FINANCE COMPANY CREDIT RATING SUMMARY REPORT

Tamara Finance Company

Closed Joint Stock Company

August 2026

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Related Criteria and Methodology

The specific rating methodologies and criteria applied in this analysis are available on the Tassnief website. To view or download these documents, please visit www.tassnief.com.

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1. Tassnief's Rating Opinion

Simah Rating Agency (Tassnief) has assigned initial long-term entity rating of **"A-" (Single A Minus)** and short-term entity rating of "**T-3"** of **Tamara Finance Company**. The outlook on the rating is "**Stable**".

About the Company:

Tamara Finance Company, referred to as "Tamara" or "the Company" is a Closed Joint Stock Company registered in the Kingdom of Saudi Arabia under the commercial registration number 1010627663 dated February 18, 2020. The legal status changed from a sole shareholder foreign limited liability company on September 10, 2024. Tamara is authorized by the Saudi Central Bank (SAMA) to provide finance services and consumer financing. The principal activities include origination and servicing of consumer receivables via instalments across its merchant network across the Kingdom. The head office is in Riyadh.

Tamara Finance Company	
Domicile	Saudi Arabia
Long-Term Rating	A-
Outlook	Stable
Short-Term Rating	T-3
Rating Watch	None
Rating Action	Initial
Rating Type	Solicited
Date of Initial Rating	August 2026
Date of Last Review	N/A
Methodologies Deviation	None

2. Rating Rationale

The ratings assigned to Tamara consider its strong market position in the Saudi Fintech sector and rapid growth in operating scale, underpinned by a robust digital platform, consistently expanding merchant network and consumer base. The comfort is also drawn from satisfactory business diversity in terms of top-merchant concentration, growing product portfolio, and geographic presence.

The ratings also incorporate sound asset quality indicators, sizeable provisioning coverage, and strong recovery practices, while expectations of credit risk emanating from performing portfolio are also supported by portfolio's concentration with borrowers having low debt-burden ratios and above average credit scores. Profitability has improved materially following scale-up and increasing contribution from profit-bearing products. Liquidity is considered manageable, supported by cash balances and committed funding although compared less favorably to local commercial banks, which is an expected structural difference as banks enjoy large retail and granular deposit base. However, elevated leverage remains a key rating constraint due to asset-backed debt funded growth strategy and limited historical internal capital generation. Tassnief expects capitalization indicators to strengthen over the rating horizon with improvement in internal capital generation. The ratings also reflect satisfactory governance framework and efficient risk management practices.

3. Rating Triggers

The ratings are dependent on achieving growth targets in operating scale and loan portfolio, while maintaining asset-quality indicators as the Company expands its longer-tenor financing portfolio, which is projected to become one of the largest growth drivers. The ratings are also dependent on sustaining profitable growth, strengthening the equity base through internal capital generation and earnings retention, and reducing leverage indicators as the Sharia-compliant finance portfolio scales, emergence of funding constraints, and continued elevated indicators could negatively impact the ratings.

Long-Term and Short-Term Rating Scale

<table>
<tr><th>Classification</th><th>Risk Level</th><th>Long-Term Rating</th><th colspan="2">Short-Term Rating</th></tr>
<tr><td rowspan="4">High Grade</td><td rowspan="4">Negligible Risk</td><td>AAA</td><td>T-1</td><td></td></tr>
<tr><td>AA+</td><td></td><td rowspan="5">T-2</td></tr>
<tr><td>AA</td><td></td></tr>
<tr><td>AA-</td><td></td></tr>
<tr><td rowspan="3">Investment Grade</td><td rowspan="3">Very Low Risk</td><td>A+</td><td></td></tr>
<tr><td>A</td><td rowspan="3">T-3</td></tr>
<tr><td>A-</td><td></td></tr>
<tr><td rowspan="3">Investment Grade</td><td rowspan="3">Low Risk</td><td>BBB+</td><td rowspan="3">T-4</td></tr>
<tr><td>BBB</td><td></td></tr>
<tr><td>BBB-</td><td></td></tr>
<tr><td rowspan="3">Near Prime</td><td rowspan="3">Low to Moderate Risk</td><td>BB+</td><td rowspan="4">T-5</td><td></td></tr>
<tr><td>BB</td><td></td></tr>
<tr><td>BB-</td><td></td></tr>
<tr><td rowspan="3">Sub Prime</td><td rowspan="3">High Risk</td><td>B+</td><td rowspan="8">T-6</td></tr>
<tr><td>B</td><td></td></tr>
<tr><td>B-</td><td></td></tr>
<tr><td rowspan="3">Credit Watch</td><td rowspan="3">Very High Risk</td><td>CCC+</td><td></td></tr>
<tr><td>CCC</td><td></td></tr>
<tr><td>CCC-</td><td></td></tr>
<tr><td rowspan="3">Distressed</td><td rowspan="2">Extremely High Risk</td><td>CC</td><td></td></tr>
<tr><td>C</td><td></td></tr>
<tr><td>Default</td><td>D</td><td>T-7</td><td></td></tr>
</table>

Long-Term Rating Definitions

Long-Term Rating	Definition
AAA	**Extremely Robust**; Tassnief considers the rated issuer or issuance hold the **highest creditworthiness**, thus **negligible credit risk**
AA+ AA AA-	**Very Robust**; Tassnief considers the rated issuer or issuance to hold **very high creditworthiness**, thus **minimal credit risk**. Risk profile may vary slightly with changes in economic / sector conditions
A+ A A-	**Robust**; Tassnief considers the rated issuer or issuance to hold **high creditworthiness**, thus **very low credit risk**. Risk profile may vary with changes in economic / sector conditions
BBB+ BBB BBB-	**Moderate**; Tassnief considers the rated issuer or issuance hold **adequate creditworthiness**, thus **low credit risk**. Risk profile may exhibit moderately high variation with changes in economic / sector conditions
BB+ BB BB-	Tassnief considers the rated issuer or issuance hold **low to moderate credit risk**. Risk profile may exhibit wide variation with changes in economic or sector conditions.
B+ B B-	Tassnief considers the rated issuer or issuance hold **very low creditworthiness**, thus **high credit risk**
CCC+ CCC CCC-	Tassnief considers the rated issuer or issuance hold **extremely low creditworthiness**, thus **very high credit risk**
CC C	**Highly speculative credit profile**, and the default is imminent
D	Tassnief considers the rated issuer or issuance have **defaulted.**

--- End of Report ---