

**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
**PUBLIC SHAREHOLDING COMPANY**

**INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

**30 SEPTEMBER 2021**



**Building a better  
working world**

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**REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS  
TO THE BOARD OF DIRECTORS OF AL AMAL FINANCIAL INVESTMENTS COMPANY  
AMMAN - JORDAN**

**Introduction**

We have reviewed the accompanying interim condensed financial statements of Al Amal Financial Investments Company (Public Shareholding Company) as of 30 September 2021, comprising the interim condensed statement of financial position as of 30 September 2021, and the interim condensed statement of income, the interim condensed statement of comprehensive income, interim condensed statement of changes in equity and interim condensed statement of cash flows for the nine-months period then ended, and explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim condensed financial information in accordance with IAS 34 "*Interim Financial Reporting*". Our responsibility is to express a conclusion on this interim condensed financial information 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". A review of Interim financial information consists of making inquiries, primarily of persons responsible for the 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 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.

**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.

Amman – Jordan  
27 October 2021

**ERNST & YOUNG**  
Amman - Jordan

**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2021**

	Notes	30 September 2021	31 December 2020
		JD (Unaudited)	JD (Audited)
<b><u>ASSETS</u></b>			
Cash on hand and at banks	3	1,924,782	2,490,081
Trade receivables	4	2,866,652	4,441,399
Margin receivables	5	2,840,711	2,754,668
Other current assets	6	143,612	139,045
Financial assets at fair value through income	8	1,676,445	370,942
Financial assets at fair value through other comprehensive income	8	950,269	517,911
Advance payments on an investment	8	625,000	-
Investment properties	11	1,183,492	-
Property and equipment	7	211,411	170,244
Deferred tax assets	9	872,278	1,317,548
<b>Total Assets</b>		<b>13,294,652</b>	<b>12,201,838</b>
<b><u>LIABILITIES AND EQUITY</u></b>			
<b>Liabilities</b>			
Trade payables		229,363	367,698
Other current liabilities		247,198	150,911
Income tax provision	9	6,357	56,267
<b>Total Liabilities</b>		<b>482,918</b>	<b>574,876</b>
<b>Equity</b>			
Paid in capital	1	15,000,000	15,000,000
Statutory reserve		1,706,748	1,706,748
Fair value reserve	8	(178,980)	(177,439)
(Accumulated losses)		(3,716,034)	(4,902,347)
<b>Total Equity</b>		<b>12,811,734</b>	<b>11,626,962</b>
<b>Total Liabilities and Equity</b>		<b>13,294,652</b>	<b>12,201,838</b>

The accompanying notes from 1 to 16 are part of these interim condensed financial statements

**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**INTERIM CONDENSED STATEMENT OF INCOME**  
**FOR THE THREE MONTHS AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021 (UNAUDITED)**

	Notes	For the three months ended		For the nine months ended	
		30 September		30 September	
		2021	2020	2021	2020
		JD	JD	JD	JD
<b>Revenue</b>					
Brokerage commissions		22,112	46,780	75,900	134,981
Margin finance commissions		2,017	9,132	4,516	18,239
Margin finance interest income		146,457	163,190	433,187	502,076
Interest income		13,741	3,926	41,425	7,887
Dividend income		2,712	-	5,564	-
Other revenue		13	2,113	1,082	33,187
Unrealized gain from revaluation of financial assets at fair value through income		(8,756)	-	112,445	-
<b>Total revenue</b>		<u>178,296</u>	<u>225,141</u>	<u>674,119</u>	<u>696,370</u>
<b>Expenses</b>					
Salaries, wages, and benefits	12	(193,260)	(70,279)	(296,224)	(187,093)
Stock exchange fees		(254)	(55)	(37,282)	(37,298)
Finance cost		(1,781)	(2,927)	(6,257)	(5,885)
General and administrative expenses		(188,383)	(75,601)	(380,694)	(210,571)
Provision for expected credit losses		<u>1,414,920</u>	<u>(55,000)</u>	<u>1,688,815</u>	<u>(180,000)</u>
<b>Total expenses</b>		<u>1,031,242</u>	<u>(203,862)</u>	<u>968,358</u>	<u>(620,847)</u>
<b>Profit for the period before income tax</b>		1,209,538	21,279	1,642,477	75,523
Income tax expense	9	<u>(368,580)</u>	<u>(21,330)</u>	<u>(455,866)</u>	<u>(36,518)</u>
<b>Profit (loss) for the period</b>		<u>840,958</u>	<u>(51)</u>	<u>1,186,611</u>	<u>39,005</u>
		Fils/JD	Fils/JD	Fils/JD	Fils/JD
Basic and diluted earnings per share from profit (loss) for the period	16	<u>0/056</u>	<u>(0/000)</u>	<u>0/079</u>	<u>0/003</u>

