UNITED FINANCIAL INVESTMENTS COMPANY
(PUBLIC SHAREHOLDING COMPANY)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

30 SEPTEMBER 2023

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REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TO THE CHAIRMAN AND THE BOARD OF DIRECTORS OF UNITED FINANCIAL INVESTMENTS COMPANY
(PUBLIC SHAREHOLDING COMPANY)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of United Financial Investment Company (Public Shareholding Company) (later on “the Company”) and its subsidiaries (together “the group”) as at 30 September 2023 and the related interim condensed consolidated statement of comprehensive income for the three and nine months period ended 30 September 2023, and interim condensed consolidated statement of changes in shareholders’ equity and cash flows for the nine months period then ended and other explanatory notes. Management is responsible for the preparation and presentation of this interim condensed consolidated financial statements in accordance with International Accounting Standard (34) (interim financial reporting) as amended by the Central Bank of Jordan instructions. Our responsibility is to express a conclusion on this interim condensed consolidated financial statement 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 interim financial statements consists of making inquiries, primarily of persons responsible for 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 consolidated financial statements have not been prepared, in all material respects, in accordance with IAS 34 “interim financial reporting” as amended by the Central Bank of Jordan instructions.

For and on behalf of PricewaterhouseCoopers “Jordan”

Hazem Hanna Sababa
License No (802)

Certified Public Accountants
pwc
Amman - Jordan

Amman, Jordan
31 October 2023

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UNITED FINANCIAL INVESTMENTS COMPANY
(PUBLIC SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023 (UNAUDITED)

	Note	30 September 2023	31 December 2022
		JD (Unaudited)	JD (Audited)
ASSETS			
Non-current assets			
Property and equipment	4	1,137,012	654,005
Intangible assets		34,269	1,560
Seized assets	5	4,057,768	4,057,768
Right-of-use assets		-	18,674
Financial assets at fair value through other comprehensive income	7	1,474,846	1,786,603
Deposits of settlement guarantee fund	6	194,000	50,000
Deferred tax assets	11	1,100,904	957,467
		7,998,799	7,526,077
Current assets			
Receivables from financial brokerage customers - net	8	12,661,399	12,748,910
Other debit balances		569,432	687,188
Due from related parties	17	400,000	-
Cash on hand and at banks	9	6,930,522	9,584,237
		20,561,353	23,020,335
TOTAL ASSETS		28,560,152	30,546,412
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Authorized and paid-in capital	10	10,000,000	10,000,000
Statutory reserve		1,770,381	1,770,381
Voluntary reserve		40,873	40,873
Financial assets fair value reserve – net		(1,775,601)	(1,463,844)
Accumulated losses		(3,355,909)	(2,504,457)
NET SHAREHOLDERS' EQUITY		6,679,744	7,842,953
Liabilities			
Non-current liabilities			
Long term loan	14	12,860,000	14,143,750
Lease liabilities		-	18,259
End of service provision		238,862	194,996
		13,098,862	14,357,005
Current liabilities			
Long term loan – current portion	14	3,045,000	2,829,583
Bank overdrafts		-	2,001,184
Lease liabilities – current portion		-	1,215
Payables to financial brokerage customers		4,688,791	1,761,055
Other credit balances	16	808,868	1,476,194
Due to related parties	17	-	2,086
Income tax provision	11	238,887	275,137
		8,781,546	8,346,454
TOTAL LIABILITIES		21,880,408	22,703,459
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		28,560,152	30,546,412

The attached notes from 1 to 20 are an integral part of the interim condensed consolidated financial statements

	Note	For the nine months ended 30 September		For the three months ended 30 September	
		2023	2022	2023	2022
		JD (Unaudited)	JD (Unaudited)	JD (Unaudited)	JD (Unaudited)
Revenues					
Commission income - net		394,351	449,330	74,108	121,594
Losses from the valuation of financial assets at fair value through profit and loss		-	(6,546)	-	(3,577)
Gain on sale of financial asset at fair value through profit and loss		-	559,330	-	-
Interest Income		1,060,255	488,192	316,175	353,343
Other income	18	923,645	383,752	627,564	330,019
Gross income		2,378,251	1,874,058	1,017,847	801,379
EXPENSES					
Employees expenses		(823,443)	(457,353)	(399,245)	(166,145)
Other expenses	12	(489,505)	(468,719)	(220,818)	(168,090)
Impairment loss - seized assets		-	(53,583)	-	-
Expected credit loss provision - Receivables from financial brokerage customers	8	(596,510)	(442,339)	(509,404)	(119,339)
Expected credit loss provision – cash and financial institutions	9	(52,223)	-	-	-
Depreciation and amortization		(32,260)	(16,063)	(17,056)	(16,063)
Finance costs		(1,072,543)	(289,556)	(345,637)	(215,290)
Total expenses		(3,066,484)	(1,727,613)	(1,492,160)	(684,927)
Income before income tax		(688,233)	146,445	(474,313)	116,452
Tax expense for the period	11	(122,988)	(212,586)	2,769	449,214
(Loss) income for the period		(811,221)	(66,141)	(471,544)	565,666
Add: other comprehensive income items		(351,988)	(1,521,398)	(123,770)	(1,295,117)
Total comprehensive loss for the period		(1,163,209)	(1,587,539)	(595,314)	(729,451)
Earnings per share for the period	13	(0.081)	(0.007)	(0.047)	0.057

