

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

Consolidated condensed interim financial statements
As of June 30, 2024
(Reviewed not audited)

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Report on the review of the consolidated condensed interim financial statements

To the Board of Directors of

First Finance Company

Public shareholding company

Amman - The Hashemite Kingdom of Jordan

Introduction:

We have reviewed the accompanying consolidated condensed interim financial statements of **First Finance Company – public shareholding company** which comprising , statement of consolidated condensed interim financial position as at June 30, 2024, and statement of consolidated condensed interim of comprehensive income, statement of consolidated condensed interim of changes in owners' equity and statement of consolidated condensed interim of cash flows for the six-month ended June 30, 2024 and the related explanatory notes.

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

Scope of review:

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

Conclusion:

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

Emphasis of matters

Without qualified, as stated in Note No. (7) about the attached consolidated condensed interim financial statements, accounts receivable - financing activities as on June 30, 2024 include investment plots of land worth JD 3,526,807 that are not registered in the name of the company, but are registered in the name of borrowers & persons under agreements and in the name of related party. The company's ownership of these lands is proven through first-class mortgage bonds in favor of First Finance Company.

Obeidat & alsalih Co.

Nabeel Moh'd Obeidat

License No. 877



Amman in
July 31, 2024

First Finance Company**Public shareholding company****Amman - The Hashemite Kingdom of Jordan****Statement of consolidated condensed interim financial position
as of June 30, 2024 (reviewed not audited)**

	Note	30-Jun-2024	31-Dec-2023
		JD (Reviewed)	JD (Audited)
<u>Assets</u>			
Cash on hand and at banks		1,125,077	560,838
Accounts receivable from financing activities - net	6	19,791,144	18,650,703
Due from related parties	18 A	5,453	5,533
Financial assets at fair value through income statement	7	3,613,126	3,755,926
Other debit balances - net	8	13,964,043	15,259,165
Financial assets at fair value through comprehensive income st.	9	3,684,331	4,011,056
Deffered tax assets	10	6,296,270	6,202,927
Property , plant & equipments - net		141,516	158,378
Real-estate investments		1,155,009	1,829,865
Post-dated cheques		492,511	551,832
The right to use assets	11	490,489	529,720
Total assets		50,758,969	51,515,943
<u>Liabilities & owners' equity</u>			
Customers' investment accounts	12	34,000	259,000
Income tax provision	13	-	-
Rent contracts' liabilities - short term	11	518,733	604,250
Other credit balances	14	2,660,990	3,110,400
Total liabilities		3,213,723	3,973,650
<u>Owners' equity</u>			
Authorized & paid - up capital		35,000,000	35,000,000
Statutory reserve		3,945,011	3,945,011
Voluntary reserve		229,851	229,851
Fair value reserve for financial assets		(1,440,845)	(1,203,024)
Retained earnings		10,061,748	10,061,748
Profit for the period		240,774	-
Net		48,036,539	48,033,586
Treasury stocks		(491,293)	(491,293)
Net owners' equity		47,545,246	47,542,293
Total owners' equity and liabilities		50,758,969	51,515,943

The accompanying notes form from (1) To (21) is an integral part of these statements

First Finance Company**Public shareholding company****Amman - The Hashemite Kingdom of Jordan****Statement of condensed consolidated interim of comprehensive income
for the six months ended June 30, 2024 (reviewed not audied)**

