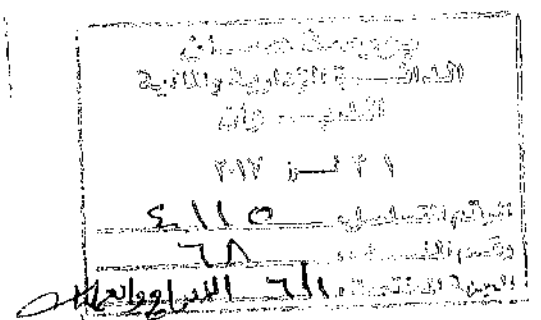
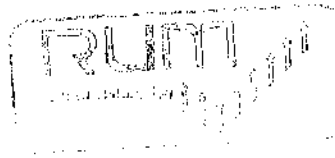


نموذج رقم (٤-١) Form No. (1-4)	
To: Jordan Securities Commission Amman Stock Exchange Date : 31/7/2017 Ref.: 48A /2017 <u>Subject: Semi- Annual Report as of 30/06/2017</u>	السادة هيئة الأوراق المالية السادة بورصة عمان التاريخ: ٢٠١٧/٧/٣١ رقم الكتاب: ٤٨٨ / ٢٠١٧ <u>الموضوع: التقرير نصف السنوي كما هو في ٢٠١٧/٠٦/٣٠</u>
Attached the company's Semi- Annual Report of (Rumm Financial Brokerage) in English As of 30/06/20 17	مرفق طيه نسخة من التقرير نصف السنوي لشركة (رم للوساطة المالية م.ع.م) باللغة الإنجليزية كما هو بتاريخ ٢٠١٧/٠٦/٣٠
Kindly accept our highly appreciation and respect Company's Name : Rumm Financial Brokerage plc General Manager's Signature	وتفضلوا بقبول فائق الاحترام... اسم شركة : رم للوساطة المالية م.ع.م توقيع المدير العام

[Signature]



Rum Financial Brokerage

"Public Shareholding Company"

Amman- The Hashemite Kingdom of Jordan

Interim Condensed Financial Statements &Independent

Auditor's Report As at June 30, 2017

Rum Financial Brokerage

"Public Shareholding Company"

Amman- The Hashemite Kingdom of Jordan

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Report on review of condensed interim financial statements

To the board of directors
Rum Financial Brokerage
Public shareholding company
Amman – Jordan

Introduction

We have reviewed the accompanying condensed interim financial statements of **Rum Financial Brokerage PLC**, comprising the interim statement of financial position as at 30 June 2017 and the related interim statements of cash flows for the six months period then ended and the notes about condensed interim financial statements. Management is responsible for the preparation and presentation of this condensed interim financial statement in accordance with international accounting standard number (34) " interim financial reporting " our responsibility is to express a conclusion on this condensed interim financial statements based on our review .

Scope of review

We conducted our review in accordance with the international standard on review engagements (2410) " review of interim financial information performed by the independent auditor of the entity ." a review of condensed interim financial statement consists of making inquiries , primarily of persons responsible for financial and accounting matters , and applying analytical and consequently does not enable us to obtain assurance that we would become a ware 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 condensed interim financial statement as at 30 June 2017 are not prepared , in all material respects , in according with international accounting standard number (34) " interim financial reporting " .

The Scientific Office for Auditing,
Accounting and Consulting
Jamal M. Falah
License No. "285"

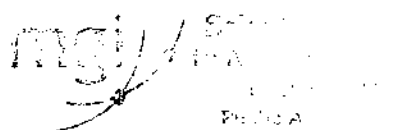
6 July 2017
Amman - Jordan

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Rum Financial Brokerage
"Public Shareholding Company"
Amman- The Hashemite Kingdom of Jordan
The Interim Condensed Statement for financial
position as at 30 June 2017

