

**AL AMAL FINANCIAL INVESTMENTS COMPANY**

**PUBLIC SHAREHOLDING COMPANY**

**INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

**31 MARCH 2024**

**REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS  
TO THE BOARD OF DIRECTORS OF AL AMAL FINANCIAL INVESTMENTS COMPANY  
AMMAN - JORDAN**

**Introduction**

We have reviewed the accompanying interim condensed financial statements of Al Amal Financial Investments Company (Public Shareholding Company) as of 31 March 2024, comprising the interim condensed statement of financial position, the interim condensed statement of income, the interim condensed statement of comprehensive income, the interim condensed statement of changes in equity and the interim condensed statement of cash flows for the three months ended, and explanatory notes. The Board of Directors are responsible for the preparation and presentation of these interim condensed financial statements in accordance with IAS (34) "*Interim Financial Reporting*". Our responsibility is to express a conclusion on this 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 (34).

**ERNST & YOUNG**  
Amman - Jordan

Amman – Jordan  
30 April 2024

**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2024**

	Notes	31 March 2024 JD (Unaudited)	31 December 2023 JD (Audited)
<b><u>ASSETS</u></b>			
Cash on hand and at banks	3	3,844,131	2,784,063
Trade receivables	4	217,508	178,325
Margin receivables	5	2,472,549	2,752,466
Other current assets	6	246,839	212,783
Financial assets at fair value through income	8	3,722,954	4,695,937
Financial assets at fair value through other comprehensive income	8	159,297	980,023
Payments on investment account	8	-	466,800
Investment in associate	9	1,135,723	-
Investment properties	12	1,163,062	1,165,105
Property and equipment	7	202,638	219,409
Deferred tax assets	10	522,741	468,949
<b>Total assets</b>		<b>13,687,442</b>	<b>13,923,860</b>
<b><u>LIABILITIES AND EQUITY</u></b>			
<b>Liabilities</b>			
Trade payables		142,700	309,583
Other current liabilities		127,494	133,791
Income tax provision	10	73,488	36,397
<b>Total liabilities</b>		<b>343,682</b>	<b>479,771</b>
<b>Equity</b>			
Paid-in capital	1	15,000,000	15,000,000
Statutory reserve		1,999,287	1,999,287
Fair value reserve	8	(427,827)	(423,402)
Accumulated losses		(3,227,700)	(3,131,796)
<b>Net equity</b>		<b>13,343,760</b>	<b>13,444,089</b>
<b>Total liabilities and equity</b>		<b>13,687,442</b>	<b>13,923,860</b>

The accompanying notes from 1 to 16 are part of these interim condensed financial statements

**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**INTERIM CONDENSED STATEMENT OF INCOME**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2024 (UNAUDITED)**

	Notes	For the three months ended	
		31 March	
		2024	2023
		JD	JD
<b>Revenues</b>			
Brokerage commissions		5,736	13,260
Margin finance commissions		1,406	5,223
Margin finance interest		117,200	97,020
Interest income		32,597	33,427
Dividends revenue		191,349	149,578
Other revenues		2,277	-
Gain from financial assets at fair value through income		110,894	147,791
Reversal of provision for expected credit losses	4,5	1,627	78,824
<b>Total revenues</b>		<b>463,086</b>	<b>525,123</b>
<b>Expenses</b>			
Salaries, wages and benefits	13	(33,768)	(38,482)
Stock exchange, center and commission fees		(23,647)	(19,648)
Bank fees and commissions		(3,954)	(455)
Company's share from the associate's results	9	(147,378)	-
General and administrative expenses		(159,282)	(110,127)
Losses of financial assets at fair value through income		(5,051)	(3,625)
Provision for expected credit losses	4,5	(193,742)	(123,612)
<b>Total expenses</b>		<b>(566,822)</b>	<b>(295,949)</b>
<b>(Loss) Profit for the period before income tax</b>		<b>(103,736)</b>	<b>229,174</b>
Income tax benefit / (expense)	10	7,832	(24,796)
<b>(Loss) Profit for the period</b>		<b>(95,904)</b>	<b>204,378</b>
		Fils / JD	Fils / JD
Basic and diluted earnings per share from the (loss) profit for the period	16	(0/006)	0/014

The accompanying notes from 1 to 16 are part of these interim condensed financial statements