	Note	For the six months ended		For the three months ended	
		30-Jun-2024	30-Jun-2023	30-Jun-2024	30-Jun-2023
		JD	JD	JD	JD
		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
<u>Revenues</u>					
Finance revenues		904,206	977,354	469,656	503,229
Less: share of customers' investment accounts		(1,019)	(22,616)	(510)	(10,263)
Company's share of revenues		903,187	954,738	469,146	492,966
Returned from allowance for expected credit losses	6	334,292	9,025	200,000	-
Other revenues		318,430	1,135,042	167,365	852,522
Total revenues		1,555,909	2,098,805	836,511	1,345,488
General & administrative expenses		(734,838)	(765,758)	(353,531)	(409,714)
Unrealized gains from financial assets at fair value through income		(39,433)	(42,964)	10,740	(7,202)
Allowance for expected credit losses	8	(345,852)	(850,624)	(345,852)	(748,006)
Depreciation		(30,543)	(31,669)	(5,733)	(1,120)
Depreciation of the right to use assets	11	(39,231)	(39,231)	(19,616)	(19,616)
Rent contracts liabilities costs	11	(16,374)	(18,365)	(7,129)	(9,120)
(Losses) Sale of Real Estate Investments		(113,302)	-	-	-
Profit for the period before tax		236,336	350,194	115,390	150,710
Income tax surplus / expense	13	4,438	238,175	40,838	209,442
Profit for the period		240,774	588,369	156,228	360,152
<u>Add: other comprehensive income items</u>					
Net changes in fair value for financial assets through comprehensive income statement		(237,821)	(215,625)	-	211,577
Gains from selling financial assets		-	221,892	-	-
Total comprehensive income for the period		2,953	594,636	156,228	571,729
		Fils/Dinar	Fils/Dinar	Fils/Dinar	Fils/Dinar
Basic and diluted earning per share for the period	15	0.007	0.017	0.004	0.010

The accompanying notes form from (1) To (21) is an integral part of these statements

First Finance Company
Public shareholding company
Amman - The Hashemite Kingdom of Jordan
Statement of consolidated condensed interim of changes in owners' equity
for the six months ended June 30, 2024 (reviewed not audited)

Description	Retained earnings									
	Retained earnings					Profit for the period				
	Total					Total				
	Capital reserve	Statutory reserve	Voluntary reserve	Fair value reserve *	Realized	Unrealized*	Realized	Unrealized*	retained earnings	Treasury stocks
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
For the six months ended June 30, 2024										
Balance as of January 1, 2024 - (Audited)	35,000,000	3,945,011	229,851	(1,203,024)	3,771,538	6,290,210	-	-	10,061,748	48,033,586
Profit for the period after tax	-	-	-	-	-	-	240,774	-	240,774	(491,293)
Fair value reserve for financial assets	-	-	-	(237,821)	-	-	-	-	-	240,774
Total comprehensive income	-	-	-	(237,821)	-	-	240,774	-	240,774	(237,821)
Changes in deferred tax assets	-	-	-	-	-	-	(93,343)	93,343	-	-
Balance as of June 30, 2024 (Reviewed)	35,000,000	3,945,011	229,851	(1,440,845)	3,771,538	6,290,210	147,431	93,343	10,302,522	47,545,246
For the six months ended June 30, 2023										
Balance as of January 1, 2023 - (Audited)	35,000,000	3,840,322	229,851	(932,871)	2,711,715	6,093,157	-	-	8,804,872	46,942,174
Profit for the period after tax	-	-	-	-	-	-	588,369	-	-	(126,824)
Fair value reserve for financial assets	-	-	-	(215,625)	-	-	-	-	-	588,369
Gains from selling financial assets	-	-	-	-	221,892	-	-	-	221,892	(215,625)
Total comprehensive income	-	-	-	(215,625)	221,892	-	588,369	-	221,892	221,892
Treasury stocks	-	-	-	-	-	-	-	-	-	-
Balance as of June 30, 2023 (Reviewed)	35,000,000	3,840,322	229,851	(1,148,496)	2,933,607	6,093,157	588,369	-	9,026,764	47,536,810

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

The accompanying notes form from (1) To (21) is an integral part of these statements

First Finance Company**Public shareholding company****Amman - The Hashemite Kingdom of Jordan****Statement of consolidated condensed interim of cash flows****for the six months ended June 30, 2024 (reviewed not audited)**

