

**DAR AL-ETIMAN AL SAUDI COMPANY**  
**(A Saudi Closed Joint Stock Company)**

UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2016  
AND INDEPENDENT AUDITORS' LIMITED REVIEW REPORT

**DAR AL-ETIMAN SAUDI COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2016**

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## INDEPENDENT AUDITORS' LIMITED REVIEW REPORT

August 1, 2016

To the shareholders of Dar Al-Etiman Al Saudi Company:  
(A Saudi Closed Joint Stock Company)

### Scope of review

We have reviewed the accompanying interim statement of financial position of Dar Al-Etiman Al Saudi Company (a Saudi Closed Joint Stock Company) (the "Company") as of June 30, 2016 and the interim statement of comprehensive income for the three-month and six-month periods ended June 30, 2016, and the interim statements of changes in shareholders' equity and cash flows for the six-month period then ended and related notes from which form an integral part of these interim condensed financial statements. These interim condensed financial statements are the responsibility of the Company's management and have been prepared by them in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") and submitted to us together with all the information and explanations which we required.

We conducted our limited review in accordance with the standard of Review of Interim Financial Reporting issued by the Saudi Organization for Certified Public Accountants. A limited review consists principally of applying analytical procedures to financial data and information and making inquiries of persons responsible for financial and accounting matters. The scope of such limited review is substantially less than an audit conducted in accordance with the auditing standards generally accepted in Saudi Arabia, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

### Review conclusion

Based on our limited review, we are not aware of any material modifications that should be made to the accompanying interim condensed financial statements for them to be in conformity with IAS 34.

### **PricewaterhouseCoopers**



By: \_\_\_\_\_  
Mufaddal A. Ali  
License Number 447



**DAR AL-ETIMAN AL SAUDI COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**Interim statement of financial position**  
(All amounts in Saudi Riyals unless otherwise stated)

	Note	As at	
		June 30, 2016 (Unaudited)	December 31, 2015 (Audited)
<b>Assets</b>			
<b>Non-current assets</b>			
Property and equipment		1,559,197	1,811,953
Investment in finance lease – non-current	4	182,027,482	132,130,661
		<b>183,586,679</b>	<b>133,942,614</b>
<b>Current assets</b>			
Net investment in finance lease – current	4	74,883,290	83,600,147
Prepayments and other receivables	5	50,639,548	42,701,936
Cash and cash equivalent	6	20,581,668	20,898,659
		<b>146,104,506</b>	<b>147,200,742</b>
<b>Total assets</b>		<b>329,691,185</b>	<b>281,143,356</b>
<b>Shareholders' equity and liabilities</b>			
<b>Shareholders' equity</b>			
Share capital	7	100,000,000	100,000,000
Statutory reserve	8	4,350,135	4,350,135
Retained earnings		9,957,876	19,444,406
<b>Total shareholders' equity</b>		<b>114,308,011</b>	<b>123,794,541</b>
<b>Non-current liabilities</b>			
Post-employment benefits		2,662,443	2,476,369
<b>Current liabilities</b>			
Accounts payable	11	197,303,470	144,445,401
Accrued and other liabilities	9	10,037,900	6,892,138
Provision for zakat	10	5,379,361	3,534,907
		<b>212,720,731</b>	<b>154,872,446</b>
<b>Total shareholders' equity and liabilities</b>		<b>329,691,185</b>	<b>281,143,356</b>

These financial statements have been approved by the management on August 1, 2016 and signed on their behalf by:

  
Chief Executive Officer

  
Chief Financial Officer

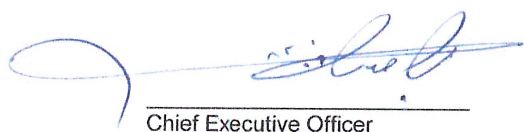
The notes on pages 7 to 13 form an integral part of these financial statements.

