



SALAM INTERNATIONAL
TRANSPORT & TRADING CO. PLC

السلام الدولية للنقل والتجارة شركة مساهمة عامة

الرقم : ١٥٨-٢٠٢٠

التاريخ : ١١-٤-٢٠٢٠

المادة / بورصة عمان المحترمين .

تحية طيبة وبعد ،

مرفق طيه البيانات المالية عن الفترة كما في ٣٠-٩-٢٠٢٠ باللغة الانجليزية .

وتفضلوا بقبول فائق الاحترام ،،،

رئيس مجلس الادارة

الدكتور محمد ابو حمور

بورصة عمان
الدائرة الإدارية والمالية
الديوان

٤ - تمريض ٢٠٢٠

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الرقم المتسلسل :
رقم الملف :
الجهة المختصة :
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SALAM INTERNATIONAL TRANSPORT
AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA – JORDAN

CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2020 TOGETHER
WITH THE REVIEW REPORT

SALAM INTERNATIONAL TRANSPORT
AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA – JORDAN
SEPTEMBER 30, 2020

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INDEPENDENT AUDITOR'S REVIEW REPORT

AM \ 000744

To the Chairman and Members of the Board of Directors of
Salam International Transport and Trading Company
Public Shareholding Limited Company
Aqaba – The Hashemite Kingdom of Jordan

Introduction

We have reviewed the accompanying consolidated condensed interim statement of financial position of Salam International Transport and Trading Company (a Public Shareholding Limited Company) as of September 30, 2020 and the related consolidated condensed interim statements of profit or loss for the three months and the nine months ended September 30, 2020, changes in equity and cash flows for the nine month period then ended, and a summary of significant accounting policies and other explanatory information. Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard (34) Interim Financial Reporting. Our responsibility is to express an opinion on this consolidated condensed interim financial information 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". A review of consolidated interim financial information 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 above, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial information is not fairly presented, in all material respects, in accordance with International Accounting Standard (34).

Emphasis of Matters

We draw attention to:

- a. Note (8) of the consolidated condensed interim financial information, which describes projects under construction which are not yet completed.
- b. Note (9) of the consolidated condensed interim financial information, which describes details about advance payments to acquire land for which the ownership has not yet transferred to the Company.


Our conclusion is not modified in respect of these matters.

Other Matters

The consolidated condensed interim financial information are a translation of the statutory consolidated condensed interim financial information which are in the Arabic language and to which reference should be made.