	Note	30-Jun-2024 JD	30-Jun-2023 JD
<u>Cash flows from operating activities</u>		(Reviewed)	(Reviewed)
Profit for the period before tax		236,336	350,194
Depreciation		30,543	31,669
Expected credit losses		(345,852)	850,624
Returned from expected credit losses	6	334,292	-
Depreciation of the right to use assets	11	39,231	39,231
Rents' contracts liabilities costs	11	16,374	18,365
Unrealized loss loss from financial assets at fair value through income		39,433	42,964
(Gains) Sale of Property & Equipment		-	(7,499)
Operating income before changes in working capital		350,357	1,325,548
<u>(Increase) decrease in current assets</u>			
Accounts receivable from financing activities		(1,474,733)	2,844,923
Due from related parties		80	46,409
Other debit balances		1,739,163	(2,706,594)
Post-dated cheques receivable		59,321	(643,683)
<u>Increase (decrease) in current liabilities</u>			
Customers' investment accounts		(225,000)	(442,722)
Other credit balances		(449,410)	(265,323)
Net cash (used in) provided from operating activities		(222)	158,558
<u>Cash flows from investing activities</u>			
Acquisitions of property , plant & equipments		-	(19,056)
Proceeds from the sale of property and equipment		-	7,500
Proceeds from selling of financial assets through comp. income		-	83,712
Proceeds from financial assets through income		-	769,554
Real-estate investments		665,306	(1,496,956)
Net cash provided from (used in) investing activities		665,306	(655,246)
<u>Cash flows from financing activities</u>			
Net rent payments		(100,845)	(102,250)
Treasury stocks		-	(364,469)
Net cash (used in) financing activities		(100,845)	(466,719)
Net increase (decrease) in cash		564,239	(963,407)
Cash on hand and at banks at beginning of period		560,838	1,585,539
Cash on hand and at banks at end of period		1,125,077	622,132

The accompanying notes form from (1) To (21) is an integral part of these statements

First Finance Company

Public shareholding company

Amman - The Hashemite Kingdom of Jordan

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

1- Company's registration and objectives

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

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

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

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

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

The consolidated condensed interim financial statements were approved by the board of directors at its meeting held on **July 31, 2024**, these financial statements aren't subject to the approval of the general assembly of shareholders .

2- Basis of preparation of interim financial statements

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

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

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

These condensed interim financial statements do not include all the information required for a complete set of IFRS financial statements, However , selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the company's financial position and performance since the last annual report of financial statements as of **December 31, 2023**, in addition, The results for the six months period ended **June 30, 2024** are not necessarily indicative of the results that may be expected for the financial year ending **December 31, 2024**, and no appropriation was made for the three months profit ended **June 30, 2024** since it made at the year-end .

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

3- Use of estimates

The preparation of financial statements and the application of accounting policies require the company's management to make estimates and judgments that affect the amounts of financial assets and liabilities and to disclose potential liabilities, and these estimates and judgments affect revenues, expenses and provisions, as well as changes in fair value that appear within equity, and in particular requires the The company's management issues important judgments and judgments to estimate the amounts and times of future cash flows. The mentioned estimates are necessarily based on multiple assumptions and factors that have varying degrees of estimation and uncertainty, and that the actual results may differ from the estimates as a result of changes resulting from the conditions and circumstances of those estimates in the future.

The company's management believes that the estimates of the financial statements are reasonable and detailed as follows: The company records allowances for expected credit losses for all Murabaha financing instruments and debt financial assets that are not held at fair value through the income statement, all of which are referred to (financial instruments). The fiscal year is charged with its income tax expense in accordance with the regulations and laws. The management periodically re-estimates the useful lives of tangible assets for the purposes of calculating annual depreciations depending on the general condition of those assets and estimates of the expected useful lives in the future, and the impairment loss (if any) is taken into the statement of comprehensive income.

A provision is made for cases filed against the university based on a legal study prepared by the company's lawyer, according to which potential risks are identified in the future, and those studies are reviewed periodically. The management periodically reviews the financial assets that appear at cost to estimate any impairment in their value, and this impairment is taken into the statement of comprehensive income for the period.

