

**COMPREHENSIVE LEASING COMPANY  
(PUBLIC SHAREHOLDING COMPANY)**

**CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS  
(UNAUDITED)**

**31 MARCH 2021**

**COMPREHENSIVE LEASING COMPANY  
(PUBLIC SHAREHOLDING COMPANY)**

**CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS  
(UNAUDITED)**

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**REVIEW REPORT ON THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS  
TO THE CHAIRMAN AND MEMBERS OF THE BOARD OF DIRECTORS OF COMPREHENSIVE LEASING COMPANY  
(PUBLIC SHAREHOLDING COMPANY)**

**Introduction**

We have reviewed the accompanying consolidated condensed interim statement of financial position of Comprehensive Leasing Company and its subsidiary (the "Group") as of 31 March 2021 and the consolidated condensed interim statement of comprehensive income for the three months ended 31 March 2021 and the consolidated condensed interim statement of changes in equity and the consolidated condensed interim statement of cash flows for the three months then ended and other explanatory notes. Management is responsible for the preparation and presentation of these consolidated condensed interim financial statements in accordance with the International Accounting Standard (34), "interim financial reporting". Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.


**Scope of review**


We conducted our review in accordance with the International Standard on Review Engagements (2410) "Review of Interim Financial Information performed by the Independent Auditor of the Entity". A review of interim 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 assurances 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 consolidated condensed interim financial statements are not properly prepared, in all material respects, in accordance with International Accounting Standard (34).

For and on behalf of PricewaterhouseCoopers "Jordan"

  
Omar Katanzi  
License No. (10150)  
Amman, Jordan  
29 April 2021



**COMPREHENSIVE LEASING COMPANY  
(PUBLIC SHAREHOLDING COMPANY)  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2021 (UNAUDITED)**

	Note	31 March 2021 JD (Unaudited)	31 December 2020 JD (Audited)
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets		27,360	29,808
Property and equipment		2,810,617	2,828,347
Investment properties		3,080,583	3,094,560
Assets seized by the group		3,967,280	4,554,780
Right use of assets		382,292	402,518
Financial assets at amortised cost		753,407	
Non-current portion of net investment in finance lease contracts	4	23,688,551	25,742,724
Non-current portion of instalment sale receivables	5	14,140,709	13,655,423
		<u>48,850,799</u>	<u>50,308,160</u>
<b>Current assets</b>			
Current portion of net investment in finance lease	4	26,061,280	27,109,294
Current portion of instalment sale receivables	5	11,769,607	11,888,201
Financial assets at fair value through income statement		792,363	376,940
Other receivables		484,685	509,901
Cash and cash equivalents	3	249,638	167,874
		<u>39,357,573</u>	<u>40,052,210</u>
<b>Total assets</b>		<u>88,208,372</u>	<u>90,360,370</u>
<b>Shareholders' equity and liabilities</b>			
<b>Shareholders' equity</b>			
Paid-in capital	6	10,000,000	10,000,000
Statutory reserve	6	2,500,000	2,500,000
Retained earnings		5,803,472	7,238,875
<b>Total shareholders' equity</b>		<u>18,303,472</u>	<u>19,738,875</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long-term borrowings	7	32,005,546	35,016,536
Lease liability		258,003	282,916
		<u>32,263,549</u>	<u>35,299,452</u>
<b>Current liabilities</b>			
Current portion of long-term borrowings	7	23,349,989	24,121,933
Banks overdrafts	8	9,794,191	8,286,180
Trade and other payables		3,127,682	1,449,119
Lease liability		134,423	129,276
Rent received in advance		112,761	153,087
Income tax provision	9	1,122,305	1,182,448
		<u>37,641,351</u>	<u>35,322,043</u>
<b>Total liabilities</b>		<u>69,904,900</u>	<u>70,621,495</u>
<b>Total shareholders' equity and liabilities</b>		<u>88,208,372</u>	<u>90,360,370</u>

