In the name of God the most Merciful, the most Compassionate

A.A.Salami Investment and FinanceBank (S.A.M.)

Management report on the bank's activity as of 31/12/2019

Ladies and gentlemen, shareholders of the Islamic Bank ofNassak for Respected Investment and Finance

Peace be upon you and God's mercy and blessings

We present to you the board of directors' reportdetailing the bank's business statements andaudited closing accounts for the financial year ended December 31, 2019 in accordance with the provisions of articles 117 and (134) ofthe Company Act.In accordance with the accounting rule No. (10) issued by the Accounting and Supervisory Standards Board and based on the provisions of the Banking Act No. (94) of 2004 and the Islamic Banking Act No. (43) for the year 2015 and the instructions issued by the Central Bank of Iraq.

1- About the establishment of the bank and its objectives

A-The establishment of the bank and capital

The bank obtained the certificate of establishment as an Islamic bank (mixed joint stock company) based on the decision of the Ministry of Commerce/Department of Registration of Companies numbered (M.S.S.01-88992) dated February 13, 2019, in accordance with the Central Bank Law Iraqi No. (56) for 2004, Banking Act No. (94) for 2004, Islamic Banking Act No. (43) for 2015 and Anti-Money Laundering and Terrorist Financing Act No. (39) for 2015.

B- The bank's ambitions to achieve its goals and activities

Since the beginning of the establishment,the founders have decided to developplans, policies and programs toenter the competitiveenvironment and to rank the bank high among Islamic and non-Islamic Iraqi banks and branches of

foreign banks operating in Iraq, and to get the bank an increasing share of the electronic banking market while maximizing returns on capital and expanding the ownership base through a clear formulation of the vision for the future vision of the realityof thebanking sector in Iraq.

The bank's main objective is to contribute to economic development and revitalize its activities by conducting comprehensive Islamic electronic banking and financing medium- and long-term economic feasibility operations for private and mixed sector projects (agricultural, industrial, commercial, tourism, construction and service) under the supervision and supervision of the Central Bank of Iraq and under the provisions of the Islamic Banking Act No. 43 of 2015.

The bank seeks to choose its working staff and to serve banking operations through technical and scientific training, which achieves the goal after starting its banking business to reach electronic banking.

The bank's main objectives

- Emerging with a new model in the banking sector, namely electronic banking as a promising Iraqi-Islamic bank by providing the best banking products and financial services.
- Focus on the concept of financial inclusion and diversification of Islamic credit products.
- Expanding the customer base in Baghdad and all provinces and attracting deposits of allkinds.
- Diversity in the use of modern banking technologies and systems.
- Expansion of dealing with foreign correspondentbanks.
- Strengthening the shareholders' equity base by achieving the right return.
- Contribute to the social and economic development of thecountry.

D.Branches to be opened in 2020

	Branch name
1	Main branch

E.Disclosure of bank-owned properties

Property Number	**Location of the property**	**Date of purchase** of **the property**	**Book value**
22/38	Baghdad/Bataween	24/2/2019	2,350,250,000

Correspondent banks

The bank has no correspondent bank to date as it is a bank in the establishment phase.

2- The Board of Directors and the amount of their contribution to the bank's capital

A- Members of the Board of Directors do notpray as on 31/12/2019

Name	**Post**
Dr. Ali Abd El, Amir Allawi	Mainly
Dr.Dr. Ahmed Zaki Younis	member
Abd Al , Amir Hassoun Ali	member
Uday Mohamed Sadek	member
Haydar Mahdi Rashid	member

B- Members of the Board of Directors onlyuntil as of 31/12/2019

to	**Member's name**

1	Moussa Abd El , Sahib Musa
2	Abd Al , Sattar Jabbar Latif

C- The names of the largest (10) shareholders in the bank's capital as of 31/12/2019

to	Shareholder's name	Number of shares
1	Hajj and Umrah Authority	45,000,000,000
2	Iraqi Bank for Trade	24,107,538,426
3	State Employees' Pension Fund	13,846,153,846
4	Islamic Southern Bank	6,923,076,923
5	Shiite Endowment Bureau	6,000,000,000
6	Al, Nahrain Islamic Bank	3,000,000,000
7	Musa Abd El , Sahib	250,000,000
8	Raed Ali Jawad	250,000,000
9	Kamal Ali Jawad	250,000,000
10	Murtada MhamD Hussein	250,000,000

D- The total of board meetings held during the year /2019 (9) sat at the last of Official working hours.

