

**JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
WITH THE INDEPENDENT AUDITOR'S REPORT
ON REVIEW OF THE INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS**

**JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AMMAN – HASHEMITE KINGDOM OF JORDAN
SEPTEMBER 30, 2022**

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Review Report

To the Board of Directors
Jordan Trade Facilities Company
(Public Shareholding Company)
Amman-Hashemite Kingdom of Jordan
September 30, 2022

Review Report on Interim Condensed Consolidated Financial Statements

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of **Jordan Trade Facilities Company – Public Shareholding Company – (“the Company”)** and its subsidiary (**“the Group”**) as of September 30, 2022, and the interim condensed consolidated statements of profit or loss and other comprehensive income for the three months and nine months ended September 30, 2022, the interim condensed consolidated statement of changes in shareholders’ equity and the interim condensed consolidated statement of cash flows for the nine-month period ended September 30, 2022, and the notes to the interim condensed consolidated financial statements. Management is responsible for the preparation of these interim condensed consolidated financial statement in accordance with IAS 34, ‘Interim Financial Reporting’ as modified by the Central Bank of Jordan instructions. Our responsibility is to express a conclusion on these interim condensed consolidated 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 Statements Performed by the Independent Auditor of the Entity”. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements as of September 30, 2022, are not prepared, in all material respects, in accordance with International Accounting Standard number (34) “Interim Financial Reporting” as modified by the Central Bank of Jordan instructions.

Kawasmy and Partners
KPMG

Hatem Kawasmy
License no. (656)



Amman – Jordan
October 24, 2022

**JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)
AMMAN – HASHEMITE KINGDOM OF JORDAN
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

| <i>In Jordanian Dinar</i> | Note | September 30, 2022 (Unaudited) | December 31, 2021 (Audited) |
|---|------|--------------------------------------|-----------------------------------|
| ASSETS | | | |
| Cash on hand and at banks | 5 | 4,372,009 | 317,063 |
| Financial assets at fair value through other comprehensive income | 6 | 211,322 | 211,937 |
| Financial assets at amortized cost | 7 | 83,409,084 | 70,938,392 |
| Other debit balances | | 390,130 | 224,908 |
| Right of use assets | | 286,387 | 350,118 |
| Investment properties – net | 8 | 356,850 | 374,400 |
| Assets foreclosed in repayment of non-performing debts | | 2,622,525 | 2,990,442 |
| Property and equipment | | 95,811 | 141,168 |
| Intangible assets | | 55,699 | 58,558 |
| Deferred tax assets | | 3,008,925 | 2,555,175 |
| TOTAL ASSETS | | 94,808,742 | 78,162,161 |
| LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| Overdrafts | 9 | 6,526,671 | 3,678,709 |
| Loans | 10 | 39,746,888 | 29,384,454 |
| Bonds | 11 | 5,280,000 | 5,280,000 |
| Liabilities against operating leases | | 257,109 | 343,817 |
| Other liabilities | | 973,238 | 738,157 |
| Other provisions | | 356,281 | 391,541 |
| Income tax provision | 12 | 1,414,265 | 1,526,777 |
| TOTAL LIABILITIES | | 54,554,452 | 41,343,455 |
| Shareholders' Equity | | | |
| Subscribed and paid in capital | 1 | 16,500,000 | 16,500,000 |
| Statutory reserve | | 4,125,000 | 4,125,000 |
| Financial assets valuation reserve | | 16,158 | 16,773 |
| Retained earnings | | 16,176,933 | 16,176,933 |
| Profit for the year | | 3,436,199 | - |
| Total Shareholders' Equity | | 40,254,290 | 36,818,706 |
| Total Liabilities and Shareholders' Equity | | 94,808,742 | 78,162,161 |

General Manager

Financial Manager

Notes from (1) to (19) are an integral part of these interim condensed consolidated financial statements and shall be read in conjunction on herewith and with the accompanying review report.

**JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)
AMMAN – HASHEMITE KINGDOM OF JORDAN
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE- MONTH PERIOD ENDED SEPTEMBER 30 (REVIEWED NOT AUDITED)**

| | Note | For the Three-Month Period ended | | For the Nine-Month Period ended | |
|---|------|----------------------------------|---------------------|---------------------------------|--------------------------|
| | | 30 September | | 30 September | |
| | | 2022 (Unaudited) | 2021 (Unaudited) | 2022 (Unaudited) | 2021 (Unaudited) |
| Revenues and commissions from conventional Murabaha and finance leases | | 3,626,001 | 2,540,304 | 9,023,176 | 6,362,146 |
| Other operating revenues | | 291,167 | 245,814 | 716,051 | 587,790 |
| Total revenues | | 3,917,168 | 2,786,118 | 9,739,227 | 6,949,936 |
| Salaries, wages and employees' benefits | | (414,658) | (369,483) | (1,158,741) | (975,990) |
| Administrative expenses | | (165,758) | (179,377) | (541,775) | (480,138) |
| Depreciation and amortization | | (50,592) | (59,446) | (159,975) | (207,276) |
| Provision for expected credit losses on financial assets at amortized cost | 7 | (1,113,141) | (761,065) | (1,214,750) | (1,298,801) |
| Finance expenses | | (746,729) | (459,106) | (1,873,566) | (1,260,560) |
| Total expenses | | (2,490,878) | (1,828,477) | (4,948,807) | (4,222,766) |
| Income from operating activities | | 1,426,290 | 957,641 | 4,790,420 | 2,727,170 |
| Cash dividends of financial assets at fair value through statement of comprehensive income | | 9,182 | 9,362 | 9,182 | 9,362 |
| Other income | | 12,075 | 74,061 | 49,567 | 90,105 |
| Other provision expense | | (15,986) | (27,000) | (33,104) | (81,000) |
| Profit for the period before income tax | | 1,431,561 | 1,014,064 | 4,816,065 | 2,745,637 |
| Income tax expense | 12 | (406,205) | (289,081) | (1,379,866) | (798,254) |
| Profit for the period | | 1,025,356 | 724,983 | 3,436,199 | 1,947,383 |
| Other comprehensive income that will not be subsequently reclassified to the interim consolidated statement of profit or loss: | | | | | |
| Net change in the fair value of financial assets at fair value through other comprehensive income | | 2,279 | (12,674) | (615) | (10,352) |
| Total comprehensive income for the period | | 1,027,635 | 712,309 | 3,435,584 | 1,937,031 |
| Basic and diluted earnings per share (JOD/ share) | 15 | | | 0.208 | 0.118 |
| | | | | General Manager | Financial Manager |

Notes from (1) to (19) are an integral part of these interim condensed consolidated financial statements and shall be read in conjunction on herewith and with the accompanying review report.

**JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)
AMMAN – HASHEMITE KINGDOM OF JORDAN
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE- MONTH PERIOD ENDED SEPTEMBER 30 (REVIEWED NOT AUDITED)**

| <i>In Jordanian Dinar</i> | Authorized and paid-in capital | Statutory reserve | Fair value Reserve - Net | Retained Earnings* | Profit for the period | Total |
|---|-----------------------------------|----------------------|-----------------------------|-----------------------|--------------------------|-------------------|
| 2022 | | | | | | |
| (Unaudited) | | | | | | |
| Balance as of 1 January 2022 | 16,500,000 | 4,125,000 | 16,773 | 16,176,933 | - | 36,818,706 |
| Total comprehensive income for the period | - | - | (615) | - | 3,436,199 | 3,435,584 |
| Balance as of 30 September 2022 | 16,500,000 | 4,125,000 | 16,158 | 16,176,933 | 3,436,199 | 40,254,290 |
| 2021 | | | | | | |
| (Unaudited) | | | | | | |
| Balance as of 1 January 2021 | 16,500,000 | 4,083,875 | 17,377 | 12,286,882 | - | 32,888,134 |
| Total comprehensive income for the period | - | - | (10,352) | - | 1,947,383 | 1,937,031 |
| Balance as of 30 September 2021 | 16,500,000 | 4,083,875 | 7,025 | 12,286,882 | 1,947,383 | 34,825,165 |

* The retained earnings included an amount of 3,008,925 as of September 30, 2022 (December 31, 2021: 2,555,175) representing the deferred tax assets which is restricted and cannot be distributed to shareholders in compliance with Jordan Security Commission instructions.

General Manager

Financial Manager

Notes from (1) to (19) are an integral part of these interim condensed consolidated financial statements and shall be read in conjunction on herewith and with the accompanying review report.

**JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)
AMMAN – HASHEMITE KINGDOM OF JORDAN
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE- MONTH PERIOD ENDED SEPTEMBER 30 (REVIEWED NOT AUDITED)**

| <i>In Jordanian Dinar</i> | Note | For the Nine-Month Period ended 30 September | |
|--|------|--|---------------------|
| | | 2022 (Unaudited) | 2021 (Unaudited) |
| Operating activities | | | |
| Profit for the period before income tax | | 4,816,065 | 2,745,637 |
| Adjustments: | | | |
| Depreciation and amortization | | 159,975 | 207,276 |
| Gain (loss) on disposal of property and equipment | | 5,704 | (840) |
| Provision for expected credit losses on financial assets at amortized cost | | 1,214,750 | 1,298,801 |
| Dividend income from financial assets at fair value through Other comprehensive income | | (9,182) | (9,362) |
| Gain on disposal right of use assets | | - | (27,658) |
| Gain on sale of assets foreclosed in repayment of non-performing debts | | (27,101) | (32,965) |
| Financing expenses | | 1,873,566 | 1,260,560 |
| Profit before changes in working capital items | | 8,033,777 | 5,441,450 |
| Changes in working capital items: | | | |
| Financial assets at amortized cost | | (13,685,442) | (11,380,549) |
| Other debit balances | | (165,222) | 73,367 |
| Other liabilities | | 107,327 | 253,244 |
| Other provisions | | (35,260) | 61,487 |
| Cash flows (used in) operating activities before income tax and finance expenses paid | | (5,744,820) | (5,551,002) |
| Finance expenses paid | | (1,729,131) | (1,087,847) |
| Income tax paid | 12 | (1,946,128) | (1,474,742) |
| Net cash flows (used in) operating activities | | (9,420,079) | (8,113,591) |
| Investing activities | | | |
| Purchase of property and equipment and intangible asset | | (38,417) | (35,360) |
| Proceeds from sale of property and equipment | | 2,232 | 3,012 |
| Additions on assets foreclosed in repayment of non-performing debts | | (123,390) | (263,606) |
| Proceeds from the sale of assets seized | | 518,408 | 804,768 |
| Dividend income from financial assets at fair value through other comprehensive income | | 9,182 | 9,362 |
| Net cash flows from investing activities | | 368,015 | 518,176 |
| Financing activities | | | |
| Overdrafts | | 2,847,962 | 3,309,849 |
| Loans | | 10,362,434 | 4,664,251 |
| Paid liabilities against operating lease contracts | | (103,386) | (122,206) |
| Net cash flows from financing activities | | 13,107,010 | 7,851,894 |
| Net change in cash and cash equivalents | | 4,054,946 | 256,479 |
| Cash and cash equivalents at beginning of the period | | 317,063 | 129,040 |
| Cash and Cash Equivalents at End of the Period | | 4,372,009 | 385,519 |

General Manager

Financial Manager

Notes from (1) to (19) are an integral part of these interim condensed consolidated financial statements and shall be read in conjunction herewith and with the accompanying review report.

**JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)
AMMAN – HASHEMITE KINGDOM OF JORDAN
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

1) GENERAL INFORMATION

Jordan Trade Facilities Company (The Company) was established under Companies Law No, (13) for the year 1964 as a Jordanian Public Shareholding Company under No. (179) on March 13, 1983. The issued, authorized and paid-up capital of the Company is JOD 16,500,000/ share; JOD 1 per share.

The Company's Head office is located in Amman -The Hashemite Kingdom of Jordan and its address is in Shmeisani.

The interim condensed consolidated financial statements for the group for the nine-month period ended September 30, 2022 consist of the Company and its subsidiary (referred to as the Group),

The main objectives of the parent company and its subsidiary are:

- To establish offices and agencies to implement its objectives, which was established for in accordance with laws and regulations inside and outside the Kingdom,
- To borrow from banks and financial institutions the necessary funds for its operations, and to pledge their property as collateral,
- Managing and issuing credit cards and prepaid cards to serve the company's work, provided that it is carried out through Invest Bank
- Financing long term and consumable commodities,
- Real-estate financing, in all forms of financing , including financial leasing
- Issuing bank guarantees and credits in the name of the company for the benefit of clients through banks,
- Project financing and management,
- Manage financial leasing,
- Engaging in commercial brokerage, sale and purchase dealings, finance leasing, and financial services,
- Obtaining financing by offering bonds and providing the necessary guarantees for them,
- Investing the company's assets in government deposits and bonds in various ways, means and forms available within the Kingdom's borders within the limits permitted by the laws and regulations applicable in the Kingdom,
- Owning and managing tourist projects, vehicles and university studies,
- Financial leasing in accordance with the provisions of Islamic Sharia law,
- Granting all kinds of loans in accordance with the provisions of Islamic Sharia law,

The Company's shares are listed in the Amman Stock Exchange.

