

First Finance Company
Public shareholding company
Amman - The Hashemite Kingdom of Jordan

Consolidated condensed interim financial statements
as of March 31, 2021
(Reviewed not audited)

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Report on the review of the consolidated condensed interim financial statements

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To the Board of Directors of

First Finance Company

Public shareholding company

Amman - The Hashemite Kingdom of Jordan

Introduction:

We have reviewed the accompanying condensed interim Consolidated financial statements of **First Finance Company – public shareholding company** which comprising , statement of consolidated condensed interim financial position as at March 31, 2021, and statement of consolidated condensed interim of comprehensive income, statement of consolidated condensed interim of changes in owners' equity and statement of consolidated condensed interim of cash flows for the three-month period ended March 31, 2021 and the related explanatory notes.

The management is responsible for the preparation and presentation of these condensed interim consolidated financial statements in accordance with IAS 34 – *Condensed interim Financial Reporting*. Our responsibility is to express a conclusion on these consolidated condensed interim consolidated financial statements based on our review.

Scope of review:

We conducted our review in accordance with International Standard on Review 2410 "Review of Condensed interim Financial Information Performed by the Independent Auditor of the Entity". A review of the condensed 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. Consequently, it 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 condensed interim financial statements are not prepared, in all material respects in accordance with IAS 34.

Other matters:

- The interim condensed financial statements have been prepared for Instructions for listing the stock exchange in the Amman Stock Exchange & for management's purposes.
- The financial statements were audited as on December 31, 2020, and the interim condensed financial statements as on March 31, 2020 were reviewed by another auditor, who issued an unqualified audit report on March 31, 2021 and an unqualified review report on July 23, 2020, respectively.

Obeidat & alsalih Co.

Nabeel Moh'd Obeidat

License No. 877

شركة عبيدات والصالح
محاسبون قانونيون

Amman in

April 29, 2021

First Finance Company**Public shareholding company****Amman - The Hashemite Kingdom of Jordan****Statement of consolidated condensed interim financial position
as of March 31, 2021 (reviewed not audited)**

	Note	31-Mar-2021	31-Dec-2020
<u>assets</u>		JD	JD
<u>Current assets</u>		(Reviewed)	(Audited)
Cash on hand and at banks & financial istitutes		5,191,811	2,726,565
Accounts receivable from financing activities - net	6	33,479,783	35,610,022
Financial assets at fair value through income statement	7	4,175,886	4,254,836
Other debit balances - net	8	5,031,765	4,676,746
Total current assets		47,879,245	47,268,169
<u>Non - current assets</u>			
Financial assets at fair value through comprehensive income st.	9	4,904,590	4,897,598
Deffered tax assets	12 E	5,789,250	5,789,250
Property , plant & equipments - net		233,510	248,508
Projects under construction		83,254	83,254
The right to use assets	10	738,954	821,315
Total non-current assets		11,749,558	11,839,925
Total assets		59,628,803	59,108,094

The accompanying notes form from (1) To (20) is an integral part of these statements

First Finance Company**Public shareholding company****Amman - The Hashemite Kingdom of Jordan****Follow - statement of consolidated condensed interim financial position
as of March 31, 2021 (reviewed not audited)**

	Note	31-Mar-2021	31-Dec-2020
<u>Liabilities & owners' equity</u>		JD	JD
<u>Current liabilities</u>		(Reviewed)	(Audited)
Customers' investment accounts	11	9,721,636	9,274,534
Income tax provision	12	318,866	202,038
Rent contracts' liabilities - short term	10	729,306	861,637
Other credit balances	13	2,861,815	2,908,715
Total current liabilities		13,631,622	13,246,924
<u>Owners' equity</u>			
Capital		35,000,000	35,000,000
Statutory reserve		3,554,085	3,554,085
Voluntary reserve		229,851	229,851
Fair value reserve for financial assets		(996,925)	(1,003,917)
Retained earnings		8,122,077	8,081,151
Profit for the period		88,093	-
Total owners' equity		45,997,181	45,861,170
Total liabilities & owners' equity		59,628,803	59,108,094