**The accompanying notes from 1 to 14 form an integral part of these consolidated  
condensed interim financial statements**

**COMPREHENSIVE LEASING COMPANY  
(PUBLIC SHAREHOLDING COMPANY)  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THREE MONTHS ENDED 31 MARCH 2021 (UNAUDITED)**

	Note	For the Three months ended	
		31 March 2021 JD (Unaudited)	31 March 2020 JD (Unaudited)
Net revenue from finance lease contracts		1,922,216	2,458,618
Net revenue from instalment sale		1,039,530	1,011,801
<b>Total Revenue</b>		<b>2,961,746</b>	<b>3,470,419</b>
Administrative expenses		(386,174)	(442,718)
Net revenue from investment properties		53,441	62,448
Other losses		(659)	(410)
Losses from financial assets at fair value through statement of income		31,658	(43,440)
Finance expenses		(1,219,774)	(1,499,502)
Expected credit loss		(627,524)	(641,000)
<b>Profit for the period before tax</b>		<b>812,714</b>	<b>905,797</b>
Income tax	9	(248,117)	(314,535)
<b>Profit for the period</b>		<b>564,597</b>	<b>591,262</b>
Other comprehensive income for the period		-	-
<b>Total comprehensive income for the period</b>		<b>564,597</b>	<b>591,262</b>
Basic and diluted earnings per share from profit of the period attributable to the Company's shareholders	10	0.056	0.059

**The accompanying notes from 1 to 14 form an integral part of these consolidated condensed interim financial statements**

**COMPREHENSIVE LEASING COMPANY  
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CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE THREE MONTHS ENDED 31 MARCH 2021 (UNAUDITED)**

	Share capital JD	Statutory reserve JD	Retained earnings JD	Total JD
<b>2021 (Unaudited)</b>				
Balance at 1 January 2021	10,000,000	2,500,000	7,238,875	19,738,875
Dividends distribution (Note 11)	-	-	(2,000,000)	(2,000,000)
Comprehensive income for the period	-	-	564,597	564,597
<b>Balance at 31 March 2021</b>	<b>10,000,000</b>	<b>2,500,000</b>	<b>5,803,472</b>	<b>18,303,472</b>
<b>2020 (Unaudited)</b>				
Balance at 1 January 2020	10,000,000	2,500,000	5,645,105	18,145,105
Dividends distribution (Note 11)	-	-	(2,400,000)	(2,400,000)
Comprehensive income for the period	-	-	591,262	591,262
<b>Balance at 31 March 2020</b>	<b>10,000,000</b>	<b>2,500,000</b>	<b>3,836,367</b>	<b>16,336,367</b>

The accompanying notes from 1 to 14 form an integral part of these consolidated condensed interim financial statements

**COMPREHENSIVE LEASING COMPANY  
(PUBLIC SHAREHOLDING COMPANY)  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS  
FOR THE THREE MONTHS ENDED 31 MARCH 2021 (UNAUDITED)**