E. Board members were not awarded any cash or salary bonuses during the year /2019.

Detailed and analytical data

Net activity:

Net activity achieved by the Bank as of 31 December2019 was a loss of(124,037,620)

JD for expenses paid for services provided by third parties during the establishment phase.

B-Advertising amounts:

Total expenses for the purposes described below(797,000)JD forserviceSupport purposes

Provided to the bank.

331	Advertising	672,000
3332	Publish and print	125,000

4- Costs of theowners

There are no bonuses and wages paid for not appointing an angel to the bank, while the total bonuses paid to non-employeesas of31 December2019 (18,160,000) dinars.

Tdo the math	**Account name**	Amount
3363	Bonuses for non-workers	9,760,000
3834	NSpecial Services /Guards	8,400,000

5- The impact of the pricing on the bank's activity

The bank depends on the structure of the profit prices approved bythe bank and the prices ofbanking operations for commissions, wages and expenses adopted in its work.

6- Thebank's financial performance index during 2019

A- The bank's financial position (assets):

The bank's financial position of assets and projects under implementation (103,987,684,628)as of 31/12/2019 as shown in the following table:

Directory Number	Account name	dinar	Ratio
		2019	%
18	Money/ Central Bank	100,000,000,000	100%
18	Money/ At local banks	713,409,738	From the good loan.
14	Cash credit	0	0%
15	Investments	0	0%
16	Other assets	52,610,000	From the good loan.
11	Fixed assets	0	0%
12	Projects under way	3,221,664,890	From the good loan.

First: cash in the fund and in banks

The total cash at local banks as of December 31, 2011was9 (710,909,738)dinars and representsa ratio (18.5%) approximately the total good loan granted by the largest founders (Hajj and Umrah Authority) of(3,785,000,000) dinars. Paid in dinars and dollars to cover the expenses of the establishment phase and purchase of the public administration building where it was deposited in an open current account with the Islamic Bank of the South in the name of The Hermit Bank.

Second: Other assets

Hassa's balance of other assets(52,610,000)dinars was withdrawn from the loan amount

Hassan to cover some expenses.

account number	Account name	Amount / JD
1632	Prepaid expenses	22,610,000
1671	Advance for activity purposes	30,000,000

Third: fixed assets and projects under implementation

The balance of projects under implementation(3,221,664,890)wasJD as of 9/31/12/201.

account number	Account name	Amount / JD
1221	Projects under way/ buildings	2,865,854,950
1231	Projects under way/machinery and equipment	25,539,780
1261	Projects under way/ Furniture	124,950,000
1262	Projects under way/ refrigeration and air conditioning	14,756,000
1263	Projects inprogress/calculators	178,664,160
1269	Projects under way/fire system	11,900,000

B- The financial position of the bank (therequiredt):

The bank's financial position amounted to liabilities, paid-up capital and reserves

(104,111,722,248)JD Until 31/12/2019 as shown in the following table: -

Directory Number	Account name	Amount / JD	%

21	Capital and reserves	100,000,000,000	96%
25	Current accounts and deposits	0	0%
22	Customizations	0	0%
24	Short- term loans	3,785,000,000	3%
26	Other liabilities	326,722,248	0.01%

First: Deposits and sources of funding

There are no deposits during the period as the bank is in the establishment phase and its sources of financing were from

The good loan deposited in the Islamic Bank of the South with a special account in the name of the bank to cover

Foundation stage expenses.

