

<b>نموذج رقم (5-1)</b> <b>Form No. (1-5)</b>	
<b>To: Jordan Securities Commission</b> <b>Amman Stock Exchange</b> <b>Date : 14/5/2017</b> <b>Ref. : 346 /2017</b> <b>Subject: Quarterly Report as of 31/3/2017</b>	<b>السادة هيئة الأوراق المالية</b> <b>السادة بورصة عمان</b> <b>التاريخ : ٢٠١٧/٥/١٤</b> <b>رقم الكتاب : ٢٠١٧/٣٤٦</b> <b>الموضوع: التقرير ربع السنوي كما هي في ٢٠١٧/٣/٣١</b>
<b>Attached the Quarterly Report of ( Rumm Financial Brokerage plc) in English as of 31/3/2017</b>	<b>مرفق طيه نسخة من البيانات المالية ربع السنوية</b> <b>باللغة الإنجليزية لشركة (رم للوساطة المالية م.ع.م.)</b> <b>كما هي بتاريخ ٢٠١٧/٣/٣١</b>
<b>Kindly accept our highly appreciation and respect</b> <b>Company's Name : Rumm Financial Brokerage</b> <b>General Manager's Signature</b>	<b>وتفضلوا بقبول فائق الاحترام...</b> <b>شركة رم للوساطة المالية</b> <b>توقيع المدير العام</b>



<b>بورصة عمان</b> <b>الدائرة الإدارية والمالية</b> <b>الديوان</b> <b>١٤ ابر ٢٠١٧</b> <b>الرقم المتسلسل: 3056</b> <b>رقم الملف: 68</b> <b>الجهة المختصة: ١١/١١/١١</b>
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**Rum Financial Brokerage**  
**"Public Shareholding Company"**  
**Amman- The Hashemite Kingdom of Jordan**

**Interim Condensed Financial Statements &Independent**

**Auditor's Report As at March 31, 2017**

Rum Financial Brokerage  

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"Public Shareholding Company"  

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Amman- The Hashemite Kingdom of Jordan  

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Amman: 8/4/2017

No : 200/2017/60004

Messrs: Rum Financial Brokerage  
" Public Shareholding Company "  
Amman – The Hashemite Kingdom of Jordan

We have reviewed the accompanying balance sheet of Rum Financial Brokerage " Public Shareholding Company ", as of March 31 , 2017, and the related statements of income; changes in equity and cash flows for the three – month period then ended , and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with ( IFRS No . 34 ) . Our responsibility is to express a conclusion of this interim financial information based on our review .

#### Scope of Review

We conducted our review in accordance with international standard on review engagements 2410 , " Review on Interim Financial information Performed by the Independent Auditor of the company . A review of interim financial information 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 financial information does not give a true and fair view of the financial position of the company as at March 31 , 2017 and of its financial performance .

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

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Rum Financial Brokerage

"Public Shareholding Company"

Amman- The Hashemite Kingdom of Jordan

Financial Position Interim Condensed Statement as at 31 March 2017

	<u>2017/03/31</u>	<u>2016/12/31</u>
	<u>JD</u>	<u>JD</u>
<u>Assets</u>		
<u>Current Assets</u>		
Cash and cash equivalent	448,881	520,744
Brokerage clients / Accounts receivable	917,669	1,140,579
Other current assets	59,348	41,257
<b>Total current assets</b>	<b>1,425,898</b>	<b>1,702,580</b>
<u>Non-current assets</u>		
Financial assets at the fair value through other	1,666,322	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	5,783	6,182
<b>Total non-current assets</b>	<b>1,819,891</b>	<b>1,580,441</b>
<b>Total assets</b>	<b>3,245,789</b>	<b>3,283,021</b>
<u>Liabilities and equity</u>		
<u>Current liabilities</u>		
Brokerage client / Accounts payable	207,917	197,482
Related parties accounts payable	88,311	64,959
Securities Depository Center	2,847	14,155
Other credit liabilities	111,275	103,107
<b>Total current liabilities</b>	<b>410,350</b>	<b>379,703</b>
<u>Equity</u>		
Authorized capital	4,500,000	4,500,000
Paid-up capital	3,000,000	3,000,000
Complosry reserve	138,930	138,930
Voluntary reserve	332,462	332,462
Fair value reserve	(623,458)	(445,078)
Accumulated losses	(12,495)	(122,996)
<b>Net equity</b>	<b>2,835,439</b>	<b>2,903,318</b>
<b>Total Liabilities and Equity</b>	<b>3,245,789</b>	<b>3,283,021</b>


The enclosed explanatory notes constitute an integral part hereof.