The Company is affiliated to the Group of Invest bank, as its consolidated financial statements are consolidated with the Bank's consolidated financial statements.

The interim condensed consolidated financial statements were approved by the board of directors in its meeting held on October 24, 2022

2) BASIS OF PREPARATION OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

2-1 Basis of preparation

- The interim condensed consolidated financial statements for the nine-month ended September 30, 2022 have been prepared in accordance with International Accounting Standards No, (34) ("interim financial reporting") as modified by the Central Bank of Jordan instructions,
- The main differences between the IFRSs as they must be applied and what has been modified by the Central Bank of Jordan are the following:

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(PUBLIC SHAREHOLDING COMPANY)
AMMAN – HASHEMITE KINGDOM OF JORDAN
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

- Expected credit losses provisions are formed in accordance with the instructions of Central Bank of Jordan No. (13/2018) “Application of the International Financial Reporting Standard (9)” dated September 6, 2018, when calculating the provision for credit losses against credit exposures, the results of the calculation in accordance with the International Reporting Financial Standard No. (9) are compared with the instructions of the Central Bank of Jordan No. (47/2009) dated December 10, 2009 for each stage separately, and whichever is more strict results are taken and classified in accordance with Central bank of Jordan requirements in this regard.
 - Interest and commissions are suspended on credit facilities granted to clients that are classified within stage three in accordance with the instructions of the Central Bank of Jordan.
 - Assets foreclosed by the Company in repayment of non-performing debts are presented in the interim condensed consolidated statement of financial position at the value that has been acquired by the Company or the fair value whichever is lower. And are re-evaluated individually in accordance with the instructions of Central Bank of Jordan, and any impairment in its value is recorded as a loss in the consolidated statement of profit or loss, and the increase is not recorded as revenue, the subsequent increase is taken in the consolidated statement of profit or loss and comprehensive income to the extent that does not exceed the value of the decline that was previously recorded.
- These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements prepared in accordance with International Financial Reporting Standards as modified by Central Bank of Jordan instructions.
 - These interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2021, Furthermore, the results of operations for the nine months ended September 30, 2022 do not necessarily reflect an accurate indicator about the expected results for the year ending December 31, 2022.
 - The reporting currency of these interim condensed consolidated financial statements is the Jordanian Dinar Which is the functional currency of the Company.
 - The interim condensed consolidated financial statements are prepared on the historical cost basis, except for financial assets at fair value through other comprehensive income.

BASIS OF CONSOLIDATION OF FINANCIAL STATEMENTS

The interim condensed consolidated financial statements include the financial statements of the Company and the wholly owned subsidiary company controlled by it, control exists when the Company has the ability to control the financial and operating policies of the subsidiary company in order to achieve financial benefits out of their operations, all inter-company transactions, balances, revenues and expenses between the Company and its subsidiary are eliminated.

The following are the details of its subsidiary as of September 30, 2022:

| <u>Company Name</u> | <u>Authorized Capital</u> | <u>Paid-up Capital</u> | <u>Company's Ownership</u> | <u>Nature of Activity</u> | <u>Operation Country</u> | <u>Date of Acquisition</u> |
|--|---------------------------|------------------------|----------------------------|---------------------------|--------------------------|----------------------------|
| <i>In Jordanian Dinar</i> | | | | | | |
| Jordan Facilities for Leasing Co. L.L.C. | 2,000,000 | 2,000,000 | 100 | Finance Leasing | Amman | 2010 |

The financial statements of the subsidiary for the same fiscal period are prepared using the same accounting policies adopted by the Company, changes are made to the accounting policies of the subsidiary, when necessary, to align them with accounting policies adopted by the Company.

The subsidiary's financial statements are consolidated in the consolidated income statement from the date of acquisition which is date of transfer of the controlling over the subsidiary, when the company lose the control over the subsidiary it will not be consolidated.

**JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)
AMMAN – HASHEMITE KINGDOM OF JORDAN
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

3) ACCOUNTING ESTIMATES

Preparation of the interim condensed consolidated financial statements and the application of the accounting policies require the company management to perform assessments and assumptions that affect the amounts of financial assets and liabilities, financial assets valuation reserve – net and the disclosure of contingent liabilities, Moreover, these assessments and assumptions affect revenues, expenses, provisions, and changes in the fair value shown within the consolidated condensed statement of comprehensive income, In particular, this requires the company management to issue significant judgments and assumptions to assess future cash flow amounts and their timing, Moreover, the mentioned assessments are necessarily based on assumptions and factors with varying degrees of consideration and uncertainty, In addition, actual results may differ from assessments due to changes resulting from the conditions and circumstance of those assessments in the future.

We believe that our adopted estimates for the preparation of the interim condensed consolidated financial statements are reasonable and consistent with the adopted estimates for the preparation of the consolidated financial statements for the year ended December 31, 2021 expect the following:

- **Fair value measurement:**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- 1- In the principal market for the asset or liability, or
 - 2- In the absence of a principal market, in the most advantageous market for the asset or liability,
- In measuring the fair value of the assets and liabilities, the company uses observable market inputs as possible, The company determines fair value using valuation techniques, The company also uses the following levels, which reflect the importance of the inputs used in determining the fair value.

Level 1: Quoted (unadjusted) prices in an active market for identical assets or liabilities.

Level 2: input-based valuation techniques with the exception of prices included in level 1 that determine the assets or liabilities directly or indirectly.

Level 3: Methods for assessing assets or liabilities using significant inputs that do not depend on available market information (unobservable inputs) if the inputs used to measure the fair value of the assets, The company recognizes transfers between the fair value levels at the end of the reporting period at the same time that the change occurs.

Management believes that the estimates included in the interim condensed consolidated financial statements are reasonable and sufficient.