Second: Other liabilities

The balance of other liabilities on 31/12/2019 (326,722,248) jd consistingof

The remaining unpaid building amount (148,750,000 dinars) is equivalent to ($125,000) and an amount

(11,900,000 dinars) remaining the amount of the elevator installation for the building is me Adele ($10,000) and the remaining 62,475,000 dinars from the furniture purchase contract from Vana equivalent ($52,500) and the remaining 2,975,000 dinars from the contract to buy a fire system equivalent to $2,500 and $43,000 911,000 dinars remaining from the contract to buy computers equivalent ($36,900) and the remaining 2,082,500 dinars from the contract for the establishment of electricity equivalent ($1,750) and the amount(1,785,000 dinars)remaining from the contract to rehabilitate the The façade of the building is equivalent ($1,500) and the remaining 2,500,000 dinars of a consulting contract and an amount (17,000,000 dinars) of a contract Restoration and rehabilitation of the building and the amount (1,700,000 dinars) of the supervision contract and the amount (31,643,748 dinars) remaining from the contract of Windows Information Company to equip the infrastructure of the information center room.

Third: Capital and reserves

Fully paid-up capital(10-0)billion dinars paid in camfora minimum
Required to establish a bank in accordance with the instructions of the Central Bank ofIraq.

7- Capital adequacy

There is no capital adequacy ratio on 31 December 2019 because the bank is in the establishment phase.

Liquidity ratio

There is no liquidity ratio on 31 December 2019 because the bank is in the process of establishing.

Liquidity coverage ratio

There is no liquidity coverage ratio on 31 December 2019 because the bank is in the establishment phase.

10. Ratio of net stable financing

There is no ratio to net stable financing as the bank does not have customer deposits as it is a bank under establishment.

Revenue

The bank has not achieved revenue because the bank has not yet boughtitsbanking business.

12. Expenses

The totalexpenditure for 2019was9 (124,037,620) dinars in the following detail:

Directory Number	Account name	Amount /1,000 dinars	%
31	Staff expenses	0	0%
32-33	Operating expenses	89,611,000	71%
34	Commissions owed	8,815,220	9%
37	Extinctions	0	0%
38	Transfer expenses	25,611,400	20%

Legal proceedings

There are no legal claims filed by the bank against third parties and there are no legal claims filedby third parties against the bank until 9/31/12/201.

Research and development

The Bankaims to involveits employees in a number of courses for the purpose of increasing the efficiency of their performance and increasing the newsof interests as well as courses held at the Central Bank of Iraq and the Association of Iraqi Private Banks in various trainingcourses for the purpose of development and raising the level of performance.

Accounting policy

أ- The final accounts were prepared inaccordance with IFRS from the outset and 2019 was considered a yearof preparation with the basis of maturity adopted in calculating revenues and expenses, andthe fixed premium method willbe adopted in calculating extinctions on fixed assets.

ب- The principle of historical cost of fixed assetswill be adopted and the book value will be included in the financial position list after the introduction ofthe accumulated extinction allocation.

Fundamental changes

There has been no fundamental change affecting the bank's progress in the establishment process from the date of the preparation of the financial statements to the date of our report.

D. Sadiq Rashid Hussein	**Zeid Abdul Karim Mahdi**
Chairman of the Board of Directors	**Director Commissioner**

Al-Herak Islamic Investment and Finance Bank - Mixed Joint Stock Company
Clarifications on the Bank's financial statements for the period from February 13, 2019 to December 31, 2019
Foundation stage

General information:
The Islamic Banking Investment and Finance Bank is an Iraqi mixed joint stock company established in 2019 under the certificate of establishment numbered(M.S.S. 01-000088992) dated 13/02/2019 and its general administration in Baghdad/Saadoun Street and its fully paid capital of 100 billion Iraqi dinars (the minimum due to establishthe bank under the instructions of the Central Bank)
In 2019, the bank did not engage in any of the banking business related to its activity as it was in the establishment phase.

Important **accounting policies:**
The bank's financial statements were prepared in accordance with international standards, not the number and presentation of the financial statements and accompanying interpretations issued by the International Financial Reporting Interpretations Committee of the International Accounting Standards Board.
All purchased assets have been restricted at historical cost in accordance with the principle of historical cost, although they are equal to their fair value.
The impact of banking transactions when they occur (i.e. the adoption of the accounting maturity principle) is recognized as a basis for the recognition of events.
The report does not contain a previous year of comparison because it is foundation phase data.
2.a Functional currency
The Iraqi dinar is the currency of showing financial statements and represents the main currency of the bank, which is measured by other foreign currencies.
The exchange rate of the dollar against the dinar is(1190) as instructed by the Central Bank of Iraq to show the supply of financial lists.
The bank's financial statements until December 31, 2019 include assets, liabilities and business results during the period.