	31 March 2021 JD (Unaudited)	31 March 2020 JD (Unaudited)
<b>Operating activities</b>		
Profit for the period before tax	812,714	905,797
<b>Adjustments</b>		
Depreciation and amortisation	70,003	60,625
Depreciation of investment properties	13,977	19,238
Expected credit loss	627,524	641,000
Finance expenses	1,219,774	1,510,973
Unrealised losses from revaluation of financial assets at fair value through statement of income	(31,658)	43,440
Gain on sale of property and equipment	(7,900)	-
<b>Change in assets and liabilities:</b>		
Net investment in finance lease contracts	2,474,663	(672,043)
Net investment in instalment sale receivables	(366,692)	(985,163)
Other receivables	25,216	(88,149)
Rentals and finance income received in advance	(40,326)	(22,408)
Trade and other payables	1,669,355	8,764
<b>Net cash flows generated from operating activities before income tax paid</b>	<b>6,466,650</b>	<b>1,422,074</b>
Income tax paid	(308,260)	(264,354)
<b>Net cash flows generated from operating activities</b>	<b>6,158,390</b>	<b>1,157,720</b>
<b>Investing activities</b>		
Purchase of financial assets at fair value	(383,765)	-
Purchase of financial assets at amortised cost	(753,407)	-
Proceeds from sale of properties acquired against debts	587,500	-
Purchase of property and equipment	(5,419)	(6,023)
<b>Net cash flows used in investing activities</b>	<b>(555,091)</b>	<b>(6,023)</b>
<b>Financing activities</b>		
Borrowings	(3,782,934)	(222,345)
Finance expenses	(1,219,774)	(1,499,502)
Dividends paid	(2,000,000)	(54,102)
Lease obligation paid	(26,838)	(42,811)
<b>Net cash flows used in financing activities</b>	<b>(7,029,546)</b>	<b>(1,818,760)</b>
<b>Net change in cash and cash equivalents</b>	<b>(1,426,247)</b>	<b>(667,063)</b>
Cash and cash equivalents at 1 January (Note 3)	(8,118,306)	(10,377,730)
<b>Cash and cash equivalents at 30 March (Note 3)</b>	<b>(9,544,553)</b>	<b>(11,044,793)</b>
<b>Non-cash transactions during the period</b>		
Transfer of finance lease contracts to assets seized	-	75,000
Declared and not paid dividends	-	2,345,898

**The accompanying notes from 1 to 14 form an integral part of these consolidated condensed interim financial statements**

**COMPREHENSIVE LEASING COMPANY  
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NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS  
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**(1) GENERAL INFORMATION**

Comprehensive Leasing Company was established as a limited liability company on 14 April 2004 under No. (8730) with a share capital of JD 1,000,000. On 12 September 2006, the Company's legal status was changed to a public shareholding company and was registered with the Ministry of Industry and Trade under No. (415). In 2018, the Company increased its share capital according to the resolution of the Extraordinary General Assembly held on 25 February 2018. The share capital was increased by JD 3,000,000 hence, the share capital of the Company became JD 10,000,000 with a nominal value of JD 1 each as at 31 December 2019. The share capital increase procedures were completed with the Ministry of Industry and Trade on 9 April 2018.

The Company's main activities are represented in the following:

- Finance lease
- Investment of the Company's funds in the economic, industrial, agricultural and real estate fields
- Purchase, own, lease and manage movable and immovable funds for the purposes of the Company
- Mortgage of movable and immovable funds
- Development of land by providing the necessary services and fragmentation of the land
- Import and export
- Touristic investment
- Obtain patents
- Obtain contracts of rights and privileges from any government, entity, authority, company, institution or individual concerned by the objectives of the Company, enter into commercial and governmental bids and tenders, both locally and internationally, and register the company's trademarks

On 24 July 2012, the Company established a branch in the Kurdistan Region of Iraq under the number (15297). The branch commenced its operational activities during the first quarter of 2013, according to the provisions of item No. (5 - third) of the regulation of establishing branches of offices of foreign companies and economic institutions No. (5) of 1989 related to the Kurdistan Region of Iraq.

The Comprehensive Leasing Company is a public shareholding company, and its shares are listed in Amman Stock Exchange, the registered address of the Company is 207 Zahran St, - Amman, the Hashemite Kingdom of Jordan.

The Group's consolidated condensed interim financial statements were approved by the management on 29 April 2021.



**(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies applied by the Group's Management in the preparation of these consolidated condensed interim financial statements are set out below:

**2-1 Basis of preparation**

The consolidated condensed interim financial statements of the Group has been prepared in accordance with IAS 34, 'Interim financial reporting'.