- **The impact of (Covid-19)**

The Coronavirus (Covid- 19) pandemic has spread across different geographic regions of the world, leading to disruption of business and economic activities. The Coronavirus (Covid -19) pandemic has caused suspicion at the global level. Financial and monetary authorities, both local and international, announced various support measures around the world to counter the potential negative impacts, as at the present time, after most countries of the world have removed restrictions and closures, returned to normal life and returned to the gradual raising of interest rates to face the high rates of inflation caused by the fluctuations in the European continent.

At the present time, there is a significant increase in uncertainty in determining the economic impact that follows the possibility of the pandemic ending due to global economic conditions and the possibility of entering a recession.

The Risk Management Department will continue to closely monitor the situation through its business continuity plan and other risk management practices to manage any potential disruptions to the Company's business, operations and financial performance.

**JORDAN TRADE FACILITIES COMPANY
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AMMAN – HASHEMITE KINGDOM OF JORDAN
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

4) CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

- The accounting policies applied in these Interim condensed consolidated financial statements are the same as those applied in the consolidated financial statements for the year ended December 31, 2021, except for the new and amended standards or standards amendments that become effective after January 1, 2022, and are as follows:

a) ADOPTED ACCOUNTING POLICIES:

| <u>New standards or amendments</u> | <u>Effective date</u> |
|--|-----------------------|
| Onerous Contracts – Cost of Fulfilling a Contract: Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets | January 1,2022 |
| Annual Improvements to IFRS Standards 2018–2020 | January 1,2022 |
| Property, Plant and Equipment – Proceeds before Intended Use: Amendments to IAS 16 Property, Plant and Equipment | January 1,2022 |
| Reference to the Conceptual Framework – Amendments to IFRS 3 Business Combinations | January 1,2022 |

b) NEW AND REVISED IFRS ISSUED AND NOT YET EFFECTIVE:

A number of new standards, amendments to standards and interpretations that were issued but not yet effective, and have not been applied when preparing these interim condensed consolidated financial statements:

| <u>New standards or amendments</u> | <u>Application Date</u> |
|--|------------------------------|
| Classification of liabilities into current or non-current liabilities (amendments to IAS 1) | January 1 st 2023 |
| IFRS 17 “Insurance Contracts” and Amendments to IFRS 17 “Insurance Contracts” and IFRS 9 - Comparative Information. | January 1 st 2023 |
| Definition of Accounting Estimates - Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. | January 1 st 2023 |
| Disclosure of accounting policies (Amendments to IAS 1 and IFRS practice statement 2) | January 1 st 2023 |
| Deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12) | January 1 st 2023 |
| Sale or grant of assets between an investor and an affiliate company or a joint venture (amendments to IFRS 10 and IAS 28) | Optional |

The management does not expect that there will be a material impact from the above standards upon implementation.

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5) CASH ON HAND AND AT BANKS

| <i>In Jordanian Dinar</i> | September 30, 2022 | December 31, 2021 |
|---------------------------|-------------------------------|------------------------------|
| | (Unaudited) | (Audited) |
| Cash on hand | 120,021 | 114,166 |
| Current account at banks | 4,251,988 | 202,897 |
| | 4,372,009 | 317,063 |

6) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

| <i>In Jordanian Dinar</i> | September 30, 2022 | December 31, 2021 |
|--------------------------------|-------------------------------|------------------------------|
| | (Unaudited) | (Audited) |
| Outside Jordan | | |
| Shares of non-listed companies | 211,322 | 211,937 |

The investment represents shares in Al-Soor International Holding Company (Kuwait), which are unquoted shares. The total number of shares owned is 500,000 shares representing 0.1% of the Company's paid-up capital, the fair value has been calculated using the ownership percentage of the Company's net assets based on the last audited financial statements of the investee company.

7) FINANCIAL ASSETS AT AMORTIZED COST

| <i>In Jordanian Dinar</i> | September 30, 2022 | December 31, 2021 |
|---|-------------------------------|------------------------------|
| | (Unaudited) | (Audited) |
| Instalment receivables (a) | 82,248,225 | 68,466,860 |
| Finance lease receivables (b) - net | 1,154,705 | 2,463,408 |
| Loans granted to clients – credit cards | 6,154 | 8,124 |
| | 83,409,084 | 70,938,392 |

These assets were distributed according to their maturity date as follows:

| <i>In Jordanian Dinar</i> | September 30, 2022 | December 31, 2021 |
|--|-------------------------------|------------------------------|
| Due within less than a year | 20,359,056 | 32,916,760 |
| Due within more than a year and less than five years | 70,258,587 | 57,138,890 |
| Due within more than five years | 22,585,693 | 4,271,470 |
| | 113,203,336 | 94,327,120 |
| Provision for expected credit losses in facilities contracts | (7,571,934) | (6,447,554) |
| Unearned revenue from facilities contracts | (19,412,652) | (14,671,126) |
| Interest in suspense | (2,809,666) | (2,270,048) |
| | 83,409,084 | 70,938,392 |

- Loans classified as stage 3 as of September 30, 2022 amounted to JOD 11,204,290 (JOD 9,166,490 as of December 31, 2021).

**JORDAN TRADE FACILITIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)
AMMAN – HASHEMITE KINGDOM OF JORDAN
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

A- Disclosure of movement on total facilities aggregate (installment receivables, finance lease receivables, and credit cards) minus unearned revenues from facilities contracts:

| <i>In Jordanian Dinar</i> | As of September 30, 2022 | | | Total |
|--|-------------------------------|-------------------------------|-------------------|-------------------|
| | Stage One Individual Level | Stage Two Individual Level | Stage Three | |
| Gross balance as at beginning of the period/year | 62,537,309 | 7,952,195 | 9,166,490 | 79,655,994 |
| New facilities during the period/year | 29,279,648 | 1,315,377 | 775,059 | 31,370,084 |
| Paid facilities | (6,670,794) | (1,549,370) | (953,280) | (9,173,444) |
| Transfer to stage one | 2,845,246 | (2,614,848) | (230,398) | - |
| Transfer to stage two | (6,263,559) | 6,823,093 | (559,534) | - |
| Transfer to stage three | (1,636,000) | (1,586,455) | 3,222,455 | - |
| Changes from adjustments | (7,457,519) | (387,929) | (15,257) | (7,860,705) |
| Written off balances | - | - | (201,245) | (254,449) |
| Gross Balance as at Period/Year End | 72,634,331 | 9,952,063 | 11,204,290 | 93,790,684 |