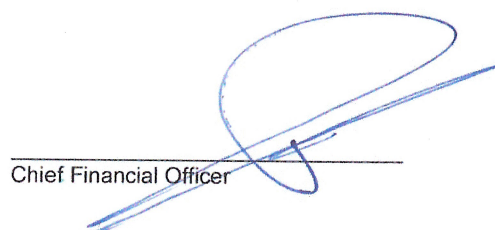


**DAR AL-ETIMAN AL SAUDI COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**Interim statement of comprehensive income**  
(All amounts in Saudi Riyals unless otherwise stated)

	Note	For the three-month period ended June 30,		For the six-month period ended June 30,	
		2016 (Unaudited)	2015 (Unaudited)	2016 (Unaudited)	2015 (Unaudited)
<b>Income</b>					
Lease income		5,965,602	3,862,251	11,375,666	6,630,640
Fee and other processing income		3,808,785	1,657,498	7,243,792	3,679,092
Other income		1,340,353	1,932,002	2,215,876	3,526,281
<b>Total income</b>		<b>11,114,740</b>	<b>7,451,751</b>	<b>20,835,334</b>	<b>13,836,013</b>
<b>Expenses</b>					
Finance charges	11	(4,008,880)	-	(4,008,880)	-
Other operating costs		(4,137,058)	(3,063,489)	(7,186,978)	(5,087,506)
General and administrative expenses		(8,228,941)	(6,405,358)	(14,881,552)	(12,729,387)
Impairment of finance lease receivable	4	(1,200,000)	(1,586,821)	(2,400,000)	(3,173,643)
<b>Total expenses</b>		<b>(17,574,879)</b>	<b>(11,055,668)</b>	<b>(28,477,410)</b>	<b>(20,990,536)</b>
Loss before zakat		(6,460,139)	(3,603,917)	(7,642,076)	(7,154,523)
Zakat	10	(1,094,454)	(959,183)	(1,844,454)	(1,918,366)
<b>Loss for the period</b>		<b>(7,554,593)</b>	<b>(4,563,100)</b>	<b>(9,486,530)</b>	<b>(9,072,889)</b>
Other comprehensive income / (loss)		-	-	-	-
<b>Total comprehensive loss for the period</b>		<b>(7,554,593)</b>	<b>(4,563,100)</b>	<b>(9,486,530)</b>	<b>(9,072,889)</b>

These financial statements have been approved by the management on August 1, 2016 and signed on their behalf by:

  
\_\_\_\_\_  
Chief Executive Officer

  
\_\_\_\_\_  
Chief Financial Officer



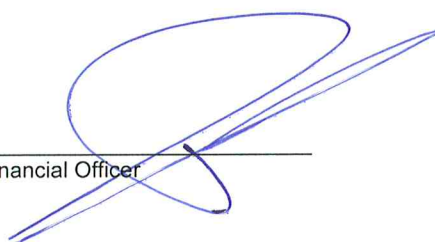
The notes on pages 7 to 13 form an integral part of these financial statements.

**DAR AL-ETIMAN AL SAUDI COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**Interim statement of changes in shareholders' equity**  
 (All amounts in Saudi Riyals unless otherwise stated)

	Share Capital	Statutory reserve	Retained earnings	Total
Balance as at January 1, 2015 (audited)	100,000,000	4,350,135	28,918,475	133,268,61
Total comprehensive loss for the period	-	-	(9,072,889)	(9,072,889)
Balance as at June 30, 2015 (unaudited)	100,000,000	4,350,135	19,845,586	124,195,721
Balance as at January 1, 2016 (audited)	<b>100,000,000</b>	<b>4,350,135</b>	<b>19,444,406</b>	<b>123,794,541</b>
Total comprehensive loss for the period	-	-	<b>(9,486,530)</b>	<b>(9,486,530)</b>
Balance as at June 30, 2016 (unaudited)	<b>100,000,000</b>	<b>4,350,135</b>	<b>9,957,876</b>	<b>114,308,011</b>

These financial statements have been approved by the management on August 1, 2016 and signed on their behalf by:

  
 Chief Executive Officer

  
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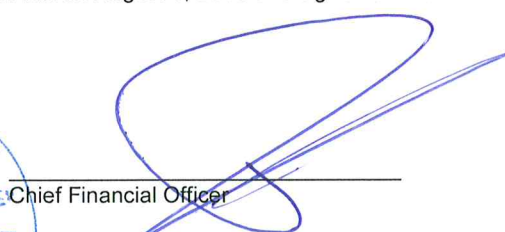
**DAR AL-ETIMAN AL SAUDI COMPANY**  
**(A Saudi Closed Joint Stock Company)**  
**Interim statement of cash flows**  
(All amounts in Saudi Riyals unless otherwise stated)