The attached notes from 1 to 20 are an integral part of the interim condensed consolidated financial statements

	Authorized and paid-in capital	Statutory reserve	Voluntary reserve	Financial assets fair value reserve - net	Accumulated losses	Net shareholder's equity
	JD	JD	JD	JD	JD	JD
For the nine months ended 30 September 2023 (Unaudited)						
Balance as 1 January 2023	10,000,000	1,770,381	40,873	(1,463,844)	(2,504,457)	7,842,953
Other comprehensive income items	-	-	-	(351,988)	-	(351,988)
Realized gain from the sale of financial assets at fair value through other comprehensive income	-	-	-	40,231	(40,231)	-
Loss for the period	-	-	-	-	(811,221)	(811,221)
Balance as at 30 September 2023	10,000,000	1,770,381	40,873	(1,775,601)	(3,355,909)	6,679,744
For the nine months ended 30 September 2022 (Unaudited)						
Balance as at 1 January 2022	8,000,000	1,690.658	40,873	(35,505)	(2,125,051)	7,570,975
Increase in authorized paid up capital	2,000,000	-	-	-	-	2,000,000
Other comprehensive income items	-	-	-	(1,521,398)	-	(1,521,398)
Income for the period	-	-	-	-	(66,141)	(66,141)
Balance as at 30 September 2022	10,000,000	1,690.658	40,873	(1,556,903)	(2,191,192)	7,983,436

The attached notes from 1 to 20 are an integral part of the interim condensed consolidated financial statements

UNITED FINANCIAL INVESTMENTS COMPANY
(PUBLIC SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (UNAUDITED)

	Notes	30 September 2023	30 September 2022
		JD	JD
Operating activities:			
(Loss) period for the period before tax		(688,233)	146,445
Adjustments for:			
Depreciation and amortization		32,260	16,063
Reversed credit loss provision - Receivables from financial brokerage customers	8	596,510	442,339
Expected credit loss provision – cash and financial institutions	9	52,223	-
Loss from the valuation of financial assets at fair value through profit and loss			6,546
Gain from sale of financial assets at fair value through profit and loss		-	(559,330)
End of service provision		113,912	22,100
Interest income		(1,060,255)	(488,192)
Interest expense		1,072,543	289,556
Gain on the sale of property and equipment		(545)	(1,570)
Changes in working capital:			
Additions on seized assets		-	45,305
Deposits of settlement guarantee fund		(144,000)	(25,000)
Financial assets at fair value through profit and loss		-	3,971,469
Purchase of of financial assets at fair value through other comprehensive income		(2,440,334)	(2,446,780)
Proceeds from the sale of financial assets at fair value through other comprehensive income		2,400,104	-
Receivables from financial brokerage customers - net		(508,999)	(9,880,092)
Due from related parties		(400,000)	1,429
Other debit balances		103,189	(354,565)
Accounts payable to financial brokerage client		2,927,737	1,546,258
Due to related parties		(2,086)	(91,588)
Tarde and other credit balances		(667,326)	(276,309)
Net cash flows generated from (used in) operating activities before income tax paid and end of service provision paid		1,386,700	(7,635,916)
End of service provision paid		(70,046)	(26,287)
Income tax paid		(288,109)	(248,198)
Net cash flows generated from (used in) operating activities		1,028,545	(7,910,401)
Investing activities			
Proceeds on the sale of plant and property		(548,057)	1,746
Purchases of property and equipment		545	4,330
Financial assets at amortized cost		-	(2,865,391)
Interest income		1,060,255	488,192
Net cash flows generated from (used in) investing activities		512,743	(2,371,123)
Financing activities			
Proceeds from loans		-	11,620,000
Lease payments		(3,500)	-
Loans payments		(1,068,333)	-
Interest paid		(1,069,763)	(289,556)
Net cash flows (used in) generated from financing activities		(2,141,596)	11,330,444
Net change in cash and cash equivalents		(600,308)	1,048,923
Cash and cash equivalents at 31 December	9	7,583,053	(700,856)
Cash and cash equivalents at 30 September	9	6,982,745	348,067

The attached notes from 1 to 20 are an integral part of the interim condensed consolidated financial statements

(1) GENERAL INFORMATION

United Company for Financial Investments (the "Company") was established as a public shareholding limited company under No. (297) on 8 October 81995 under the Companies Law with share capital of JOD 1,500,000, divided into 1,500,000 shares of JOD 1 per share, the Company's capital was increased multiple times, with the most recent increase in 2022 to reach 10,000,000 shares of JOD 1 each.

The Company is listed on Amman Stock Exchange.

The Company is 78.4% owned by Jordan Kuwait Bank. The headquarter is in Amman Shmeisani area - Abdul Aziz Al Thaalbi Street, PO Box 927250 Amman - 11192 - Hashemite Kingdom of Jordan.

The financial statements of the Company are consolidated with the financial statements of the parent company (Jordan Kuwait Bank).

The Company's main objectives are to provide administrative and advisory services to investment portfolios and financial services to deal in the local market, to provide agent or financial advisor services, to invest in securities, to provide economic feasibility studies, and to own movable and immovable funds in the interest of the company.

The interim condensed consolidated financial statements were approved by the Board of Directors during their meeting which was held on 26 October 2023.