**As of December
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B- Disclosure of movement in the expected credit loss allowance (installment receivables and finance lease receivables):

| <i>In Jordanian Dinar</i> | As of September 30, 2022 | | | Total |
|---|-------------------------------|-------------------------------|------------------|------------------|
| | Stage One Individual Level | Stage Two Individual Level | Stage Three | |
| Beginning balance for the period/year | 884,319 | 545,940 | 5,017,295 | 6,447,554 |
| Impairment loss on the new balances during the period/year/Additions | 705,200 | 477,777 | 1,479,988 | 2,662,965 |
| Reversal from impairment loss on the paid balances | (88,729) | (208,857) | (671,935) | (969,521) |
| Transfer to stage one | 198,420 | (112,788) | (85,632) | - |
| Transfer to stage two | (97,670) | 377,796 | (280,126) | - |
| Transfer to stage three | (25,382) | (196,828) | 222,210 | - |
| Total impact on impairment loss due to classification change between stages | (681,188) | (482,490) | 1,163,678 | - |
| Changes from adjustments | (399,434) | (82,142) | 2,882 | (478,694) |
| Written off balances | - | - | (90,370) | (90,370) |
| Gross Balance as at Period/Year End | 495,536 | 318,408 | 6,757,990 | 7,571,934 |

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(a) Installment receivables

Installment receivables represent the installments incurred by the Company's clients from commercial financing operations and Murabaha for cars and real estate, as these installments include the principal of the funds in addition to the revenue amounts calculated on these financing.

The balances of installment receivables are as follows:

| <i>In Jordanian Dinar</i> | September 30, 2022 | December 31, 2021 |
|--|-------------------------------|------------------------------|
| | (Unaudited) | (Audited) |
| Due within less than a year | 19,198,941 | 30,634,741 |
| Due within more than a year and less than five years | 69,588,367 | 56,210,878 |
| Due within more than five years | 22,585,693 | 4,271,470 |
| Total investment in instalment receivables | 111,373,001 | 91,117,089 |
| Provision for expected credit losses in facilities contracts | (7,301,876) | (6,154,370) |
| Unearned revenue from facilities contracts* | (19,153,631) | (14,354,208) |
| Interest in suspense | (2,669,269) | (2,141,651) |
| Net investment in instalment receivables | 82,248,225 | 68,466,860 |

*This item includes deferred revenues for each of the commercial financing operations, Murabaha, international Murabaha, and deferred sale receivables as at September 30, 2022 and December 31, 2021.

The sectorial distribution of installment receivables is as follows:

| <i>In Jordanian Dinar</i> | September 30, 2022 | December 31, 2021 |
|--|-------------------------------|------------------------------|
| | (Unaudited) | (Audited) |
| Real estates | 10,562,732 | 10,251,353 |
| Companies | 20,404,795 | 23,544,539 |
| Loans and bills | 80,405,474 | 57,321,197 |
| Total Instalment Receivables | 111,373,001 | 91,117,089 |
| Provision for expected credit losses in facilities contracts | (7,301,876) | (6,154,370) |
| Unearned revenue form facilities contracts | (19,153,631) | (14,354,208) |
| Interest in suspense | (2,669,269) | (2,141,651) |
| Net Investment in Instalment Receivables | 82,248,225 | 68,466,860 |

Installment receivables are distributed after deducting the unearned revenues from facilities contracts and adding the loans granted to clients - credit cards in an aggregate manner according to credit stages in accordance with the requirements of IFRS (9) as follows:

| <i>In Jordanian Dinar</i> | Stage One Individual Level | Stage Two Individual Level | Stage Three | Total |
|---|---|---|--------------------|-------------------|
| September 30, 2022 (Unaudited) | | | | |
| Gross balance as at beginning of the period | 60,395,268 | 7,717,275 | 8,658,462 | 76,771,005 |
| New facilities during the period | 29,179,318 | 1,256,240 | 760,448 | 31,196,006 |
| Paid facilities | (6,459,252) | (1,489,282) | (854,821) | (8,803,355) |
| Transfer to stage one | 2,807,552 | (2,578,790) | (228,762) | - |
| Transfer to stage two | (6,198,403) | 6,757,937 | (559,534) | - |
| Transfer to stage three | (1,622,560) | (1,518,530) | 3,141,090 | - |
| Changes from adjustments | (6,364,826) | (363,129) | (11,743) | (6,739,698) |
| Written off balances | - | - | (198,434) | (198,434) |
| Gross Balance as at Period End | 71,737,097 | 9,781,721 | 10,706,706 | 92,225,524 |

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| <i>In Jordanian Dinar</i> <u>December 31, 2021 (Audited)</u> | Stage One Individual Level | Stage Two Individual Level | Stage Three | Total |
|--|---|---|--------------------|-------------------|
| Gross balance as at beginning of the year | 45,007,231 | 5,530,393 | 7,152,156 | 57,689,780 |
| New facilities during the year | 30,319,064 | 2,188,269 | 948,607 | 33,455,940 |
| Paid facilities | (11,025,949) | (1,737,120) | (1,250,773) | (14,013,842) |
| Transfer to stage one | 667,410 | (399,433) | (267,977) | - |
| Transfer to stage two | (2,668,124) | 2,809,601 | (141,477) | - |
| Transfer to stage three | (1,794,233) | (674,435) | 2,468,668 | - |
| Changes from adjustments | (110,131) | - | - | (110,131) |
| Written off balances | - | - | (250,742) | (250,742) |
| Gross Balance as at Year End | 60,395,268 | 7,717,275 | 8,658,462 | 76,771,005 |

