.

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (continued)**

14 Intangible assets

	30 September 2024			30 September 2023			31 December 2023
	Computer software	Intangible assets on acquisition	Total	Computer software	Intangible assets on acquisition	Total	Total
	RO '000	RO '000	RO '000	RO '000	RO '000	RO '000	RO '000
Opening balance	601	1,792	2,393	467	1,792	2,259	2,259
Additions	81	-	81	105	-	105	134
	<u>682</u>	<u>1,792</u>	<u>2,474</u>	<u>572</u>	<u>1,792</u>	<u>2,364</u>	<u>2,393</u>
Accumulated Amortisation							
Opening balance	433	1,536	1,969	342	1,280	1,622	1,622
Charge for the period/year	82	192	274	68	192	260	347
	<u>515</u>	<u>1,728</u>	<u>2,243</u>	<u>410</u>	<u>1,472</u>	<u>1,882</u>	<u>1,969</u>
Closing balance	<u>167</u>	<u>64</u>	<u>231</u>	<u>162</u>	<u>320</u>	<u>482</u>	<u>424</u>

15 Share capital

The authorised share capital of the Company comprises 750,000,000 ordinary shares of Baizas 100 each (30 September 2023 and 31 December 2023 - 750,000,000 ordinary share of Baizas 100 each). The Company's issued and fully paid-up share capital amounts to 573,704,281 shares (30 September 2023 - 573,704,281 shares of Baizas 100 each and 31 December 2023 - 573,704,281 shares of Baizas 100 each).

16 Legal reserve

In accordance with the Commercial Companies Law of Oman 2019, annual appropriations of 10% of the profit for the year are made to the legal reserve until the accumulated balance of the reserve is equal to at least one third of the Company's share capital. This reserve is not available for distribution.

17 Perpetual bonds

Subsequent to the balance sheet date, on 03rd April 2024, the Company has successfully completed the issuance of perpetual bonds in the amount of RO 35 million, with an annual coupon rate of 7.75%.

The Company issued 8% perpetual bonds for RO 18.200 million through private placement in 2018 for payment of purchase consideration to Oman ORIX Leasing Company (OOLC) shareholders. First call date is 5 years from the issue date. The Company exercised its call option to redeem the perpetual bonds in March 2023.

18 Creditors and accruals

	30 September 2024 RO '000	30 September 2023 RO '000	31 December 2023 RO '000
Creditors	10,596	9,189	5,224
Accruals and other liabilities	4,679	4,248	4,547
Lease liabilities	278	35	118
	<u>15,553</u>	<u>13,472</u>	<u>9,889</u>

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (continued)**

19 Provision for employees' end of service benefits

The movement in end of service benefit during the period is stated below:

	30 September 2024 RO '000	30 September 2023 RO '000	31 December 2023 RO '000
Opening balance	617	565	565
Charge for the period	97	73	95
Payments during the period	(13)	(43)	(43)
Closing balance	<u>701</u>	<u>595</u>	<u>617</u>

20 Bank borrowings

	30 September 2024 RO '000	30 September 2023 RO '000	31 December 2023 RO '000
Bank overdrafts	3,666	1,838	61
Short-term loans	154,086	116,114	134,858
Current portion of long-term loans	124,575	119,968	118,534
Non-current portion of long-term loans	99,187	96,965	98,283
	<u>381,514</u>	<u>334,885</u>	<u>351,736</u>

(a) During the period, interest was charged on the above borrowings at rates ranging between 5.75% and 6.95% per annum (30 September 2023- 4.95% and 6.85%, 31 December 2023- 4.60% and 7.20% per annum).

(b) At the reporting date, all outstanding borrowings were secured by a first priority pari-passu floating charge on the Company's receivables from its customers.