4- Significant accounting policies

Changes in accounting policies

The accounting policies applied in the preparation of the condensed interim financial information for the six months ended 30 June 2024 are the same as those applied in the preparation of the financial statements for the year ended 31 December 2023, with the exception of International Financial Reporting Standards which became effective as of the years beginning on 1 January 2023.

First Finance Company

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

New standards or amendments effective from January 1, 2024

A) New standards and applicable amendments

- Classification of liabilities as current or non-current (amendments to IAS 1).
- Lease obligations in sale and lease (amendments to IFRS 16).
- Non-current obligations with collateral (amendments to IAS 1).
- Supplier financing arrangements - amendments to IAS 7 and IFRS 7.
- Non-interchangeability - amendments to IAS 21.
- Sale or contribution to assets between the investor and his associate or joint venture - Amendments to the International Common Financial Reporting Standard and IAS 28 Investments in associates and joint ventures.

Following the above amended standards has not materially affected the amounts or disclosures contained in this interim condensed financial information.

B) New and amended IFRS issued and not yet in force

A number of new standards, amendments to standards and interpretations that have been issued but have not yet become effective and have not been applied in the preparation of this condensed interim consolidated financial information:

New standards and amendments

Non-interchangeability - amendments to IAS 21.

Application history

It comes into effect as of
From January 1, 2025

In the opinion of management, the new standards, amendments and interpretations did not have a material impact on the Company during the current or future period and on expected future transactions.

First Finance Company
Public shareholding company
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Notes to the consolidated condensed interim financial statements - reviewed not audited

5- Basis of consolidation of the financial statements

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

Company's name	Legal form	Date of control	Capital	Ownership rate	Company's share of	
					subsidiary's (loss)	Investment's net book value
			JD	%	JD	JD
Sukok Leasing Company	L.L.C	April 19,2017	1,000,000	100	(121,782)	1,006,655

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

Company's name	Assets		Liabilities		Revenues		(loss) for the period
	JD		JD		JD		JD
Sukok Leasing Company	2,106,293		1,221,420		65,537		(121,782)

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

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

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

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

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

A. This item consists of :

	30-Jun-2024	31-Dec-2023
	JD	JD
	(Reviewed)	(Audited)
Finance receivables (note 6b , 6c)	46,862,672	45,198,793
Finance lease receivables (note 6b , 6c)	1,303,044	1,907,610
Deduct: unrealized returns on financing contracts (note 6b)	(7,599,002)	(7,496,953)
Net	40,566,714	39,609,450
Deduct: provision for expected credit losses (note 6d, 6e)	(19,085,915)	(19,420,207)
Deduct: pending returns (note 6f)	(1,689,655)	(1,538,540)
Net	19,791,144	18,650,703

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

	30-Jun-2024		31-Dec-2023	
	Accounts receivable from financing and leasing activities	Unrealized returns	Net	Net
	JD	JD	JD	JD
			(Reviewed)	(Audited)
<u>Corporates</u>				
Corporate financing - goods	17,070,234	2,946,546	14,123,688	12,929,697
Bills of loading financing	2,360,492	-	2,360,492	2,360,492
Corporate financing - real-estae	1,909,587	419,514	1,490,073	1,651,955
Total	21,340,313	3,366,060	17,974,253	16,942,144
<u>Individuals</u>				
Individuals financing - goods	901,592	25,258	876,334	999,933
Stock financing	2,820,891	-	2,820,891	2,820,891
Real-estate financing	6,839,546	1,183,952	5,655,594	6,085,796
Vehicles & machinery	16,263,374	3,023,732	13,239,642	12,760,686
Total	26,825,403	4,232,942	22,592,461	22,667,306
Total	48,165,716	7,599,002	40,566,714	39,609,450