International financial reporting standards and interpretations:
The Bank has adopted international standards in the preparation and presentation of financial statements and international accompanying interpretations for the first time.

Revenue and recognition of expenses are achieved:
The bank did not achieve any revenues because it is in the establishment phase and the expenses have been recognized on the basis of the principle of maturity and will be approved by the General Authority of Shareholders.
Expenses.
- Represents 8,500,000 dinars resulting from currency valuation differences due to the amount paid in dinars of 1,020,000,000 dinars as a payment for the purchase of the general administration building and the main branch in accordance with the instructions of the Central Bank of Iraq to stabilize the exchange rate of the dollar at 1190 against the dinar
- 8,400,000 dinars represents the wages of guard expenses
- 17,211,400 dinars represents the fees paid for the allocation of a name for the bank and registration with the Department of the Registrar of Companies and the Central Bank of Iraq

Explanations from sequence 1-11 attached to the financial lists are part of them and read with them

Al-Herak Islamic Investment and Finance Bank - Mixed Joint Stock Company
- Clarifications on the bank's financial statements for the period from February 13, 2019 to December 31, 2019
Foundation stage

4- Other operating expenses

Statement	31/12/2019
Research and consulting services	72,000,000
Advertising, advertising, publishing and printing	797,000
Office supplies expenses	———
Conferences and seminars	327,000
Connections	———
Relocation	2,500,000
Travel and dispatch	———
Rent fixed assets	———
Subscriptions and affiliations	———
Rewards for non-workers	9,760,000
Banking services/banking commissions	315,220
Legal services	2,000,000
Other operating expenses	2,227,000
Total	**89,926,220**

4- B Other expenses

Statement	31/12/2019
Compensation and fines	———
Donations and subsidies to others	———
Special services expenses	8,400,000
Foreign currency valuation differences	8,500,000
Various taxes and fees	17,211,400
Other expenses	———
Total	**34,111,400**

Sector information:
The banking sector represents a set of assets and processes that jointly provide products and services subject to risks and returns different from those related to other business

sectors and the geographical sector affecting a specific economic environment subject to risks and returns that differ in their provision of products and services from those related to other businesssectors.

Explanations from sequence 1-11 attached to the financial lists are part of them and read with them

Al-Herak Islamic Investment and Finance Bank - Mixed Joint Stock Company
Clarifications on the Bank's financial statements for the period from February 13, 2019 to December 31, 2019
Foundation stage

6- Cash:

Cash is cash and includes cash in the safe and assets with local and foreign banks and the ethnic central bank, from which the balance of deposits due (within90 days) will be removed.

The fully paid-up capital (100 billion) dinars currently deposited in the time account/accounts (one of the accounts of the Central Bank of Iraq) is then transferred to our current account after the issuance of a license to practice. Represents the balance of the account of local banks of (713,409,738) dinars remaining from the amount of the good loan by the Hajj and Umrah Authority to cover the expenses of the establishment phase

The exchange rate of the dinar against the dollar = 1190 dinars as instructed by the Central Bank of Iraq to stabilize the exchange for foreign currencies

Against thedinar. In the bank records.

The bank's name has not yet been listed on the official market (Iraq Stock Exchange) as a result of not obtaining a license to practice the profession

6- Assets with the Central Bank of Iraq

Statement	31/12/2019
Assets with the Central Bank of Iraq	100,000,000,000
Legal deposits with the Central Bank (legal cover)	-
Letters of Guarantee Insurance	-
Total	**100,000,000,000**

6. B Cash in the **Fund**

Cash in branch coffers in local currency	————
Remittances on the way	————
Cash in ATMs	————
Total	————

6- C assets with banks and banking institutions

Cash at local banks	713,409,738
Cash at offshore banks	0
Total	**713,409,738**

Total cash in existen to be	100,713,409,738

6. Gold D

Gold coins	-

Total cash	**100,713,409,738**

Explanations from sequence 1-11 attached to the financial lists are part of them and read with them

Al-Herak Islamic Investment and Finance Bank - Mixed Joint Stock Company

Clarifications on the Bank's financial statements for the period from February 13, 2019 to December 31, 2019

Foundation stage

Fixed assets and projects underimplementation:

Fixed assets will appear at historical cost at the time of purchase and a loss will be calculated on fixedassets(tangible and intangible) upon purchase and extinctions or extinguishers will be calculated in accordance with the applicable ratios shown below.