(2) SIGNIFICANT ACCOUNTING POLICIES

Following are the significant accounting policies used by the Company in the preparation of the interim condensed consolidated financial statements.

2.1 Basis of preparation

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standards No. (34) ("Interim Financial Reporting") as amended by the Central Bank of Jordan instructions.

The reporting currency of these interim condensed consolidated financial statements is the Jordanian Dinar which is the functional currency of the Company.

The interim condensed consolidated financial statements are prepared under the historical cost convention, except for financial assets at fair value through profit or loss and comprehensive income that have been measured at fair value at the date of the interim condensed consolidated financial statements.

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2022. The results of the three and nine months ended 30 September 2023 do not necessary state the expected results for the year ending 31 December 2023.

2-2-1 **The main differences between the IFRSs as they shall be applied and what has been approved by the Central Bank of Jordan are the following:**

Some items in the statement of financial position and income statement and the detailed explanations are shown and classified, such as credit facilities, suspended interest, expected credit losses, restricted balances, seized assets, fair value levels, sectoral classification, and clarifications regarding risks and others, in accordance with the requirements and instructions of the Central Bank of Jordan and the indicative forms issued It may not include all the requirements of IFRSs such as those contained in IFRS No. (7), (9) and (13).

Provisions for expected credit losses are formed in accordance with the instructions of the Central Bank of Jordan (No. 13/ 2018) “Application of the IFRS (9)” dated 6 June 2018 and in accordance with the instructions of the supervisory authorities in the countries in which the company operates, whichever is stricter. The significant differences are as follows:

(a) Debt instruments issued or guaranteed by the Jordanian government are excluded, so that credit exposures are treated and guaranteed by the Jordanian government without credit losses.

(b) When calculating credit losses against credit exposures as per IFRS 9 instructions, the calculation results are compared with the Central Bank of Jordan instructions No. (47/2009) of 10 December 2009 for each stage separately and the stricter results are taken.

As stated in Central Bank of Jordan (CBJ) instructions for classification of credit facilities and calculating impairment provision No. (47/2009) dated 10 December 2009, the credit facilities are classified into the following categories

(a) Low Risk Credit Facilities, no provisions calculated on :

The credit facilities that have any of the following characteristics:

(1) Granted to and Guaranteed by the Jordanian Government and to the governments of countries in which the Jordanian banks have foreign branches, provided that such facilities are held in the host country’s currency.
(2) 100% collateralized by cash margin (of the any-time outstanding amount).
(3) 100% guaranteed by an acceptable bank guarantee.

(b) Acceptable Risk Credit Facilities, no provisions calculated on:

The credit facilities that have the following characteristics:

(1) Strong financial positions and adequate cash flows.
(2) Legally documented and well covered by acceptable collaterals.
(3) Good alternative cash resources for repayment.
(4) Active movement of the relative account and timely payment of principal and interest.
(5) Competent management of the obligor.

(c) Watch-List Credit Facilities (Requiring special attention), impairment provisions are calculated on the below at a rate between 1.5% and 15%

The credit facilities that have any of the following characteristics:

(1) The existence of past dues of principal and/or interest for a period exceeding (60) days but less than (90) days.
(2) Overdraft exceeding the approved limit by (10%) or more for a period exceeding (60) days but less than (90) days.
(3) Credit facilities which were previously classified as non-performing loans, and then reclassified as performing loans according to rescheduling.
(4) Acceptable risk credit facilities which have been restructured twice within 12 months

Credit facilities that are more than (60) days old and less than (90) days have passed since their expiry date and have not been renewed.

This is in addition to other conditions detailed in the instructions.

(d) Non-Performing Credit Facilities :

The credit facilities that have any of the following characteristics:

(1) The maturity of the credit facilities or of one of its installments, irregularity of repaying of principal and/or interest of credit facilities and / or dormant overdraft have been past due for the following periods:

Category	**Days overdue**	**Percentage allocated for the first year**
Substandard	From (90) days to (179) days	25%
Doubtful	From (180) days to (359) days	50%
Loss	From (360) days or more	100%

(2) Overdraft facilities exceeding approved limits by (10%) or more for a period of (90) days or more.
(3) Credit facilities which have matured and become invalid for a period of (90) days or more and have not been renewed.
(4) Credit facilities extended to any obligor who went bankrupt, or to companies which were subjected to liquidation.
(5) Credit facilities which have been restructured for three times within 12 months.
(6) Overdrawn current and on demand accounts for a period of (90) days or more.
(7) Guarantees claimed by the beneficiary and paid by the bank on behalf of the clients, where their values have not been debited to their accounts and are still unpaid for a period of (90) days or more.

A low provision is calculated on credit facilities according to the instructions of 47/2009 for this category of facilities according to the above rates and the amount of the facilities not covered by acceptable guarantees during the first year, while the provision is completed for the amount covered by 25% over a period of four years.

Interest and commissions are suspended on non-performing credit facilities and facilities classified as third stage granted to clients in accordance with the instructions of the Central Bank of Jordan and in accordance with the instructions of the supervisory authorities in the countries in which the bank operates, whichever is stricter.

Assets that have been reverted to the group appear in the consolidated statement of financial position within other assets at the amount of which they were reverted to the Bank or the fair value, whichever is less, and are reassessed on the date of the consolidated financial statements individually. Any impairment in their value is recorded as a loss in the consolidated statement of profit or loss and the increase is not recorded as revenue. The subsequent increase is taken to the consolidated statement of profit or loss to the extent that it does not exceed the value of the previously recorded impairment.