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**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
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**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE MONTHS AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021 (UNAUDITED)**

	For the three months ended 30 September		For the nine months ended 30 September	
	2021	2020	2021	2020
	JD	JD		
Profit (loss) for the period	840,958	(51)	1,186,611	39,005
<b>Other comprehensive income items which will not be reclassified to profit or loss in subsequent periods</b>				
Unrealized (losses) gains on revaluation of financial assets at fair value through other comprehensive income	(91,486)	8,897	(1,839)	(4,448)
<b>Total comprehensive income for the period</b>	<b>749,472</b>	<b>8,846</b>	<b>1,184,772</b>	<b>34,557</b>

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**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
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**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021 (UNAUDITED)**

	Paid in capital JD	Statutory reserve JD	Fair value reserve JD	Accumulated losses JD	Total JD
<b>For the nine months period ended 30 September 2021 -</b>					
Balance as of 1 January 2021	15,000,000	1,706,748	(177,439)	(4,902,347)	11,626,962
Total comprehensive income	-	-	(1,839)	1,186,611	1,184,772
Realized losses from the sale of financial assets through other comprehensive income	-	-	298	(298)	-
<b>Balance as of 30 September 2021</b>	<u>15,000,000</u>	<u>1,706,748</u>	<u>(178,980)</u>	<u>(3,716,034)</u>	<u>12,811,734</u>
<b>For the nine months period ended 30 September 2020 -</b>					
Balance as of 1 January 2020	15,000,000	1,597,984	(176,753)	(5,575,282)	10,845,949
Total comprehensive income	-	-	(4,448)	39,005	34,557
Realized losses from the sale of financial assets through other comprehensive income	-	-	102	(102)	-
<b>Balance as of 30 September 2020</b>	<u>15,000,000</u>	<u>1,597,984</u>	<u>(181,099)</u>	<u>(5,536,379)</u>	<u>10,880,506</u>

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**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
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**INTERIM CONDENSED STATEMENT OF CASH FLOWS**  
**FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021 (UNAUDITED)**

	<u>Notes</u>	30 September 2021 JD	30 September 2020 JD
<b><u>Operating Activities</u></b>			
Profit for the period before income tax		1,642,477	75,523
<b>Adjustments for:</b>			
(Reversal of) provision for expected credit losses		(1,688,815)	180,000
Depreciation	7	15,696	9,985
Finance cost		6,257	5,885
Loss (gain) on sale of property and equipment	7	7,180	(3,362)
Unrealized gains from revaluation of financial assets at fair value through income		(112,445)	-
Margin financing interest income and interest income		(474,612)	(509,963)
<b>Working capital changes:</b>			
Margin receivables		(37,254)	567,096
Trade receivables		2,078,795	577,492
Other current assets		(4,567)	115,384
Trade payables		(138,335)	(173,688)
Other current liabilities		96,287	(43,902)
<b>Net cash flows from operating activities before tax</b>		<b>1,390,664</b>	<b>1,310,413</b>
Income tax paid	9	(60,506)	(122,932)
<b>Net cash flows from operating activities after tax</b>		<b>1,330,158</b>	<b>1,187,481</b>
<b><u>Investing Activities</u></b>			
Purchases of property and equipment	7	(66,709)	(15,725)
Proceeds from sale of property and equipment		2,666	37,500
Investments in properties	11	(47,514)	-
Margin finance interest income and interest income received		474,612	509,963
Advance payments on an investments	8	(625,000)	-
Purchases of financial assets at fair value through other comprehensive income		(434,757)	-
Purchases of financial assets at fair value through income		(1,193,058)	-
Proceeds from sale of financial assets at fair value through other comprehensive income		560	229
<b>Net cash flows (used in) from investing activities</b>		<b>(1,899,200)</b>	<b>22,004</b>
<b><u>Financing Activities</u></b>			
Finance cost paid		(6,257)	(5,885)
<b>Net cash flows used in financing activities</b>		<b>(6,257)</b>	<b>(5,885)</b>
Net (decrease) increase in cash and cash equivalent		(565,299)	1,203,600
Cash and cash equivalent - beginning of the period		2,490,081	759,769
<b>Cash and cash equivalent - end of the period</b>	3	<b>1,924,782</b>	<b>1,963,369</b>