	For the six-month period ended June 30,	
	2016 (Unaudited)	2015 (Unaudited)
<b>CASH FLOW OPERATING ACTIVITIES</b>		
Loss before zakat	(7,642,076)	(7,154,523)
Adjustments for:		
Depreciation on property and equipment	316,961	353,281
Allowance for impairment against finance lease receivable	4 2,400,000	3,173,643
Provision for post-employment benefits	280,985	344,982
<b>Changes in working capital:</b>		
Prepayments and other receivables	(7,937,612)	(8,451,131)
Accounts payable	52,858,069	32,021,130
Accrued and other liabilities	3,145,762	890,889
Cash generated from operations	43,422,089	23,492,009
Post-employment benefits paid	(94,911)	(146,572)
<b>Net cash generated from operating activities</b>	<b>43,327,178</b>	<b>21,031,699</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net investment in finance lease	(43,579,964)	(31,370,139)
Additions to property and equipment	(64,205)	(18,409)
<b>Net cash used in investing activities</b>	<b>(43,644,169)</b>	<b>(31,388,548)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(316,991)</b>	<b>(10,356,849)</b>
Cash and cash equivalents at the beginning of the period	20,898,659	22,490,438
<b>Cash and cash equivalents at the end of the period</b>	<b>6 20,581,668</b>	<b>12,133,589</b>

These financial statements have been approved by the management on August 1, 2016 and signed on their behalf by:

  
Chief Executive Officer



  
Chief Financial Officer

The notes on pages 7 to 13 form an integral part of these financial statements.

## **DAR AL-ETIMAN AL SAUDI COMPANY**

### **(A Saudi Closed Joint Stock Company)**

#### **Notes to the interim condensed financial statements for the three-month and six-month periods ended June 30, 2016**

(All amounts in Saudi Riyals unless otherwise stated)

#### **1. General information**

Dar Al-Etiman Al Saudi Company (the "Company") is principally engaged in providing lease financing for motor vehicles within the Kingdom of Saudi Arabia. The Company's head office is located at Prince Sultan Street, P.O. Box 55274, Jeddah 21534, Saudi Arabia.

The Company is incorporated as a Saudi Closed Joint Stock Company ("SCJSC") pursuant to Ministerial Resolution No. 486/Q dated Jumad-ul-Thani 11, 1436 (corresponding to March 30, 2015). Prior to its conversion to a Saudi closed joint stock company, the Company was operating as a Limited Liability Company ("LLC") registered in the Kingdom of Saudi Arabia under Commercial Registration number 4030165101 issued in Jeddah on Dhul-Qada 5, 1427H (corresponding to December 5, 2006).

In accordance with requirements of Article 6 of the Implementing Regulation of the Law of Supervision of Finance Companies, the Company submitted its application to Saudi Arabian Monetary Agency (SAMA) to obtain a license to practice the finance lease activities in the Kingdom of Saudi Arabia. The Company has obtained a license No. 33/AM/201505 from SAMA to conduct such lease activities on Rajab 16, 1436 (corresponding to May 5, 2015).

The accompanying financial statements include the accounts of the Company's head office and all its branches.

#### **2. Basis of preparation**

The interim condensed financial statements have been prepared in accordance with International Accounting Standards 34 - "Interim Financial Reporting" ("IAS 34"). Accordingly, these interim condensed financial statements are not intended to be in conformity with the accounting principles generally accepted in the Kingdom of Saudi Arabia, i.e. in accordance with the Standard of Interim Financial Reporting issued by the Saudi Organization for Certified Public Accountants.

The interim condensed financial statements are prepared under the historical cost convention using the accrual basis of accounting and going concern assumptions.

These interim condensed financial statements are expressed in Saudi Riyals (SR), which is the Company's functional and reporting currency.

The interim condensed financial statements do not include all information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2015.

These interim condensed financial statements have been reviewed, not audited.

#### **Use of estimate**

The preparation of interim condensed financial statements requires management to make judgments, 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 these interim condensed financial statements, the significant judgments 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 annual financial statements for the year ended December 31, 2015.

In addition, results for the six-month period ended June 30, 2016 are not necessarily indicative of the results that may be expected for the fiscal year ending December 31, 2016.