**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2024 (UNAUDITED)**

---

	For the three months ended 31 March	
	2024	2023
	JD	JD
(Loss) Profit for the period	(95,904)	204,378
<b>Add: Other comprehensive income items that will not be reclassified to profit or loss in subsequent periods</b>		
(Losses) gains on revaluation of financial assets at fair value through other comprehensive income	(4,425)	6,147
<b>Total comprehensive income for the period</b>	<b>(100,329)</b>	<b>210,525</b>

The accompanying notes from 1 to 16 are part of these interim condensed financial statements

**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2024 (UNAUDITED)**

	Paid-in capital	Statutory reserve	Fair value reserve	Accumulated losses	Net equity
	JD	JD	JD	JD	JD
<b>For the three months ended 31 March 2024 -</b>					
Balance as of 1 January 2024	15,000,000	1,999,287	(423,402)	(3,131,796)	13,444,089
Total comprehensive income for the period	-	-	(4,425)	(95,904)	(100,329)
<b>Balance as of 31 March 2024</b>	<u>15,000,000</u>	<u>1,999,287</u>	<u>(427,827)</u>	<u>(3,227,700)</u>	<u>13,343,760</u>
<b>For the three months ended 31 March 2023 -</b>					
Balance as of 1 January 2023	15,000,000	1,975,855	(494,957)	(3,376,898)	13,104,000
Total comprehensive income for the period	-	-	6,147	204,378	210,525
Losses on sale of financial assets through other comprehensive income	-	-	86	(86)	-
<b>Balance as of 31 March 2023</b>	<u>15,000,000</u>	<u>1,975,855</u>	<u>(488,724)</u>	<u>(3,172,606)</u>	<u>13,314,525</u>

The accompanying notes from 1 to 16 are part of these interim condensed financial statements

**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**INTERIM CONDENSED STATEMENT OF CASH FLOWS**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2024 (UNAUDITED)**

	Notes	31 March 2024 JD	31 March 2023 JD
<b><u>Operating Activities</u></b>			
(Loss) Profit for the period before tax		(103,736)	229,174
<b>Adjustments -</b>			
Provision for expected credit losses	4,5	192,115	44,788
Depreciation	7,12	20,714	16,195
Bank fees and commissions		3,954	455
Unrealized gain from revaluation of financial assets at fair value through income		(105,843)	(139,563)
Realized gain from sale of financial assets at fair value through income		-	(4,603)
Dividends revenue		(191,349)	(149,578)
Margin finance interest income		(117,200)	(97,020)
Interest income		(32,597)	(33,427)
Company's share from the associate's results	9	147,378	-
<b>Working capital changes -</b>			
Change in customers' cash accounts		28,372	(75,622)
Margin receivables		88,502	(812,972)
Trade receivables		(39,883)	22,616
Other current assets		16,299	(217,707)
Trade payables		(166,883)	(59,907)
Income tax paid	10	(8,869)	-
Other current liabilities		(6,297)	(11,398)
<b>Net cash flows used in operating activities</b>		<b>(275,323)</b>	<b>(1,288,569)</b>
<b><u>Investing Activities</u></b>			
Purchases of property and equipment	7	(1,900)	(21,666)
Margin finance interest income received		117,200	97,020
Dividends revenue received		140,994	97,309
Interest income received		32,597	33,427
Proceeds from sale of financial assets at fair value through income		1,078,826	442,922
Proceeds from sale of investments at fair value through other comprehensive income		-	41
Purchase of financial assets at fair value through income		-	(995,096)
<b>Net cash flows from (used in) investing activities</b>		<b>1,367,717</b>	<b>(346,043)</b>
<b><u>Financing Activities</u></b>			
Bank fees and commissions paid		(3,954)	(455)
<b>Net cash flows used in financing activities</b>		<b>(3,954)</b>	<b>(455)</b>
Net increase (decrease) in cash and cash equivalents		1,088,440	(1,635,067)
Cash and cash equivalent at the beginning of the period		2,521,888	3,225,562
<b>Cash and cash equivalent at the end of the period</b>	3	<b>3,610,328</b>	<b>1,590,495</b>

The accompanying notes from 1 to 16 are part of these interim condensed financial statements

**(1) General**

Al Amal Financial Investments Company (the “Company”) is a Jordanian Public Shareholding Company registered on 17 October 2005 under commercial registration number (370) after the change of its legal form from a Limited Liability Company to a Public Shareholding Company. The Company’s paid-in capital is JD 15,000,000 divided into 15,000,000 shares; with a par value of JD 1 per share.