The accompanying notes from 1 to 16 are part of these interim condensed financial statements

## **1- General**

Al-Amal Financial Investments Company ("the Company") is a Jordanian Public Shareholding Company registered on 17 October 2005 under commercial registration number (370) after the change of its legal form, from a Limited Liability Company to a Public Shareholding Company.

The Company's paid in capital is JD 15,000,000 divided into 15,000,000 shares; with a par value of one JD per share.

The main activities of the Company are to perform commission brokerage business, dealing with securities for its own account, providing financial consulting, leasing and mortgage of movable and immovable assets for the purposes of achieving the Company's objectives, borrowing from banks, buying, renting, pledging and importing any of movable and immovable assets or any rights or privileges deemed necessary by the Company or suitable for their purposes, including land, building, machinery, means of transport or goods and to establish, assess, act and make necessary changes when necessary or appropriate for the purposes and objectives of the Company.

The interim condensed financial statements were approved by the board of directors on 27 October 2021.

The Company's headquarter is located in Amman, Housing Bank Complex, Queen Noor Street.

## **2- Accounting Policies**

### **(2-1) Basis of preparation**

The accompanying interim condensed financial statements for the nine months period ended 30 September 2021 were prepared in accordance with the International Accounting Standard (IAS) 34 "interim financial reporting".

The condensed interim financial information is presented in Jordanian Dinar, which is the Company's functional currency.

The interim condensed financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Company's annual financial statements as at 31 December 2020. In addition, the results for the nine months ended 30 September 2021 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2021.



## **(2-2) Changes in accounting policies**

The accounting policies used in the preparation of the interim condensed financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2020 except for the adoption of new standards effective as of 1 January 2021 shown below:

### **Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16**

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the interim condensed financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

## **(2-3) Use of Estimates**

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions as well as fair value changes reported in other comprehensive income. In particular, considerable judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provisions required. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future changes in such provisions.

Management believes that the assessments adopted in the financial statements are reasonable, the main estimates were as follows:

### **- Expected credit loss on accounts receivable and margin receivable:**

IFRS 9 requires the Company's management to determine the expected credit losses for all accounts receivable through applying judgements to estimate the future cash flows amounts and duration, in addition to any substantial increase in the credit risk of financial assets after initial recognition. Furthermore, management takes into consideration forward looking information in calculation of the expected credit losses. The Company follows the policies and methodologies of IFRS 9

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**- Income tax provision:**

The financial year is charged with income tax expense in accordance with the applicable laws, regulations and accounting standards, in addition to calculating the required deferred tax assets, liabilities and income tax provision.

**3- Cash on hand and at banks**

	30 September 2021	31 December 2020
	JD (Unaudited)	JD (Audited)
Cash on hand	91	135
Bank balances – Current accounts	697,083	680,947
Bank balances – Customers' accounts	202,608	283,999
Bank balances – time deposits*	1,000,000	1,500,000
Brokerage guarantee fund deposit **	25,000	25,000
	<u>1,924,782</u>	<u>2,490,081</u>

\* This account represents deposits with Jordan Commercial Bank in Jordanian dinars which the Company holds on a monthly basis depending to the Company's cash needs. The interest rate on these deposits was 3.5% for the period ending 30 September 2021 (30 September 2020: none).

