

Al-Bilad Securities and Investment Company
(Public Shareholding Limited Company)
Amman – The Hashemite Kingdom of Jordan
Interim Condensed Financial Statement
(Unaudited)
and the Independent Auditor's Review Report
For the Three-Month Period Ended March 31, 2025

Al-Bilad Securities and Investment Company
(Public Shareholding Limited Company)
Amman – The Hashemite Kingdom of Jordan
Interim Condensed Financial Statement(Unaudited) and the Independent Auditor’s Review Report
For the Three-Month Period Ended March 31, 2025

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Independent Auditor's Review Report

To, The Shareholders
Al-Bilad Securities and Investment Company
(Public Shareholding Limited Company)
Amman - Hashemite Kingdom of Jordan

Introduction

We have reviewed the accompanying interim condensed statement of financial position of **Al-Bilad Securities and Investment Company ("The Company")** as of March 31, 2025, and the condensed interim statements of profit or loss and other comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, as well as a summary of significant accounting policies and other explanatory notes from 1 to 20.

Management is responsible for the preparation and fair presentation of these interim condensed financial statements in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with Review Engagements Standard (2410) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed 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 financial statements for the period ended March 31, 2025 are not prepared in all material respects, in accordance with IAS (34) "Interim Financial Reporting".

The partner in charge of the audit resulting in this auditor's report was Hasan Amin Othman; license number 674.

Date: April 30, 2025
Amman - Jordan



Al-Bilad Securities and Investment Company
(Public Shareholding Limited Company)
Interim Condensed Statement of Financial Position (Unaudited)
As of March 31, 2025
(Jordanian Dinars)

	Note	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
<u>Assets</u>			
Non-current assets			
Financial assets at fair value through other comprehensiv income	5	1,397,491	1,579,242
Investment in an affiliate company	6	-	-
Investments properties	7	931,277	932,972
Property and Equipment, Net		7,049	7,742
Right of use assets		152,150	162,768
Intangible assets		3,235	3,666
Brokerage license		200,000	200,000
Deferred tax assets		1,397,457	1,397,457
Total Non-current assets		4,088,659	4,283,847
Current assets:			
Brokerage clients' receivables, net	8	1,320,803	1,325,754
Receivables from margin financing clients, net	9	556,663	540,597
Other receivables		314,715	248,700
Cash and cash equivalents	10	621,126	525,337
Total current assets		2,813,307	2,640,388
Total assets		6,901,966	6,924,235
<u>Shareholders' equity and liabilities</u>			
<u>Shareholders' equity</u>			
Authorized and paid up capital	11	7,000,000	7,000,000
Fair Value Reserve through other comprehensive income		(520,460)	(549,640)
Accumulated losses		(2,233,345)	(2,037,159)
Total shareholders' equity		4,246,195	4,413,201
<u>Liabilities</u>			
Non-current liabilities			
Lease liability – non current portion		122,697	120,819
Loans non current portion	13	27,711	27,711
Total non- current		150,408	148,530
Current liabilities			
Overdraft bank	12	1,102,667	1,100,501
Short term loans	13	69,099	93,974
Brokerage clients' payables	14	761,001	219,237
Lease liability – current portion		42,849	42,849
Provision for income tax	15	-	-
Other payables		529,747	905,943
Total current liabilities		2,505,363	2,362,504
Total liabilities		2,655,771	2,511,034
Total shareholders' equity and liabilities		6,901,966	6,924,235

The accompanying notes from 1 to 20 are an integral part of these interim condensed financial statements

Al-Bilad Securities and Investment Company
Interim Condensed Statement of Profit or Loss and Other Comprehensive Income (Unaudited)
For the Three-Month Period Ended March 31, 2025
(Jordanian Dinars)

	Note	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
<u>Revenue</u>			
Brokerage commissions		16,891	17,718
Brokerage commissions - Margin		2,944	623
Performance fees – broker in foreign exchanges		11,102	-
Client interest - Margin		28,969	26,166
Other revenue		12,141	265
<u>Total revenues</u>		<u>72,047</u>	<u>44,772</u>
General and administrative expenses		(98,638)	(93,631)
Financing expenses		(35,096)	(33,008)
Depreciation and Amortization		(13,437)	(13,768)
The company's Share of the loss of the affliat company		-	(296,252)
<u>Total expenses</u>		<u>(147,171)</u>	<u>(436,659)</u>
Loss for the period before tax		(75,124)	(391,887)
Income tax surplus		-	-
Loss for the period after tax		<u>(75,124)</u>	<u>(391,887)</u>
<u>Other Comprehensive Income items:</u>			
Losses on the sale of financial assets at fair value through other comprehensive income		(10,459)	(5,636)
Change in fair value reserve for financial assets		(81,423)	(523,707)
Comprehensive loss for the period		<u>(167,006)</u>	<u>(921,230)</u>
Basic and diluted (loss) per share for the period	16	<u>(0.011)</u>	<u>(0.039)</u>

