

**NOOR CAPITAL MARKETS FOR DIVERSIFIED INVESTMENTS**

**(PUBLIC SHAREHOLDING COMPANY)**

**INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

**30 SEPTEMBER 2023**

**REPORT ON REVIEW OF THE INTERIM CONDENSED FINANCIAL STATEMENTS  
TO THE BOARD OF DIRECTORS OF NOOR CAPITAL MARKETS FOR DIVERSIFIED INVESTMENTS  
PUBLIC SHAREHOLDING COMPANY  
AMMAN - JORDAN**

## **Introduction**

We have reviewed the accompanying interim condensed financial statements of Noor Capital Markets for Diversified Investments - Public Shareholding Company (the "Company") as of 30 September 2023, comprising of the interim statement of financial position as at 30 September 2023, the interim statement of comprehensive income, the interim statement of changes in equity, the interim statement of cash flows for the nine months ended 30 September 2023 and explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard number (34) (*Interim Financial Reporting*). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

## **Scope of review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the independent Auditor of the Entity". A review of Interim financial information consists of making inquiries, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with IAS number (34).

Amman – Jordan  
26 October 2023

**ERNST & YOUNG**  
Amman - Jordan

**NOOR CAPITAL MARKETS FOR DIVERSIFIED INVESTMENTS  
PUBLIC SHAREHOLDING COMPANY  
INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2023**

	Notes	30 September 2023 JD (Unaudited)	31 December 2022 JD (Audited)
<b><u>ASSETS</u></b>			
Cash on hand and bank balances	4	192,181	414,897
Accounts receivable and other current assets		15,439	8,527
Amounts due from related parties	3	1,143,915	1,094,347
Property and equipment		-	1,981
<b>Total Assets</b>		<b>1,351,535</b>	<b>1,519,752</b>
<b><u>LIABILITIES AND EQUITY</u></b>			
<b>Liabilities -</b>			
Accounts payable		48,590	48,736
Other current liabilities		56,354	90,383
Due to shareholders		31,067	31,397
<b>Total liabilities</b>		<b>136,011</b>	<b>170,516</b>
<b>Equity -</b>			
Paid-in capital	1	1,000,000	1,000,000
Share capital discount	1	(205,391)	(205,391)
Share capital premium	1	50,000	50,000
Statutory reserve	7	180,133	180,133
Retained earnings		190,782	324,494
<b>Total equity</b>		<b>1,215,524</b>	<b>1,349,236</b>
<b>Total Liabilities and Equity</b>		<b>1,351,535</b>	<b>1,519,752</b>

The attached notes from 1 to 7 form part of these interim condensed financial statements

**NOOR CAPITAL MARKETS FOR DIVERSIFIED INVESTMENTS  
PUBLIC SHAREHOLDING COMPANY  
INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2023 (UNAUDITED)**

		For the three months ended 30 September		For the nine months ended 30 September	
	Notes	2023	2022	2023	2022
		JD	JD	JD	JD
Consulting revenues	3	110,448	129,747	240,281	389,241
Interest income		650	1,232	2,404	3,916
Administrative expenses		(72,724)	(36,604)	(142,747)	(133,260)
Marketing expenses		(377)	(7,911)	(16,366)	(23,916)
Provision for expected credit losses		-	-	-	(50,000)
Other income		-	-	336	2,320
<b>Profit for the period before income tax</b>		<b>37,997</b>	<b>86,464</b>	<b>83,908</b>	<b>188,301</b>
Income tax	6	(7,978)	(18,159)	(17,620)	(39,544)
<b>Profit for the period</b>		<b>30,019</b>	<b>68,305</b>	<b>66,288</b>	<b>148,757</b>
Add: other comprehensive income items		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>30,019</b>	<b>68,305</b>	<b>66,288</b>	<b>148,757</b>
		<u>JD/ Fils</u>	<u>JD/ Fils</u>	<u>JD/ Fils</u>	<u>JD/ Fils</u>
<b>Basic and diluted earnings per share from profit for the period</b>	5	<u>0/030</u>	<u>0/068</u>	<u>0/066</u>	<u>0/149</u>

The attached notes from 1 to 7 form part of these interim condensed financial statements

**NOOR CAPITAL MARKETS FOR DIVERSIFIED INVESTMENTS  
PUBLIC SHAREHOLDING COMPANY  
INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (UNAUDITED)**

	Paid-in capital	Share capital discount	Share capital premium	Statutory reserve	Retained earnings	Total
	JD	JD	JD	JD	JD	JD
<b>For the nine months ended 30 September 2023 -</b>						
Balance as at 1 January 2023	1,000,000	(205,391)	50,000	180,133	324,494	1,349,236
Total comprehensive income for the period	-	-	-	-	66,288	66,288
Cash dividends distribution (note 1)	-	-	-	-	(200,000)	(200,000)
<b>Balance as at 30 September 2023</b>	<u>1,000,000</u>	<u>(205,391)</u>	<u>50,000</u>	<u>180,133</u>	<u>190,782</u>	<u>1,215,524</u>
<b>For the nine months ended 30 September 2022 -</b>						
Balance as at 1 January 2022	1,000,000	(205,391)	50,000	154,547	408,450	1,407,606
Total comprehensive income for the period	-	-	-	-	148,757	148,757
Cash dividends distribution (note 1)	-	-	-	-	(250,000)	(250,000)
<b>Balance as at 30 September 2022</b>	<u>1,000,000</u>	<u>(205,391)</u>	<u>50,000</u>	<u>154,547</u>	<u>307,207</u>	<u>1,306,363</u>