<u>Description</u>	<u>Note</u>	<u>2017/06/30</u> <u>JD</u>	<u>31/12/2016</u> <u>JD</u>
<u>Current Assets</u>			
Cash and cash equivalent	1	249,078	520,744
Brokerage clients / Accounts receivable	2	1,662,250	1,140,579
Securities Depository Center		42,693	-
Other current assets	3	59,756	41,257
Total current assets		2,013,777	1,702,580
<u>Non-current assets</u>			
Financial assets at the fair value through other comprehensive income statement	4	1,711,972	1,427,258
Guarantees deposits		122,000	122,000
Contributions to Settlement Guarantee Fund		25,785	25,000
Intangible assets		1	1
Property and equipment, net		5,665	6,182
Total non-current assets		1,865,423	1,580,441
Total assets		3,879,200	3,283,021
<u>Liabilities and equity</u>			
<u>Current liabilities</u>			
Brokerage client / Accounts payable		140,201	197,482
Related parties accounts payable		34,203	64,959
Securities Depository Center		-	14,155
Other credit liabilities	5	60,024	103,107
Total current liabilities		234,428	379,703
<u>Equity</u>			
Authorized capital		4,500,000	4,500,000
Paid-up capital		4,000,000	3,000,000
Complosry reserve		138,930	138,930
Voluntary reserve		332,462	332,462
Fair value reserve		(833,023)	(445,078)
Accumulated profit (losses)		6,403	(122,996)
Net equity		3,644,772	2,903,318
Total Liabilities and Equity		3,879,200	3,283,021

The accompanying notes constitute an integral part of this statement

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Rum Financial Brokerage

"Public Shareholding Company"

Amman- The Hashemite Kingdom of Jordan

Comprehensive Income Interim Condensed Statement as at 30 June 2017

<u>Description</u>	<u>Note</u>	<u>2017/06/30</u>	<u>2016/06/30</u>
<u>Revenues</u>		<u>JD</u>	<u>JD</u>
Brokerage commission revenues		208,464	105,671
Other revenues		5,669	1,204
Total revenues		214,133	106,875
<u>Expenses</u>			
Depreciations and amortizations		(811)	(758)
Employees benefits		(69,031)	(59,243)
Administrative and general expenses	6	(59,857)	(62,903)
Total expenses		(129,699)	(122,904)
Profit (losses) of the period		84,434	(16,029)
<u>Comprehensive income items</u>			
Profits realized from sale financial assets at the fair value other comprehensive income		44,965	9,947
Change in fair value		(387,945)	(36,715)
Total losses of the period		(258,546)	(42,797)
Basic and diluted portion of the share from profit of the year		<u>Dinar / Fils</u>	<u>Dinar / Fils</u>
Earnings (losses) per share (Basic and diluted)		(0.082)	(0.014)
Weighted average of number of shares		3,163,933	3,000,000

The accompanying notes constitute an integral part of this statement
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30/06/2017

Rum Financial Brokerage
"Public Shareholding Company"
Amman- The Hashemite Kingdom of Jordan

Changes in Shareholders' Equity Interim Condensed Statement as at 30 June 2017

<u>Description</u>	<u>Capital</u>	<u>Compulsory reserve</u>	<u>Voluntary reserve</u>	<u>Accumulated change in the fair value</u>	<u>Accumulated (losses) profit</u>	<u>Total</u>
	JD	JD	JD	JD	JD	JD
<u>Balance at 31 December 2015</u>	3,000,000	102,569	332,462	79,439	(362,981)	3,151,489
Profit of the period	-	-	-	-	363,613	363,613
Compulsory reserve	-	36,361	-	-	(36,361)	-
Provision for income tax	-	-	-	-	(87,267)	(87,267)
Change in the fair value reserve	-	-	-	(524,517)	-	(524,517)
<u>Balance at 31 December 2016</u>	3,000,000	138,930	332,462	(445,078)	(122,996)	2,903,318
capital	1,000,000	-	-	-	-	1,000,000
Profit of the period	-	-	-	-	84,434	84,434
Profits realized from sale financial assets at the fair value in the other comprehensive income	-	-	-	-	44,965	44,965
Change in the fair value reserve	-	-	-	(387,945)	-	(387,945)
<u>Balance at 30 June 2017</u>	4,000,000	138,930	332,462	(833,023)	6,403	3,644,772

