The Financial Results of the Companies Listed for the First Quarters & First Half of 2020

The Chief Executive Officer (CEO) of the Amman Stock Exchange (ASE), Mr. Mazen Wathaifi stated that the net profit after tax attributable to shareholders for the first quarter of 2020 for the listed companies which have provided the ASE with their financial reports has decreased to JD 88.6 million, compared to JD 268.5 million for the first quarter of 2019, a decrease of 67.0%. The profit before tax for these companies decreased to JD 162.4 million for the first quarter of 2020, compared to JD 386.5 million for the first quarter of 2019, a decrease of 58.0%.

At the sector level, the services sector decreased in profits after tax by 277.3%, the industrial sector followed by a decrease of 59.0%, and finally the financial sector with a decrease of 47.0%.

As for net profit after tax attributable to shareholders for the first half of 2020 for the listed companies which have provided the ASE with their financial reports has decreased to JD 43.3 million, compared to JD 596.9 million for first half of 2019, a decrease of 92.7%. The profit before tax for these companies decreased to JD 184.3 million for the first half of 2020, compared to JD 835.3 million for first half of 2019, a decrease of 77.9%.

At the sector level, the services sector decreased in profits after tax by 322.6%, the financial sector followed by a decrease of 62.6%, and finally the industrial sector with a decrease of 56.5%.

The CEO explained that the consequences of the Covid-19 and its impact on the performance of companies and their operational activities, which affected the whole world, the total demand and the global economic activities was one of the main reasons for the decline in profits for listed companies. In addition to applying some international accounting and financial standards to face the consequences of the crisis, including the re-evaluation and calculation of a number of allocations such as allocations for expected credit losses.