Disclosure of movement of the provision of expected credit losses:

| <i>In Jordanian Dinar</i> <u>September 30, 2022 (Unaudited)</u> | Stage One Individual Level | Stage Two Individual Level | Stage Three | Total |
|---|---|---|--------------------|------------------|
| Beginning balance | 869,438 | 533,795 | 4,751,137 | 6,154,370 |
| Impairment loss on new balances during the period | 704,390 | 471,022 | 1,473,884 | 2,649,296 |
| Reversal from impairment loss on paid balances | (83,527) | (201,280) | (653,701) | (938,508) |
| Transfer to stage one | 195,610 | (109,978) | (85,632) | - |
| Transfer to stage two | (96,173) | 376,299 | (280,126) | - |
| Transfer to stage three | (25,195) | (191,521) | 216,716 | - |
| Total impact on impairment loss due to classification change between stages | (679,310) | (484,947) | 1,164,257 | - |
| Changes from adjustments | (391,684) | (81,445) | - | (473,129) |
| Written off balances | - | - | (90,153) | (90,153) |
| Gross Balance as at Period End | 493,549 | 311,945 | 6,496,382 | 7,301,876 |

| <i>In Jordanian Dinar</i> <u>December 31, 2021 (Audited)</u> | Stage One Individual Level | Stage Two Individual Level | Stage Three | Total |
|---|---|---|--------------------|------------------|
| Beginning Balance | 449,444 | 291,538 | 5,091,130 | 5,832,112 |
| Impairment loss on new balances during the year / additions | 1,364,823 | 520,636 | 390,708 | 2,276,167 |
| Reversal from impairment loss on paid balances | (118,705) | (108,972) | (1,655,211) | (1,882,888) |
| Transfer to stage one | 70,588 | (15,079) | (55,509) | - |
| Transfer to stage two | (35,610) | 122,353 | (86,743) | - |
| Transfer to stage three | (24,440) | (36,096) | 60,536 | - |
| Total impact on impairment loss due to classification change between stages | (836,662) | (240,585) | 1,077,247 | - |
| Changes from adjustments | - | - | - | - |
| Written off balances | - | - | (71,021) | (71,021) |
| Gross Balance as at Year End | 869,438 | 533,795 | 4,751,137 | 6,154,370 |

Based on the decision of the Company's board of directors, an amount of JOD 90,153 was written off from the provision of expected credit losses during the period ending September 30, 2022 (2021: JOD 71,021) and an amount of JOD 108,281 was written off during the period ending on September 30, 2022 (2021: JOD 179,721) from the interest in suspense.

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(b) Finance lease contract receivables

The following table shows the maturity periods of finance lease contracts receivables during the period/year before deducting the deferred revenue:

| <i>In Jordanian Dinar</i> | September 30, 2022 | December 31, 2021 |
|--|-------------------------------|------------------------------|
| | (Unaudited) | (Audited) |
| Due within less than a year | 1,153,961 | 2,273,895 |
| Due within more than a year and less than five years | 670,220 | 928,012 |
| | 1,824,181 | 3,201,907 |
| Provision for expected credit losses in facilities contracts | (270,058) | (293,184) |
| Unearned revenue from facilities contracts | (259,021) | (316,918) |
| Interest in suspense | (140,397) | (128,397) |
| | 1,154,705 | 2,463,408 |

The Company grants real estate finance to its customers through closed end leasing contract, with average terms of 5 years. The sectorial distribution of finance lease contracts receivables is as follows:

| <i>In Jordanian Dinar</i> | September 30, 2022 | December 31, 2021 |
|--|-------------------------------|------------------------------|
| | (Unaudited) | (Audited) |
| Real-estate | 1,143,004 | 1,276,053 |
| Corporates | 229,924 | 1,168,665 |
| Loans | 451,253 | 757,189 |
| Investment in finance lease contracts | 1,824,181 | 3,201,907 |
| Provision for expected credit losses in facilities contracts | (270,058) | (293,184) |
| Unearned revenue from facilities contracts | (259,021) | (316,918) |
| Interest in suspense | (140,397) | (128,397) |
| Net Investment in Finance Lease Contracts | 1,154,705 | 2,463,408 |

The finance lease contracts installments are distributed in net after subtracting the deferred revenue in an aggregate manner according to the credit stages according to the requirements of IFRS (9) as follows:

| <i>In Jordanian Dinar</i> | Stage One Individual Level | Stage Two Individual Level | Stage Three | Total |
|---|---|---|------------------------|------------------|
| September 30, 2022 (Unaudited) | | | | |
| Gross balance as at beginning of the period | 2,142,041 | 234,920 | 508,028 | 2,884,989 |
| New facilities during the period | 100,330 | 59,137 | 14,611 | 174,078 |
| Paid facilities | (211,542) | (60,088) | (98,459) | (370,089) |
| Transfer to stage one | 37,694 | (36,058) | (1,636) | - |
| Transfer to stage two | (65,156) | 65,156 | - | - |
| Transfer to stage three | (13,440) | (67,925) | 81,365 | - |
| Changes from adjustments | (1,092,693) | (24,800) | (3,514) | (1,121,007) |
| Written off balances | - | - | (2,811) | (2,811) |
| Gross Balance as at Period End | 897,234 | 170,342 | 497,584 | 1,565,160 |

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| <i>In Jordanian Dinar</i> December 31, 2021 (Audited) | Stage One Individual Level | Stage Two Individual Level | Stage Three | Total |
|---|---|---|------------------------|------------------|
| Gross balance as at beginning of the year | 3,025,839 | 181,568 | 501,040 | 3,708,447 |
| New facilities during the year | 124,381 | 1,865 | 28,882 | 155,128 |
| Paid facilities | (827,242) | (57,783) | (61,178) | (946,203) |
| Transfer to stage one | 40,634 | (25,470) | (15,164) | - |
| Transfer to stage two | (152,160) | 163,168 | (11,008) | - |
| Transfer to stage three | (40,735) | (28,428) | 69,163 | - |
| Changes from adjustments | (28,676) | - | - | (28,676) |
| Written off balances | - | - | (3,707) | (3,707) |
| Gross Balance as at Year End | 2,142,041 | 234,920 | 508,028 | 2,884,989 |

Disclosure of movement of the provision of expected credit losses:

| <i>In Jordanian Dinar</i> September 30, 2022 (Unaudited) | Stage One | Stage Two | Stage Three | Total |
|---|----------------------|----------------------|------------------------|----------------|
| Beginning balance | 14,881 | 12,145 | 266,158 | 293,184 |
| Impairment loss on new balances during the period | 810 | 6,755 | 6,104 | 13,669 |
| Recovered from impairment loss on paid balances | (5,202) | (7,577) | (18,234) | (31,013) |
| Transfer to stage one | 2,810 | (2,810) | - | - |
| Transfer to stage two | (1,497) | 1,497 | - | - |
| Transfer to stage three | (187) | (5,307) | 5,494 | - |
| Total impact on impairment loss due to classification change between stages | (1,878) | 2,457 | (579) | - |
| Changes from adjustments | (7,750) | (697) | 2,882 | (5,565) |
| Written off balances | - | - | (217) | (217) |
| Gross Balance as at Period End | 1,987 | 6,463 | 261,608 | 270,058 |

| <i>In Jordanian Dinar</i> December 31, 2021 (Audited) | Stage One | Stage Two | Stage Three | Total |
|---|----------------------|----------------------|------------------------|----------------|
| Beginning balance | 31,980 | 13,420 | 223,162 | 268,562 |
| Impairment loss on new balances during the year | 20,870 | 5,053 | 42,105 | 68,028 |
| Reversal from impairment loss on paid balances | (14,905) | (12,037) | (15,893) | (42,835) |
| Transfer to stage one | 4,029 | (2,289) | (1,740) | - |
| Transfer to stage two | (2,872) | 6,244 | (3,372) | - |
| Transfer to stage three | (883) | (1,120) | 2,003 | - |
| Total impact on impairment loss due to classification change between stages | (23,338) | 2,874 | 20,464 | - |
| Changes from adjustments | - | - | - | - |
| Written off balance | - | - | (571) | (571) |
| Gross Balance as at Year End | 14,881 | 12,145 | 266,158 | 293,184 |