The accompanying notes from 1 to 20 are an integral part of these interim condensed financial statement

Al-Bilad Securities and Investment Company
Interim Condensed Statement of Changes in Shareholders' Equity (Unaudited)
For the Three-Month Period Ended March 31, 2025
(Jordanian Dinars)

	Authorized and Paid up Capital	Statutory Reserve	Fair Value Reserve of financial assets	Accumelated Loss	Net
<u>Balance as of December 31, 2023 (Audited)</u>	10,000,000	516,729	(119,585)	(3,620,833)	6,776,311
Loss for the Period	-	-	-	(391,887)	(391,887)
Profits (Losses) on the sale of financial assets	-	-	-	(5,636)	(5,636)
Transferred from the cumulative change in fair value	-	-	(15,989)	15,989	-
Change in fair value of financial assets	-	-	(523,707)	-	(523,707)
Balance as of March 31, 2024 (Unaudited)	10,000,000	516,729	(659,281)	(4,002,367)	5,855,081
<u>Balance as of December 31, 2024 (Audited)</u>	7,000,000	-	(549,640)	(2,037,159)	4,413,201
Loss for the Period	-	-	-	(75,124)	(75,124)
Losses on the sale of financial assets	-	-	-	(10,459)	(10,459)
Transferred from the cumulative change in fair value	-	-	110,603	(110,603)	-
Change in fair value of financial assets	-	-	(81,423)	-	(81,423)
Balance as of March 31, 2025 (Unaudited)	7,000,000		(520,460)	(2,233,345)	4,246,195

The accompanying notes from 1 to 20 are an integral part of these interim condensed financial statement

Al-Bilad Securities and Investment Company
(Public Shareholding Limited Company)
Interim Condensed Statement of Cash Flows (Unaudited)
For the Three-Month Period Ended March 31, 2025
(Jordanian Dinars)

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Cash Flows from Operating Activities:		
Net loss for the Period before income tax	(75,124)	(391,887)
Adjustments to reconcile net profit before tax to net cash flows Provided by /(used in) operating activities:		
Depreciation and amortization	13,437	13,768
company's share of the affiliate company's losses	-	296,252
Losses on the sale of financial assets through other comprehensive income	(10,459)	(5,636)
Interest on lease liability	1,878	1,878
	(70,268)	(85,625)
Changes in working capital:		
Brokerage clients' receivables	(11,115)	(35,776)
Other receivables	(66,015)	(17,647)
Brokerage clients' payables	541,764	(127,535)
Other payables	(376,196)	(159,229)
Net cash flow provided operating activities	18,170	(425,812)
Cash flows from Investing Activities:		
Purchasing of property and equipment	-	(495)
Investments in an affiliated company	-	(18)
Financial assets at fair value through other comprehensive income	100,328	41,784
Cash flows provided by investing activities	100,328	41,271
Cash Flows from Financing Activities:		
Increase in overdraft banks	2,166	10,343
Increase in bank loans	(24,875)	190,763
Net cash flows (used in) / provided by financing activities	(22,709)	201,106
Net cash provided/ (used in) during the period	95,789	(183,435)
Cash and cash equivalents balances at the beginning of the period	525,337	395,098
Cash and cash equivalents balances at the end of the period	621,126	211,663

The accompanying notes from 1 to 20 are an integral part of these interim condensed financial statement

Al-Bilad Securities and Investment Company
(Public Shareholding Limited Company)
Notes to the Interim Condensed Financial Statements(Unaudited)
For the Three-Month Period Ended March 31, 2025

1-Legal Status and Activities

Al-Bilad Securities and Investments (Public Shareholding Limited Company) was established and registered with the Controller of Companies at the Ministry of Industry and Trade in The Hashemite Kingdom of Jordan as a (Public Shareholding Limited Company) under No. (397) on March 22, 2006.