Amman – Jordan

October 28, 2020


Deloitte & Touche (M.E) – Jordan

Deloitte & Touche (M.E.)
ديلويت أند توش (الشرق الأوسط)
010105

SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA - THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	September 30, 2020 (Reviewed) JD	December 31, 2019 (Audited) JD
ASSETS			
Current Assets:			
Cash and balances at banks	4	711,277	187,992
Accounts receivable-net	5	927,655	610,822
Due from related parties	10/a	741,958	643,544
Accounts receivable - Decent Housing for Decent Living project		60,000	60,000
Residential units available for sale		325,503	325,503
Checks under collection and notes receivable maturing during one year		281,276	96,934
Financial assets at fair value through statement of profit or loss	18/a	8,960	8,852
Inventory - net		165,332	232,557
Other debit balances	6	421,371	242,043
Total Current Assets		3,643,332	2,408,247
Non-Current Assets:			
Checks under collection and notes receivable - long term		103,508	157,540
Financial assets at fair value through comprehensive income	18/a	615,260	644,471
Investments in real estate - net	18/b	4,627,611	4,681,579
Investments in associates	7	14,487,982	14,737,063
Projects under construction	8	2,517,437	2,632,924
Advance payments for land acquisition	9	6,002,517	6,431,223
Property and equipment - net		718,428	739,218
Total Non-Current Assets		29,072,743	30,024,018
TOTAL ASSETS		32,716,075	32,432,265
LIABILITIES AND OWNERS' EQUITY			
Current Liabilities:			
Due to banks	11	339,441	560,829
Accounts payable		1,897,794	1,563,879
Due to related parties- short term	10/b	1,317,982	2,808,430
Loans - short term	13	334,412	818,166
Deferred checks and notes payable - short term		28,540	181,069
Income tax provision	14/a	84,948	63,521
Other credit balances		779,253	466,044
Total Current Liabilities		4,782,370	6,461,938
Non-Current Liabilities:			
Due to related parties- long term	10/b	3,955,216	3,944,707
Partner Current Account	10/b	1,113,085	203,085
Long-term Loans	13	750,350	441,032
Total Non-Current Liabilities		5,818,651	4,588,824
Total Liabilities		10,601,021	11,050,762
OWNERS' EQUITY			
SHAREHOLDERS' EQUITY			
Authorized and Paid-up capital	18&16	18,000,000	18,000,000
Issuance discount	16	(1,349,998)	(1,349,998)
Statutory reserve		-	2,186,726
Voluntary reserve		-	48,024
Financial assets at fair value valuation reserve		(321,308)	(297,413)
Retained earnings / (Accumulated losses)		1,258,885	(850,790)
Profit for the period		900,374	-
Total / Net Shareholders' Equity		18,487,953	17,736,549
Non-controlling interests		3,627,101	3,644,954
Total Owners' Equity		22,115,054	21,381,503
TOTAL LIABILITIES AND NET OWNERS' EQUITY		32,716,075	32,432,265

H.E. Chairman of the Board of Directors

General Manager

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE
CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION AND SHOULD BE READ
WITH THEM AND WITH THE ACCOMPANYING REVIEW REPORT.

SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)

AQABA - JORDAN

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	Note	2020 (Reviewed)	2019 (Reviewed)	2020 (Reviewed)
		JD	JD	JD
Revenue		1,100,843	1,202,224	3,543,988
Less: Cost of revenue		803,732	936,076	2,544,923
Gross Profit		297,111	266,148	999,065
				943,314
Less: General and administrative expenses		(149,257)	(184,863)	(583,601)
Marketing expenses		(1,481)	(3,437)	(9,142)
Borrowing costs		(31,055)	(50,392)	(120,841)
Expected credit loss provision		-	(61,708)	-
Company's net share of associate companies profits	7	210,566	328,404	477,830
Gains (losses) from valuation of financial assets at fair value through income statement		(476)	(231)	108
Net company's profit from selling a subsidiaries companies	12	-	-	108,603
Other income- net		(12,008)	(12,546)	56,312
Profit for the Period before Income Tax		313,400	281,375	928,334
Less: Income tax expense for the period	14/b	(40,449)	(3,015)	(45,813)
Profit for the Period		272,951	278,360	882,521
				799,862
Attributable to:				
The Company's shareholders		281,781	332,599	900,374
Non-controlling interest		(8,830)	(54,239)	(17,853)
Total		272,951	278,360	882,521
				799,862
Earnings per Share for the Period Attributable to the Company's Shareholders	19	0.015	0.018	0.050
H.E. Chairman of the Board of Directors				
General Manager				

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SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY

(A PUBLIC SHAERHOILDING LIMITED COMPANY)

AQABA - JORDAN

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	<u>For the Three Months</u>		<u>For the Nine Months</u>	
	<u>Ended September 30,</u>		<u>Ended September 30,</u>	
	<u>2020 (Reviewed)</u>	<u>2019 (Reviewed)</u>	<u>2020 (Reviewed)</u>	<u>2019 (Reviewed)</u>
	JD	JD	JD	JD
Profit for the period	272,951	278,360	882,521	799,862
<u>Other Comprehensive Income Items:</u>				
<u>Items not to be subsequently transferred to condensed consolidated interim profit or loss statement:</u>				
Change in fair value of financial assets at fair value through comprehensive income	(19,104)	26,249	(23,895)	4,542
Total Comprehensive Income for the Period	<u>253,847</u>	<u>304,609</u>	<u>858,626</u>	<u>804,404</u>
<u>Total Comprehensive Income for the Period Attributable to:</u>				
Company's shareholders	262,677	358,848	876,479	953,007
Non- controlling interest	(8,830)	(54,239)	(17,853)	(148,603)
Total	<u>253,847</u>	<u>304,609</u>	<u>858,626</u>	<u>804,404</u>