Based on the decision of the Company's board of directors, an amount of JOD 217 was written off from the expected credit loss provision during the period ended September 30, 2022 (December 31, 2021: JOD 571) and an amount of JOD 2,594 was written-off from the interest in suspense during the period ended September 30, 2022 (December 31, 2021: JOD 3,136).

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8) INVESTMENT PROPERTIES-NET

| <i>In Jordanian Dinar</i> | September 30, 2022 | December 31, 2021 |
|---------------------------|-------------------------------|------------------------------|
| | (Unaudited) | (Audited) |
| Buildings on lands* | 585,000 | 585,000 |
| Accumulated depreciation | (228,150) | (210,600) |
| | 356,850 | 374,400 |

*This item represents the allocation of 24 residential units of Al Majd residential project for the benefit of the Company, based on the agreement signed with the developer Tameer International Real Estate Company, noting that the Company acquired the apartments and issued ownership deeds in its name, The fair value of the real estate investments is estimated at JOD 375,300 under the latest real estate valuation available to the Company on June 14, 2022.

9) BANK OVERDRAFTS

The facilities granted to the Company are in the form of overdraft from local banks with letters of guarantee issued by Invest Bank. The interest rate ranged between 7.7% - 6.5% as of September 30, 2022 (December 30, 2021: 5.5% - 6%). The main objective of these facilities is to finance the Company's activities. All these facilities are due within a year.

10) LOANS

| <i>In Jordanian Dinar</i> | September 30, 2022 | December 31, 2021 |
|-----------------------------------|-------------------------------|------------------------------|
| | (Unaudited) | (Audited) |
| Loans due within a year | 18,115,691 | 14,381,271 |
| Loans due within more than a year | 21,631,197 | 15,003,183 |
| | 39,746,888 | 29,384,454 |

All these loans are in Jordanian Dinars and USD it is granted by local banks and an international financial institution with letters of guarantee issued by Invest Bank. The interest rate on the above loans ranges 5% - 7.7% as of September 30, 2022 (December 30, 2021: 5.5% - 6.25%).

11) BONDS

| <i>In Jordanian Dinar</i> | September 30, 2022 | December 31, 2021 |
|---------------------------|-------------------------------|------------------------------|
| | (Unaudited) | (Audited) |
| Bonds | 5,280,000 | 5,280,000 |
| | 5,280,000 | 5,280,000 |

During the year 2021, the company issued bonds with an amount of JOD 5,280,000, with a nominal value of JOD 10,000, for a single non-transferable bond for a period of 365 days. Moreover, the interest rate on bonds is 5.25% and due during each six months on May 26, 2022 and November 24, 2022 the bonds are due for repayment on November 24, 2022 .

12) INCOME TAX

a. Movement on the income tax provision is as follows:

| <i>In Jordanian Dinar</i> | September 30, 2022 | December 31, 2021 |
|--|-------------------------------|------------------------------|
| | (Unaudited) | (Audited) |
| Balance as at 1 January | 1,526,777 | 1,206,850 |
| Income tax paid | (1,946,128) | (1,474,742) |
| Income tax expense related to current period/year profit | 1,833,616 | 1,794,669 |
| Balance as at Period/Year End | 1,414,265 | 1,526,777 |

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- b. Income tax expense presented in the interim condensed consolidated statement of profit or loss and other comprehensive income consists of the following:

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| | For the nine-months ended September 30, | |
|---|--|-----------------------------|
| | 2022 (Unaudited) | 2021 (Unaudited) |
| Income tax expense on current period profit | 1,833,616 | 1,250,256 |
| Changes on deferred tax assets | (453,750) | (452,002) |
| | 1,379,866 | 798,254 |

Tax position of the Jordan Trade Facilities Company and its subsidiary:

- The Company reached to a final settlement with the Income and Sales Tax Department till the end of the year 2017, and the year 2018 was accepted by samples system.
- The Company has submitted the tax return for the years 2019, 2020 and 2021 according to the law and on time which were not reviewed by the Income and Sales Tax Department yet.
- The Company submitted the sales tax returns on the date specified by the law, and the Income and Sales Tax Department audited the returns submitted up to the end of 2016, noting that the tax returns till the period end 2017 and the tax returns for subsequent periods were submitted on time and according to the law.
- The subsidiary Company (Jordan Facilities for Leasing Company) reached to a final settlement with the Income and Sales Tax Department until the end of the year 2011, and the years 2012-2018 were accepted by the samples system.
- The subsidiary company (Jordan Facility for Leasing Company) submitted the tax return for the years 2019, 2020 and 2021 according to the law and on time. Which were not reviewed by the Income and Sales Tax Department yet.
- Regarding the sales tax, the subsidiary (Jordan Facilities Company for Leasing) is audited by the Income and Sales Tax Department till the period end 2013, and there are no tax liabilities on the company for that period. Noting that the tax returns till the period end 2017 and the tax returns for subsequent periods were submitted on time and according to the law.
- In the opinion of the Company's management and tax consultant, the Jordan Trade Facilities Company and its subsidiary will not have any obligations in excess of the provision taken until September 30, 2022.

13) BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related parties contain employees and their relatives, executive management and their relatives and the parent company.