The accompanying notes form from (1) To (20) is an integral part of these statements

First Finance Company**Public shareholding company****Amman - The Hashemite Kingdom of Jordan****Statement of consolidated condensed interim of comprehensive income****for the three months ended March 31, 2021 (reviewed not audied)**

	<u>Note</u>	<u>31-Mar-2021</u> JD (Reviewed)	<u>31-Mar-2020</u> JD (Reviewed)
<u>Revenues</u>			
Finance revenues		533,263	754,003
Less: share of customers' investment accounts		<u>(127,613)</u>	<u>(131,430)</u>
Company's share of revenues		405,650	622,573
Unrealized gains from financial assets at fair value through income		-	39,363
Other revenues		<u>174,131</u>	<u>181,876</u>
Total revenues		579,781	843,812
General & administrative expenses		(219,918)	(410,622)
Impairment debts	6	-	(911,420)
Depreciation		(62,626)	(66,511)
Depreciation of the right to use assets	10	(39,457)	-
Rent contracts liabilities interests	10	(9,823)	(11,501)
Unrealized (loss) from financial assets at fair value through income		<u>(46,558)</u>	<u>-</u>
Profit (loss) for the period before tax		201,399	(556,242)
Income tax	12	(113,306)	-
Income tax surplus		-	144,243
Profit (loss) for the period		88,093	(411,999)
<u>Add: other comprehensive income items</u>			
Net changes in fair value for financial assets through comprehensive income statement		<u>6,992</u>	<u>(232,145)</u>
Total comprehensive income (loss) for the period		95,085	(644,144)
		Fils/Dinar	Fils/Dinar
Basic and diluted earning per share for the period	14	0.003	(0.012)

The accompanying notes form from (1) To (20) is an integral part of these statements

First Finance Company
Public shareholding company
Amman - The Hashemite Kingdom of Jordan
Statement of consolidated condensed interim of changes in owners' equity
for the three months ended March 31, 2021 (reviewed not audited)

Description	Fair value					Retained earnings **	Profit for the period	Total retained earnings	Total
	Capital	Statutory reserve	Voluntary reserve	reserve for financial assets*					
	JD	JD	JD	JD	JD	JD	JD	JD	JD
For the three months ended March 31, 2021									
Balance as of January 1, 2021 - audited	35,000,000	3,554,085	229,851	(1,003,917)	8,081,151	-	8,081,151	45,861,170	
Net of prior years' revenues & income tax	-	-	-	-	40,926	-	40,926	40,926	
Adjusted opening balances	35,000,000	3,554,085	229,851	(1,003,917)	8,122,077	-	8,122,077	45,902,096	
Profit for the period after tax	-	-	-	-	-	88,093	88,093	88,093	
Fair value reserve	-	-	-	6,992	-	-	-	-	6,992
Total comprehensive income for the period	-	-	-	6,992	-	88,093	88,093	95,085	
Balance as of March 31, 2021 - reviewed	35,000,000	3,554,085	229,851	(996,925)	8,122,077	88,093	8,210,170	45,997,181	
For the three months ended March 31, 2020									
Balance as of January 1, 2020 - audited	35,000,000	3,482,369	229,851	(1,129,317)	7,611,800	-	7,611,800	45,194,703	
(Loss) for the period after tax	-	-	-	-	-	(411,999)	(411,999)	(411,999)	
Fair value reserve	-	-	-	(232,145)	-	-	-	(232,145)	
Total comprehensive (loss) for the period	-	-	-	(232,145)	-	(411,999)	(411,999)	(644,144)	
Balance as of March 31, 2020 - reviewed	35,000,000	3,482,369	229,851	(1,361,462)	7,611,800	(411,999)	7,199,801	44,550,559	

* In accordance with the instructions of Securities Commission , it is prohibited to dispose fair value reserve & Unrealized retained earnings through dividends to shareholders or capitalization or loss amortization or anything else .