\*\* This account represents the value of the cash contribution paid by the Company as a financial broker in the Amman Stock Exchange to the settlement guarantee fund in accordance with the Fund's bylaws for the year 2004, which is based on the provisions of Article (90) of the securities Law No. (76) of 2002 which aims to:

- Cover the cash deficit of the fund's buyer member for securities.
- Cover the deficit in the balance of securities that appears to the member of the seller fund as a result of the trade securities in the market.

The Fund shall at the end of every three months, recalculate the cash contribution amount for each Broker in accordance with the Fund's bylaws, whereby the difference between the Fund and the Broker shall be settled by either increasing, decreasing, or maintaining the Fund's balance as unchanged.

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**4- Trade receivables**

	30 September 2021	31 December 2020
	JD	JD
	(Unaudited)	(Audited)
Trade receivables and brokerage receivables	4,178,741	6,704,885
Amounts due from related parties (Note 10)	1,583,227	2,271,856
	5,761,968	8,976,741
Less: provision for expected credit losses *	(2,895,316)	(4,535,342)
	2,866,652	4,441,399

\* Movement on the provision for expected credit losses is as follows:

	30 September 2021	31 December 2020
	JD	JD
	(Unaudited)	(Audited)
Balance as of 1 January	4,535,342	4,686,205
Additions during the period / year	266,664	794,092
Recovered during the period / year	(1,906,690)	(944,955)
Balance at the end of the period / year	2,895,316	4,535,342

Unimpaired trade receivables aging is as follows:

	1 – 30 days	31 – 90 days	91 - 360 days	More than 360 days	Total
2021	53,218	20,175	740,548	2,052,712	2,866,652
2020	206,689	214,513	2,350,714	1,669,483	4,441,399

The Company do not take guarantees for these receivables, whereas the receivables are covered by the customers investment portfolios.

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**5- Margin receivables**

	30 September 2021	31 December 2020
	JD	JD
	(Unaudited)	(Audited)
Margin receivables	4,957,860	4,900,519
Due from related parties (Note 10)	615	20,702
	<u>4,958,475</u>	<u>4,921,221</u>
Less: Provision for expected credit losses *	<u>(2,117,764)</u>	<u>(2,166,553)</u>
	<u>2,840,711</u>	<u>2,754,668</u>

\*Movement on the provision for expected credit losses was as follows:

	30 September 2021	31 December 2020
	JD	JD
	(Unaudited)	(Audited)
Balance as of 1 January	2,166,553	2,782,885
Additions during the period / year	17,060	165,987
Recovered during the period / year	<u>(65,849)</u>	<u>(782,319)</u>
Balance at the end of the period / year	<u>2,117,764</u>	<u>2,166,553</u>

**6- Other current assets**

	30 September 2021	31 December 2020
	JD	JD
	(Unaudited)	(Audited)
Bank guarantees	89,400	89,400
Prepaid expenses	12,687	28,810
Trading settlement – Securities Depository Center	3,920	9,052
Employee receivables	485	11,603
Refundable deposits	-	180
Others	37,120	-
	<u>143,612</u>	<u>139,045</u>

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**7- Property and equipment**

During the nine months period ended 30 September 2021, the Company acquired property and equipment with a cost of JD 66,709 (30 September 2020: JD 15,725). The depreciation expense for the nine-months period ended 30 September 2021 was JD 15,696 (30 September 2020: JD 9,985).

The Company disposed and sold property and equipment with a book value of JD 189,073 during the nine-months period ending on 30 September 2021 (30 September 2020: JD 86,000), which resulted in a loss of JD 7,180 (30 September 2020: profit of JD 3,362).