The main activity of the Company is to perform commission brokerage business, dealing with securities for its own account, providing financial consulting, leasing and mortgage of movable and immovable assets for the purposes of achieving the Company’s objectives, borrowing from banks, buying, renting, pledging and importing any of movable and immovable assets or any rights or privileges deemed necessary by the Company or suitable for their purposes, including land, building, machinery, means of transport or goods and to establish, assess, act and make changes when necessary or appropriate for the purposes and objectives of the Company.

The interim condensed financial statements were approved by the Board of Directors on 29 April 2024.

The Company’s headquarter is in Amman - Housing Bank Complex, Queen Noor Street.

**(2) Basis of Preparation of the Financial Statements and Changes in Accounting Policies**

**(2-1) Basis of Preparation of the Financial Statements**

The accompanying interim condensed financial statements for the three months ended 31 March 2024 were prepared in accordance with the International Accounting Standard IAS (34) “Interim Financial Reporting”.

The interim condensed financial statements have been prepared on a historical cost basis, except for the financial assets at fair value through other comprehensive income that have been measured at fair value at the date of the interim condensed financial statements. The interim condensed financial information are presented in Jordanian Dinar, which represents the Company’s functional currency.

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 2023. In addition, the results for the three months ended 31 March 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.



## **(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 2023 except for the adoption of new amendments effective as of 1 January 2024 shown below:

### **Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7**

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Company's interim condensed financial statements.

### **Amendments to IFRS 16: Lease Liability in a Sale and Leaseback**

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Company's interim condensed financial statements.

### **Amendments to IAS 1: Classification of Liabilities as Current or Non-current**

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Company's interim condensed financial statements.

**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**31 MARCH 2024 (UNAUDITED)**

**(3) Cash on Hand and at Banks**

	31 March 2024	31 December 2023
	JD	JD
	(Unaudited)	(Audited)
Bank balances – Current accounts	370,328	271,888
Bank balances – Customers' accounts	233,803	262,175
Bank balances – Deposits*	3,240,000	2,250,000
	<u>3,844,131</u>	<u>2,784,063</u>

- \* This account represents deposits with Jordan Commercial Bank in Jordanian Dinars which the Company holds on a monthly basis depending on the Company's liquidity needs. The interest rate on these deposits was 4.75% for the three months ended 31 March 2024 (31 March 2023: 4.75%).

The cash and cash equivalents as of 31 March 2024 in the interim condensed statement of cash flows represent cash on hand and at banks excluding customers' accounts as follows:

	31 March 2024	31 March 2023
	JD	JD
	(Unaudited)	(Unaudited)
Cash and bank balances	3,844,131	2,002,890
Bank balances – Customers' accounts	<u>(233,803)</u>	<u>(412,395)</u>
Net cash and cash equivalents in the statement of cash flows	<u>3,610,328</u>	<u>1,590,495</u>

**(4) Trade Receivables**

	31 March 2024	31 December 2023
	JD	JD
	(Unaudited)	(Audited)
Trade and brokerage receivables	2,538,116	2,498,233
Less: provision for expected credit losses *	<u>(2,320,608)</u>	<u>(2,319,908)</u>
	<u>217,508</u>	<u>178,325</u>

**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**31 MARCH 2024 (UNAUDITED)**

\* Movement on the provision for expected credit losses during the period / year is as follows:

	31 March 2024 JD (Unaudited)	31 December 2023 JD (Audited)
Balance at the beginning of the period / year	2,319,908	2,354,149
Additions during the period / year	2,327	41,457
Reversals during the period / year	(1,627)	(75,274)
Written-off	-	(424)
Balance at the end of the period / year	<u>2,320,608</u>	<u>2,319,908</u>

Trade receivables aging is as follows:

	1 – 30 days JD	31 – 90 days JD	91 - 360 days JD	More than 361 days JD	Total JD
31 March 2024	48,786	-	-	168,722	217,508
31 December 2023	9,767	-	-	168,558	178,325

The Company's management expects to collect all receivables. The customers' investment portfolios are considered collateral against the receivable balances.