** Consolidated retained earnings include an amount of JD 5,789,250 representing the value of deferred tax assets as of March 31,2021 (JD 5,789,250 as of December 31, 2020) , which is restricted from use in accordance with the Securities Commission Regulation.

The accompanying notes form from (1) To (20) is an integral part of these statements

First Finance Company**Public shareholding company****Amman - The Hashemite Kingdom of Jordan****Statement of consolidated condensed interim of cash flows****for the three months ended March 31, 2021 (reviewed not audited)**

	Note	31-Mar-2021 JD	31-Mar-2020 JD
<u>Cash flows from operating activities</u>		(Reviewed)	(Reviewed)
Profit (loss) for the period before tax		201,399	(556,242)
Depreciation		62,626	66,511
Impairment debts		-	911,420
Depreciation of the right to use assets	10	39,457	-
Rents' contracts liabilities interests	10	9,823	11,501
Unrealized loss (gains) loss from financial assets at		46,558	(39,363)
Capital loss		-	2,053
Net of prior years' revenues & income tax		40,926	-
Operating income before changes in working capital		400,789	395,880
<u>(Increase) decrease in current assets</u>			
Accounts receivable from financing activities		2,130,239	(748,192)
Other debit balances		(355,019)	25,232
<u>Increase (decrease) in current liabilities</u>			
Customers' investment accounts		447,102	(29,532)
Other credit balances		(46,900)	19,374
Net cash provided from (used in) from operating activities before paid tax		2,576,210	(337,238)
Paid tax	12	-	(154,949)
Net cash provided from (used in) operating activities		2,576,210	(492,187)
<u>Cash flows from investing activities</u>			
Acquisitions of property , plant & equipments		(47,628)	(270)
Proceeds from sales of property , plant & equipments		-	70
Paid on purchasing financial assets in fair value through income		-	(17,385)
Proceeds from sales of financial assets through income		35,914	-
Net cash (used in) investing activities		(11,714)	(17,585)
<u>Cash flows from financing activities</u>			
Net rent payments	10	(99,250)	(103,250)
Net cash (used in) financing activities		(99,250)	(103,250)
Net increase (decrease) in cash		2,465,246	(613,022)
Cash on hand and at banks at beginning of period		2,726,565	1,121,854
Cash on hand and at banks at end of period		5,191,811	508,832

The accompanying notes form from (1) To (20) is an integral part of these statements

First Finance Company

Public shareholding company

Amman - The Hashemite Kingdom of Jordan

Notes to the consolidated condensed interim financial statements - reviewed not audited

1- Company's registration and objectives

The **First Finance Company** was established & registered as a public shareholding company under number (390) on **March 5, 2006**, the company was established with an authorized capital of 50 million share/JD, the company started its activities from the date of September 3, 2006.

In accordance with the resolution of the general assembly of shareholders, in its extraordinary meeting held on April 14, 2011, and after the approval of the Ministry of Industry and Trade on September 22, 2011, the company reduced its authorized and paid-in capital by 15 million Share / JD to write-off the accumulated losses. Consequently, the company's capital has become 35 million share / JD instead of 50 million share / JD.

One of the company's objectives is to carry out financing for natural and legal persons in accordance with the provisions of Islamic law, and this includes, for example, direct financing of consumer and durable goods, real estate financing, including financing of lands, housing, buildings and constructions, and financing the establishment of private and public projects. .

It also aims to mediate between banks, local lending and financing institutions, international and regional development funds and banks, and between the beneficiaries of the programs of these institutions.

It also aims to manage the money of others in the financial and investment fields in exchange for specific fees or shares of the returns of these funds, as well as the management of property, real estate and other movable and immovable properties owned by others.

The consolidated condensed interim financial statements were approved by the board of directors at its meeting held on **April 29, 2021**, these financial statements aren't subject to the approval of the general assembly of shareholders .

2- Basis of preparation of interim financial statements

These condensed interim financial statement have been prepared in accordance with international accounting standards ((IFRS) IAS 34))(Interim Financial Reporting).