First Finance Company

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

C. The movement of receivables from financing activities is summarized as follows:

	30-Jun-2024				31-Dec-2023
	First stage	Second stage	Third stage	Total	Total
	JD	JD	JD	JD	JD
				(Reviewed)	(Audited)
Balance at beginning of period/year	18,407,618	1,243,689	27,455,096	47,106,403	54,371,322
New financings	5,645,187	175	1,806,740	7,452,102	10,031,978
Paid financings	(5,021,404)	(288,570)	(1,082,815)	(6,392,789)	(17,296,897)
Transferred to the first stage	213,313	(164,461)	(48,852)	-	-
Transferred to the second stage	(624,431)	641,635	(17,204)	-	-
Transferred to the third stage	(94,531)	(697,171)	791,702	-	-
The total effect on the volume of exposures as a result of changing the classification between the stages	(505,649)	(219,997)	725,646	-	-
Balance at ending of period/year	18,620,283	735,297	28,904,667	48,165,716	47,106,403

D. The movement of impairment debts during thje period as follow:

	30-Jun-2024	31-Dec-2023
	JD	JD
	(Reviewed)	(Audited)
Balance at beginning of period / year	19,420,207	19,501,408
Disposals of the period / year (returned to income)	(334,292)	(45,887)
Disposals of the period / year (closed to debts)	-	(35,314)
Balance at ending of period / year	19,085,915	19,420,207

E. The movement of provision for expected credit losses is summarized as follows:

	30-Jun-2024				31-Dec-2023
	First stage	Second stage	Third stage	Total	Total
	JD	JD	JD	JD	JD
				(Reviewed)	(Audited)
Balance at beginning of period/year	1,150,803	99,228	18,170,176	19,420,207	19,501,408
Impairment loss on new financings	25,251	-	2,512,133	2,537,384	2,751,489
Recovered from impairment loss on new financings	(918,335)	(42,550)	(1,805,334)	(2,766,219)	(4,195,433)
Transferred to the first stage	14,534	(11,358)	(3,175)	-	-
Transferred to the second stage	(40,588)	41,706	(1,118)	-	-
Transferred to the third stage	(6,455)	(45,316)	51,771	-	-
Effect on the provision resulting from adjustments	(14,164)	(41,706)	(49,587)	(105,457)	1,362,743
Balance at ending of period/year	211,046	4	18,874,866	19,085,915	19,420,207

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

F. The movement of profit in suspense during thje period as follow:

	30-Jun-2024	31-Dec-2023
	JD	JD
	(Reviewed)	(Audited)
Balance at beginning of period / year	1,538,540	1,493,899
Revenues in suspense for the period / year	218,717	384,583
Revenues in suspense transferred to revenues for the period / year	(67,602)	(339,942)
Balance at ending of period / year	1,689,655	1,538,540

7- Financial assets at fair value through income statement

A. This item consists of :

	30-Jun-2024	31-Dec-2023
	JD	JD
	(Reviewed)	(Audited)
Accounts receivable - financing activities (note 7 b)	3,526,807	3,630,174
Listed financial assets	86,319	125,752
Total	3,613,126	3,755,926

B. Accounts receivable - financing activities are represented in plots of land invested under agreements for the purposes of sorting, developing and selling, with a total area of 183.9 dunums. The lands are not registered in the name of the company, but are registered in the name of people under an agreement and in the name of a related party. The company's ownership of these lands is proven through first-class mortgage bonds in favor of First Finance Company.

8- Other debit balances

This item consists of :

	30-Jun-2024	31-Dec-2023
	JD	JD
	(Reviewed)	(Audited)
Assets owned by the company in settlement of outstanding debts	9,797,469	9,694,760
Other debts	5,627,100	6,652,231
Refundable deposits	19,708	69,250
Prepaid expenses	70,365	47,671
Advance payments on company's income tax (note 13)	62,296	62,296
Unreceived accrued dividends	138,722	138,722
Total	15,715,660	16,664,930
Deduct: provision for expected credit losses (note 8 b)	(1,612,895)	(1,267,043)
Deduct: provision for unreceived accrued dividends	(138,722)	(138,722)
Net	13,964,043	15,259,165

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

B. The movement of provision for expected credit losses is summarized as follows:

	30-Jun-2024	31-Dec-2023
	JD	JD
	(Reviewed)	(Audited)
Balance beginning of the period / year	1,267,043	623,360
Additions for the period / year	345,852	643,683
Balance ending of the period / year	1,612,895	1,267,043