The Jordanian Dinar is the presentation currency for the consolidated condensed interim financial statements and is the Group's functional currency, The consolidated condensed interim financial statements have been prepared according to the historical cost convention except for the financial assets at fair value through the statement of income which is recognised at fair value at the date of the consolidated condensed interim financial statements.

These consolidated condensed interim financial statements do not include all information and notes required in the annual financial statements which are prepared in accordance with the IFRS and should be read in conjunction with the Group's consolidated financial statements as of 31 December 2020. The results for the three months ended 31 March 2021 are not necessarily indicative of the results that may be expected for the year ending 31 December 2020. No provision was made for the profit of the three month period ended 31 March 2021 which is done at the end of the financial year.

**2-2 Changes in accounting policies and disclosures**

The accounting policies are consistent with those adopted in preparation of the consolidated financial statements for the year ended 31 December 2020 except for what is mentioned in note 2-2-1.

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**2-2-1 New standards issued and applicable for the annual periods starting on or after 1 January 2021 which has been followed by the group:**

<b>New standard</b>	<b>Description</b>	<b>Effective date</b>
<b>Amendment to IFRS 16, 'Leases' – Covid-19 related rent concessions</b>	As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. On 28 May 2020, the IASB published an amendment to IFRS 16 that provides an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event or condition that triggers the reduced payment occurs.	1 June 2020
<b>Amendments to IFRS 17 and IFRS 4, 'Insurance contracts' deferral of IFRS 9</b>	These amendments defer the date of application of IFRS 17 by 2 years to 1 January 2023 and change the fixed date of the temporary exemption in IFRS 4 from applying IFRS 9, Financial instrument until 1 January 2023.	1 January 2021
<b>Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2</b>	The Phase 2 amendments address issues that arise from the implementation of the reforms, including the replacement of one benchmark with an alternative one.	1 January 2021

**2-2-2 New standards issued and not yet applicable or early adopted by the Group for the periods starting on or after 1 January 2021:**

<b>Standard</b>	<b>Description</b>	<b>Effective date</b>
<b>Amendments to IAS 1, 'Presentation of financial statements' on classification of liabilities</b>	These narrow-scope amendments to IAS 1, 'Presentation of financial statements', clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.	1 January 2022

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A number of narrow-scope amendments to IFRS 3, IAS 16, IAS 17 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16

- **Amendments to IFRS 3, 'Business combinations'** update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- **Amendments to IAS 16, 'Property, plant and equipment'** prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.
- **Amendments to IAS 37, 'Provisions, contingent liabilities and contingent assets'** specify which costs a company includes when assessing whether a contract will be loss-making.
- **Annual improvements** make minor amendments to IFRS 1, 'First-time Adoption of IFRS', IFRS 9, 'Financial instruments', IAS 41, 'Agriculture' and the Illustrative Examples accompanying IFRS 16, 'Leases'.

**IFRS 17, 'Insurance contracts'**

This standard replaces IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.

Management does not believe that the above standards will have any impact on the interim condensed consolidated financial statements of the Group once adopted or become effective.

There are no any other new standards or interpretations published that should be adopted by the Group for the annual periods starting on or after 1 January 2021 and which could have a material impact on the Group's interim condensed consolidated financial statements.

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**2-3 Basis of consolidation of condensed Interim financial statements**

The consolidated condensed interim financial statements include the financial statements of the Company and the branches and subsidiaries fully owned and controlled by the Company. The control is achieved when the company is able to manage the main activities of the subsidiaries; exposed to varying returns from its investment in the subsidiaries or has rights in these returns; and is able to affect these returns through its control over the subsidiaries. However, transactions, balances, revenues and expenses between the Company and subsidiaries and between the subsidiaries shall be eliminated.