The accompanying notes constitute an integral part of this statement

Rum Financial Brokerage

"Public Shareholding Company"

Amman- The Hashemite Kingdom of Jordan

Cash flows interim condensed Statement as at 30 June 2017

<u>Description</u>	<u>30/06/2017</u> <u>JD</u>	<u>30/06/2016</u> <u>JD</u>
<u>Cash flows from operational activities</u>		
Profit (loses) of the period	84,434	(16,029)
Depreciation and amortization	811	758
Operational profit (losses)	85,245	(15,271)
<u>Changes in the working capital items</u>		
Securities Depository Center	(56,848)	(59,642)
Brokerage clients / accounts receivable	(521,671)	(176,067)
Other currents assets	(19,284)	(14,925)
Brokerage clients / accounts payable	(88,037)	414,861
Other credit liabilities	(43,083)	2,541
Net cash from operational activities	(643,678)	151,497
<u>Cash flows from investment activities</u>		
Financial assets at the fair value through other comprehensive income statement	(627,694)	133,760
Property and equipment	(294)	(407)
Net cash flows from investment activities	(627,988)	133,353
<u>Cash flows from financing activities</u>		
Capital	1,000,000	-
Net cash flow from financing activities	1,000,000	-
Change in the cash and cash equivalent balance	(271,666)	284,850
cash and cash equivalent on 1 january 2017	520,744	240,148
Cash and cash equivalent at 30 June 2017	249,078	524,998

The accompanying notes constitute an integral part of this statement

(7 / 13)

[Handwritten signature and stamp]
The accompanying notes constitute an integral part of this statement

Rum Financial Brokerage
"Public Shareholding Company"
Amman- The Hashemite Kingdom of Jordan

Accounting policies

1- General Information

Rum Financial Brokerage was established on 5/9/2005 and registered in the companies register as a limited liability company under number (10698) with a capital of JD. (2,469,232). On 24/7/2008, it was approved to transform the Company to a public shareholding company and was registered in the public shareholding companies register under number (457) on 17/8/2008 with an authorized paid-up capital of JD/Share (2,469,232). On 27/5/2015, the capital was increased to JD. 3,000,000. On 26/12/2016, the capital of the Company was increased to JD. 4,500,000 instead of JD. 3,000,000. The company launched rights offering for the shareholders of the company on 11/05/2017 in the amount of (1) million JD/share and was fully covered so the company capital become (4) million JD/share.

The purposes of the Company are:

Financial brokerage, financial investments, acquisition of moveable and immovable properties, commission brokerage, borrowing and investing funds it deems necessary to achieve its purposes, registration of trademarks, conclude agreements to implement the purposes of the Company.

Basics of preparation and significant accounting policies:

Basic of preparing the interim condensed financial statements:

The accompanying interim condensed financial statements for the three months ended 31 March 2016 were prepared in accordance with the International Accounting Standard 34 (Interim Financial Reports).

The financial statements are demonstrated in the Jordanian Dinar, the functional currency of the Company, and the amounts are rounded to the nearest Dinar.

The interim condensed financial statements were prepared on the historical cost principle basis except the financial assets available for sale which are reflected at the fair value.

Rum Financial Brokerage
"Public Shareholding Company"
Amman- The Hashemite Kingdom of Jordan

Accounting Policies

- Applying estimates:

Preparing financial statements and applying accounting policies require the Company's Management to make some estimates and judgements that may affect the financial statements and the accompanying notes. Such estimates are based on assumptions of different accuracy and certainty. Therefore, the actual results in the future may differ from the Management's estimates due to variations in the assumptions conditions and circumstances on which such estimates based on.