Note that the cost of the building of (2,350,250,000) dinars includes the value of the land and the building together and that all improvements were added to it and it is by(515,604,950) dinars as projects under implementation and this is the result of the bank under construction inthe establishmentphase.

The fixed rate of extinction is the proportion of productive life fire (numberof years)

of land ------- ------ --------

Buildings 5% ------ 20 years

Machinery and equipment 20% ------ 5 years

Transport and transport 20% ------ 5 years

Intangible assets ------ 20% 5 years

Projects under way	H/Land	H/ Buildings and facilities	H/machinery and equipment	H/ Furniture and office appliances	H/Transportation	H/ Intangible assets	Total
Balance		**2,865,854,950**	**25,539,780**	**330,270,160**			**3,221,664,890**

8- Foreign currencies:

Transactions are assessed in foreign currencies**(dollars)**at exchange rates fixed by theCentral Bank of Iraq of (1190) dinars against (1) dollars and the differences between the prevailing exchange rate of the transaction in its history are restricted from the exchange rate issued by the Central Bank of Iraq under the instructions to show foreign currencies in the financial statements at the expense of foreign currency valuation differences, resulting in an unrealistic loss borne by the bank

Differences in foreign currency valuation resulting from the difference between the prevailing exchange rate and the central bank rate are also shown in the income list

Other assets:

Statement	31/12/2019
Mutual city accounts	____
Outstanding and non-receivable income	____
Prepaid expenses	22,610,000
Judicial expenses	____
Advance for activity purposes	30,000,000
Associates' ancestor	____
Total	**52,610,000**

Explanations from sequence 1-11 attached to the financial lists are part of them and read with them

Al-Herak Islamic Investment and Finance Bank - Mixed Joint Stock Company
Clarifications on the Bank's financial statements for the period from February 13, 2019 to December 31, 2019

Foundation stage

10. Obligations and liabilities:

The amount (3,785,000,000) dinars represents an obligation on the bank, which is the amount of a good loan paid by one of the founders (government sector) /Hajj and Umrah Authority to the Founders Committee for the purpose of purchasing the bank building, which is worth 1.1 $975,000 as well as to cover the expenses of basic infrastructure for preparation and the good loan was granted in the currencies of dinars and dollars (2 billion dinars) and (1.5 million dollars) to be repaid the loan with the same two currencies of grants on request

The remaining $326,722,248 represents the amount ($125,000) remaining in the value of the building that has not yet been paid until the completion of the registration procedure and the equivalent of $10,000 remaining in the building elevator purchase contract and the equivalent amount. The remaining $52,500 is a furniture purchase contract from Vana and the equivalent amount ($36,900) remaining is the purchase amount of computers and the equivalent amount ($2,500) remainingto purchase the fire and alarm system and the equivalent amount ($1,500) thefaçade rehabilitation contract for the building and the equivalent amount ($1,750) for electrical foundations and $2,500,000 from a consulting contract, $17,000,000 from the building restoration contract and 31,643,748 dinars, a contract with Naseed to equip the infrastructure of the information center room and a sum (1,700,000 dinars) remaining in the contract to supervise the restoration of the building.