The company's main activity is buying and selling stocks, bonds, and securities and acting as a commission brokerage.

2-Basis of Preparation

The condensed interim financial statements as of March 31, 2025, have been prepared in accordance with International Accounting Standard (IAS) 34: "Interim Financial Reporting."

The financial statements have been prepared on the historical cost basis, except for financial assets and liabilities that are measured at fair value.

The financial statements are presented in Jordanian Dinars, rounded to the nearest dinar, and it's the functional currency of the Company.

The condensed interim financial statements do not include all the information and disclosures required for full annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS), and should be read in conjunction with the annual report as of December 31, 2024. The results of operations for the three-month period ended March 31, 2025, are not necessarily indicative of the results expected for the year ending December 31, 2025

3- Adoption of New and Revised International Financial Reporting Standards (IFRS)

The new and amended International Financial Reporting Standards (IFRS) and interpretations issued but not yet effective as of the date of the Interim consolidated financial statements are listed below. The Group will apply these amendments from the mandatory effective date:

1. Amendments to IAS 21 – Lack of Exchangeability

These amendments specify how to assess whether a currency is exchangeable and how to determine the spot exchange rate.

Effective date: 1 January 2025.

2. Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments

These include additional clarifications and disclosure requirements.

Effective date: 1 January 2026, with early adoption permitted.

3. Amendments to IFRS 9 and IFRS 7 – Electricity Contracts Based on Nature

These amendments clarify the accounting treatment of contracts linked to renewable energy.

Effective date: 1 January 2026, with early adoption permitted.

4. IFRS 18 – Presentation and Disclosure in Financial Statements

This standard replaces the previous presentation standard and introduces new classifications in the income statement.

Effective date: 1 January 2027, with early adoption permitted.

5. IFRS 19 – Subsidiaries without Public Accountability: Disclosures

This standard provides reduced disclosure requirements for eligible entities.

Effective date: 1 January 2027, with early adoption permitted.

4-Significant Accounting Estimates and Assumptions

The preparation of the financial statements in accordance with the applied accounting principles and policies requires the use of judgments, estimates and assumptions that may impact the value of revenues, expenses, assets and liabilities and attached notes besides disclosure of contingent liabilities. The uncertainty in respect of these assumptions and estimates may require material adjustment to the carrying amount of asset or liability affected in future periods

The key assumptions concerning the future and other key sources of uncertainty at the financial position date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared, these estimates and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

A- Going concern basis

The company has no doubt about the ability to going concern, based on it these financial statements were prepared on going concern basis

B- Estimated useful life for property and equipment

The cost of property and equipment are depreciated over the expected services period which is estimated based on the estimated usage, obsolescence due to technology advancements and considerations of residual value of the assets. The Company's management did not estimate any residual value for its assets due to immateriality.

C- Provision for expected credit losses

The provision for expected credit losses is determined through many factors to ensure that the accounts receivable balances are not overstated as a result of un-collectability, including quality and aging of the accounts receivables and continuous credit evaluation of the financial positions of the customers and guarantees required from the customers certain circumstances.

D- Measurement of fair value

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, regardless of whether this remarkable price is directly or estimated using another valuation value.

The fair value of an asset or a liability is measured using the assumptions will be either:

- Through the major markets for assets or liabilities, or
- Through the most beneficial markets for assets or liabilities in the absence of major markets.

The major or the most beneficial markets must be available to the Company to access to them.

Fair value is measured using assumptions that market participants would use when pricing assets or liabilities, assuming that market participants act in their best economic interest.

The fair value measurement of non-financial assets takes into account the ability of market participants to generate economic benefits by using the assets to their highest and best use or by selling them to another market participant who would use them to their highest and best use.

The Company uses valuation techniques that are appropriate with the prevailing circumstances and conditions and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

4-Significant Accounting Estimates and Assumptions (Continued)

D-Measurement of fair value (Continued)

All assets and liabilities for which fair value is measured or disclosed in these financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Traded prices for identical assets or liabilities in active markets.

Level 2-Valuation techniques for which the lowest level inputs (that is significant to the fair value measurement) is directly or indirectly observable.

Level 3-Valuation techniques for which the lowest level inputs (that is significant to the fair value measurement) is unobservable.