(c) *Foreign currency forward contracts*

As at 30 September 2024, the notional amount of foreign currency forward contract amounted to RO 64.48 million [USD 167.64 million] (30 September 2023 RO 64.66 million [USD 168.12 million], 31 December 2023 - RO 77.66 million [USD 201.91 million]) to repay US Dollar term loans.

21 Fixed deposits

At 30 September 2024, the Company has accepted fixed deposits from corporate entities based in Oman for a total amount of RO 50.57 million (30 September 2023 - 36.73 million, 31 December 2023 - RO 40.34 million), with tenure ranging from 3 months to 5 years as per guidelines issued by the Central Bank of Oman. The carrying amount includes interest accrued till the end of the period.

22 Proposed and approved dividends

Approved

The shareholders at the latest Annual General Meeting approved a cash dividend of Baizas 9.6 per share (9.6%) on the shares outstanding on the record date. The cash dividend is amounted to RO 5,507,561. These financial statements reflect these dividends, which is accounted for in shareholders' equity as an appropriation of retained earnings in 2024.

The cash dividend for 2022 amounted to RO 4,329,844 (cash dividend of Baizas 8.00 per share) and stock dividend is amounted to RO 3,247,382 (stock dividend of 6% on the shares outstanding on the record date).

23 Change in cash flows from operating activities (Principal)

Particulars	30 September 2024		30 September 2023	
	Cash flow from bank borrowings RO '000	Cash flow from fixed deposits RO '000	Cash flow from bank borrowings RO '000	Cash flow from fixed deposits RO '000
Opening balance	350,612	39,460	286,759	31,314
Additions during the period	326,830	28,750	392,233	19,341
Repayments during the period	(297,370)	(18,056)	(345,642)	(14,615)
Closing balance	<u>380,072</u>	<u>50,154</u>	<u>333,350</u>	<u>36,040</u>
Change in cash flows	<u>29,460</u>	<u>10,694</u>	<u>46,591</u>	<u>4,726</u>

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (continued)**

24 Commitments

	30 September 2024 RO '000	30 September 2023 RO '000	31 December 2023 RO '000
Approved lease commitments (refer 'a')	6,996	6,654	10,964
Operating lease in respect of rentals of branches (short term leases) (refer 'b')	99	-	44
	7,095	6,654	11,008

- (a) Approved lease commitments are expected to be paid within 30 days from the date of lease creation.
(b) The operating lease pertain to the approved rentals to be paid in the future for the respective branches.

25 Contingencies

	30 September 2024 RO '000	30 September 2023 RO '000	31 December 2023 RO '000
Bank guarantees	114	59	169

In its ordinary course of business, the Company has arranged for bank guarantees in favour of its customers from banks in Oman.

26 Related party transactions and balances

Related parties represent associated companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management.

Key management personnel are those personnel having authority and responsibility for planning, directing and controlling the activities of the Company.

The Company has entered into transactions in the ordinary course of business with related parties. Such transactions with related parties only on arm's length terms and in accordance with the relevant laws and regulations. Significant related party transactions during the period ended 30 September were as follows:

	Nine months ended 30 September 2024 RO '000	Nine months ended 30 September 2023 RO '000
Transactions with entities under common control		
Operating expenses	55	38
Purchase of property, equipment & intangible assets	13	9
Acceptance / rollover of corporate deposit	-	5,592
Income from financing activities	212	256
Directors' fees and remuneration		
Directors' sitting fees and proposed remuneration	225	225
Remuneration to key members of management during the period		
Salaries and other benefits	859	789

The following balances were payable to related parties:

	30 September 2024 RO '000	30 September 2023 RO '000	31 December 2023 RO '000
Investment in finance leases and working capital finance	4,269	4,263	4,263

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (continued)**

27 Asset held for sale

Assets held for sale represents land acquired by the Company in part settlement of amounts due by the borrower following the conclusion of all credit recovery procedures available to the Company. This property was valued in September 2019 at RO 1.50 million and subsequently expected to be sold in the year 2024. The Company has recently valued this property on 24 December 2023 at RO 1.54 million. The property is based in Muscat at Ghala Heights, Wilayat Bausher.