2.2 **Basis of consolidation**

The subsidiary is consolidated when the Company obtains control over the subsidiary and is ceased when the Company loses control of the subsidiary. Specifically, the results of operations of subsidiaries acquired or excluded during the period are included in the consolidated statement of comprehensive income from the date on which control is achieved until the date the company ceases to control the subsidiary.

The consolidated financial statements include the financial statements of the Company and its following subsidiaries (together the "group") as of 30 September 2023:

Company	Date of Control	Country of incorporation	Paid in Capital	Ownership percentage
			JD	%
Specialized Managerial Company for Financial Consultancy	12 September 2021	Jordan	530,000	100
Mawared Financial Brokerage Company	1 June 2022	Jordan	3,000,000	100
Arab Financial Investment Company	20 December 2022	Jordan	4,800,000	100

Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee),
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee,
- Rights arising from other contractual arrangements,
- The Company's voting rights and potential voting rights.

The group re-assesses whether or not it controls a company if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement from the date the Group gains control until the date the Group ceases to control the subsidiary.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss.

Investment in subsidiaries are accounted for at cost in the separate financial statements of the Company.

2.3 **Changes in Accounting Policies**

(a) New standards issued and applicable for annual periods starting on or after 1 January 2023 which have been followed by the Group:

New standard	Description	Effective date
IFRS 17 Insurance Contracts	IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are remeasured in each reporting period. Contracts are measured using the building blocks of: ● discounted probability-weighted cash flows ● an explicit risk adjustment, and ● a contractual service margin (CSM) representing the unearned profit of the contract which is recognised as revenue over the coverage period. The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9. An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short-duration contracts, which are often written by non-life insurers. There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the CSM. The results of insurers using this model are therefore likely to be less volatile than under the general model. The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features. Targeted amendments made in July 2020 aimed to ease the implementation of the standard by reducing implementation costs and making it easier for entities to explain the results from applying IFRS 17 to investors and others. The amendments also deferred the application date of IFRS 17 to 1 January 2023. Further amendments made in December 2021 added a transition option that permits an entity to apply an optional classification overlay in the comparative period(s) presented on initial application of IFRS 17. The classification overlay applies to all financial assets, including those held in respect of activities not connected to contracts within the scope of IFRS 17. It allows those assets to be classified in the comparative period(s) in a way that aligns with how the entity expects those assets to be classified on initial application of IFRS 9. The classification can be applied on an instrument-by-instrument basis.	1 January 2023

Disclosure of Accounting Policies – Amendments to IAS 1	**The IASB amended IAS 1** to require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information. To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.	1 January 2023
Definition of Accounting Estimates – Amendments to IAS 8	**The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors** clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	**The amendments to IAS 12 Income Taxes** require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations, and will require the recognition of additional deferred tax assets and liabilities. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with: right-of-use assets and lease liabilities, and decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets. The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. IAS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.	1 January 2023

The above amendments and interpretations did not have a material impact on the interim consolidated condensed financial statements.

(b) New standards issued and not yet applicable or early adopted by the Group:

The Group has not yet applied the following new standards, amendments and interpretations that have been issued but are not yet effective:

Standard	Description	Effective date
Non-current liabilities with covenants – Amendments to IAS 1	Amendments made to IAS 1 Presentation of Financial Statements in 2020 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarified what IAS 1 means when it refers to the 'settlement' of a liability. The amendments were due to be applied from 1 January 2022. However, the effective date was subsequently deferred to 1 January 2023 and then further to 1 January 2024. In October 2022, the IASB made further amendments to IAS 1 in response to concerns raised about these changes to the classification of liabilities as current or non-current. The new amendments clarify that covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current, even if the covenant is only tested for compliance after the reporting date. The amendments require disclosures if an entity classifies a liability as noncurrent and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include: ● the carrying amount of the liability ● information about the covenants, and ● facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants. The amendments must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Special transitional rules apply if an entity had early adopted the 2020 amendments regarding the classification of liabilities as current or noncurrent.	1 January 2024

Lease liability in sale and leaseback – amendments to IFRS 16	In September 2022, the IASB finalised narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16 Leases which explain how an entity accounts for a sale and leaseback after the date of the transaction. The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognizing any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.	1 January 2024
Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28	The IASB has made limited scope amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures. The amendments clarify the accounting treatment for sales or contribution of assets between an investor and their associates or joint ventures. They confirm that the accounting treatment depends on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a 'business' (as defined in IFRS 3 Business Combinations). Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments apply prospectively. *** In December 2015, the IASB decided to defer the application date of this amendment until such time	1 January 2024
Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2	The IASB amended IAS 1 to require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information. To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.	1 January 2023

Definition of Accounting Estimates – Amendments to IAS 8	The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period	1 January 2023

The management is still in the process of evaluating the impact of these new amendments on the interim condensed consolidated financial statements of the group, and in its belief that there will be no material impact on the interim condensed consolidated financial statements when applied.

There are no other related standards or amendments to published standards that are not effective and were not adopted by the group the year starting on 1 January 2023 that are expected to have a material impact on the Group in current or future reporting periods, and on expected future transactions.