Fair value measurement for unquoted AFS financial assets and non-recurring measurement, such as assets held for distribution in discontinued operations, is evaluated on a periodic basis.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

5- Financial assets at Fair Value through other comprehensive income

	March 31, 2025(Unaudited)	December 31, 2024 (Audited)
<u>Listed in Jordan</u>		
Listed shares on the stock exchange*	1,301,373	1,512,304
Change in Fair Value	51,633	22,453
	1,353,006	1,534,757
<u>Unlisted shares</u>		
Saraya Aqaba real estate development**	616,578	616,578
Provision for impairment in fair value	(572,093)	(572,093)
	44,485	44,485
Total	1,397,491	1,579,242

* Financial assets include shares of companies listed on the Amman Stock Market, with fair value of (JD 800,000) as the financial statements date, held as collateral for the Jordan Commercial Bank against banking facilities. Additionally, there are listed shares on the Amman Stock Market with a fair value of (JD 1,350) as at the financial statements date, held as collateral for Board of directors membership.

** Management has assessed the investment in Saraya Aqaba real estate development company based on the net book value of the assets less preferred shares and the expected impairment on the group's assets given that the group is not listed on the stock market.

The group has a real estate project expected to be completed during 2024, cost recovery depends on the project's completion and the realization of cash flow in accordance with the project's assumptions.

Al-Bilad Securities and Investment Company
(Public Shareholding Limited Company)
Notes to the Interim Condensed Financial Statements(Unaudited)
For the Three-Month Period Ended March 31, 2025
(Jordanian Dinar)

6- Investment in an affiliate company

This item represents the company's investment in the Arab Jordanian Insurance Group (Public Shareholding Limited Company), of which the company owns 27.822% of its capital.

	Ownership Percentage	March 31, 2025(Unaudited)	December 31, 2024 (Audited)
Balance at the beginning of the Period/ year	27.822%	-	1,241,433
Additions during the Period/year		-	180
The company's share of loss for the Period/ year		-	(1,241,613)
Adjustments for prior years.		-	-
Balance at the end of the Period / year		-	-

- Some of the shares of the affiliated company are pledged to the benefit of the Jordan Commercial Bank against banking facilities, and their fair value as of the date of the financial statements amounted to (JD 1,449,262). Additionally, the shares of the affiliate company listed on the Amman Stock Exchange had a fair value as of the date of the financial statements of (JD 3,000) reserved for board membership.
- The Company's share of the affiliate's results is recognized until the carrying amount of the investment reaches (zero) in the Company's books. It is noted that the affiliate's net equity as of December 31,2024, was negative in the amount of (JD 2,596,862).

7- Investments properties

	Lands	Buldings	Total
For the Three-Month Period Ended March 31, 2025			
<u>Cost</u>			
Balance as of December 31, 2024	600,752	339,000	939,752
Additions	-	-	-
Disposal	-	-	-
Balance as of March 31, 2025	600,752	339,000	939,752
<u>Depreciation</u>			
Balance as of December 31, 2024	-	(6,780)	(6,780)
Depreciation	-	(1,695)	(1,695)
Balance as of March 31, 2025	-	(8,475)	(8,475)
Book value as of March 31, 2025(Unaudited)	600,752	330,525	931,277
Book value as of December 31, 2024(Audited)	600,752	332,220	932,972

- On August 22, 2024, the company sold a piece of land, Plot No. 112, Basin 1, from the eastern Jreina area in Madaba, with an area of 19,931 dunams, for a value of (JD 365,000), resulting in a loss of (JD 7,549) from the sale.
- On August 28, 2024, the company fully divested its shares in the subsidiary, Siwar Al-Sharq Trading Company, which owns Plot No. 676, Basin 24, from the Um Udaynah area in Naour, with an area of 4,690 dunams. This resulted in a loss of (JD 9,000), and the legal procedures have been completed.
- On December 31, 2023, the investment properties were valued by independent real estate appraisers (2), who determined an average fair value of (JD 932,373).