The condensed interim financial statements are presented in Jordanian Dinars (JOD) which is the company's presentation functional currency .

The condensed interim financial statements have been prepared on historical cost except financial assets and liabilities which appears on fair value.

These condensed interim financial statements do not include all the information required for a complete set of IFRS financial statements, However , selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the company's financial position and performance since the last annual report of financial statements as of **December 31, 2020**, in addition, The results for the three months period ended **March 31, 2021** are not necessarily indicative of the results that may be expected for the financial year ending **December 31, 2021**, and no appropriation was made for the three months profit ended **March 31, 2021** since it made at the year-end .

First Finance Company

Public shareholding company

Amman - The Hashemite Kingdom of Jordan

Notes to the consolidated condensed interim financial statements - reviewed not audited

3- Use of estimates

The preparation of the condensed interim financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions and particular, considerable judgement by management is required in the estimation of the amount and timing of future cash flows. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ, resulting in future change in such provisions.

Management believe that the estimates are reasonable and are as follows :

- Management evaluates its investments for impairment on a regular basis where there is a prolonged decline, Management estimates the value of impairment and the same is charged in the statement of condensed interim comprehensive income - An estimate of the collectible amount of trade accounts receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on historical recovery rates.

- Inventories are held at the lower of either cost or net realizable value. When inventories become old or obsolete, an estimate is made of their realizable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of aging or obsolescence, based on historical selling prices.

- Management reviews periodically the tangible and intangible assets in order to assess the amortization and depreciation for the year based on the useful life and future economic benefits. Any impairment is taken to the statement of condensed interim comprehensive

4- Significant accounting policies

Changes in accounting policies

Accounting policies followed in consolidated condensed interim financial statements' preparation for this period are consistent with the policies followed the last year.

First Finance Company

Public shareholding company

Amman - The Hashemite Kingdom of Jordan

Notes to the consolidated condensed interim financial statements - reviewed not audited

5- Basis of consolidation of the financial statements

- The consolidated financial statements consist of assets, liabilities, revenues & expenses of **First Finance Company** and **1** subsidiary as follows :

Company's name	Legal form	Date of control	Capital	Ownership rate	Company's share of	
					subsidiary's (loss)	Investment's net book value
Sukok Leasing Company	L.L.C	JD April 19,2017	JD 500,000	% 100	JD 5,553	JD 500,000

- Summary for subsidiary's assets & liabilities & revenues & profit :

Company's name	Assets		Liabilities		Revenues		Profit for the period	
	JD		JD		JD		JD	
Sukok Leasing Company	792,147		2,881,413		5,860		5,553	

Control realized when company has ability of control the financial and operation policies for subsidiaries for obtained benefits from its activities .

Subsidiaries' income results is being consolidated in statement of consolidated income from date of control up to stop that control on subsidiaries when the actual control on subsidiaries move to company or from company .

The financial statements for the mother company and subsidiaries are prepared for the period of the same accounting policies which used in the mother company (First Finance Company) , if subsidiary used different policies some adjusting must made on its financial statements to be applicable to the policies used in the mother company .

Minority interests represents part non owned by company from subsidiaries' owner's equity , minority interests stated in net company's assets as a separated item from shares owner's equity of the company .

First Finance Company**Public shareholding company****Amman - The Hashemite Kingdom of Jordan****Notes to the consolidated condensed interim financial statements - reviewed not audited****6- Accounts receivable from financing activities - net**

A. This item consists of :

	<u>31-Mar-2021</u>	<u>31-Dec-2020</u>
	JD	JD
	(Reviewed)	(Audited)
Finance receivables (note 6 B)	64,177,941	66,773,777
Less: unrealized revenues on financing contracts (note 6 B)	<u>(9,028,428)</u>	<u>(9,656,288)</u>
Net	55,149,513	57,117,489
Less: impariment debts (note 6 C)	(19,619,183)	(19,619,183)
Less: profit in suspense (note 6 D)	<u>(2,050,547)</u>	<u>(1,888,284)</u>
Net	<u>33,479,783</u>	<u>35,610,022</u>