(3) CAPITAL RISK MANAGEMENT

3.1 Capital risk factors

The Group is exposed to various financial risks as a result of its operations, and these risks include the impact of fluctuations in the market (foreign exchange risk, interest rate risk and risks of changing stock prices), liquidity risk, and credit risk. The group's overall risk management focuses on minimizing the potential negative impact on the group's financial results to the lowest level.

3.2 Market risk

Market risk is the loss in value resulting from changes in market prices such as changes in interest rates, foreign exchange rates, stock prices and therefore changes in the fair value of cash flows of financial instruments within and outside the statement of financial position.

(a) Foreign exchange risk

Foreign currency risk arises from changes in the prices of financial instruments due to changes in exchange rates.

Most of the group's transactions are in Jordanian Dinars and US Dollars. The fact that the Jordanian Dinar (the Company's functional currency) is fixed to the US Dollar, the group's management believes that the risk of foreign currency is not significant.

(b) Interest rate risk

Interest rate risk is the risk associated with changes in the value of a financial instrument as a result of changes in market interest rates.

Based on this analysis, the impact of change in interest rate on the year loss is as follows:

Currency	Increase in interest rate	Effect on loss for the period
	%	JD
30 September 2023 (Unaudited)		
JD	1	(159,050)
30 September 2022 (Unaudited)		
JD	1	(140,777)

The financial impact of decreases in interest by the same percentages is expected to be equal and opposite to the effect shown above.

(c) Risks of changing stock prices

The change in the prices of shares traded in securities as at the date of the financial statements by 5% increase or 5% decrease has the following effect on the results of the company:

	Change in price	30 September 2023	31 December 2022
		JD (Unaudited)	JD (Audited)
Impact on profit and loss	5%	73,742	89,330

In the event of an adverse change in the indicator, the effect is expected to be equal and opposite to the effect shown above.

3.3 Liquidity risk

Liquidity risk, also known as financing risk, is the risk that the Group will face difficulty in providing funds to meet commitments. The Group manages liquidity risk by maintaining adequate levels of liquidity through continuous monitoring of actual and forecast cash flows and matching asset maturities finance with financial liabilities. A portion of the company's funds is invested in short-term deposits with banks.

3.4 Credit risk

Financial assets that are subject to credit risks are limited to cash and cash equivalents, trade and some other receivables. The Group only deals with financial institutions that have acceptable credit ratings. The Group has a policy to limit the value at risk of credit to a single financial institution.

The following table shows the balances with banks and their credit ratings:

	Rating	30 September 2023	31 December 2022
		JD (Unaudited)	JD (Audited)
Jordan Kuwait Bank (Parent Company)	B+	4,013,592	5,679,962
Invest Bank	BB+	2,965,329	2,867,197
Etihad Bank	BB-	1,624	10,045
Capital Bank	B+	296	-
Ahli Bank	B+	-	1,021,125
		6,980,841	9,578,329

(4) PROPERTY AND EQUIPMENT

During the nine months ending 30 September 2023, the group developed a renovation project for the Company's premises. This project was completed on 1 July 2023.

(5) SEIZED ASSETS

Below is a summary movement in real estate that has been seized by the company against outstanding debts.

	30 September 2023	31 December 2022
	JD (Unaudited)	JD (Audited)
Cost		
Beginning Balance	4,057,768	3,394,086
Result from the acquisition	-	717,265
Impairment loss	-	(53,583)
Ending Balance as at 31 December	4,057,768	4,057,768

The Board of Directors at their meeting held on 1 December 2019, decided to acquire a property against debts, the Group had evaluated this property by several real estate appraisers. The latest re-evaluation of the property was on 10 August 2023 where the fair value of these properties amounted JD 4,101,180.

(6) DEPOSITS OF SETTLEMENT GUARANTEE FUND

This amount represents total amounts deposited by the group to the Securities Depository Center this amount is determined according to the volume of trading in the stock exchange market.

	30 September 2023	31 December 2022
	JD (Unaudited)	JD (Audited)
Deposits of settlement guarantee fund – United Financial Investment Company	144,000	-
Deposits of settlement guarantee fund- Arab Financial Investment Company	25,000	-
Deposits of settlement guarantee fund – Mawared Financial Brokerage Company	25,000	50,000
	194,000	50,000

(7) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 September 2023	31 December 2022
	JD (Unaudited)	JD (Audited)
Shares listed on Amman Stock Exchange	3,214,942	3,214,942
Change in fair value during the period/ year	(1,740,096)	(1,428,339)
	1,474,846	1,786,603

(8) RECEIVABLES FROM FINANCIAL BROKERAGE CUSTOMERS – NET

	30 September 2023 JD (Unaudited)	31 December 2022 JD (Audited)
Receivables from financial brokerage customers	987,413	962,103
Receivables from margin trading customers	15,389,305	3,597,277
Additions during the year as a result of the acquisitions	-	179,985
Additions during the year as a result of the acquisitions - Margin	-	11,049,732
Receivables - Specialized Managerial Company for Investment and Financial Consulting	67,650	68,150
	16,444,368	15,857,247
Expected credit loss provision for financial brokerage customers and margin trading	(3,673,134)	(3,076,624)
Interest in suspense	(109,835)	(31,713)
	12,661,399	12,748,910

*The Group grants facilities to clients with a maximum of 50% initial margin of the amount deposited cash by the client in margin account or the market value for deposited securities in the finance on special margin account or any other percentage determined by the Securities Depository Center from time to time.