Al-Bilad Securities and Investment Company
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Notes to the Interim Condensed Financial Statements(Unaudited)
For the Three-Month Period Ended March 31, 2025
(Jordanian Dinar)

8- Brokerage clients receivables

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Brokrage clients receivables	3,671,386	3,676,337
Less: Provision for expected credit loss	(2,350,583)	(2,350,583)
Net	1,320,803	1,325,754

9- Receivables from margin financing clients

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Margin financing brokeroge clients receivables	3,197,000	3,180,934
Related parties receivables	-	-
Total	3,197,000	3,180,934
Less: Provision for expected credit loss	(2,640,337)	(2,640,337)
Net	556,663	540,597

10-Cash and Cash Equivalents

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Current accounts with Banks – customers	619,100	517,903
Current accounts with Banks	2,026	7,434
Total	621,126	525,337

11- Authorized and Paid-Up Capital

The authorized capital of the company is 7,000,000 JD, divided into 7,000,000 shares, with a par value of one JD per share as of March 31, 2025 (7,000,000 JD as of December 31, 2024).

12-Overdarft Banks

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Jordan Commercial Bank	1,102,667	1,100,501

The Company obtained bank facilities from Jordan Commercial Bank in the amount of JOD 1,100,000 at an interest rate of 10%, secured by a pledge of shares owned by the Company (Notes 5 and 6).

13- loans

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Total loans	96,810	121,685
(less): non-current portion	(27,711)	(27,711)
Current protion	69,099	93,974

The company obtained a reducing loan from the Jordan Commercial Bank in the amount of 200,000 Jordanian dinars with an interest rate of 10%. The loan is to be repaid in 24 equal installments, the value of each installment being (JD 9,237), and the first installment is due on 31/03/2024, by guaranteeing the mortgage of the shares purchased in the Arab Aluminum Manufacturing Company (125,000) share and in the Arab Jordanian Insurance Group (the affiliated company) (100,000) shares

Al-Bilad Securities and Investment Company
(Public Shareholding Limited Company)
Notes to the Interim Condensed Financial Statements(Unaudited)
For the Three-Month Period Ended March 31, 2025
(Jordanian Dinar)

14- Brokerage clients payables

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Brokrage Clients Payables	716,908	213,660
Financing Clinets Payables - Margin	44,093	5,577
Total	761,001	219,237

15- Provision for income tax:

A- Movement on the provision of income tax:

	March 31, 2025(Unaudited)	December 31, 2024 (Audited)
Balance at the beginning of the year	-	-
Provided during the period/ year	-	-
Balance at period/year end	-	-

B- Taxation status:

- Income tax has been settled up to the year 2022.
- The self-assessment return for the year 2023 has been submitted and has not yet been reviewed by the tax authority yet.

16-Basic and diluted loss per share for the Period

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Loss for the Period	(75,124)	(391,887)
weighted average shares	7,000,000	10,000,000
Basic and diluted earnings (loss) per share	(0.011)	(0.039)

The diluted earnings (loss) per share for the year is equal to the basic earnings (loss) per share for the Period.

17- Contingent Liabilities

As of the financial position date, the company has contingent liabilities in the form of bank guarantees amounting to (JD 650,500).

18- Legal Cases

There are legal cases filed by the company against third parties amounting to JD 4,352,282 as of March 31, 2025 (JD 4,352,282 for the year 2024). These cases are still pending before the court of competent jurisdiction. According to the company's legal counsel and management, the provisions recorded are considered sufficient.

19- Financial Instruments- Risk Management

Fair Value:

It is the value at which an asset can be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction. The company's financial instruments are classified based on the historical cost method, and differences may arise between the carrying amounts and the estimated fair values. Management believes that the fair values of the company's financial assets and liabilities do not differ materially from their carrying amounts.

Credit Risk:

Represents the risk that one party will be unable to meet its obligations, resulting in a financial loss to the other party. The company does not have a significant concentration of credit risk. Trade receivables are continuously reviewed, and aging analyses are performed, with appropriate provisions made for any doubtful debts. Trade receivables are presented net of credit losses. The company maintains its cash balances with local banks that have good credit ratings.

Currency Risk:

Is the risk arising from changes in the value of financial instruments due to fluctuations in foreign exchange rates. The company's transactions are mostly denominated in Jordanian Dinars. Transactions in Euro and US Dollar, if any, are not material; accordingly, currency risk is also effectively managed.

Liquidity Risk:

Is the risk that an entity will encounter difficulty in obtaining funds to meet commitments associated with financial instruments. Liquidity risk may arise from the inability to sell a financial asset quickly at an amount close to its fair value. The company manages liquidity risk by maintaining adequate reserves, constantly monitoring cash flows, and aligning the maturities of financial assets and liabilities.

20- Approval of Financial Statements

These financial statements were approved by the Board of Directors on April 30, 2025.