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SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)

AQABA – JORDAN

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Company's Shareholders' Equity														
Financial Assets														
Note	Paid-up Capital	Issuance Discount	Statutory Reserve	Voluntary Reserve	at Fair Value revaluation Reserve	Retained Earnings / (Accumulated Losses)		Income for the Period		Non-Controlling Interest		Total		
						Realized	Unrealized	JD	JD	JD	JD		JD	JD
For the Nine Months Ended September 30, 2020														
	18,000,000	(1,349,998)	2,186,726	48,024	(297,413)	(2,767,399)	1,916,609	(850,790)	-	17,736,549	3,644,954	21,381,503		
		-	-	-	-	(125,075)	-	(125,075)	-	(125,075)	-	(125,075)		
	18,000,000	(1,349,998)	2,186,726	48,024	(297,413)	(2,892,474)	1,916,609	(975,865)	-	17,611,474	3,644,954	21,256,428		
24	-	-	(2,186,726)	(48,024)	-	2,234,750	-	2,234,750	-	-	-	-		
	-	-	-	-	(23,895)	-	-	-	900,374	876,479	(17,853)	859,626		
	18,000,000	(1,349,998)	-	-	(321,309)	(657,724)	1,916,609	1,258,885	900,374	18,487,953	3,627,101	22,115,054		
For the Nine Months Ended September 30, 2019 (Restated)														
	18,000,000	(1,349,998)	2,059,079	48,024	(212,192)	(3,079,564)	1,916,609	(1,162,955)	-	17,381,958	4,710,714	22,092,672		
23	-	-	-	-	-	(790,711)	-	(790,711)	-	(790,711)	(130,883)	(921,594)		
	18,000,000	(1,349,998)	2,059,079	48,024	(212,192)	(3,870,275)	1,916,609	(1,953,666)	-	16,591,247	4,579,831	21,171,078		
	-	-	-	-	4,542	-	-	-	948,465	953,007	(148,603)	804,404		
	18,000,000	(1,349,998)	2,059,079	48,024	(207,650)	(3,870,275)	1,916,609	(1,953,666)	948,465	17,544,254	4,431,228	21,975,482		

- An amount equivalent to the negative balance of financial assets revaluation reserve is restricted from retained earnings according to the Jordanian Securities Exchange Commission's instructions.