**The attached notes from 1 to 7 form part of these interim condensed financial statements**

**NOOR CAPITAL MARKETS FOR DIVERSIFIED INVESTMENTS  
PUBLIC SHAREHOLDING COMPANY  
INTERIM STATEMENT OF CASH FLOWS  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (UNAUDITED)**

	Note	30 September 2023 JD	30 September 2022 JD
<b><u>OPERATING ACTIVITIES</u></b>			
Profit for the period before income tax		83,908	188,301
<b>Adjustments</b>			
Depreciation		86	557
Interest income		(2,404)	(3,916)
Provision for expected credit losses		-	50,000
Gain on sale of property and equipment		(336)	-
<b>Working Capital Changes:</b>			
Accounts receivable and other current assets		(6,912)	(4,432)
Amounts due from related parties		(213,929)	(354,202)
Accounts payable		(146)	488
Other current liabilities		12,573	2,806
Due to shareholders		(330)	(26)
Income tax paid	6	(64,223)	(74,438)
<b>Net cash flows used in operating activities</b>		<b>(191,712)</b>	<b>(194,862)</b>
<b><u>INVESTING ACTIVITIES</u></b>			
Purchase of property and equipment		-	(1,677)
Proceeds from sale of property and equipment		2,231	-
Interest income		2,404	3,916
<b>Net cash flows from investing activities</b>		<b>4,635</b>	<b>2,239</b>
<b><u>FINANCING ACTIVITIES</u></b>			
Dividends distribution		(35,639)	(44,548)
<b>Net cash flows used in financing activities</b>		<b>(35,639)</b>	<b>(44,548)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(222,716)</b>	<b>(237,171)</b>
Cash and cash equivalents at the beginning of the period		414,897	714,018
<b>Cash and cash equivalents at the end of the period</b>		<b>192,181</b>	<b>476,847</b>

The attached notes from 1 to 7 form part of these interim condensed financial statements

**NOOR CAPITAL MARKETS FOR DIVERSIFIED INVESTMENTS  
PUBLIC SHAREHOLDING COMPANY  
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS  
30 SEPTEMBER 2023**

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**(1) GENERAL**

Noor Capital Markets for Investments was established as a Public Shareholding Company on 14 December 2005 (previously the Middle East diversified Investments Company) under registration number 377 with an authorized, subscribed and paid-in capital of JD 550,000, divided into 550,000 shares with a par value of 1 JD per share. The capital of the company was increased and decreased during the previous years to reach JD 1,000,000 divided into 1,000,000 shares at a par value of JD 1 per share and a share capital discount of JD 205,391 and a share capital premium of JD 50,000.

The Company's General Assembly approved in its ordinary meeting held on 22 July 2023 to distribute cash dividends to the shareholders of 20% from the Company's paid in capital for the year 2022 in the amount of JD 200,000 each by their contribution to the Company.

The Company's General Assembly approved in its ordinary meeting held on 29 March 2022 to distribute cash dividends to the shareholders of 25% from the Company's paid in capital for the year 2021 amounting to JD 250,000 each by its contribution to the Company.

The Company's General Assembly resolved in its extraordinary meeting held on 29 March 2022 to approve the merger of Noor Capital Markets for Diversified Investments Company with Noor Al Mal Brokerage and Foreign Stock Exchange Company, where Noor Capital Markets for Investments Company will be the merging company. The Company's General Assembly resolved in its extraordinary meeting held on 27 August 2023 to cancel the approval on the decision of the merger of Noor Capital Markets for Diversified Investments with Noor Al Mal Brokerage and Foreign Stock Exchange Company.

The Company is owned by NCM for Investments (Parent Company) by a percentage of 82.181%, and the interim condensed financial statements are consolidated with NCM for investments company (Parent Company).

The Board of Directors approved the interim condensed financial statements on 25 October 2023.

The principal activities of the Company are to invest in real estate and security holding and to manage the investment facilities.

**(2) BASIS OF PREPARATION OF THE INTERIM CONDENSED FINANCIAL STATEMENTS AND CHANGES IN ACCOUNTING POLICIES**

**(2-1) BASIS OF PREPARATION OF THE INTERIM CONDENSED FINANCIAL STATEMENTS**

The accompanying interim condensed financial statements for the nine months ended 30 September 2023 have been prepared in accordance with International Accounting Standard number (34) "Interim Financial Reporting".

The interim condensed financial statements are presented in Jordanian Dinars, which is the functional currency of the Company.

The interim condensed financial statements have been prepared under the historical cost basis.