**(5) Margin Receivables**

	31 March 2024 JD (Unaudited)	31 December 2023 JD (Audited)
Margin receivables	2,347,183	2,449,984
Due from related parties (note 11)	<u>1,588,071</u>	<u>1,573,772</u>
	3,935,254	4,023,756
Less: provision for expected credit losses *	<u>(1,462,705)</u>	<u>(1,271,290)</u>
	<u><u>2,472,549</u></u>	<u><u>2,752,466</u></u>

**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**31 MARCH 2024 (UNAUDITED)**

---

\* Movement on the provision for expected credit losses during the period/year is as follows:

	31 March 2024 JD (Unaudited)	31 December 2023 JD (Audited)
Balance at the beginning of the period / year	1,271,290	1,106,550
Additions during the period / year	191,415	237,833
Reversals during the period / year	-	(73,093)
Balance at the end of the period / year	<u>1,462,705</u>	<u>1,271,290</u>

**(6) Other Current Assets**

	31 March 2024 JD (Unaudited)	31 December 2023 JD (Audited)
Bank guarantees deposits (Note 14)	83,000	83,000
Prepaid expenses	52,834	56,437
Accrued dividends	50,355	-
Other receivables	31,760	32,953
Brokerage guarantee fund deposit *	25,000	25,000
Income tax receivables	21,180	17,594
Trading settlement	<u>4,128</u>	<u>19,217</u>
	268,257	234,201
Less: Provision for expected credit losses against other current assets **	<u>(21,418)</u>	<u>(21,418)</u>
	<u>246,839</u>	<u>212,783</u>

\* This account represents the value of the cash contribution paid by the Company as a financial broker in Amman Stock Exchange to the settlement guarantee fund in accordance with the Fund's bylaws for the year 2004, which is based on the provisions of Article (90) of the securities Law No. (76) of 2002 which aims to:

- Cover the cash deficit of the fund's buyer member for securities.
- Cover the deficit in the balance of securities that appears to the member of the seller fund as a result of the trade securities in the market.

**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**31 MARCH 2024 (UNAUDITED)**

---

The Fund shall at the end of every three months, recalculate the cash contribution amount for each Broker in accordance with the Fund's bylaws, whereby the difference between the Fund and the Broker (if applicable) shall be settled by either increasing, decreasing or maintaining the Fund's balance as it is without any changes.

\*\* Movement on the provision for expected credit losses against other current assets is as follows:

	31 March 2024 JD (Unaudited)	31 December 2023 JD (Audited)
Balance at the beginning of the period / year	21,418	21,406
Additions during the period / year	-	12
Balance at the end of the period / year	21,418	21,418

**(7) Property and Equipment - net**

During the three months ended 31 March 2024, the Company purchased property and equipment in the amount of JD 1,900 (31 March 2023: JD 21,666). The depreciation expense for the three months ended 31 March 2024 amounted to JD 18,671 (31 March 2023: JD 14,152).

**(8) Investments in Financial Assets**

This account represents the Company's investments in financial assets, either for the purpose of benefiting from the price changes of these investments, and thus they are classified as financial assets at fair value through income or for the purpose of long-term retention and not for the purposes of trading, and therefore they are classified as financial assets at fair value through other comprehensive income. The details of these investments according to their classification are as follows:

**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**31 MARCH 2024 (UNAUDITED)**

**Financial Assets at Fair Value through Income**

	31 March 2024	31 December 2023
	JD	JD
	(Unaudited)	(Audited)
Investment in Jordan Ahli Bank (Quoted)	1,903,814	1,856,431
Bank al Etihad (Quoted)	675,652	653,716
Capital Bank of Jordan (Quoted)	631,116	684,828
Investment in SPDR S&P 500 Trust EFT (Quoted)	371,379	1,349,880
Jordan Telecommunications Company (Quoted)	140,993	129,381
Jordan Phosphate Mines Company (Quoted)	-	21,701
	<u>3,722,954</u>	<u>4,695,937</u>

**Financial Assets at Fair Value through Other Comprehensive Income**

	31 March 2024	31 December 2023
	JD	JD
	(Unaudited)	(Audited)
Investment in Med Gulf for Insurance Company (Quoted)	159,297	163,722
Investment in Credit Card Services Company PSC (Unquoted)	-	816,301
	<u>159,297</u>	<u>980,023</u>