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SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AOABA - JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	Note	For the Nine Months Ended	
		September 30,	
		2020 (Reviewed)	2019 (Reviewed)
		JD	JD
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit for the period before income tax		928,334	815,336
Adjustments:			
Property and equipment and investment in real estate depreciation		68,374	61,164
Expected credit loss provision		-	186,708
Company's share of (profits) from investing in associate companies'	7	(477,830)	(852,134)
Net Company's (gain) from selling investments in subsidiaries companies	12	(108,603)	-
(Gains) losses from revaluation of financial assets at fair value through income statement		(108)	1,230
Borrowing costs		120,841	184,586
Net Cash from Operating Activities before Changes in Working Capital		531,008	396,890
(Increase) decrease in accounts receivable		(523,284)	6,049
(Increase) in cheques under collection and notes receivable		(130,310)	(86,587)
Decrease (increase) in inventory		67,225	(10,398)
(Increase) in other debit balances		(117,388)	(49,904)
Increase (decrease) in accounts payable		315,708	(46,402)
Increase in other credit balances		313,209	4,114
Net Cash Flows from Operating Activities before Income Tax Paid		456,168	213,762
Income tax paid	14/b	(24,386)	(35,515)
Net Cash Flows from Operating Activities		431,782	178,247
CASH FLOWS FROM INVESTING ACTIVITIES:			
Sale of residential units available for sale		-	194,471
Dividends from associate companies	7	726,911	-
Decrease from investing in associate companies'		209,081	600,538
Decrease in projects under constructions		115,487	-
Decrease in advance payments for land acquisition		428,706	-
Net change in property and equipment		6,384	104,710
Decrease in financial assets at fair value through comprehensive income		5,316	-
Net Cash Flows from Investing Activities		1,491,885	899,719
CASH FLOWS FROM FINANCING ACTIVITIES:			
Borrowing costs - paid		(120,841)	(184,586)
(Decrease) in deferred checks and notes payable		(152,529)	(190,932)
(Decrease) in due from related parties		(592,007)	(441,028)
(Decrease) in due to banks		(221,388)	(98,526)
Paid loans	13	(174,436)	(652,693)
Changes in non-controlling interest		(17,853)	-
(Decrease) in the partner current account		(90,000)	-
Net Cash flows (used in) Financing Activities		(1,369,054)	(1,567,765)
Net Increase (Decrease) in Cash		554,613	(489,799)
Cash on hand and at banks - beginning of the year		156,664	646,463
Cash on Hand and at Banks - End of the Period	4	711,277	156,664
Non-Cash Transactions:			
(Decrease) increase in due from related parties		(1,000,000)	4,215,556
Increase (decrease) in the partner's current account from related parties		1,000,000	(196,193)
Other revenue		18,207	-
(Decrease) in the accounts payable		(18,207)	-
(Increase) in projects under constructions		-	(734,957)
(Increase) in advance payments for land acquisition		-	(3,284,406)

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SALAM INTERNATIONAL TRANSPORT AND
TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA – JORDAN
NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION

1. General

- a. Salam International Transport and Trading Company was established and registered as a Public Shareholding Limited Company on January 30, 1997 under registration no, (326), with a paid-up capital of JD 1,200,000, The Company's paid-up capital was gradually increased to JD 15,000,000, distributed over 15 million shares at JD 1 par value per share, In its extraordinary meeting held on April 22, 2014, the Company's General Assembly approved increasing the Company's capital of JD 15 million so that authorized and paid-up capital would become JD 18 million through public underwriting to the Company's shareholders.
- On September 13, 2011, the Company was registered at the Aqaba Special Economic Zone according to Law No, (32) For the Year 2000, specialized for Aqaba's special economic zone.
- The Company's Head Office is located in Aqaba – Jordan.
- b. The Parent Company's and its Subsidiaries' main objectives include the following:
- Conducting all types of marine activity (transporting passengers and various types of goods, in addition to touristic marine transportation).
- Possessing, managing, operating and leasing ships of all kinds.
- Obtaining maritime agencies, brokering, and representing international rating agencies.
- Obtaining commercial agencies and tendering.
- Renting marine maintenance workshops of all kinds, including repairing ships.
- Conducting land transport, business and related tendering.
- Conducting real estate activities (buying and selling real estates and other real estate-related activities).
- Providing services, operating touristic restaurants, and supplying hotels with food.
- Guaranteeing others while benefiting the Company.
- Transporting crude oil.
- Investing in other companies.
- Borrowing funds from banks to finance its activities.

2. Basis of Preparation

- The accompanying condensed consolidated interim financial information have been prepared in accordance with International Accounting Standard (IAS) 34 "Condensed Interim Financial Reporting".
- The condensed consolidated interim financial information are prepared in accordance with the historical cost principle, except for certain financial assets which are stated at fair value through statement of income and financial assets stated at fair value through comprehensive income as of the date of the condensed consolidated interim financial information, Furthermore, financial assets and financial liabilities which been hedged from the risk from the changes in its fair value also stated at fair value.
- The reporting currency of the consolidated condensed interim financial information is the Jordanian Dinar, which is the functional currency of the Company.
- The accompanying condensed consolidated interim financial information do not include all the information and notes required for the annual financial statements, which are prepared in accordance with International Financial Reporting Standards and should be read with the annual report of the Company as of December 31, 2019, In addition, the results of the Company's operations for the nine months ended September 30, 2020 do not necessarily represent indications of the expected results for the year ending December 31, 2020, and do not contain the appropriation of the profit of the nine months ended September 30, 2020, which will be performed at the end of the fiscal year.