B. The details of accounts receivables from financing activities after deducting unrealized revenues are as follows:

	Accounts receivable from financing activities	Unrealized revenues	Net	Net
	JD	JD	JD	JD
			(Reviewed)	(Audited)
<u>Corporates</u>				
Corporate financing - goods	27,515,108	3,924,989	23,590,119	24,352,261
Bills of loading financing	2,528,336	-	2,528,336	2,528,336
Corporate financing - real-estae	4,238,206	892,085	3,346,121	3,752,727
Total	<u>34,281,650</u>	<u>4,817,073</u>	<u>29,464,577</u>	<u>30,633,324</u>
<u>Individuals</u>				
Individuals financing - goods	3,246,004	418,796	2,827,208	2,469,586
Stock financing	2,782,020	-	2,782,020	2,782,020
Real-estate financing	8,450,935	1,857,391	6,593,544	6,882,299
Vehicles & machinery	15,417,332	1,935,168	13,482,164	14,350,260
Total	<u>29,896,291</u>	<u>4,211,355</u>	<u>25,684,936</u>	<u>26,484,165</u>
Total	<u>64,177,941</u>	<u>9,028,428</u>	<u>55,149,513</u>	<u>57,117,489</u>

First Finance Company

Public shareholding company

Amman - The Hashemite Kingdom of Jordan

Notes to the consolidated condensed interim financial statements - reviewed not audited

C- The movement of impairment debts during thje period as follow:

	<u>31-Mar-2021</u>	<u>31-Dec-2020</u>
	JD	JD
	(Reviewed)	(Audited)
Balance at beginning of the period / year	19,619,183	18,683,207
Additions for the period / year	-	935,976
Balance at ending of the period / year	19,619,183	19,619,183

C- The movement of profit in suspense during thje period as follow:

	<u>31-Mar-2021</u>	<u>31-Dec-2020</u>
	JD	JD
	(Reviewed)	(Audited)
Balance at beginning of the period / year	1,888,284	1,682,455
Revenues in suspense for the period / year	206,813	621,002
Revenues in suspense transferred to revenues for the period / year	(44,550)	(415,173)
Balance at ending of the period / year	2,050,547	1,888,284

7- Financial assets at fair value through income statement

This item consists of :

	<u>31-Mar-2021</u>	<u>31-Dec-2020</u>
	JD	JD
	(Reviewed)	(Audited)
Accounts receivables - financing activities	4,060,849	4,093,241
Finance assets listed in Amman stock exchange	115,037	161,595
Total	4,175,886	4,254,836

8- Other debit balances

This item consists of :

	<u>31-Mar-2021</u>	<u>31-Dec-2020</u>
	JD	JD
	(Reviewed)	(Audited)
Assets obtained by the company by calling on collateral	2,927,177	2,927,177
Other debts	1,729,693	1,384,417
Refudable deposits	347,173	347,507
Prepaid expenses	27,722	17,645
Total	5,031,765	4,676,746

First Finance Company**Public shareholding company****Amman - The Hashemite Kingdom of Jordan****Notes to the consolidated condensed interim financial statements - reviewed not audited****9- Financial assets at fair value through comprehensive income**

A. This item consists of :

	31-Mar-2021	31-Dec-2020
	JD	JD
	(Reviewed)	(Audited)
Financial assets listed in Amman stock exchange	2,804,461	2,797,469
Financial assets unlisted in Amman stock exchange	2,100,129	2,100,129
Total	4,904,590	4,897,598

- B. The listed financial assets include pledged shares in favor of Safwa Islamic Bank against a ceiling of credits granted to the company in favor of its clients, amounting to **1,877,208** Jordanian dinars as on **March 31, 2021 (1,577,630 JD in favor of Safwa Islamic Bank as of December 31, 2020)**.