The consolidated financial statements of the Group for the three months ended 31 March 2021 include the financial statements of the branches of the Company in the Kurdistan Region of Iraq as well as the following subsidiaries:

<u>Company name</u>	<u>Paid-in capital</u> JD	<u>Percentage of ownership</u> %	<u>Nature of operations</u>	<u>Location</u>	<u>Date of incorporation</u>
The Comprehensive Company for Vehicle Sale LLC	500,000	100	Selling and buying used cars	Amman	2011
The International Comprehensive Company LLC	10,000	100	Shares trading	Amman	2016

The financial statements of the subsidiaries are prepared for the same financial year of the Company, using consistent accounting policies used by the Company. If the accounting policies adopted by the subsidiaries are different, the required adjustments are made on the financial statements of the subsidiary to be consistent with the accounting policies used by the Company.

The financial statements of the subsidiaries are consolidated in the consolidated statement of income from the date of its ownership which is the date on which the control is actually transferred to the Company on the subsidiaries. Consolidation stops when the company loses such control.

**2-4 Critical accounting estimates and judgements**

The critical estimates used by the management in preparing of these consolidated condensed interim financial statements and adopted in the accounting policies are consistent with those adopted in preparation of the consolidated financial statements as at and for the year ended 31 December 2020.

**(3) CASH IN HAND AND AT BANKS**

	<u>31 March</u> <u>2021</u> JD (Unaudited)	<u>31 December</u> <u>2020</u> JD (Audited)
Cash on hand	53,485	6,996
Cash at banks	<u>196,153</u>	<u>160,878</u>
	<u>249,638</u>	<u>167,874</u>

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For the purpose of the statement of cash flows, cash and cash equivalents comprise cash in hand and at banks less bank overdrafts as follows:

	31 March 2021	31 December 2020
	JD	JD
	(Unaudited)	(Unaudited)
Cash on hand and at banks	249,638	167,874
Bank overdrafts (Note 8)	(9,794,191)	(8,286,180)
	<u>(9,544,553)</u>	<u>(8,118,306)</u>

**(4) NET INVESTMENT IN FINANCE LEASE CONTRACTS**

	31 March 2021	31 December 2020
	JD	JD
	(Unaudited)	(Audited)
Total investment in long-term finance lease contracts (over one year)	26,071,764	28,395,784
Total investment in short-term finance lease contracts	31,616,565	32,765,689
Total	57,688,329	61,161,473
Deferred revenues	(6,445,946)	(7,244,427)
Total before provision	51,242,383	53,917,046
Provision for impairment of investment in finance lease contracts	(1,492,552)	(1,065,028)
	49,749,831	52,852,018
Less: Net investment in long-term finance lease contracts	(23,688,551)	(25,742,724)
Net investment in finance lease contracts that are due in a year	<u>26,061,280</u>	<u>27,109,294</u>

The movement on the provision for finance leases during the period is as follows:

	31 March 2021	31 December 2020
	JD	JD
	(Unaudited)	(Audited)
Balance as 1 January	1,065,028	604,355
Expected credit loss	427,524	678,125
Write off	-	(217,452)
As at 31 March 2021 and 31 December 2020	<u>1,492,552</u>	<u>1,065,028</u>

The total investment in the financial leasing contracts is distributed according to the geographical area and type of asset as follows:

	Outside Jordan (Unaudited)	Inside Jordan (Unaudited)	31 March 2021 (Unaudited)	31 December 2020 (Audited)
	JD	JD	JD	
Vehicles	398,028	44,204,669	44,602,697	47,712,991
Real estates	4,544,129	8,541,503	13,085,632	13,448,482
	<u>4,942,157</u>	<u>52,746,172</u>	<u>57,688,329</u>	<u>61,161,473</u>