Judgments, estimates and risk management

The preparation of condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, Actual results may differ from these estimates, The significant judgments adopted by management in applying the Company's accounting policies and the main sources of uncertainty in the estimation are the same as those applied to the Company's annual financial statements for the year ended December 31, 2019, except as stated in Note (3).

We believe that our used estimates for the preparation of the interim condensed consolidated financial information are reasonable and consistent with the estimates approved for the preparation of the consolidated financial statements for the year 2019, except for the following:

The occurrence of the outbreak of the Corona virus (COVID-19) at the beginning of the year 2020 and its spread in several geographical regions around the world has caused disturbances to economic activities and businesses, and this event is witnessing continuous and rapid developments, which requires the Group management to conduct an assessment of the expected effects on the group's operations, and conducting a study to review and evaluate potential risks in the interim consolidated financial information as of September 30, 2020, based on the foregoing, the Group has taken the following measures to contain the crisis as follows:

- a. The Group has formed a Business continuity planning includes the following:
- Providing alternative locations to distribute the employees on, in order to ensure continuity of work and to maintain social separation among employees.
 - Activate working remotely feature for sensitive jobs in order to ensure the continuity of providing service to customers through electronic channels.
 - Maintaining the safety of all employees and clients, through taking all procedures related to the workplaces sanitizing.
- b. In terms of monitoring the impact of the COVID-19 crisis on the Group's business results, the management has updated the forward-looking assumptions used in calculation of expected credit losses provision.
- c. As for monitoring the impact of the COVID-19 crisis on the Group's liquidity levels, the Group's management took into consideration all scenarios related to stressful situations that enables it to respond to market conditions and economy developments.

Basis of Consolidated Financial Information

- The condensed consolidated interim financial information of the Company and its subsidiaries under its control, the control exists when the Company controls the subsidiaries significant and relevant activities and is exposed, or has rights, to variable returns from its involvement with the subsidiaries and has the ability to affect those returns through its power over the subsidiaries.
- The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.
- All balances, transactions, income, and expenses between the Company and its subsidiaries are eliminated.
- The subsidiaries financial information are prepared under the same accounting policies adopted by the Company, If the subsidiaries apply different accounting policies than those used by the company, the necessary modifications shall be made to the subsidiaries' financial statements to make them comply with the accounting policies used by the Company.
- The results of the subsidiaries' operations are consolidated in the consolidated statement of income from the acquisition date, which is the date on which control over subsidiaries is effectively transferred to the Company, Furthermore, the results of the disposed of subsidiaries are consolidated in the consolidated statement of income up to the date of their disposal, which is the date on which the Company loses control over the subsidiaries.
- The non-controlling interests represents the portion not owned by the Company's subsidiaries, Non-controlling interests are shown in the subsidiaries net assets as a separate line item within the Company's statement of shareholders equity.

Control is achieved when the Company:

- Has the power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect investee's returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.

When the Company has less than the majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. In this regard, the Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company with respect to other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

When the Company loses control of a subsidiary, the Company performs the following:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiaries.
- Derecognizes the book value of any non-controlling interests.
- Derecognizes transfer accumulated difference in Owners Equity.
- Derecognizes the fair value to the next controlling party.
- Derecognizes the fair value of any retained investment.
- Derecognizes any gain or loss in income statement.
- Reclassifies owners' equity already booked in other comprehensive income to the income statement or Retained earnings as appropriate.

The non-controlling interests represents the portion not owned by the Company relating to ownership of the subsidiaries.