10- The right to use assets & rent contracts liabilities**The movement of the right to use assets & rent contracts liabilities during the period as follow :**

	The right to use assets	Rent contracts' liabilities
	JD	JD
Balance beginning of the period / year	821,315	861,637
Disposals for the period / year	(42,904)	(42,904)
Depreciation of the right to use assets	(39,457)	-
Payments on rents liabilities contracts	-	(99,250)
Rent liabilities contracts interests	-	9,823
Balance ending of the period / year	738,954	729,306

First Finance Company**Public shareholding company****Amman - The Hashemite Kingdom of Jordan****Notes to the consolidated condensed interim financial statements - reviewed not audited****11- Customers' investment accounts**

This item represent of Wakala investments received from customers with a due date of **6 to 78** months to be invested in the companies activities. The average return paid to the customers range from **3.5%** to **6.25%** as at **March 31,2021** (from **3.5%** to **6.25%** as at **December 31,2020**).

12- Income tax provision**A. Transaction of income tax provision during the period represents of :**

	31-Mar-2021	31-Dec-2020
	JD	JD
	(Reviewed)	(Audited)
Balance beginning of the period/year	202,038	293,226
Tax of the period/year (note 12 C)	113,306	409,504
Paid tax during the period/year	-	(500,692)
Tax of the subsidiary prior years	3,522	-
Balance ending of the period/year	318,866	202,038

- B. The income tax of the mother company was audited for the end of the year **2015** and a final clearance was obtained in it, and the self-assessment statements for the years **2016, 2017, 2018, 2019** and **2020** were submitted and have not yet been reviewed by the Income and Sales Tax Department.

The income tax of the subsidiary was accepted by the end of **2019** within the sampling system, and the self-assessment statement for the year **2020** was also submitted and has not yet been reviewed by the Income and Sales Tax Department.

C. The income tax expenses shown in the consolidated comprehensive income is as follow "

	31-Mar-2021	31-Dec-2020
	JD	JD
	(Reviewed)	(Audited)
Accrued income tax on the period / year profit	113,306	409,504
Deffered tax assets effect	-	(220,836)
Balance ending of the period/year	113,306	188,668

D. Reconciliation of taxable income

	31-Mar-2021
	JD
	(Reviewed)
Recorded profit	201,399
Non-taxable income	(48,556)
Non-taxable expenses	253,371
Taxable income	406,214
Income tax provision - mother company	113,306
Income tax provision - subsidiary	-
Income tax provision for the period	113,306

First Finance Company
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Amman - The Hashemite Kingdom of Jordan

Notes to the consolidated condensed interim financial statements - reviewed not audited

12- Income tax

E. Deferred tax assets

This item consists of :

	31-Mar-2021				31-Dec-2020	
	Balance at beginning of the period	Amounts released	Amounts added	Balance at ending of the period	Deferred tax assets	Deferred tax assets
Included accounts	JD	JD	JD	JD	JD	JD
Impairment debts	18,835,064	-	935,976	19,771,040	5,493,371	5,493,371
Fair value reserve	1,592,013	(472,204)	764,422	1,884,231	295,879	295,879
Total	20,427,077	(472,204)	1,700,398	21,655,271	5,789,250	5,789,250

The deferred tax assets for the investment valuation reserve are calculated by taking into account domestic investments at a rate of **28%** and foreign investments at **10%**.

- Transaction of deferred tax assets during the period represents of :

	31-Mar-2021	31-Dec-2020
	JD	JD
Balance beginning of the period/year	(Reviewed)	(Audited)
Additions for the period / year	5,789,250	5,709,179
Disposals during the period / year	-	328,283
Balance ending of the period/year	-	(248,212)
	5,789,250	5,789,250

First Finance Company**Public shareholding company****Amman - The Hashemite Kingdom of Jordan****Notes to the consolidated condensed interim financial statements - reviewed not audited****13- Other credit balances**

This item consists of :