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**(5) NET INVESTMENT IN INSTALMENT SALE CONTRACTS**

	31 March 2021 JD (Unaudited)	31 December 2020 JD (Audited)
Total investment in long-term instalment sale contracts (over one year)	15,809,872	15,231,869
Total investment in short-term instalment sale contracts	15,324,092	15,251,557
Total	31,133,964	30,483,426
Deferred revenues	(3,998,533)	(3,914,687)
Total before provision	27,135,431	26,568,739
Provision for impairment of investment in instalment sale contracts	(1,225,115)	(1,025,115)
	25,910,316	25,543,624
Less: Net investment in long-term instalment sale contracts	(14,140,709)	(13,655,423)
Net investment in instalment sale contracts that are due during a year	11,769,607	11,888,201

The movement on the provision for instalment sale contracts during the period is as follows:

	31 March 2021 JD (Unaudited)	31 December 2020 JD (Audited)
Balance as 1 January	1,025,115	1,162,758
Expected credit loss	200,000	516,293
Write off	-	(653,936)
As at 31 March 2021 and 31 December 2020	1,225,115	1,025,115

The total investment in the instalment sale contracts is distributed according to the geographical area and type of asset as follows:

	Outside Jordan (Unaudited) JD	Inside Jordan (Unaudited) JD	31 March 2021 (Unaudited) JD	31 December 2020 (Audited)
Vehicles	1,251,989	27,901,474	29,153,463	28,451,163
Real estates	909,760	1,070,741	1,980,501	2,032,263
	2,161,749	28,972,215	31,133,964	30,483,426

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**(6) SHAREHOLDERS' EQUITY**

**Paid-in share capital**

The authorized and paid-up capital of the Company is JD 10,000,000 divided into 10,000,000 fully paid-up shares with a par value of JD 1 per share.

**Statutory reserve**

According to the Jordanian Companies Law and the Company's by-laws, the Company should transfer 10% of its annual net profit to the statutory reserve, and continue to do so each year provided that the total transferred amounts to the reserve do not exceed 25% of the Company's capital. For the purposes of this law, net profits represent profits before the income tax and fees provision. This reserve is not distributable to shareholders. No statutory reserve is deducted during the period ended 31 March 2021, as the deduction is made at the end of the year.

**(7) BORROWINGS**

	31 March 2021 (Unaudited)			31 December 2020 (Audited)		
	Interest rate %	Ceiling	Balance JD	Interest rate %	Ceiling	Balance JD
Bank Al Etihad	7.50%	6,500,000	5,286,200	7.50%	6,500,000	5,322,612
Capital Bank of Jordan	7.75%	8,400,000	6,165,874	7.75%	8,400,000	6,575,789
Societe Generale	7.50%	5,200,000	3,573,890	7.50%	5,200,000	4,418,573
Jordan Commercial Bank	7.75%	8,200,000	6,487,500	7.75%	8,200,000	6,934,639
Housing Bank for Trade and Finance	7.55%	9,266,000	7,675,400	7.55%	9,266,000	7,798,727
Bank Audi	8.25%	2,500,000	1,725,001	8.25%	2,500,000	1,950,202
Jordan Kuwait Bank	8.50%	11,930,000	8,610,693	8.50%	11,930,000	9,755,127
Arab Jordan Investment Bank	7.25%	11,410,000	8,786,226	7.25%	11,410,000	8,724,458
Arab Jordan Investment Bank*	5.50%	1,218,571	1,218,571	5.50%	1,343,654	1,343,654
Invest Bank	8.50%	5,500,000	3,948,847	8.50%	5,500,000	4,339,630
Egyptian Arab Land Bank	7.50%	2,250,000	1,877,333	7.50%	2,250,000	1,975,058
Total borrowings		<u>72,374,571</u>	<u>55,355,535</u>		<u>72,499,654</u>	<u>59,138,469</u>
Less: Current portion			<u>(23,349,989)</u>			<u>(24,121,933)</u>
Long-term portion			<u>32,005,546</u>			<u>35,016,536</u>

\* This loan was granted against a land mortgage.

With regard to other bank loans, these loans are granted against depositing bank checks and notes by the group.

The fair value of the loans shown above do not differ materially from their book values as of 31 December 2020, as the bank interest rates on the above bank loans are close to the prevailing bank interest rate.