**8- Investments in financial assets**

This account represents the Company's investments in financial assets, either for the purpose of benefiting from the price changes of these investments, and thus they are classified as financial assets at fair value through income or for the purpose of long-term retention and not for the purposes of trading, and therefore they are classified as financial assets at fair value through other comprehensive income. The details of these investments according to their classification are as follows:

**Financial Assets at Fair Value Through Income**

	30 September 2021 JD (Unaudited)	31 December 2020 JD (Audited)
Investment in Standard and Poor's Depository Receipt (United States)	1,211,445	370,942
Investment in Jordan Ahli Bank	465,000	-
	<u>1,676,445</u>	<u>370,942</u>

**Financial Assets at Fair Value Through Other Comprehensive Income**

	30 September 2021 JD (Unaudited)	31 December 2020 JD (Audited)
Investment in The Mediterranean & Gulf Insurance Co.	328,619	409,020
Investment in Al-Tajamouat for Touristic Projects Co.	615,000	108,891
United Iron and Steel Industry	6,650	-
	<u>950,269</u>	<u>517,911</u>

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**Advance payments on an investment**

	30 September 2021 JD (Unaudited)	31 December 2020 JD (Audited)
Advance payments on the investment in Credit Card Services Company LLC	625,000	-
	<u>625,000</u>	<u>-</u>

The details of the movement on the cumulative change in fair value are as follows:

	Balance as of 1 January 2021 JD (Audited)	Change in fair value JD	Balance as of 30 September 2021 JD (Unaudited)
Investment in Al- Tajamouat for Touristic Projects Company	3,661	78,460	82,121
Investment in Med Gulf for Insurance Company	(181,100)	(79,511)	(260,611)
United Iron and Steel Industry	-	(490)	(490)
	<u>(177,439)</u>	<u>(1,541)</u>	<u>(178,980)</u>

**9- Income tax**

Income tax has been calculated in accordance with the Jordanian Income Tax Law No. (38) for the year 2018 at a tax rate of 28% (24% + 4% national contribution).

Income tax expense shown in the income statement consists of the following:

	30 September 2021 JD (Unaudited)	30 September 2020 JD (Unaudited)
Income tax expense for the period	10,596	71,518
Effect of deferred tax assets for the period	<u>445,270</u>	<u>(35,000)</u>
	<u>455,866</u>	<u>36,518</u>

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The movement on income tax provision is as follows:

	30 September 2021	31 December 2020
	JD	JD
	(Unaudited)	(Audited)
Balance as of 1 January	56,267	88,172
Income tax paid	(60,506)	(122,932)
Provision for the period	10,596	91,027
Balance at the end of the period / year	6,357	56,267

The movement on the deferred tax assets is as follows:

	30 September 2021	31 December 2020
	JD	JD
	(Unaudited)	(Audited)
Balance as of 1 January *	1,317,548	1,532,363
Additions during the period / year	(445,270)	(214,815)
Balance at the end of the period / year	872,278	1,317,548

\* Deferred tax assets are calculated at 28% on the provision for expected credit losses.

The Company reached a final settlement with the Income and Sales Tax Department until the year 2016.

The Company has submitted its income tax return for the years 2017 until 2020 and it is still not reviewed by the Income Tax Department until the date of these financial statements, except for the years 2018 and 2019 which were accepted according to the sampling system. and in the opinion of the management and the tax consultant the provision is adequate.

## **10- Transactions with Related Parties**

Related parties represent 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 the transactions with related parties are approved by the Company's management.

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Following is a summary of balances and transactions with related parties included in the interim condensed statement of financial position:

	30 September 2021 JD (Unaudited)	31 December 2020 JD (Audited)
Trade Receivables - Major shareholders of the Company (Note 4)	<u>1,583,227</u>	<u>2,271,856</u>
Margin Receivables- Major shareholders of the Company (Note 5)	<u>615</u>	<u>20,702</u>
Trade Payables- Major shareholders of the Company	<u>-</u>	<u>202</u>

Following is a summary of transactions with related parties included in the interim condensed statement of Income:

Total trading volume and commission for related parties dealt with during the period:

	30 September 2021 JD (Unaudited)	30 September 2020 JD (Unaudited)
Total trading volume - Major shareholders of the Company	<u>5,221,991</u>	<u>9,416,284</u>
Total commission - Major shareholders of the Company	<u>21,299</u>	<u>40,274</u>

Benefits and allowances for the members of the Board of Directors:

	30 September 2021 JD (Unaudited)	30 September 2020 JD (Unaudited)
Transportation allowance for members of the Board of Directors	<u>43,500</u>	<u>24,500</u>



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Salaries and bonuses for the members of the executive management:

	30 September 2021	30 September 2020
	JD	JD
	(Unaudited)	(Unaudited)
Executive Management salaries and remuneration	42,764	42,764

**11- Investment properties**

During the third quarter of the year 2021, the Company reached to an agreement with one of the customers to settle the amounts due from this customer with a total amount of JD 1,333,181, by providing the Company with land and buildings as part of the settlement agreement. The Company classified these properties as investment properties, as the company intends to keep them to generate cash flows or to benefit from capital appreciation of their prices or both.