The details of the movement on the fair value reserve are as follows:

	Balance as of 1 January 2024	Change in fair value	Transferred to accumulated losses	Balance as of 31 March 2024
	JD	JD	JD	JD
	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)
Med Gulf for Insurance Company	(423,402)	(4,425)	-	(427,827)
	<u>(423,402)</u>	<u>(4,425)</u>	<u>-</u>	<u>(427,827)</u>

### **Payments on investment account**

This item represents advance payments for investment purposes in the Credit Card Services Company PSC according to the Board of Directors' decision dated 27 December 2023, approving the purchase of 466,800 shares in the Company's capital at a price of JD 1 per share. The purchase of the shares was completed during the period ended on 31 March 2024, and accordingly, the Company's investment was transferred as an investment in associate Company (Note 9), as the Company's ownership percentage became 19.34%, and accordingly, Al Amal Company had a significant influence on the decisions of the Credit Card Services Company PSC.

### **(9) Investment in associate**

This item represents the value of the Company's investment in the Credit Card Services Company PSC, at 19.34% of its capital, amounting to JD 5,000,000 as of 31 March 2024, and the investment in associate appears according to the equity method in the financial statements.

The Company's investment in the Credit Card Services Company PSC has been reclassified from financial assets at fair value through other comprehensive income to investments in associates due to an increase in the percentage of the Company's voting rights in the Credit Card Services Company PJSC from 11% to 19% during the period after completing the purchase of 466,800 shares (Note 8). As a result, the Company had a significant influence on decisions related to the financial and operational policies of the Credit Card Services Company PSC.

\* Movement on the investment in associate for the period / year is as follows:

	31 March 2024 JD (Unaudited)	31 December 2023 JD (Audited)
Balance at the beginning of the period / year	-	-
Additions during the period / year	1,283,101	-
Company's share from the associate's results	(147,378)	-
Balance at the end of the period / year	<u>1,135,723</u>	<u>-</u>

**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**31 MARCH 2024 (UNAUDITED)**

---

**(10) Income Tax**

Income tax has been calculated in accordance with the Jordanian Income Tax Law No. (34) for the year 2014 and its amendments. The income tax rate is of 24%, in addition to 4% national contribution.

The income tax expense in the interim condensed statement of income are as follows:

	For the three months ended 31 March	
	2024	2023
	JD	JD
	(Unaudited)	(Unaudited)
Income tax expense for the period	45,960	37,337
Effect of deferred tax assets for the period	(53,792)	(12,541)
	<u>(7,832)</u>	<u>24,796</u>

The movement on income tax provision during the period / year is as follows:

	31 March 2024	31 December 2023
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the period / year	36,397	-
Income tax paid	(8,869)	(10,626)
Income tax expense for the period / year	45,960	47,023
Balance at the end of the period / year	<u>73,488</u>	<u>36,397</u>

The movement on the deferred tax assets during the period / year is as follows:

	31 March 2024	31 December 2023
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the period / year	468,949	434,886
Additions during the period / year	53,792	34,063
Balance at the end of the period / year	<u>522,741</u>	<u>468,949</u>

Deferred tax assets are calculated at 28% on the provision for expected credit losses.



**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**31 MARCH 2024 (UNAUDITED)**

---

The Company reached a final settlement with the Income and Sales Tax Department until the end of 2020.

The Company has submitted its income tax returns for the years 2021 and 2022. The Income and Sales Tax Department did not review the Company's accounting records up to the date of these interim condensed financial statements. The Company will submit its tax return for the year 2023 within the statutory period. In the opinion of management and the tax consultant, the provision is adequate to counter any tax liabilities.

**(11) Related Parties Transactions**

Transactions with related parties represent the transactions that have taken place with major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of the transactions with related parties are approved by the Company's management.