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**(8) BANK OVERDRAFTS**

	31 March 2021 (Unaudited)			31 December 2020 (Audited)		
	Interest rate %	Credit limit JD	Balance JD	Interest rate %	Credit limit JD	Balance JD
Bank Al Etihad	7.50%	1,050,000	929,243	7.50%	1,050,000	963,052
Capital Bank of Jordan	7.75%	2,750,000	2,165,424	7.75%	2,750,000	1,876,626
Societe Generale	7.50%	500,000	368,348	7.50%	500,000	305,511
Jordan Commercial Bank	7.75%	1,800,000	1,627,879	7.75%	1,800,000	1,204,984
Housing Bank for Trade and Finance	7.55%	1,963,000	1,787,837	7.55%	1,963,000	1,600,771
Bank Audi	8.25%	500,000	410,234	8.25%	500,000	116,329
Jordan Kuwait Bank	8.50%	1,763,000	909,173	8.50%	1,763,000	723,014
Arab Jordan Investment Bank	7.25%	705,000	623,226	7.25%	705,000	568,492
Invest Bank	8.50%	650,000	288,836	8.50%	650,000	282,019
Egyptian Arab Land Bank	7.50%	750,000	683,991	7.50%	750,000	645,382
		12,431,000	9,794,191		12,431,000	8,286,180



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**(9) INCOME TAX**

The movement on income tax provision in Jordan is as follows:

	31 March 2021	31 December 2020
	JD	JD
	(Unaudited)	(Audited)
Balance at 1 January	1,162,287	1,088,723
Paid during the period/ year	(288,099)	(1,379,688)
Tax expense for the period/ year	237,790	1,453,252
Balance at 31 March and 31 December	<u>1,111,978</u>	<u>1,162,287</u>

The movement on the income tax provision of the Company's branch in Kurdistan- Iraq is as follows:

	31 March 2021	31 December 2020
	JD	JD
	(Unaudited)	(Audited)
Balance at 1 January	20,161	13,269
Paid during the period/ year	(20,161)	(13,269)
Tax expense for the period/ year	10,327	20,161
Balance at 31 March and 31 December	<u>10,327</u>	<u>20,161</u>

Therefore, the total income tax expense for the period/ year and the income tax provision as at 31 March 2021 and 31 December 2020 are as follows:

	31 March 2021	31 December 2020
	JD	JD
	(Unaudited)	(Audited)
Income tax expense	248,117	1,473,413
Income tax provision	<u>1,122,305</u>	<u>1,182,448</u>

Income tax provision has been calculated for the period ending in 31 March 2021 and 31 December 2020 in accordance with the Income Tax Law No. (38) for the year 2020. The legal income tax rate on the comprehensive Leasing and Finance Company is 28% and on the comprehensive Vehicle trading Company and the comprehensive International Financial Consulting Company 21%. Regarding the company's branch in the Kurdistan region - Iraq, the legal income tax rate is 15%.

The Company obtained a final clearance from the Income and Sales Tax Department until the end of 2018. The self-assessment for the year 2019 was submitted and has not been audited but no final decision was issued by the Income and Sales Tax Department concerning this year until the date of approval of these consolidated financial statements.

Comprehensive Vehicle Trading Company (subsidiary) obtained a final clearance from the Income Tax Department until the end of 2019.

In respect of the Comprehensive International Company for Financial Consulting (subsidiary), the Company obtained a final clearance from the Income Tax Department until the end of 2019.

As for the Kurdistan Region branch, the Group obtained a final clearance from the Income Tax Department until the end of 2020.

