

**AL JABR FINANCING COMPANY**  
(A SAUDI CLOSED JOINT STOCK COMPANY)

**INTERIM CONDENSED FINANCIAL STATEMENTS (UN – AUDITED)**  
**WITH INDEPENDENT AUDITOR’S REVIEW REPORT**

**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2021**

**AL JABR FINANCING COMPANY**  
**(A SAUDI CLOSED JOINT STOCK COMPANY)**  
**INTERIM CONDENSED FINANCIAL STATEMENTS WITH**  
**INDEPENDENT AUDITOR'S REVIEW REPORT**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2021**

---

<b>INDEX</b>	<b>PAGE</b>
Independent auditor's review report on the interim condensed financial statements	1
Interim statement of financial position	2
Interim statement of profit or loss and other comprehensive income	3
Interim statement of changes in equity	4
Interim statement of cash flows	5
Notes to the interim condensed financial statements	6-13

**INDEPENDENT AUDITOR'S REVIEW REPORT  
 ON THE INTERIM CONDENSED FINANCIAL STATEMENTS**

The Shareholders  
 Al Jabr Financing Company  
 (A Saudi Closed Joint Stock Company)  
 Dammam, Kingdom of Saudi Arabia

**Introduction:**

We have reviewed the accompanying interim statement of the financial position of Al Jabr Financing Company (a Saudi Closed Joint Stock Company) (the "Company") as of 31 March 2021 and the interim statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended, and a summary of significant accounting policies and other explanatory notes ("interim condensed financial statements"). Management is responsible for the preparation and fair presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" (IAS 34), that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

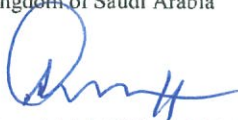
**Scope of Review:**

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', that is endorsed in the Kingdom of Saudi Arabia. A review of the 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 that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion:**

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

**Al-Bassam & Co.**  
 P.O. Box 4636  
 Al Khobar 31952  
 Kingdom of Saudi Arabia



**Ahmed Abdul Majeed Mohandis**  
 Certified Public Accountant  
 License No. 477

14 Ramadan 1442  
 26 April 2021



**AL JABR FINANCING COMPANY**  
**(A SAUDI CLOSED JOINT STOCK COMPANY)**  
**INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2021**

		<b>31 March 2021 SR (Un-audited)</b>	<b>31 December 2020 SR (Audited)</b>
	<b>Note</b>		
<b>ASSETS</b>			
Cash and cash equivalents		53,526,889	50,795,392
Net investment in financing contracts	5	732,892,125	739,557,721
Assets repossessed held for sale		536,233	598,918
Prepayment and other receivables	7	28,418,600	17,915,387
Right-of-use asset		950,659	1,085,824
Investment in equity instruments carried at FVOCI		892,850	892,850
Property and equipment		2,840,074	3,026,787
<b>TOTAL ASSETS</b>		<b>820,057,430</b>	<b>813,872,879</b>
<b>LIABILITIES AND EQUITY</b>			
Borrowings	9	242,847,407	243,063,990
Accounts payable and other liabilities	10	100,836,607	106,022,531
Lease liability	11	561,575	1,122,070
Zakat provision		6,199,360	5,573,109
End-of-service indemnities		3,698,416	3,698,416
<b>TOTAL LIABILITIES</b>		<b>354,143,365</b>	<b>359,480,116</b>
<b>EQUITY</b>			
Share capital	12	345,000,000	345,000,000
Statutory reserve		15,106,754	15,106,754
Retained earnings		105,462,562	93,941,260
Actuarial gain reserve on end-of-service indemnities		344,749	344,749
<b>TOTAL EQUITY</b>		<b>465,914,065</b>	<b>454,392,763</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>820,057,430</b>	<b>813,872,879</b>

The accompanying notes 1 through 17 form an integral part of these interim condensed financial statements.