Following is a summary of balances and transactions with related parties is as follows:

	31 March 2024	31 December 2023
	JD	JD
	(Unaudited)	(Audited)
Margin receivables - Major shareholders of the Company, directors, and other related parties (note 5)	1,588,071	1,573,772
Trade payables - Major shareholders of the Company, directors and other related parties	126	3,418

Total trading volume and commission for related parties dealt with during the period is as follows:

	For the three months ended	
	31 March 2024	31 March 2023
	JD	JD
	(Unaudited)	(Unaudited)
Total trading volume - Major shareholders of the Company	254,807	1,108,488
Margin finance commissions - Major shareholders of the Company	36,401	36,942
Total commissions - Major shareholders of the Company	1,271	7,305

**AL AMAL FINANCIAL INVESTMENTS COMPANY**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**31 MARCH 2024 (UNAUDITED)**

---

During the period, the Company recorded the following benefits and allowances for the members of the Board of Directors:

	For the three months ended	
	31 March 2024	31 March 2023
	JD (Unaudited)	JD (Unaudited)
Transportation allowance for members of the Board of Directors	52,500	40,500

During the period, the Company recorded the following salaries and bonuses for the members of the executive management:

	For the three months ended	
	31 March 2024	31 March 2023
	JD (Unaudited)	JD (Unaudited)
Executive Management salaries and remuneration	19,918	18,969

**(12) Investment Properties**

During the year 2021, the Company reached to an agreement with one of the customers to settle the amounts due from this customer with a total amount of JD 1,333,181 by providing the Company with land and buildings as part of the settlement agreement. The Company classified these properties as investment properties, as the Company intends to keep them to generate cash flows or to benefit from capital appreciation of their prices or both.

The depreciation expense for the three months ended 31 March 2024 amounted to JD 2,043 (31 March 2023: JD 2,043).

The fair value of the investment properties amounted to JD 1,293,758 as of 31 December 2023. At that date, the Company estimated the fair value of the investment properties by independent valuers. In the opinion of the management, the fair value of the investment properties as of 31 March 2024, exceeds the carrying value, and the results of the estimations made by management during the year 2023 remain valid.

**(13) Salaries, Wages and Benefits**

This item includes salaries and benefits for the Company's employees, including basic salaries expenses, allowances, benefits, discounts and the Company's share of employee's social security, in addition to the amounts of clearances with the resigned employees.

**(14) Contingent Liabilities**

The Company at the date of the interim condensed financial statements has liabilities that may arise, which include:

	31 March 2024	31 December 2023
	JD	JD
	(Unaudited)	(Audited)
Bank Guarantees	640,000	640,000
Guarantees' Insurance	83,000	83,000

**Litigations against the Company by others:**

The Company is a defendant in several lawsuits in the amount of JD 9,000 as of 31 March 2024 (31 March 2023: JD 12,000). The Company's management has analysed the risks related to these issues and their likelihood of occurrence. Accordingly, the Company has taken the necessary provisions. In the opinion of the management and its legal advisor, the provisions taken are sufficient to meet any of these obligations.

**(15) Fair Value Hierarchy**

Fair value of financial assets for the Company which is valued at fair value on continues basis:

Level 1: The market prices announced in the active markets of the same financial instruments.

Level 2: Valuation methods based on inputs that affect the fair value and can be observed directly or indirectly in the market.

Level 3: Valuation techniques that are based on inputs that affect the fair value and are not directly or indirectly observable in the market.

The following table shows the analysis of financial assets measured at fair value on an ongoing basis and in the hierarchy mentioned above:

Financial Assets	Fair Value		Fair Value Hierarchy
	31 March 2024	31 December 2023	
	JD (unaudited)	JD (audited)	
<b>Financial Assets at Fair Value</b>			
Financial Assets at fair value through other comprehensive income	159,297	163,722	Level 1
Financial Assets at fair value through other comprehensive income	-	816,301	Level 3
Financial assets at fair value through income	3,722,954	4,695,937	Level 1
<b>Total Financial Assets at Fair Value</b>	<b>3,882,251</b>	<b>5,675,960</b>	

The fair value of investment properties was disclosed and calculated using methods under fair value hierarchy of level 3 (note 12).

**(16) Basic and Diluted Earnings per share from Profit (Loss) for the Period**

	For the three months ended 31 March	
	2024 (Unaudited)	2023 (Unaudited)
(Loss) profit for the period after tax (JD)	(95,904)	204,378
Weighted average number of shares (shares)	15,000,000	15,000,000
<b>Basic and diluted earnings per share from (loss) profit for the period (Fils/ JD)</b>	<b>(0/006)</b>	<b>0/014</b>