9- Financial assets at fair value through comprehensive income

A. This item consists of :

	30-Jun-2024	31-Dec-2023
	JD	JD
	(Reviewed)	(Audited)
<u>Public shareholding companies (listed)</u>		
Financial Asset Portfolio - national (Note 9b, 9c)	1,914,734	2,207,035
Financial Asset Portfolio - international	6,579	6,251
<u>Limited liabilities companies (un-listed)</u>		
Financial Asset Portfolio - national	1,640,118	1,659,850
Financial Asset Portfolio - international	122,900	137,920
Fair value	3,684,331	4,011,056

B. The financial assets portfolio (national - listed) includes shares mortgaged in favor of Safwa Islamic Bank against a ceiling of credits granted to the company in favor of its customers, which numbered **1,232,080 shares, with a market value of JD **1,319,395** as on **June 30, 2024** (JD **1,232,080** as on **December 31, 2023**).**

C. For the purposes of the company's membership in the boards of directors of the invested companies (national - listed), the reserved shares of the shares owned amounted to **25,000 shares and a market value of JD **16,850** .**

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

10- Deferred tax assets

This item consists of :

	30-Jun-2024			31-Dec-2023		
	Balance at beginning of the period	Amounts released	Amounts added	Balance at ending of the period	Deferred tax assets	Deferred tax assets
Included accounts	JD	JD	JD	JD	JD	JD
Impairment debts	20,597,406	(334,292)	435,696	20,698,810	(Reviewed) 5,795,667	(Audited) 5,767,274
Fair value reserve	2,403,698	(327,053)	328	2,076,973	500,603	435,653
Total	23,001,104	(661,345)	436,024	22,775,783	6,296,270	6,202,927

The deferred tax assets of the fair value reserve for financial assets are calculated by taking into consideration the domestic investments at **28%** and the foreign investments at **10%**.

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

	30-Jun-2024	31-Dec-2023
	JD	JD
Balance beginning of the period/year	(Reviewed) 6,202,927	(Audited) 6,035,754
Additions for the period / year	185,743	184,514
Disposals during the period / year	(92,400)	(17,341)
Balance ending of the period/year	6,296,270	6,202,927

First Finance Company**Public shareholding company****Amman - The Hashemite Kingdom of Jordan****Notes to the consolidated condensed interim financial statements - reviewed not audited****11- The right to use assets & rent contracts liabilities****The movement of the right to use assets & rent contracts liabilities during the period as follow :**

	The right to use assets	Rent contracts' liabilities
	JD	JD
Balance beginning of period	529,720	604,250
Depreciation of the right to use assets	(39,231)	-
Payments on rents liabilities contracts	-	(100,845)
Rent liabilities contracts costs	-	16,374
Prepaid rent liabilities contracts costs	-	(1,046)
Balance ending of period	490,489	518,733

12- Customers' investment accounts

This item represents investment agencies received from clients that mature within a period of **12** months to **72** months from the date of deposit, until they are invested in the company's activity, and the rate of profit paid to clients according to the amount and duration of the investment ranges from **4%** to **6%** as On **June 30, 2024** (from **4%** to **6%** as on **December 31, 2023**).

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

	30-Jun-2024	31-Dec-2023
	JD	JD
	(Reviewed)	(Audited)
Balance beginning of period/year	(62,296)	(22,025)
Tax of the period/year (note 13 C)	-	2,249
Paid tax during the period/year	-	(42,520)
Balance ending of period/year	(62,296)	(62,296)

- B. The income tax of the **parent company** has been reviewed for the end of **2019** and a final clearance has been obtained. A self-assessment statements have been submitted for the years **2020 , 2021 & 2022 & 2023** and have not yet been reviewed by the Income and Sales Tax Department.

Subsidiary company

Income tax has been accepted for **2020, 2022, 2023** and the **2021** income tax self-assessment statement has been submitted and has not yet been reviewed.