The interim condensed financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards, and should be read in conjunction with the Company's annual financial statements as at 31 December 2022. In addition, the results for the nine months ended 30 September 2023 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2023.

**(2-2) CHANGES IN ACCOUNTING POLICIES**

The accounting policies used in the preparation of the interim condensed financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2022 except for the adoption of new standards effective as at 1 January 2023 shown below:

**IFRS 17 Insurance Contracts**

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) which was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach),
- A simplified approach (the premium allocation approach) mainly for short-duration contracts.

This standard is not applicable to the Company.

**Definition of Accounting Estimates - Amendments to IAS 8**

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective from 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments did not have a material impact on the Company's interim condensed financial statements.

**Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2**

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments are effective from 1 January 2023. and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments did not have a material impact on the Company's interim condensed financial statements.

**Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12**

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

The amendments are effective from 1 January 2023. and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments did not have a material impact on the Company's interim condensed financial statements.

### **(3) RELATED PARTIES BALANCES AND TRANSACTIONS**

These represent transactions with related parties such as major shareholders, directors and key management personnel of the company, and companies of which they are principal owners. Pricing policies and terms of these transactions are approved by the Company's management.

Balances with related parties included in the interim statement of financial position are as follows:

#### **Amounts due from related parties:**

	30 September 2023	31 December 2022
	JD	JD
	(Unaudited)	(Audited)
NCM for Investments company (Parent Company)	1,143,915	1,092,577
Naser Al Merri (Chairman)	-	1,770
	<u>1,143,915</u>	<u>1,094,347</u>

Transaction with related parties included in the interim statement of comprehensive income are as follow:

	30 September 2023	30 September 2022
	JD	JD
Consultancy fees*	<u>129,833</u>	<u>389,241</u>
Marketing expenses - NCM for Investments Company (Parent Company)	<u>16,366</u>	<u>15,250</u>
	30 September 2023	30 September 2022
	JD	JD
	(Unaudited)	(Unaudited)
<b>Board of Directors and executive management benefits</b>		
Remuneration for Board of Directors members	<u>20,000</u>	<u>20,000</u>

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PUBLIC SHAREHOLDING COMPANY  
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS  
30 SEPTEMBER 2023**

\* The Company signed a consulting services agreement with NCM for investments (Parent Company) on 1 July 2017. In accordance with the agreement and its subsequent amendments, the Company is entitled to USD 61,000 (JD 43,249) per month for the services provided, The Company canceled the agreement with the Parent Company from 1 April 2023. The Company signed a new consulting services agreement with NCM for Investments (Parent company) on 1 July 2023. According to the agreement, the Company is entitled to USD 52,000 (JD 36,816) per month for the services provided starting from 1 July 2023 and its renewed annually.

The rent of the offices occupied by the Company is paid by Noor Al Mal Brokerage and Foreign Stock Exchange Company (Sister Company) in addition to other administrative expenses such as electricity from 1 January 2023.

**(4) CASH ON HAND AND BANK BALANCES**

	30 September 2023 JD (Unaudited)	31 December 2022 JD (Audited)
Cash on hand	3,984	1,785
Current accounts*	188,197	413,112
	<u>192,181</u>	<u>414,897</u>

\* Interest rate on the monthly balance of the current account at Arab Jordan Investment Bank was 1%.

**(5) EARNINGS PER SHARE FROM THE PROFIT FOR THE PERIOD**

	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)
Profit for the period (JD)	66,288	148,757
Weighted average number of shares (share)	<u>1,000,000</u>	<u>1,000,000</u>
	<u>JD/ Fils</u>	<u>JD/ Fils</u>
Basic and diluted earnings per share from the profit for the period	<u>0/066</u>	<u>0/149</u>

**NOOR CAPITAL MARKETS FOR DIVERSIFIED INVESTMENTS  
PUBLIC SHAREHOLDING COMPANY  
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30 SEPTEMBER 2023**

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**(6) INCOME TAX**

The Company calculated the income tax provision for the periods ended 30 September 2023 and 30 September 2022 in accordance with the income tax law No. (34) of 2014 and its amendments.

The Company's income tax rate according to the income tax law No. (34) of 2014 and its amendments is 20% plus 1% as a national contribution tax.

The Company reached a final settlement with the Income Tax Department up to the year 2021 by the Income and Sales Tax Department's sampling system. The Company submitted its income tax return to the Income and Sales Tax Department for the year 2022, the Income and Sales Tax Department did not review the records up to the date of these interim condensed financial statements.

The movement on the income tax provision was as follows:

	30 September 2023	31 December 2022
	JD	JD
	(Unaudited)	(Audited)
Balance as at the beginning of the period / year	64,460	74,665
Provision for the period / year	17,620	64,229
Paid during the period / year	(64,222)	(74,434)
Balance as at the end of the period / year	<u>17,858</u>	<u>64,460</u>

**(7) LEGAL RESERVES**

The Company did not transfer to legal reserves as required by the Jordanian Companies Law as those are interim financial statements.