**DAR AL-ETIMAN AL SAUDI COMPANY**

**(A Saudi Closed Joint Stock Company)**

**Notes to the interim condensed financial statements for the three-month and six-month periods ended June 30, 2016**

(All amounts in Saudi Riyals unless otherwise stated)

**3. Summary of significant accounting policies**

The accounting policies used in the preparation of these interim condensed financial statements are consistent with those used in the Company's annual financial statements for the year ended December 31, 2015.

**New IFRS, International Financial Reporting and Interpretations Committee's interpretations (IFRIC) and amendments thereof, adopted by the Company**

The Company has adopted the following amendments and revisions to existing standards, if any, which were issued by the International Accounting Standards Board (IASB) effective for the financial reporting period commencing on or after January 1, 2016:

<b>Standard</b>	<b>Description</b>
IAS 19	Employee benefits
IFRS 11	Amendment to IFRS 11, 'Joint arrangements' on acquisition of an interest in a joint operation
IAS 16 & IAS 41	Amendment to IAS 16, 'Property, plant and equipment' and IAS 38, 'Intangible assets', on depreciation and amortisation
IFRS 14	Regulatory deferral accounts
IAS 27	Amendments to IAS 27, 'Separate financial statements' on the equity method
IAS 1	Presentation of financial statements
Annual Improvements to IFRSs 2012-2014:	
IFRS 2	Share-based payments
IFRS 3	Business combinations
IFRS 8	Operating segments
IFRS 13	Fair value measurement
IAS 16 & IAS 38	Amendments to IAS 16, 'Property plant and equipment' and IAS 38, 'Intangible assets' on clarification of acceptable methods of depreciation and amortisation
IFRS 9 and IAS 37	Consequential amendments to IFRS 9, 'Financial instruments', IAS 37, 'Provisions, contingent liabilities and contingent assets',
IAS 39	Financial instruments – Recognition and measurement
Annual Improvements to IFRSs 2013:	
IFRS 1	First time adoption
IFRS 3	Business combinations
IFRS 13	Fair value measurement
IAS 40	Investment property
Annual improvements 2014:	
IFRS 5	Non-current assets held for sale and discontinued operations
IFRS 7	Financial instruments: Disclosures (with consequential amendments to IFRS 1) regarding servicing contracts.
IAS 19	Employee benefits
IAS 34	Interim financial reporting.

The adoption of the relevant new and amended standards and interpretations applicable to the Company did not have any significant impact on these financial statements.

**New standards, amendments to the published approved accounting standards and new interpretations that are not yet effective and have not been early adopted by the Company**

**DAR AL-ETIMAN AL SAUDI COMPANY**  
**(A Saudi Closed Joint Stock Company)**

**Notes to the interim condensed financial statements for the three-month and six-month periods ended June 30, 2016**

(All amounts in Saudi Riyals unless otherwise stated)

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. The listing is of standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company intends to adopt these standards when they become effective.

<b>Standard/ Interpretation</b>	<b>Description</b>	<b>Effective from periods beginning on or after the following date</b>
IFRS 10 & IAS 28	Amendment to IFRS 10 and IAS 28 on investment entities applying the consolidation exception	January 1, 2017
IAS 12	Amendments to IAS 12, 'Income taxes' on Recognition of deferred tax assets for unrealised losses	January 1, 2017
IFRS 2	Amendments to IFRS 2, 'Share based payments', on clarifying how to account for certain types of share-based payment transactions	January 1, 2018
IFRS 9	Financial instruments	January 1, 2018
IFRS 15	Revenue from contracts with customers	January 1, 2018
IFRS 16	Leases	January 1, 2019

**4. Investment in finance lease**

	<b>June 30, 2016 (Unaudited)</b>	<b>December 31, 2015 (Audited)</b>
Gross receivable from finance lease contracts	<b>379,105,026</b>	312,995,404
Less: Unearned income on finance lease and other related credits	<b>(91,729,260)</b>	(69,117,148)
Net investment in finance lease	<b>287,375,766</b>	243,878,256
Provisions against net investment in finance lease	<b>(30,464,994)</b>	(28,147,448)
	<b>256,910,772</b>	215,730,808