Below are the most important estimates applied in the preparation of the financial statements:

- The Management estimates the productive life of the tangible assets on a periodic basis for the purposes of calculating the annual depreciations based on the general condition of such assets and the estimates of the productive life expected in future. The impairment loss (if any) is stated in the income statement.
- The Management reevaluates the productive life estimate of the tangible assets on a periodic basis for the purposes of calculating the annual depreciations based on the general condition of such assets and the productivity life expected in future. The impairment loss (if any) is reflected in the income statement.
- The Management conducts periodic review to the financial assets which are reflected at cost to estimate any impairment in their value and state such impairment in the income statement.
- The Company's Management estimates the value of the provision for bad debts taking in consideration the possibility of collecting such liabilities.

- Cash and cash equivalent:

The cash and cash equivalent is represented by the cash with banks and investments convertible to certain liquid cash. They become due within a period not exceeding three months and they don't involve risks of change in value.

- Accounts receivable

The accounts receivable are reflected at cost after deducting the provision for bad debts. The debts are written off when there is subjective evidence on the possibility of not collecting the liabilities. The amounts collected from written-off debts are added to the revenues.

Rum Financial Brokerage
"Public Shareholding Company"
Amman- The Hashemite Kingdom of Jordan

Accounting Policies

- **Financial assets at amortized cost**

The financial instruments such as the bills receivable, accounts receivable, due to banks, loans, accounts payable and accrued expenses are demonstrated at amortized cost by using the actual revenue method after deducting any impairment loss.

- **Financial assets defined by the fair value from the comprehensive income statement:**

The change differences are recorded in the fair value of the financial assets defined at the fair value from the other comprehensive income. The limited value financial assets in the other comprehensive income statement that have market prices in active financial markets are demonstrated at the fair value after deducting the impairment accumulated losses in their fair value.

The limited value financial assets in the other comprehensive income statement that don't having market prices and which their fair value could not be reliably defined are demonstrated at the cost and any impairment in their value is recorded in the other comprehensive income statement.

The profits and losses resulting from the differences of converting foreign currencies to interest-bearing debentures are recorded at the fair value through the other comprehensive income statement, while the differences of converting the foreign currency to equity instruments are recorded in the accumulated change in the fair value within the equity rights.

- **Property, equipment, and accumulated depreciation:**

Properties and equipment are demonstrated at cost after deducting the accumulated depreciation. They are depreciated when they are ready for use on the basis of the straight-line method over their expected productivity life by using the following annual rates:

Furnishings and furniture, and decorations	20%
Office supplies and computers	15%

When the recoverable amount of any property or equipment is less than their book value, their value shall be diluted and the remaining book value over the productivity life is depreciated after reassessment as of the reassessment year.

- **Accounts payable and accruals**

The accounts payable and accruals are recognized upon benefiting from the service by the company whether claimed by the supplier or not.

Rum Financial Brokerage
"Public Shareholding Company"
Amman- The Hashemite Kingdom of Jordan

Accounting Policies

- **Setoff**
The financial assets and financial liabilities are set-off and the net amount is reflected in the financial statements upon the availability of the binding legal rights, and when they are settled on the setoff basis or the assets realization and liabilities settlements take place at the same time.
- **Provisions**
Provisions are recorded when there are legal or expected obligations on the company as a result of previous events where cash amounts are likely to be paid to fulfill such obligations. On the date of the financial position, the allocated provisions are reviewed and adjusted based on the latest information available to the Management.
- **Recognition of revenues**
The commission revenues are realized upon the completion of buying or selling shares to the company's clients and issuing invoice to the client.
The interests revenues are recognized on a time base to reflect the actual revenue on assets.
The distribution of the investment profits is recognized upon being approved by the General Assemblies of the investment companies.
The other revenues are recognized in accordance with the accrual basis.
- **Date of financial assets recognition**
The buying or selling financial assets is recognized at the trading date (the date of the company's commitment to sell or buy financial assets.)
- **Impairment in the financial assets**
The company reviews the value of the financial assets stated in the company's records at the date of the financial statements to determine if there are indications to impairment in their value. In case of such indications, the recoverable fair value of the assets is estimated to define the impairment loss. In case the recoverable value is less than the net book value stated in the company's records, the impairment value is reflected in the comprehensive income statement.
- **Income Tax**
The Company is subject to the Income Tax Law, as amended, and the instructions issued by the Income Tax Department in the Hashemite Kingdom of Jordan. The book takes place in accordance with the accrual basis where the provision for income tax is calculated on the adjusted profit basis.