The customer consents that the maintenance margin is not less than 30% of the value of the client's margin account, or any other percentage determined by the Securities Depository Center whichever is higher and an interest rate limited to a maximum of 12.75% and with the guarantee of the funded investments, and it is monitored periodically. The following table shows details as of 30 September 2023 and 31 December 2022 are as follows:

United Financial Investment Company:

	30 September 2023 JD (Unaudited)	31 December 2022 JD (Audited)
Total market value of the portfolios	5,029,999	4,741,108
Total funded by the company	4,038,835	2,819,297
Total financed by customers (security margin)	991,164	1,921,811
The percentage of amounts funded by customers to the total market value of the portfolios	20%	41%

Mawared Financial Brokerage Company:

	30 September 2023 JD (Unaudited)	31 December 2022 JD (Audited)
Total market value of the portfolios	11,958,904	11,274,889
Total funded by the company	8,475,144	8,359,367
Total financed by customers (security margin)	3,483,760	2,915,522
The percentage of amounts funded by customers to the total market value of the portfolios	%29	26%

Arab Financial Investment Company:

	30 September 2023	31 December 2022
	JD (Unaudited)	JD (Audited)
Total market value of the portfolios	13,729,581	12,409,047
Total funded by the company	2,875,325	2,661,471
Total financed by customers (security margin)	10,854,256	9,747,576
The percentage of amounts funded by customers to the total market value of the portfolios	%79	78%

The Group has a policy of obtaining adequate guarantees from customers where appropriate, to reduce the risk of financial losses resulting from failure to fulfill the obligations. The company takes a provision against receivables that may not be collected in accordance with the International Financial Reporting Standards.

The following table shows the maturity of due accounts receivable:

	30 September 2023	31 December 2022
	JD (Unaudited)	JD (Audited)
Financial brokerage customers		
1 day - 7 days	28,968	207,220
8 days - 30 days	138,047	25,724
31 days - 60 days	18,350	7,149
61 days - 90 days	2,677	60,161
91 days - 120 days	387	-
Over 120 days	798,984	909,984
	987,413	1,210,238
Margin trading customers	15,389,305	3,597,277
Accounts Receivable – Specialized Managerial Company for Investment and Financial Consulting	67,650	67,650
Result of the acquisition	-	11,049,732
	16,444,368	15,857,247

* The movement of expected credit loss provision during the period / year is as follows:

	30 September 2023	31 December 2022
	JD (Unaudited)	JD (Audited)
Balance at 1 January	3,076,624	1,516,625
Provision provided during the period/year	596,510	292,409
Acquisition of Arab Financial Investment Company	-	854,621
Acquisition of Mawared Financial Brokerage Company	-	412,969
Balance at the end of the period/year	3,673,134	3,076,624

The movement on interest in suspense during the period / year was as follows:

	30 September 2023	31 December 2022
	JD (Unaudited)	JD (Audited)
Beginning balance for the period / year	31,713	166,561
Additions during the period / year	78,257	9,585
Interest transferred to revenue during the period/year	-	(137,639)
Write-offs	(135)	(6,794)
Balance at the end of the period/year	109,835	31,713

Details of expected credit loss stages in accordance with IFRS (9) were as follows:

	30 September 2023	31 December 2022
	JD (Unaudited)	JD (Audited)
Stage 1	41,884	34,191
Stage 2	27,138	22,100
Stage 3	3,604,112	3,020,333
Total	3,673,134	3,076,624

Item	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	34,191	22,100	3,020,333	3,076,624
Provision provided during the period	3,466	14,595	583,780	601,841
Reversals from expected credit loss during the period / year	(54,859)	(25,837)	-	(80,696)
Transferred from stage 1	59,191	(7,809)	-	51,382
Transferred from stage 2	(105)	24,132	-	24,027
Transferred from stage 3	-	(43)	-	(43)
Ending Balance	41,884	27,138	3,604,113	3,673,135

(9) CASH ON HAND AND AT BANKS

	30 September 2023 JD (Unaudited)	31 December 2022 JD (Audited)
Cash on hand	1,904	5,908
Cash at banks	6,980,841	9,578,329
Less: provision for expected credit loss	(52,223)	-
	6,930,522	9,584,237

For the purposes of preparing cash flow statement, cash and cash equivalents represent the following:

	30 September 2023 JD (Unaudited)	31 December 2022 JD (Audited)
Cash on hand	1,904	5,908
Cash at banks	6,980,841	9,578,329
Less: Bank overdrafts	-	(2,001,184)
	6,982,745	7,583,053

(10) SHAREHOLDERS' EQUITY

AUTHORIZED AND PAID IN CAPITAL

The authorized and paid-up capital of the Company is JD 10,000,000 divided into 10,000,000 share fully paid with a par value of JD 1 per share.

The Company in it's Board of Directors meeting held on the 24 July 2022 has increased the Company's paid in capital with two million shares through non public initial offerings with 1 JD par value of each share or 90% of the latest closing price for the Company's shares on the date of the Board approval on the increase whichever is higher so that the Company's capital amounts to 10,000,000 JD.

The Company is 78.4% owned by Jordan Kuwait Bank and the ultimate parent is Al-Rawabi United.