	31-Mar-2021	31-Dec-2020
	JD	JD
	(Reviewed)	(Audited)
Due to shareholders	1,331,907	1,477,331
Unearned revenues	655,809	728,613
Accrued Wakala investments profits	272,408	200,078
Others	286,333	228,791
Board of directors remunerations	45,000	45,000
Gurantees redemption	18,915	40,434
Cases provision	30,000	30,000
Due to income tax	1,007	8,800
Suppliers payable	19,673	28,796
Accrued expenses	200,763	120,872
Total	2,861,815	2,908,715

14- Basic and diluted earning per share for the period

This item consists of :

	31-Mar-2021	31-Mar-2020
	JD	JD
Profit (loss) for the period after tax (JD)	88,093	(411,999)
Weighted average shares (share)	35,000,000	35,000,000
Basic and diluted earning per share for the period	0.003	(0.012)

The diluted earning per share is equal to the basic earning per share .

15- Contingent liabilities

At the date of financial statements there were contingent liabilities represented of :

	31-Mar-2021	31-Dec-2020
	JD	JD
	(Reviewed)	(Audited)
Banks gurantees	332,300	332,300
Less : cash deposits	(59,744)	(59,744)
Total	272,556	272,556

First Finance Company**Public shareholding company****Amman - The Hashemite Kingdom of Jordan****Notes to the consolidated condensed interim financial statements - reviewed not audited****16- Legal situation**

There are lawsuits filed by the mother company against others (the company's clients) with a value of **27,003,312** Jordanian dinars.

There are lawsuits filed by others against the parent company with a value of **2,257,256** Jordanian dinars, and include cases of **2,200,000** dinars related to preventing the company's claim against them.

And in the opinion of the legal advisor of the company, the cases brought are still under consideration and are proceeding in the interest of the company, and sufficient allocations have been made for them within the books.

17- Related parties transactions

Related parties include key shareholders, key management personnel, key managers, associates and subsidiaries and controlled companies. The company's management has approved the pricing policies and terms of transactions with related parties.

A. Details of due from related parties appear on financial position

	31-Mar-2021			31-Dec-2020
	Executive management	Company's employees	Other related parties	Total
	JD	JD	JD	JD
				(Reviewed)
				(Audited)
Accounts receivables - financing activities	44,646	95,655	-	140,301
				329,728

The Murabaha rates on receivables from financing activities to related parties amount to **5%** to **7%**.

B. Details of due to related parties appear on financial position

	31-Mar-2021			31-Dec-2020
	Executive management	Company's employees	Other related parties	Total
	JD	JD	JD	JD
				(Reviewed)
				(Audited)
Customers' investment accounts	5,355,000	9,385	2,205,909	7,570,294
				7,069,885

The rates of return on investment accounts for clients from related parties range from **3.5%** to **6%**.

First Finance Company**Public shareholding company****Amman - The Hashemite Kingdom of Jordan****Notes to the consolidated condensed interim financial statements - reviewed not audited****17- Related parties transactions****B. Details transactions with related parties appear on comprehensive income**

	31-Mar-2021			31-Mar-2020
	Executive management	Company's employees	Other related parties	Total
	JD	JD	JD	JD
Revenues from financing activities	1,474	4,344	-	5,818
Share of customers' investment accounts	74,392	90	19,737	94,219
				22,779
				358,819

C. Wages , allowances and other benefits for senior excutive managements :

	31-Mar-2021	31-Mar-2020
	JD	JD
Wages & other benefits	71,734	87,919

18- Risk management

The company is exposed in general to financial risks, credit risks, liquidity risks and market risks, especially in light of the Corona pandemic, and in general, the goals and policies of the company in managing the financial risks to which the financial statements are exposed, and they have been disclosed in the financial statements as well as the financial statements of the company as well On **December 31, 2020**.

19- Subsequent events

There are no subsequent events may have material affects to financial position .

20- Comparative figures

Some of the comparative figures have been reclassified to suit the classification of the current fiscal period figures. The reclassification and did not result in any impact on the profit or property rights of the previous year.