Rum Financial Brokerage

"Public Shareholding Company"

Amman- The Hashemite Kingdom of Jordan

Notes to the interim condensed financial statements

1- Cash and Cash Equivalents:

<u>Description</u>	<u>2017/06/30</u>	<u>2016/12/31</u>
	<u>JD</u>	<u>JD</u>
Cash on hand	831	68
Investment Bank accounts/ current	34,720	3,667
Investment Bank/ Cash deposits	657	657
Investment Bank/ client notes	163,606	475,474
Housing Bank/ current	3,160	591
Housing Bank/ clients	45,918	40,092
Jordan Commercial Bank	186	195
Total	249,078	520,744

2- Brokerages Client / Accounts Receivable :

<u>Description</u>	<u>2017/06/30</u>	<u>2016/12/31</u>
	<u>JD</u>	<u>JD</u>
Brokerages client / Accounts Receivable	2,414,236	1,892,565
Less provision for doubtful debts	(751,986)	(751,986)
Total	1,662,250	1,140,579

3- Other Current Assets :

<u>Description</u>	<u>2017/06/30</u>	<u>2016/12/31</u>
	<u>JD</u>	<u>JD</u>
Pre-paid Expenses	24,592	3,880
Bank income tax deposits	585	545
Employee transaction errors	31,379	32,579
Employees Account's	2,766	4,253
Other receivables	434	-
Total	59,756	41,257

4- Financial Assets at Fair Value through Other Comprehensive Income :

<u>Description</u>	<u>Number of shares</u>	<u>2017/06/30</u>	<u>Number of shares</u>	<u>2016/12/31</u>
	<u>Dinars</u>	<u>Dinars</u>	<u>Dinars</u>	<u>Dinars</u>
Arab Union International Insurance Company	1,064,306	1,072,957	617,557	778,122
Century investment group Co.	274,020	634,568	171,893	536,306
Rum investment group Co.	5,000	4,447	-	-
Al-Ro'ya for investment	-	-	1,000	510
Jordan Clothing Co. (CJC)	-	-	208,000	112,320
Total		1,711,972		1,427,258

Rum Financial Brokerage

"Public Shareholding Company"

Amman- The Hashemite Kingdom of Jordan

Notes to the interim condensed financial statements

5- Other Current Liabilities :

<u>Description</u>	<u>2017/06/30</u>	<u>2016/12/31</u>
	<u>JD</u>	<u>JD</u>
Provision for income tax	-	87,267
Other accounts payable	15,850	6,148
Accrual expenses	3,201	3,778
Other deposits	36,982	1,923
Provision of Jordanian universities' fees	1,572	1,572
Provision for support of scientific research	1,572	1,572
Provision of Vocational Education and Training Support Fund	847	847
Total	60,024	103,107

6- Administrative and General Expenses :

<u>Description</u>	<u>2017/06/30</u>	<u>2016/06/30</u>
	<u>JD</u>	<u>JD</u>
Rentals	7,500	7,500
Fees and subscriptions	7,583	8,132
Capital increase fees	11,518	-
Post, phone and internet	3,622	2,098
Professional fees	8,689	28,230
Investment protection fund	5,843	2,919
Health insurance	4,570	3,335
Trading errors exp.	196	884
Water and electricity	1,800	1,825
Miscellaneous	455	-
Stationery, publications, and computer supplies	1,772	1,114
Advertisement expenses	778	792
General Maintenance	175	130
Interests and commissions	683	640
Hospitality and cleaning	1,717	852
Legal fees	280	546
Remuneration for board of directors session attendance	1,750	3,000
Transportation	926	906
Total	59,857	62,903