- The Company owns the following subsidiary companies as of September 30, 2020:

Company's Name	Paid-up Capital JD	Ownership Percentage %	Nature of Activity	Place of Work	Date of Ownership	As of September 30, 2020 (Not Audited)		For the Nine Months Ended September 30, 2020 (Not Audited)	
						Total Assets JD	Total Liabilities JD	Total Revenue JD	Total Expenses JD
Farah International Catering Service Company	1,000,000	100	Trading	Jordan	September 21, 1992	2,523,166	778,652	2,495,763	2,476,835
Golden State For Commercial Services Company	204,874	100	Trading	Jordan	September 4, 2005	219,642	5,754	-	653
Mada'en Al – Noor Investment and Real Estate Development	6,000,000	75	Real estate	Jordan	June 3, 2004	7,845,611	2,480,033	27,000	112,047
Al - Ibtikar Land Transportation	2,600,000	70	Transportation	Jordan	March 9, 2005	376,346	668,601	23,563	102,140
Afaq Supply and Storage Company	500,000	90	Supply & storage	Jordan	February 18, 2008	1,234,020	835,367	38,269	4,650
Amman Transport and Supplying Company***	1,000	100	Trading	Jordan	August 31, 2008	-	-	-	-
Mada'en Al – Bahr Investment and Real Estate Development	1,000,000	100	Trading	Jordan	September 5, 2010	1,407,761	1,197,279	-	56,055
Technical for Construction and Real Estate Services	1,000,000	98.75	Real estate	Jordan	September 1, 1992	4,511,129	1,485,786	197,721	178,505
Mada'en Al – Shorouq Investment Real Estate Company	6,660,000	69.99	Real estate	Jordan	November 20, 2006	11,904,875	4,594,469	106,020	65,405
Mada'en Al – Salam Construction Company	250,000	80	Real estate	Jordan	May 15, 2006	310,689	250	-	968
Zain AL Maha Al Ordouni Real Estate Development Company **	544,192	100	Real estate	Jordan	January 30, 2019	-	-	-	-
Maha Al Sharq Real Estate Investment & Development Company *	1,709,608	100	Real estate	Jordan	January 30, 2019	1,709,608	987	-	736
Al Maha Al Arabi Real Estate Investment & Development Company *	715,150	100	Real estate	Jordan	January 30, 2019	715,150	1,027	-	778
Ard Al Maha Al Arabi Real Estate Development Company *	1,050,413	100	Real estate	Jordan	January 30, 2019	1,050,413	1,077	-	826

- Subsidiaries' result of operations are included in the consolidated statement of profit or losses effective from the acquisition date, which is the date of the actual transfer of the control over the subsidiary by the Group. The results of operations of subsidiaries disposed of during the year were included in the consolidated statement of profit or losses up to the effective date of disposal, which is the date of losing control over the subsidiary.

* Based on the Board of Directors' decision of Madaen Al Shorouk Investment & Real Estate Development Company dated December 16, 2018 an approval to purchase and own the whole shares of the subsidiaries companies of the associate company "Al Maha Real Estate Development Company", and as follows:

- 1- Zain AL Maha Al Ordouni Real Estate Development Company with a capital after the addition of JD 544,192 / share.
- 2- Maha Al Sharq Real Estate Investment & Development Company with a capital after the addition of JD 1,709,608 / share.
- 3- Al Maha Al Arabi Real Estate Investment & Development Company with a capital after the addition of JD 715,150 / share.
- 4- Ard Al Maha Al Arabi Real Estate Development Company with a capital after the addition of JD 1,050,414 / share.

During the second quarter of the year 2019, the companies completed the procedures to transfer the ownerships and capital increase.

** In accordance with the minutes of the Extraordinary Board of Directors meeting of Madaen Al-Shorouk for Investment and Real Estate Development (a subsidiary) for the year 2020, held on June 18, 2020, it was agreed to sell Jordanian Zain Al Maha Real Estate Development Company, at an amount of JD 645,000 against the full shares, which has a nominal value of JD 544,192 JD / share. Noting that the net book value of the investment is JD 543,167 as of June 23, 2020, resulting in a net profit from the sale in an amount of JD 101,833.

