
BOARD OF DIRECTORS’ REPORT

For the period ended 30th June 2025

OVERVIEW AND FUTURE OUTLOOK

The first half of 2025 has continued the strong momentum built through 2024, positioning United Finance Company SAOG firmly on its growth trajectory.

For the period ending 30th June 2025, United Finance recorded a net profit after tax of **RO 1.21 million**, representing a robust increase of **32.6%** compared to the same period last year. Total assets grew to **RO 120.3 million**, supported by healthy growth in our loan book and disciplined operational execution. Gross Instalment Finance Receivables rose to **RO 125.8 million**, an increase of **13.9%**, reflecting higher demand and effective market engagement.

This progress is the result of disciplined execution across all business units, continued improvements in credit quality, and prudent cost management. We remain committed to enhancing customer experience, expanding our digital capabilities, and delivering timely, practical finance solutions for individuals and businesses.

Oman’s macroeconomic landscape remains stable, underpinned by steady oil revenues and continued reforms under Vision 2040. Government investments in sectors like logistics, tourism, and technology signal long-term opportunities for growth. Our strategy is fully aligned with these national priorities, with an increasing focus on eco-friendly financing, SME support, and optimising our branch network.

Looking ahead, United Finance is determined to grow responsibly, invest in modern systems, deepen customer engagement, and maintain strong risk discipline. We will continue to build on our solid foundations while remaining agile in navigating an evolving market environment.

PERFORMANCE HIGHLIGHTS

- **Net Profit After Tax** rose to **RO 1.21 million**, up **32.6%** year-on-year
- **Total Assets** increased to **RO 120.3 million**
- **Total Revenue** grew by **18.7%**
- **Gross Instalment Finance Receivables** expanded to **RO 125.8 million**, up **13.9%**
- Return on Equity and Capital Adequacy remain strong and stable
- Cost controls and portfolio quality continue to support profitability margins

During the period, new initiatives included enhancements to our quality improvement program “Jawda,” progress in our core system upgrade project, and the successful opening of the Maabelah branch—an important milestone in improving accessibility and serving the automotive trading hub.

PROVISIONING POSITION

A prudent approach to risk management remains central to our operations. Provisions were allocated in line with portfolio growth and evolving credit profiles. Our provisioning remains fully compliant with IFRS 9 and regulatory standards, ensuring we maintain a healthy balance between growth and risk discipline.

FUNDING

United Finance continues to maintain a stable liquidity position. Our recent successfully oversubscribed bond issuance has further strengthened our capital base and demonstrated market confidence in our strategy. Renewed funding lines and diversified credit facilities provide the necessary financial strength to support both operational needs and future growth plans. We remain focused on optimising our funding mix, reducing the cost of capital wherever possible, and maintaining robust relationships with our banking partners.

ACKNOWLEDGEMENT

The Board expresses its deepest appreciation to His Majesty Sultan Haitham bin Tariq Al Said—may he be granted long life and wisdom—for his continued leadership of Oman’s development journey. We also extend our gratitude to the Central Bank of Oman, the Capital Market Authority, and the Financial Services Authority for their guidance and oversight.

We thank our shareholders, customers, dealers, and business partners for their ongoing support and confidence. The Board also acknowledges the dedication and hard work of United Finance’s management and employees, whose unwavering commitment has driven these strong results.

Abdullah Salim Al Khayari
Chairman