Rum Financial Brokerage  
"Public Shareholding Company"

Amman- The Hashemite Kingdom of Jordan

Comprehensive Income Interim Condensed Statement as at 31 March 2017


<u>Item</u>	<u>2017/03/31</u>	<u>2016/03/31</u>
<u>Revenues</u>	<u>JD</u>	<u>JD</u>
Brokerage commission revenues	125,376	59,223
Other revnues	888	1,068
Total revnues	126,264	60,291
<u>Expenses</u>		
Employees benefits	(25,184)	(20,378)
Investor Protection Fund	(3,487)	(1,785)
Administrative and general expenses	(27,345)	(18,231)
Total expenses	(56,016)	(40,394)
Profit of the period	70,248	19,897
<u>Comprehensive income items</u>		
Profits realized from sale financial assets at the fair value / other comprehensive income	40,253	834
Change in fair value	(178,380)	(9,132)
Total profits (losses) of the period	(67,879)	11,599
	<u>Dinar / Fils</u>	<u>Dinar / Fils</u>
Earnings (losses) per share (Basic and diluted)	(0,023)	0,004

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Rum Financial Brokerage  
"Public Shareholding Company"  
 Amman- The Hashemite Kingdom of Jordan  
Changes in Equity Interim Condensed Statement as at 31 March 2017

<u>Description</u>	<u>Capital</u> JD	<u>Compulsory reserve</u> JD	<u>Voluntary reserve</u> JD	<u>Accumulated change in the fair value</u> JD	<u>Accumulated losses</u> JD	<u>Total</u> JD
<u>Balance at 31 December 2015</u>	3,000,000	102,569	332,462	79,439	(362,981)	3,151,489
profits for the year before tax	-	-	-	-	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
Profit of the period	-	-	-	-	70,248	70,248
Profits realized from sale financial assets at the fair value in the other comprehensive income	-	-	-	-	40,253	40,253
Change in the fair value reserve	-	-	-	(178,380)	-	(178,380)
<u>Balance at 31 March 2017</u>	3,000,000	138,930	332,462	(623,458)	(12,495)	2,835,439

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The enclosed explanatory notes constitute an integral part hereof.

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Rum Financial Brokerage

"Public Shareholding Company"

Amman- The Hashemite Kingdom of Jordan

Cash flows interim condensed Statement as at 31 March 2017

<u>Description</u>	<u>2017/03/31</u>	<u>2016/03/31</u>
	<u>JD</u>	<u>JD</u>
<u>Cash flows from operational activities</u>		
Profit of the period	70,248	19,897
Depreciation and amortization	399	372
Operational profit	70,647	20,269
<u>Changes in the working capital items</u>		
Reconciling of Securities Depository Center	(11,308)	(23,163)
Brokerage clients / accounts receivable	222,910	(135,497)
Other currents assets	(18,091)	(21,296)
Brokerage clients / accounts payable	33,787	(14,521)
Other credit liabilities	8,168	9,009
Net cash from operational activities	306,113	(165,199)
<u>Cash flows from investment activities</u>		
Financial assets at the fair value through other	(377,191)	76,025
Contributions to Settlement Guarantee Fund	(785)	-
Property and equipment	-	(406)
Net cash flows from investment activities	(377,976)	75,619
Change in the cash and cash equivalent balance	(71,863)	(89,580)
cash and cash equivalent on 1 january 2017	520,744	240,148
Cash and cash equivalent at 31 March 2017	448,881	150,568

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The accompanying notes constitute an integral part of this statement



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

Most Important Accounting Policies Used

1. General Information

Al Safweh for Financial Investments Company 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 27/5/2015, the name of the Company "Al Safweh for Financial Investments Company" was changed to Rumm Financial Brokerage. On 26/12/2016, the capital of the Company was increased to JD. 4,500,000 instead of JD. 3,000,000. The Company is still finalizing the formalities necessary to subscription and to obtain the approval of Jordan Securities Commission.

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.

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**Significant Accounting Policies**

- Applying estimates:

Preparing financial statements and applying accounting policies require the Company's Management to make some estimates and jurisprudences 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  
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**Significant 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.

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**Significant 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.