**12- Salaries, wages, and benefits**

This item includes salaries and benefits for the employees of the Company including basic salaries, allowances, benefits, deductions, and the Company's share of employee social security. In addition to the amounts paid for final settlements to resigned employees amounting to JD 155,229 as of 30 September 2021 (30 September 2020: JD 24,022).

**13- Contingent Liabilities**

The Company has liabilities that may arise on the date of the financial statements, which include:

	30 September 2021	31 December 2020
	JD	JD
	(Unaudited)	(Audited)
Bank Guarantees	672,000	672,000
Deposit Securities	89,400	89,400

**Cases brought against the Company by others:**

The Company is a defendant in several lawsuits as of 30 September 2021 with a total value of JD 336,200 (2020: JD 335,820). Related risks have been analysed as to likelihood of occurrence. Accordingly, the needed provision has been provided against these claims.

#### **14- Fair Value Hierarchy**

Fair value of financial assets for the company, which is valued at fair value on continues basis, the following table gives information about how fair value of these financial assets and financial liabilities are determined (valuation techniques and key).

Financial Assets	Fair Value		Fair Value Hierarchy
	30 September 2021	31 December 2020	
	JD (Unaudited)	JD (Audited)	
Financial Assets at Fair Value:			
Financial Assets at fair value through other comprehensive income	950,269	517,911	Level 1
Financial assets at fair value through income	1,676,445	370,942	Level 1
<b>Total Financial Assets at Fair Value</b>	<b>2,626,714</b>	<b>888,853</b>	

#### **15- Coronavirus Spread (COVID – 19) and its Impact on the Company**

As a result of the continued impact of the Corona virus (Covid-19) on the global economy that caused a major fluctuation in the global economy and the various business sectors, the effects were reflected on the majority of sectors that were affected by the suspension of a business activities and the medical quarantine in addition to the governmental decisions to face the virus.

Management continues to monitor the impact that the COVID-19 pandemic has on the Company, the brokerage industry, and the Jordanian economy, in which the Company operates. Below is the impact of the COVID-19 pandemic on the Company:

##### **A) Brokerage commissions and margin finance commissions**

Due to the large negative impact of the pandemic on the volume of trading in the stock market the Company's revenues from brokerage commissions and margin finance commissions decreased significantly during the period ended 30 September 2021 where it was JD 80,416 compared to the same period during the year 2020 where it was JD 153,220. Accordingly, the decline in revenues amounted to JD 72,804 which represents 48% decrease in the revenues.

##### **B) Accounts receivables**

The Company performed a detailed analysis for the impact of the virus on the Company's ability to collect the receivables amounts in addition to the revision of the sufficiency of the provisions for the period ended 30 September 2021. This study will be revised on a periodic basis to evaluate the Company's ability to collect the receivables and any other provisions required due to the economic developments.

### C) Investments in Financial Assets

As mentioned in point (a) and due to the large negative impact of the pandemic on the Company's revenues management diversified its investments by entering into foreign markets in order to offset the impact of the pandemic related to the decrease in the brokerage commissions in the local market.

### D) Company's liquidity

Management analyzes the Company's liquidity needs and in the management opinion the solvency position is and will likely remain within the Company's 'Capital Management Framework' targets. Management believes the preparation of the financial statements on a going concern basis remains appropriate.

### 16) Earnings per share

	For the three months ended 30 September		For the nine months ended 30 September	
	2021	2020	2021	2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit (loss) for the period after tax (JD)	840,958	(51)	1,186,611	39,005
Weighted average number of shares (shares)	15,000,000	15,000,000	15,000,000	15,000,000
Basic and diluted earnings per share from profit (loss) for the period	0.056	(0.000)	0.079	0.003