28 Foreign currency reserve

In accordance with the CBO circular FM 41, in modification to the conditions stipulated in circular FM 11 the finance leasing Companies are exempted from creating exchange reserve (20%), in case the foreign currency borrowings (in excess of 40% of net worth) is denominated in US Dollars or in any other currency, where the exchange rate risk is fully hedged. As of 30 September 2024, the Company has foreign currency borrowing of RO 64.48 million [USD 167.64 million] (30 September 2023 RO 64.66 million [USD 168.12 million], 31 December 2023 - RO 77.66 million [USD 201.91 million]) which is fully hedged against exchange rate risk. In accordance with FM 41, in 2023 the Company has transferred RO 5.32 million from the foreign currency reserve into retained earnings.

29 Voluntary reserve

In addition to the existing allowance for non-performing assets, the Company had maintained a voluntary reserve of RO 3 million as of 31 December 2022 for non-performing assets. This reserve is non distributable in nature and transfer out of this reserve requires approval of the Board of Directors.

In accordance with the Board of Directors' approval, in 2023 the Company transferred RO 3 million from the voluntary reserve into retained earnings.

30 Impairment reserve

In accordance with Central Bank of Oman (CBO) circular BM 1149, the mandatory regulatory impairment reserve is created when the provisions and reserve interest required as per CBO norms exceeds the allowance for expected credit losses held as per IFRS 9. The regulatory impairment reserve will not be available for payment of dividend or for inclusion in regulatory capital. Any subsequent utilisation of the impairment reserve would require prior approval of the CBO.

Impairment reserve net of tax is created by appropriation from retained earnings when the calculated provision as per CBO norms is higher than IFRS 9 ECL.

However, as per CBO circulars BSD/CB & FLCs/2021/002 dated 18 March 2021 and BSD/CB & FLCs/2022/001 dated 12 January 2022, CBO has suspended two-track approach / parallel run for the computation of additional provisions as per CBO norms for the financial year 2021 and 2022.

During the year 2023, impairment reserve has been created as per CBO guidelines for RO 7.72 million. As of 30 September 2024, the Company holds an impairment reserve of RO 7.72 net of tax for the difference (30 September 2023: Nil, 31 December 2023 - RO 7.72 million).

31 Advances, prepayments and other receivables

	30 September 2024 RO'000	30 September 2023 RO'000	31 December 2023 RO'000
Other receivables	3,082	2,900	2,976
Fair value of derivatives	197	828	626
Prepayments	2,512	1,177	942
Advances	396	244	299
	<u>6,187</u>	<u>5,149</u>	<u>4,843</u>

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (continued)**

32 Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

	30 September 2024 RO'000	30 September 2023 RO'000	31 December 2023 RO'000
Financial assets			
Fair Value			
Derivative financial instrument	197	828	626
Amortised cost			
Cash and cash equivalents (note 10)	7,496	7,592	5,559
Net investment in finance leases (note 12)	448,917	381,793	397,162
Working capital finance and factoring receivables (note 12)	117,006	82,535	89,693
Other receivables	399	284	303
Statutory deposit (note 11)	250	250	250
Total financial assets	574,265	473,282	493,593

	30 September 2024 RO'000	30 September 2023 RO'000	31 December 2023 RO'000
Financial liabilities			
Amortised cost			
Bank overdrafts (note 20)	3,666	1,838	61
Short-term loans (note 20)	154,086	116,114	134,858
Creditors and accruals (note 18)	15,553	13,472	9,889
Fixed deposits (note 21)	50,570	36,732	40,343
Long term loans (note 20)	223,762	216,933	216,817
Total financial liabilities	447,637	385,089	401,968

33 Maturity analysis of assets and liabilities

The table below analyses the contractual maturities of assets and liabilities at the reporting date. The amounts show gross undiscounted cash flows.