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**(10) EARNING PER SHARE FROM THE PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY**

The details of this item are as follows:

	For the three months ended 31 March	
	2021	2020
	JD	JD
	(Unaudited)	(Unaudited)
Profit for the period attributable to the shareholders of the Company	564,597	591,262
Weighted average for the number of shares *	10,000,000	10,000,000
	JD/ share	JD/ share
Basic and diluted earnings per share from profit for the period attributable to the shareholders of the Company	0.056	0.059

- \* The basic earnings per share from the net profit for the period attributable to the shareholders of the Company equals the diluted earnings as the Company did not issue any financial instruments that may have an impact on the basic earnings per share.

**(11) DIVIDENDS**

The General Assembly, at its extraordinary meeting held on 25 February 2021, approved the distribution of JD 2,000,000 as cash dividends to the shareholders at a rate of 20% of the paid-in share capital.

The General Assembly, at its extraordinary meeting held on 27 February 2020, approved the distribution of JD 2,400,000 as cash dividends to the shareholders at a rate of 24% of the paid-in share capital.

**(12) TRANSACTIONS WITH RELATED PARTIES**

An entity is considered a related party when it has the ability to control the other party or exercise significant influence over the other party in making financial and operational decisions.

The following transactions were carried out with related parties:

	31 March 2021	31 March 2020
	JD	JD
	(Unaudited)	(Unaudited)
Advances received for financial lease	412,330	195,235
Rental revenue	69,325	62,448

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Balances resulting from transactions with related parties are as follows:

	31 March 2021 (Unaudited) JD	31 December 2020 (Audited) JD
<b>Due to related parties</b>		
The Leading Vehicles Co, Ltd,	10,250	13,250
Nicola Abu Khader & Sons Co, Ltd,	5,732	3,191
	<u>15,982</u>	<u>16,441</u>

The key management benefits amounted to JD 24,900 for the period ended as at 31 March 2021 (2020: JD 24,900).

**(13) GEOGRAPHICAL DISTRIBUTION**

The group's business according to the geographical distribution for the period ending 31 March 2021 is as follows:

	Outside Jordan (Unaudited) JD	Inside Jordan (Unaudited) JD	31 March 2021 (Unaudited) JD	31 December 2020 (Audited) JD
Total assets	6,205,194	82,003,178	88,208,372	90,360,370
Total liabilities	7,447,237	62,457,663	69,904,900	70,621,495

	Outside Jordan (Unaudited) JD	Inside Jordan (Unaudited) JD	31 March 2021 (Unaudited) JD	31 March 2020 (Unaudited) JD
Net revenue from finance lease contracts	170,680	1,751,536	1,922,216	2,458,618
Net revenue from instalment sale	66,602	972,928	1,039,530	1,011,801
Total comprehensive income for the period	68,990	495,607	564,597	591,262

**(14) IMPACT OF THE NOVEL CORONAVIRUS (COVID-19) ON THE GROUP'S BUSINESS**

The existence of the Novel Coronavirus (COVID-19) was confirmed in early 2020 as it has spread throughout mainland China and beyond, causing disruptions to business and economic activity.

Coronavirus was classified as an epidemic by the World Health Organization in March of 2020 in response to this, the government of the Hashemite Kingdom of Jordan announced the Defence Law on 17 March 2020, which required the suspension of the activities of all public and private sector institutions, with the exception of institutions operating in vital sectors for a month, which was later extended for two weeks. As a result, the Group suspended its business for six weeks and gradually returned after the lockdown was lifted, but not at full capacity.

The Group deferred the loan payment to its customers, by deferring the interest and original instalment amount due for a period of one to two months. These deferrals are short-term liquidity in order to address the borrowers' cash flow matters. Deferrals provided to customers may indicate an increase in credit risk, however the Group believes that extending these postponements does not automatically mean an increase in credit risk. The deferred payments process aims to provide help to borrowers affected by the outbreak of the novel coronavirus (COVID-19) to resume payments on a regular basis.

The impact of this outbreak was taken into consideration on the Group's provisions during 2020 and its revenues from finance leases and instalment sale, interest rates and the Group's ability to continue on a going concern.