The balances and transactions with related parties appears in the interim condensed statement of financial position and interim condensed statement of profit or loss and other comprehensive income are as follows:

13-1) Interim Condensed Consolidated Statement of Financial Position:

| <i>In Jordanian Dinar</i> | Ultimate parent company | Sister Company | September 30, 2022 (Unaudited) | December 31, 2021 (Unaudited) |
|------------------------------------|--|---------------------------|---|--|
| Financial assets at amortized cost | - | 46,392 | 46,392 | 72,464 |
| Loans | 1,000,512 | - | 1,000,512 | 2,516,218 |
| Bond | - | 500,000 | 500,000 | - |
| Current accounts | 4,105,138 | - | 4,105,138 | 128,721 |

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13-2) Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income:

| <i>In Jordanian Dinar</i> | Ultimate parent company | Sister company | Employees and their relatives and executive management and their relatives | September 30, 2022 | December 31, 2021 |
|---|-------------------------------|-------------------|--|-----------------------|----------------------|
| | | | | (Unaudited) | (Unaudited) |
| Instalment's revenue | - | - | 5,312 | 5,312 | 4,915 |
| Expenses of financing borrowings | 98,872 | - | - | 98,872 | 103,539 |
| Expenses of financing bond | - | - | 19,500 | 19,500 | - |
| An operating-investment lease contract to finance the supply chain | - | 7,942 | - | 7,942 | 5,652 |
| An operating lease contract – Invest Bank | - | - | - | 31,300 | 31,300 |
| The balance of guarantees with the parent company as of September 30, 2022, is JOD 2,500 (September 30,2021: JOD 38,300). | | | | | |

13-3) Executive Management Salaries and Remunerations

Salaries and remuneration of the executive management of the Company amounted to JOD 289,708 for the nine-month period ended September 30, 2022 (against an amount of JOD 228,901 for the nine-month period ended September 30, 2021).

14) FAIR VALUE LEVELS

The table below analyses financial instruments carried at fair value, by valuation method, the different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities,

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). Prices included in the active markets for similar instruments or by using a valuation model that includes inputs that can be attributed to the markets.

These inputs may be determined directly or indirectly.

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

A- Financial assets and liabilities that are measured at fair value on a recurring basis:

| <i>In Jordanian Dinar</i> | Book Value | September 30, 2022 (Unaudited) | | |
|---|------------|---|---------|---------|
| | | Fair Value | | |
| | | Level 1 | Level 2 | Level 3 |
| Financial assets at fair value through other comprehensive income | 211,322 | - | - | 211,322 |
| | | December 31, 2021 (Audited) | | |
| <i>In Jordanian Dinar</i> | Book Value | Fair Value | | |
| | | Level 1 | Level 2 | Level 3 |
| | | Financial assets at fair value through other comprehensive income | 211,937 | - |

The carrying value of the financial assets shown in the interim condensed consolidated financial statements approximates their fair value.

There were no transfers between level 1 and level 2 during the period ended September 30, 2022.

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B- Financial assets and liabilities that are not measured at fair value on a recurring basis:

The fair value for financial assets that are not measured at fair value in the interim condensed consolidated statement of financial position is not significantly different from the book value as stated in the interim condensed consolidated financial statements, However, the fair value of financial assets at amortized cost is not significantly different from its book value as stated in the interim condensed consolidated financial statements as there are no significant change in the market interest rates for similar instruments, and due to short term maturities, The fair value for amortized cost assets is determined through market prices when available or through valuation models using fixed interest rates.

C- Non-financial assets that are measured at fair value in the interim condensed consolidated financial statements:

| <i>In Jordanian Dinar</i> | September 30, 2022 (Unaudited) | | | |
|--|---------------------------------------|------------------------------------|----------------|----------------|
| | Book Value | Fair Value | | |
| | | Level 1 | Level 2 | Level 3 |
| Investment property - net | 356,850 | - | 375,300 | - |
| Assets foreclosed in repayment of non-performing debts | 2,622,525 | - | 3,671,885 | - |
| | | December 31, 2021 (Audited) | | |
| <i>In Jordanian Dinar</i> | Book Value | Fair Value | | |
| | | Level 1 | Level 2 | Level 3 |
| Investment property - net | 374,400 | - | 593,465 | - |
| Assets foreclosed in repayment of non-performing debts | 2,990,442 | - | 4,344,860 | - |

The above items represent the fair value of the non-financial assets that are determined based on values of similar financial investments in an inactive market.

15) EARNINGS PER SHARE FOR THE PERIOD

| <i>In Jordanian Dinar</i> | For the nine-month period ended September 30 | |
|---|---|-----------------------------|
| | 2022 (Unaudited) | 2021 (Unaudited) |
| Profit for the period | 3,436,199 | 1,947,383 |
| | Share | Share |
| Weighted average number of outstanding shares | 16,500,000 | 16,500,000 |
| | JOD/Share | JOD/Share |
| Basic and diluted earnings per share from the profit for the period | 0.208 | 0.118 |

16) CAPITAL AND FINANCIAL RISK MANAGEMENT

- In general, the company's objectives and policies in managing the financial risks to which is exposed are similar to those disclosed in the consolidated financial statements as of and for the year ended December 31, 2021.
- The company did not have any change in capital management during the current interim period and the Company is not subject to any external capital requirements.

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17) CONTINGENT LIABILITIES

At the date of the interim condensed consolidated financial statement, the company had the following contingent liabilities:

| <i>In Jordanian Dinar</i> | September 30, 2022 | December 31, 2021 |
|---------------------------|-------------------------------|------------------------------|
| | (Unaudited) | (Audited) |
| Letters of guarantee | 14,000 | 53,800 |

18) LAWSUITS RAISED AGAINST THE COMPANY AND ITS SUBSIDIARY

Lawsuits filed against the Company amounted to JOD 61,090 as of September 30, 2022 (compared to JOD 117,311 as of December 31, 2021), while the balance of provisions recorded against these cases amounted to JOD 220,000 as of September 30, 2022 (compared to JOD 279,173 as of December 31 2021), based on the Company's management and it's legal consultant opinion, the Company will not incur any additional obligations for these lawsuits.

Lawsuits filed against the subsidiary (Jordan Facilities for Leasing Company) amounted to JOD 10,601 as of September 30, 2022 (compared to JOD 12,301 as of December 31, 2021), while the balance of provision recorded against these cases to face these cases amounted to JOD 12,357 Jordanian dinars as of September 30, 2022, based on the Company's management and its legal consultant opinion, the Company will not incur any additional obligations for these suits.

19) COMPARATIVE FIGURES

Certain comparative figures for the nine months ended September 30, 2022, have been reclassified to conform with the classification of the interim condensed consolidated financial statements for the nine months ended September 30, 2021.