**4.1 Details of investment in finance lease**

	<b>June 30, 2016 (Unaudited)</b>			
	<b>Gross investments in finance lease</b>	<b>Unearned finance income and other related credits</b>	<b>Impairment against net investment in finance lease</b>	<b>Net investments in finance lease</b>
Less than a year	138,802,925	(33,454,641)	(30,464,994)	74,883,290
One to five years	240,302,101	(58,274,619)	-	182,027,482
	<b>379,105,026</b>	<b>(91,729,260)</b>	<b>(30,464,994)</b>	<b>256,910,772</b>
	<b>December 31, 2015 (Audited)</b>			
	<b>Gross investments in finance lease</b>	<b>Unearned finance income and other related credits</b>	<b>Impairment against net investment in finance lease</b>	<b>Net investments in finance lease</b>
Less than a year	137,225,626	(25,478,031)	(28,147,448)	83,600,147
One to five years	175,769,778	(43,639,117)	-	132,130,661
	<b>312,995,404</b>	<b>(69,117,148)</b>	<b>(28,147,448)</b>	<b>215,730,808</b>

**DAR AL-ETIMAN AL SAUDI COMPANY**  
**(A Saudi Closed Joint Stock Company)**

**Notes to the interim condensed financial statements for the three-month and six-month periods ended June 30, 2016**

(All amounts in Saudi Riyals unless otherwise stated)

The Company's implicit rate of return on leases ranges between 9% to 11% per annum. These are partially secured against leased assets and security deposits.

Amounts due after one year represents minimum rental payments under finance lease contracts, which are due for payment by customers after one year from the statement of financial position date. Such amounts have been classified as investment in finance lease - non-current in the accompanying the statement of financial position.

Following are the scheduled maturities of the net investment in finance lease:

Years ending December 31:

2017	<b>32,081,604</b>
2018	<b>48,251,182</b>
2019	<b>43,379,049</b>
2020	<b>38,529,923</b>
2021	<b>19,785,724</b>
	<b><u>182,027,482</u></b>

4.2 The Movement in provision against net investment in finance lease is as follows:

	<b>June 30, 2016</b>	<b>December 31,</b>
	<b>(Unaudited)</b>	<b>2015</b>
		<b>(Audited)</b>
Opening balance	<b>28,147,448</b>	22,785,968
Charge for the period	<b>2,400,000</b>	5,510,463
Write-offs	<b>(82,454)</b>	(148,983)
Closing balance	<b><u>30,464,994</u></b>	<u>28,147,448</u>

The ageing of investment in finance lease which are past due but not considered impaired by the management is as follows:

	<b>June 30, 2016</b>	<b>December 31,</b>
	<b>(Unaudited)</b>	<b>2015</b>
		<b>(Audited)</b>
Less than 90 days	<b>3,491,600</b>	3,685,036
91-180 days	<b>1,345,442</b>	2,289,375
181-365 days	<b>1,854,299</b>	2,452,376
More than 365 days	<b>36,268,719</b>	36,723,102
Total	<b><u>42,960,060</u></b>	<u>45,149,889</u>

The not yet due portion of the customers included in the above balances included in investment in finance lease is Saudi Riyals 112.12 million (December 31, 2015: Saudi Riyals 75.03 million).

**DAR AL-ETIMAN AL SAUDI COMPANY**  
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**Notes to the interim condensed financial statements for the three-month and six-month periods ended June 30, 2016**

(All amounts in Saudi Riyals unless otherwise stated)

**5. Prepayments and other receivables**

	Note	June 30, 2016 (Unaudited)	December 31, 2015 (Audited)
Collection account	5.1	39,095,787	28,179,790
Other receivables		7,121,785	-
Receivable from employees		2,030,451	1,955,923
Prepaid rent		733,997	236,734
Prepaid general expenses		42,096	-
Prepaid insurance		-	11,352,415
Other prepayments		1,615,432	977,074
		<b>50,639,548</b>	<b>42,701,936</b>

5.1 In prior years, the Company has sold its receivable from finance lease contracts to various financial institutions and derecognized such receivables. The Company is acting as a collection agent on behalf of the financial institutions for such receivables sold. This balance represents a temporary difference between the amounts receivable from customers and payable to the financial institutions.