**AL JABR FINANCING COMPANY**  
**(A SAUDI CLOSED JOINT STOCK COMPANY)**  
**INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2021**

	Note	For the three-month period ended 31 March 2021 SR (Un-audited)	For the three-month period ended 31 March 2020 SR (Un-audited)
Revenue	13	25,395,677	33,031,886
Insurance cost		(3,702,626)	(6,337,429)
Finance cost	14	(1,700,006)	(1,963,480)
<b>Operating profit</b>		<b>19,993,045</b>	<b>24,730,977</b>
General and administration expenses		(8,086,146)	(8,294,713)
Selling and marketing expenses		(437,357)	(1,500,948)
Reversal / (allowance) for credit loss	5.2	940,532	(8,932,458)
Modification losses	15	(1,364,015)	(4,646,776)
Government grant		-	652,107
Other income, net		1,101,494	1,401,064
<b>PROFIT BEFORE ZAKAT</b>		<b>12,147,553</b>	<b>3,409,253</b>
Zakat expense		(626,251)	(937,535)
<b>NET PROFIT</b>		<b>11,521,302</b>	<b>2,471,718</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>11,521,302</b>	<b>2,471,718</b>
Earnings per share (basic and diluted)	16	0.33	0.07

The accompanying notes 1 through 17 form an integral part of these interim condensed financial statements.

**AL JABR FINANCING COMPANY**  
**(A SAUDI CLOSED JOINT STOCK COMPANY)**  
**INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2021**

	Share capital SR	Statutory reserve SR	Retained earnings SR	Actuarial gain reserve on end- of-service indemnities SR	Total SR
Balance as at 31 December 2019-(audited)	345,000,000	11,659,065	62,912,058	716,999	420,288,122
Net profit for the period	-	-	2,471,718	-	2,471,718
Other comprehensive income for the period	-	-	-	-	-
Balance as at 31 March 2020 –(un-audited)	345,000,000	11,659,065	65,383,776	716,999	422,759,840
Balance as at 31 December 2020-(audited)	345,000,000	15,106,754	93,941,260	344,749	454,392,763
Net profit for the period	-	-	<b>11,521,302</b>	-	<b>11,521,302</b>
Other comprehensive income for the period	-	-	-	-	-
Balance as at 31 March 2021 (Un-audited)	<b>345,000,000</b>	<b>15,106,754</b>	<b>105,462,562</b>	<b>344,749</b>	<b>465,914,065</b>

The accompanying notes 1 through 17 form an integral part of these interim condensed financial statements.

**AL JABR FINANCING COMPANY**  
**(A SAUDI CLOSED JOINT STOCK COMPANY)**  
**INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2021**

	For the three-month period ended 31 March 2021 SR (Un-audited)	For the three-month period ended 31 March 2020 SR (Un-audited)
<b>OPERATING ACTIVITIES</b>		
Net profit before zakat for the period	12,147,553	3,409,253
Adjustments for:		
Depreciation	322,788	480,624
Provision for end of service indemnities	4,485	6,063
Finance cost of lease liability	6,172	12,064
(Reversal) / allowance for credit losses	(940,532)	8,932,458
Finance charges	1,583,836	1,884,540
Amortization of right of use assets	135,165	136,667
Modification losses	1,364,015	4,646,776
Government grant	-	(652,107)
Unwinding of interest on assets and liabilities under purchase agency agreement, net	109,998	66,876
<b>Changes in operating assets and liabilities:</b>		
Investment in financing contracts	6,242,113	(20,735,508)
Prepayment and other receivables	(10,503,213)	(24,260,930)
Assets repossessed held for sale	62,685	206,434
Accounts payable and other liabilities	(5,293,544)	38,488,394
<b>Cash flow from operating activities</b>	<b>5,241,521</b>	<b>12,621,604</b>
Zakat paid	-	-
Finance charges paid	(994,933)	(2,254,377)
End-of-service indemnities paid	(4,485)	(6,063)
<b>Net cash generated from operating activities</b>	<b>4,242,103</b>	<b>10,361,164</b>
<b>INVESTING ACTIVITY</b>		
Purchase of property and equipment	(136,075)	(191,872)
<b>Net cash used in investing activity</b>	<b>(136,075)</b>	<b>(191,872)</b>
<b>FINANCING ACTIVITIES</b>		
Payment under finance lease	(566,667)	(566,667)
Borrowings, net	(807,864)	1,612,104
<b>Net cash (used in) / generated from financing activities</b>	<b>(1,374,531)</b>	<b>1,045,437</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>2,731,497</b>	<b>11,214,729</b>
Cash and cash equivalents at the beginning of the period	50,795,392	21,907,604
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>53,526,889</b>	<b>33,122,333</b>

The accompanying notes 1 through 17 form an integral part of these interim condensed financial statements.