STATUTORY RESERVE

In accordance with the requirements of the Jordanian Companies Law and the Bylaws, the Company shall deduct 10% of the annual net profits and transfer them to the statutory reserve. This deduction shall continue for each year, provided that the balance of the compulsory reserve shall not exceed 25% of the Company's capital. For the purposes of this Act, net profit represents profit before deduction of income tax provision. This reserve is not available for distribution to shareholders. A statutory reserve has not been deducted during the period ended 30 September 2023 and will be deducted at the end of the annual year.

(11) INCOME TAX

The movement in the income tax provision during the year was as follows:

	30 September 2023	31 December 2022
	JD (Unaudited)	JD (Audited)
Balance as of January 1	275,137	300,837
Income tax paid	(288,109)	(269,033)
Income tax deposits	(14,566)	(4,786)
Income tax expense for the period/year	166,425	-
Previous year expenses - Arab Financial Investment Company	100,000	248,119
Balance at the end of the period / year	238,887	275,137

Income tax provision for the period ended 30 September 2023 and 31 December 2022 has been calculated in accordance with the Income tax law No. (38) for the year 2018. United Financial Investments and the Arab Financial Investment Company are subject to income tax rate of 28% while Specialized Managerial Company for financial consultancy is subject to 21% income tax rate.

- United Financial Investment Company has obtained a final settlement with the Income and Sales Tax Department until the end of 2021.

- Mawared Financial Brokerage Company has submitted the tax return for the years 2021 and 2022 on the legally specified date and the company's accounts have not yet been audited by the Income and Sales Tax Department.

- Specialized Managerial Company for Financial Consultancy has obtained clearance from the income and sales tax departments for the years from 2017 to 2019, while 2018, 2020 and 2021 are still under tax audit.

- Arab Financial Investment Company has obtained clearance from the income and sales tax departments until the 2018 , while 2019, 2020 , 2021 and 2022 are still under tax audit.

The income tax return for the years 2021 and 2022 were submitted to the Income and Sales Tax Department within the legal period, and the tax declared in the return (if any) was paid.

The movement on deferred tax assets is as follows:

	30 September 2023	31 December 2022
	JD (Unaudited)	JD (Audited)
Beginning balance	957,467	1,025,409
Result of the acquisition- Mawared Financial Brokerage Company	-	119,817
Additions during the period	173,413	387,039
Released during the period/year	(29,976)	(574,798)
Ending balance	1,100,904	957,467

Income tax expense presented in the interim condensed consolidated condensed statement of comprehensive income consists of the following:

	30 September 2023	31 December 2022
	JD (Unaudited)	JD (Audited)
Deferred tax assets	(143,437)	32,599
Current year tax expense	166,425	179,987
Prior year expenses	100,000	-
Income tax expense	122,988	212,586

(12) OTHER EXPENSES

	30 September 2023	30 September 2022
	JD (Unaudited)	JD (Unaudited)
Professional fees	84,129	101,307
Board of directors’ transportation and meetings	63,000	59,500
Research, studies, and evaluations	64,450	-
Subscription fees	61,939	39,196
Short-term rent expense	31,827	2,083
Brokerage fees and licenses	31,781	140,062
Maintenance Expense	27,405	7,661
Stationery	24,709	3,409
Mail, phone and internet	18,276	8,334
Building expenses	17,105	29,964
Advertising	11,925	897
Security and Protection	11,600	-
Water, electricity and heating	10,678	772
Transportation allowance	7,381	-
Cleaning expenses	5,370	584
Merger Expenses	5,000	28,617
Hospitality expenses	4,136	1,378
Penalties	1,581	9,993
Vehicles expenses	1,372	1,402
Medical expenses	1,056	-
Trading errors	782	1,261
Insurance	662	9,413
Capital Increase Fees	-	16,490
Others	3,341	6,396
	489,505	468,719

(13) BASIC AND DILUTED EARNINGS PER SHARE

	30 September 2023	30 September 2022
	JD (Unaudited)	JD (Unaudited)
Loss for the period	(811,221)	(66,141)
Weighted average number of shares for the period	10,000,000	10,000,000
Loss per share	(0.081)	(0.007)

The basic earnings per share of the company is equivalent to the diluted earnings per share as the group did not issue diluted financial instruments that could impact the earnings per share.

(14) LOANS AND BANK OVERDRAFT

Overdrafts

The Group was granted short-term facilities from local banks with ceiling limits of JD 4,750,000, these facilities are granted to the Group from Capital Bank of Jordan, Housing Bank and Jordan Kuwait Bank and it's subject to interest rates in the local market. Annual Interest rate ranges between 4.5%, 7% and 11.25%. The utilized amount was Zero as of 30 September 2023 (2022: 2,007,712)

Loans

The Group has signed multiple bank agreements - loans- with a number of local banks with ceilings amounting to JD 16,700,000. Annual Interest rate ranges between 5.13%, 8% and 9.25%.

Long term loans amounted to JD 12,860,000 (2022: 10,905,000). While short-term loans amounted to JD 3,045,000 as of 30 September 2022 (2022: JD 1,105,000).

(15) FAIR VALUE HIERARCHY

The following table represents the financial instruments recorded at fair value based on the valuation method. The different levels are defined as follows:

Level 1: quoted (unadjusted) prices of assets or liabilities in active markets, most of the financial assets at fair value through the statement of comprehensive income in the Amman Stock Exchange.