10. Borrowing from third parties

Statement	31/12/2019

Borrowing from the government sector	3,785,000,000
Borrowing from the private sector	____
External borrowing	____
Total	**3,785,000,000**

10- B other liabilities

Statement	**31/12/2019**
Approved (certified) instruments	____
Government sector creditors	____
Private sector creditors/DINAR	52,843,748
Private sector creditors/dollars	273,878,500
Receiving insurance	____
Income received in advance	____
Administrative expenses due	____
Various credit accounts	____
Total	**326,722,248**

Property rights:

The fully paid-up capital (100 billion) shares represents the minimum allowed in the establishment of Islamic banks to pay the remaining within 3 equal payments per year from the date of the granting of a license to practice by the Central Bank of Iraq

Explanations from sequence 1-11 attached to the financial lists are part of them and read with them

Al-Herak Islamic Investment and Finance Bank - Mixed Joint Stock Company

Clarifications on the Bank's financial statements for the period from February 13, 2019 to December 31, 2019

Foundation stage

Statement	**31/12/2019**
Paid-up capital	100,000,000,000
Capital reserves	____
General Reserve	____
Free receiving stock reserve	____
Reserve expansions	____
Accumulated surplus/or(accumulated deficit)	(124,037,620)
Total	**99,875,962,380**

Explanations from sequence 1-11 attached to the financial lists are part of them and read with them

Islamic Hermit Bank

Financial statements (unaudited) as at 3 0/9/2021

Financial position **statements**

Account name	**30/9/2021 Amount/JD**	**30/9/2020 Amount/JD**	**31/12/2020 Amount/JD**	Account Name
Assets				**Assets**
Thepurity	98,908,076,712	98,022,512,605	90,905,893,419	Cash in hand and banks
Islamic Finance	1,036,056,851	0	0	islamic finance credits
Otherassets	49,636,490	90,538,470	98,977,424	Other assets
Investments	**10,7**50,000,000	0	5,750,000,000	Investments
Fixed assets	5,198,999,214	3,422,342,341	4,741,563,136	Fixed Assets
Intangible assets	680,180,872	260,848,904	734,314,577	Intangible assets
Projects under way	0	498,762,820	1,250,000	Projects under implementation
Total assets	**116,622,950,139**	**102,295,005,140**	**102,231,998,556**	**Total Assets**
Liabilities and property rights				**Liabilities & Owner Equity**
Deposit **account**	4,954,059,386	1,267,461,791	542,898,800	Deposits account
Creditors	12,020,434,127	277,015,598	452,833,430	Creditors
Paid-up capital	100,000,000,000	100,000,000,000	100,000,000,000	paid Capital
Reserves	0	0	0	reserves
Borrowing	1,045,190,000	2,000,000,000	2,000,000,000	Received Loans
Insurance	80,052,000	0	9,636,000	Cash margin
I'mnot going**to**be **a**	486,414,109	107,138,952	259,378,789	Provisions
Rounded profits/(losses)	(1,032,926,582)	(124,037,620)	(124,074,880)	Retained losses
Surplus/(deficit)period	(930,272,901)	(1,232,573,581)	(908,673,583)	profit & loss (this period)

sum Capital Equity Equity	**116,622,950,139**	**102,295,005,140**	**102,231,998,556**	**Total Liabilities & Owner Equity**

Islamic Hermit Bank

Financial statements (unaudited) as of 30 September 2021

Income Statements Income List

Account name	**30/9/2021 Amounts/JD**	**30/9/2020 Amounts/JD**	**31/12/2020 Amounts/JD**	Account Name
Revenue				**Revenues**
Banking income	1,118,165,847	295,200	2,693,700	banking operations Revenues
Islamic financing revenues	1,363,609	0	0	islamic financing Revenues
Investment income	279,452,055	0	31,944,444	Investment Revenues
Other revenues	1,460,466	0	1,323,704	Transferable & other Revenues
Foreign currency valuation spreads income	0	0	1,122,004,578	Revenue from foreign currency valuation differences
Total revenue	**1,400,441,977**	**295,200**	**1,157,966,426**	**Total of Revenues**
Expense				**Expenses**
Banking expenses	408,495,348	287,922,738	222,808,419	Banking Operations Expenses
Administrative expenses	1,069,241,382	580,594,341	1,036,839,905	Administrations Expenses
Extinctions and extinguishments	298,487,528	107,138,952	298,487,528	Depreciations
Other expenses	554,490,620	257,212,750	508,504,157	other Expenses
Total expenses	**2,330,714,878**	**1,232,868,781**	**2,066,640,009**	**Total of Expenses**
As a result of the activity Surplus/(deficit)	(930,272,901)	(1,232,573,581)	(908,673,583)	**period activity result profit & (loss)**