At 30 September 2024	Up to 1 month RO '000	> 1 month to 1 year RO '000	> 1 year RO '000	Non-fixed maturity RO '000	Total RO '000
Assets					
Cash and cash equivalents	7,496	-	-	-	7,496
Statutory deposit	-	-	-	250	250
Investment in finance leases, working capital and factoring receivables	15,499	164,881	637,568	-	817,948
Advances and prepayments	1,360	4,827	-	-	6,187
Assets held for sale	-	1,500	-	-	1,500
Total assets	24,355	171,208	637,568	250	833,381
Equity and liabilities					
Total equity	-	-	-	143,696	143,696
Liabilities:					
Bank borrowings and fixed deposits	128,722	205,559	122,120	-	456,401
Creditors and accruals	-	15,553	-	-	15,553
Tax and other liabilities	-	2,096	701	861	3,658
Total equity and liabilities	128,722	223,208	122,821	144,557	619,308
Liquidity gap	(104,367)	(52,000)	514,747	(144,307)	
Cumulative liquidity gap	(104,367)	(156,367)	358,380	214,073	

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (continued)**

33 Maturity analysis of assets and liabilities (continued)

At 30 September 2023	Up to 1 month RO '000	> 1 month to 1 year RO '000	> 1 year RO '000	Non-fixed maturity RO '000	Total RO '000
Assets					
Cash and cash equivalents	7,592	-	-	-	7,592
Statutory deposit	-	-	-	250	250
Investment in finance leases, working capital and factoring receivables	12,900	136,311	518,667	-	667,878
Advances and prepayments	-	5,149	-	-	5,149
Assets held for sale	-	1,500	-	-	1,500
Total assets	20,492	142,960	518,667	250	682,369
Equity and liabilities					
Total equity	-	-	-	102,937	102,937
Liabilities:					
Bank borrowings and fixed deposits	99,845	179,332	108,799	-	387,976
Creditors and accruals	-	13,472	-	-	13,472
Tax and other liabilities	-	2,360	595	697	3,652
Total equity and liabilities	99,845	195,164	109,394	103,634	508,037
Liquidity gap	(79,353)	(52,204)	409,273	(103,384)	
Cumulative liquidity gap	(79,353)	(131,557)	277,716	174,332	

At 31 December 2023	Up to 1 month RO '000	> 1 month to 1 year RO '000	> 1 year RO '000	Non-fixed maturity RO '000	Total RO '000
Assets					
Cash and cash equivalents	5,559	-	-	-	5,559
Statutory deposit	-	-	-	250	250
Investment in finance leases, working capital and factoring receivables	13,607	143,442	542,921	-	699,970
Advances and prepayments	-	4,843	-	-	4,843
Asset held for sale	-	1,500	-	-	1,500
Total assets	19,166	149,785	542,921	250	712,122
Equity and liabilities					
Total equity	-	-	-	106,239	106,239
Liabilities:					
Bank borrowings and fixed deposits	90,198	210,408	108,973	-	409,579
Creditors and accruals	5,224	4,665	-	-	9,889
Tax and other liabilities	-	2,799	617	863	4,279
Total equity and liabilities	95,422	217,872	109,590	107,102	529,986
Liquidity gap	(76,256)	(68,087)	433,331	(106,852)	
Cumulative liquidity gap	(76,256)	(144,343)	288,988	182,136	

The Company had unutilised credit facilities amounting to RO 26.30 million available as on 30 September 2024 (30 September 2023 – RO 41.96 million, 31 December 2023 – RO 52.04 million) to mitigate the impact of negative mismatch. The Company expects, given experience, local practice and discussions with lenders that short-term borrowing facilities will be extended, renewed or replaced on expiry and fixed deposits maturing within one year will be renewed if required as well as other measures to meet the gap in maturity. Accordingly, these financial statements been prepared on a going concern basis.