**6. Cash and cash equivalents**

	June 30, 2016 (Unaudited)	December 31, 2015 (Audited)
Cash in hand	3,118,101	2,406,796
Cash at banks	17,463,567	18,491,863
	<b>20,581,668</b>	<b>20,898,659</b>

**7. Share capital**

The share capital of the Company as of June 30, 2016 and December 31, 2015 was comprised of 100,000 shares stated at Saudi Riyals 1,000 per share owned as follows:

	Nationality	Shareholding	
		June 30, 2016	December 31, 2015
Modern Ajwad for Commercial Investment Co. Ltd.	<b>Saudi</b>	60.0%	60.0%
Tawad Commercial Investment Co. Ltd.	<b>Saudi</b>	37.5%	37.5%
Saudi Diesel Equipment Co. Ltd.	<b>Saudi</b>	1.0%	1.0%
Trans Arabian Technical Services Co. Ltd.	<b>Saudi</b>	1.0%	1.0%
Arabian Properties Co. Ltd.	<b>Saudi</b>	0.5%	0.5%
		<b>100%</b>	<b>100%</b>

**8. Statutory reserve**

In accordance with the Regulations for Companies in the Kingdom of Saudi Arabia, the Company transfers 10% of the net income for the year to a statutory reserve until such reserve equals 50% of its share capital. This reserve currently is not available for distribution to the shareholders of the Company.

**DAR AL-ETIMAN AL SAUDI COMPANY**  
**(A Saudi Closed Joint Stock Company)**

**Notes to the interim condensed financial statements for the three-month and six-month periods ended June 30, 2016**

(All amounts in Saudi Riyals unless otherwise stated)

**9. Accrued and other liabilities**

	<b>June 30, 2016</b> <b>(Unaudited)</b>	<b>December 31,</b> <b>2015</b> <b>(Audited)</b>
Employee related accruals	2,932,736	2,622,608
Advances from customers	6,159,142	4,242,305
Other accruals	946,022	27,225
	<b>10,037,900</b>	<b>6,892,138</b>

**10. Provision for zakat**

The Company has filed its zakat declarations with General Authority for Zakat and Tax (GAZT) till 2014 and has received final zakat assessments till the year 2010. The Zakat declarations for the year 2011 to 2014 are still under review of GAZT. Zakat declaration for 2015 is still not finalized with GAZT.

**11. Related party transactions**

During the period, the Company has transactions with Universal Motors Agencies ("UMA"), an affiliate.

Significant transactions with the related party in the ordinary course of business included in the interim condensed financial statements are summarized below:

	<b>For the three-month period</b> <b>ended June 30</b>		<b>For the six-month period</b> <b>ended June 30</b>	
	<b>2016</b> <b>(Unaudited)</b>	<b>2015</b> <b>(Unaudited)</b>	<b>2016</b> <b>(Unaudited)</b>	<b>2015</b> <b>(Unaudited)</b>
Purchase of motor vehicles	52,883,123	43,959,129	111,263,021	71,232,414
Expenses paid	-	1,163,950	-	3,291,659

**Compensation of key management personnel**

Salaries and bonuses paid / accrued to key management personnel	649,975	249,076	1,260,903	551,954
End of service indemnities accrued during the period	33,223	35,335	66,597	33,374
Board of directors remuneration	810,000	-	810,000	-

**Payable to related party**

Significant period end balance arising from transactions with the related party is as follows:

		<b>June 30, 2016</b> <b>(Unaudited)</b>	<b>December 31,</b> <b>2015</b> <b>(Audited)</b>
Universal Motors Agencies (UMA)	Affiliate	<b>197,077,807</b>	144,347,100

The above balance (Payable to UMA) is included within accounts payable at June 30, 2016 and December 31, 2015. The amount bears financial charges at the market prevailing rate.

**DAR AL-ETIMAN AL SAUDI COMPANY**

**(A Saudi Closed Joint Stock Company)**

**Notes to the interim condensed financial statements for the three-month and six-month periods ended June 30, 2016**

(All amounts in Saudi Riyals unless otherwise stated)

**12. Financial risk management**

The Company's activities are exposed to a variety of financial risks which mainly include market risk (including foreign exchange risk, interest rate risk and price risk) credit risk and liquidity risk. The interim condensed financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Company's annual financial statements as at December 31, 2015. There have been no changes in the risk management policies since the year end.

**13. Seasonality of operations**

The principal activity of the Company is to provide finance lease services to customers and its activities are evenly spread during the period.