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

	30-Jun-2024	31-Dec-2023
	JD	JD
	(Reviewed)	(Audited)
Income tax due on the profits for the year - the subsidiary company	-	-
Total income tax payable for the profit for the period/year	-	-
The effect of deferred tax assets	4,438	238,175
Income tax surplus	4,438	238,175

14- Other credit balances

This item consists of :

	30-Jun-2024	31-Dec-2023
	JD	JD
	(Reviewed)	(Audited)
Due to shareholders	1,400,696	1,415,423
Due to investment agency	271,995	439,438
Unearned revenues	469,073	498,434
Due to others	386,522	369,925
Accrued expenses	28,306	32,657
Provision for remuneration of members of the Board of Directors	22,500	45,000
Mortgage release deposits	10,399	17,462
Provision of cases	50,649	50,649
Due to sale tax	25	5,370
Accounts payable	20,825	236,042
Total	2,660,990	3,110,400

15- Basic and diluted earning per share for the period

This item consists of :

	30-Jun-2024	30-Jun-2023
	JD	JD
Profit for the period after tax (JD)	240,774	588,369
Weighted average shares (share)	35,000,000	35,000,000
Basic and diluted earning per share for the period	0.007	0.017

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

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

	30-Jun-2024	31-Dec-2023
	JD	JD
	(Reviewed)	(Audited)
Banks guarantees	17,300	17,300
Deduct: Banks' guarantees deposits	(17,300)	(17,300)
Letters of credits and guaranteed time withdrawals / clients	1,119,006	355,000
Deduct: letters of credits and guaranteed time withdrawals / clients	(111,901)	(35,500)
Net	1,007,105	319,500

17- Legal situationThere are **cases filed by the parent company against third parties** (the company's clients) with a value of **24,666,225**.There are **cases filed by third parties against the parent company**, amounting to JD **2,872,959**, and most of them are cases related to preventing the company from claiming them.

In the opinion of the company's legal advisor, the cases raised are still under consideration and are proceeding in the interest of the company, and the necessary provisions for them have been made in the company's records.

There is a case filed by **the subsidiary company** against a customer with a value of JD **154,080**, and the necessary provisions for it have been booked under the provision for expected credit losses.**18- Related parties transactions**

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

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

	30-Jun-2024			31-Dec-2023
	Company's employees	Others	Total	Total
	JD	JD	JD	JD
			(Reviewed)	(Audited)
Ibn Alhaytham Hospital Company	-	2,065	2,065	2,065
Arab Int'l Food & Factories & Investments Co.	-	2,484	2,484	2,484
Alomana Company for Investment and Portfolio Management	-	144	144	144
Trans World Information Technology Co.	-	760	760	840
Total	-	5,453	5,453	5,533
Accounts receivable from financing activities	178,483	-	178,483	94,973
Grand total	178,483	5,453	183,936	100,506

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

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

	30-Jun-2024			31-Dec-2023
	Senior Executive Managemen t	Company's employees	Others	Total
	JD	JD	JD	JD
				(Reviewed) (Audited)
Customers' investment accounts	-	-	34,000	34,000
Due to investing accounts	271,995	-	-	271,995

The rates of return on investment accounts for clients from related parties range from **4%** to **5.75%**.

C. Details transactions with related parties appear on comprehensive income

	30-Jun-2024		30-Jun-2023
	Company's employees	Other related parties	Total
	JD	JD	JD
Revenues from financing activities	4,523	-	4,523
Share of customers' investment accounts	-	1,019	1,019

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

	30-Jun-2024	30-Jun-2023
	JD	JD
Wages & other benefits	186,231	182,290

19- Risk management

The company is exposed in general to financial risks, credit risks, liquidity risks and market risks, and in general, the goals and policies of the company in managing the financial risks to which the financial statements are exposed, and they have been disclosed in the financial statements as well as the financial statements of the company as well On **December 31, 2023**.

20- Subsequent events

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

21- Comparative figures

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