Level 2: quoted prices in active markets for similar financial assets and liabilities, or other valuation methods whose underlying data are based on market information.

Level 3: Pricing methods where not all material data are based on observable market information and the Company uses the carrying amount, which is the best instrument available to measure the fair value of such investments.

	Level 1	Level 2	Level 3	Total
	JD	JD	JD	JD
(Unaudited)				
30 September 2023				
Financial assets at fair value through other comprehensive income	1,474,846	-	-	1,474,846
(Audited)				
31 December 2022				
Financial assets at fair value through other comprehensive income	1,786,603	-	-	1,786,603

(16) OTHER CREDIT BALANCES

	30 September 2023 JD (Unaudited)	31 December 2022 JD (Audited)
Shareholders deposits	603,937	1,086,760
Employees bonuses	77,024	-
Customer deposits	33,611	18,339
Accrued expenses	32,593	48,574
Employees income tax payable	6,223	5,200
Social security payable	4,560	5,552
Post dated cheques	-	63,031
Others	50,920	248,738
	808,868	1,476,194

(17) RELATED PARTIES TRANSACTIONS AND BALANCES

The parties are considered as related parties when they have the ability to control the other party or exercise significant influence in making financial and operational decisions:

Related parties represented by the parent company Jordan Kuwait Bank and members of senior executive management and their families.

The balances with related parties were as follows:

	30 September 2022 JD (Unaudited)	31 December 2022 JD (Audited)
Due to related parties		
Loan obtained from Invest Bank	10,724,999	11,700,000
Loan obtained from Ejara Leasing Company (Sister company)	180,000	273,335
Payable - Jordan Kuwait Bank (Parent Company)	-	2,086
Due from related parties		
Due from Invest Bank	400,000	-
Current accounts at Jordan Kuwait Bank (Parent Company)	6,978,921	5,679,962

Transactions with related parties where as follows:

	30 September 2023	30 September 2022
	JD (Unaudited)	JD (Audited)
Revenues		
Board Members	603	47,973
Jordan Kuwait Bank (Parent Company)	7,484	4,897
	8,087	52,870
Expenses		
Senior executive management	164,167	-
Board Members	63,000	187,000
Jordan Kuwait Bank (Parent Company)	18,849	19,642
	246,016	206,642

The following is a summary of the benefits (salaries, bonuses and other benefits) for the group's senior executive management:

	30 September 2023	30 September 2022
	JD (Unaudited)	JD (Unaudited)
Salaries and bonuses	164,165	127,500

(18) OTHER INCOME

	30 September 2023	30 September 2022
	JD (Unaudited)	JD (Unaudited)
Income to compensate for accounts receivable	400,000	-
Dividends received	115,402	-
Bond issuance fees	99,260	-
Rent revenues	78,390	102,645
Others	230,593	281,107
	923,645	383,752

(19) CONTINGENT LIABILITIES

On the date of the statement of financial position, the Group had obligations that could arise, represented in bank guarantees issued through Jordan Kuwait bank and Capital Bank of Jordan, amounting to JD 2,669,000 as of 30 September 2023 (31 December 2022: JD 2,870,000).

Legal cases:

According to the opinion of the Groups' management and legal advisor there is no outstanding material lawsuits that requires a provision to be recorded against it.

(20) SUBSIDIARIES ACQUISITION

During the year 2022, two financial brokerage firms were acquired by United Financial Investments Company:

(a) Mawared Financial Brokerage Company

On 1 June 2022, the company has acquired all shares of Mawared Financial Brokerage Company for JD 4,798,992 from Invest Bank. Following is a summary of the subsidiary's financial information:

	30 September 2023 JD (Unaudited)	31 December 2022 JD (Audited)
Total assets	9,239,019	9,495,659
Shareholders' equity	5,041,403	5,196,523
Total liabilities	4,197,616	4,299,136
Comprehensive loss for the year	(155,120)	(312,318)

PURCHASE PRICE ALLOCATION

Purchase price allocation study had been conducted by an independent party and it showed that the purchase price is approximately the fair value of the company.

(b) Arab Financial Investment Company

On 20 December 2022, United for Financial Investment acquired Arab Financial Investment Company through acquiring all (4,800,000) shares of Arab Financial Investment Company for JD 7,700,000 in accordance with the company's laws No (22-B).

Following is a summary of subsidiary financial information:

	30 September 2023 JD (Unaudited)	31 December 2022 JD (Audited)
Total assets	9,868,413	10,060,958
Shareholders' equity	8,047,083	8,158,226
Total liabilities	1,821,330	1,902,732
Comprehensive loss for the year	(112,301)	1,263,611

PURCHASE PRICE ALLOCATION

Purchase price allocation study had been conducted by an independent party, gain as a result of the acquisition of Arab Financial Investment Company amounting to JD 458,225 was mainly due to margin and cash receivables and has been recorded in the income statement for the year.

The following is a comparison of the fair value for the net assets of the Company and the paid purchase price:

	2022
	JD
Net assets book value	6,900,170
Margin accounts and accounts receivables provision no longer needed	1,557,451
Additional provision against the impairment in the fair value of properties	(299,396)
Net assets fair value	8,158,225
Acquisition purchase price	7,700,000
Gain from the acquisition	458,225