*** According to the minutes of the board of directors meeting for the year 2020 for the Salam International Transport and Trade Company, held on February 6, 2020 and its intention to sell the investment of the Amman River Transport and Supply Company, and given that the main reason of the Company's establishment is no longer valid, and as the result of the transport project in Sudan has ended years ago, and to stop the Company from paying expenses, registration fees and licenses; The Board approved the sale of the company to a partner in the group at the amount of JD 10,000 including the company's assets and liabilities. Noting that this process was completed and the ownership was transferred to the name of the partner on June 15, 2020, and this transaction resulted of a profit of JD 6,770.

Investments in Associates and Companies Subject to Joint Control

Associated companies are those companies whereby the Company exercises significant influence over their financial and operating policies but does not control them, and whereby the Company owns between 20% to 50% of the voting rights, Moreover, associates are established through contractual agreements and their operating and financial decisions require unanimous approval, Investments in associate companies are recorded in the condensed consolidated interim financial statements according to the equity method and initially recognition at cost which includes all acquisition costs.

The condensed consolidated interim financial information include the Company's share of the profit and loss from the investment in associate companies, according to the equity method, after the required necessary adjustments are made to comply with the accounting policies adopted by the parent company.

As of September 30, 2020, the details of investments in associates are as follows:

<u>Company's Name</u>	<u>Percentage of Ownership</u>	<u>Business Location</u>
	<u>%</u>	
Jordanian Marine Real Estate Investment Complex Company	26	Jordan
Jordan National Shipping Lines Company *****	20.64	Jordan
Jordanian Academy for Marine Studies	25	Jordan
Jordanian National Line for Ships Operation Company ***	50	Jordan
Maset Al Aqaba for Ships Building Company ***	50	Jordan
Aqaba Storing Chemicals Company	15	Jordan
Al Maha Real Estate Development Company	33.33	Jordan
Marine Lines for Storage and Port Services Company ***	50	Jordan
Arabian Ships Management Company	20	Jordan
Maset Al Salam Company – Sudan *	46	Sudan
Al Shams Economics Company	30	Jordan
Sea Star for Shipping and Logistics Company ***	50	Jordan
Hagel al Aqaba for Investment **	33.33	Jordan
Ayyam Amman Company for real estate improvement	40	Jordan

- * On February 3, 2020, the Board of Directors of Al Salam International Transport and Trading Company approved the closing of Maset Al-Sudan Company investment account for an amount of JD 140,184 as of December 31, 2019.
- ** Haqel al Aqaba One for investment Company was established by a group of Aqaba Storing Chemicals Company partners, and will have significant influence over the financial and operating policies of the Aqaba Storing Chemicals Company (associate company).
- *** The Company does not exercises significant influence over the financial and operating policies of these companies.

3. Significant Accounting Policies

The accounting policies used in the preparation of the condensed consolidated interim financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2019 except for the impact of the application of the new and amended international financial reporting standards, which became applicable for the current period and as follows:

Amendments to IAS 1 and IAS 8 Definition of material

The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'.

The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1. In addition, the IASB amended other Standards and the *Conceptual Framework* that contain a definition of material or refer to the term 'material' to ensure consistency.

The amendments are applied prospectively for annual periods beginning on or after January 1, 2020, with earlier application permitted.

Amendments to IFRS 3 Definition of a business

The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

Additional guidance is provided that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets.

The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after the first annual reporting period beginning on or after January 1, 2020.

Amendments to References to the Conceptual Framework in IFRS Standards

Together with the revised *Conceptual Framework*, which became effective upon publication on March 29, 2018, the IASB has also issued *Amendments to references to the Conceptual Framework in IFRS Standards*. The document contains amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 38, and the amendments interpretations by International Financial Reporting Interpretation committee the IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and interpretations by Standards Interpretations Committee SIC-32.

However, not all amendments update those pronouncements with regard to references to and quotes from the framework so that they refer to the revised *Conceptual Framework*. Some pronouncements are only updated to indicate which version of the Framework they are referencing to (the IASC *Framework* adopted by the IASB in 2001, the IASB *Framework* of 2010, or the new revised *Framework* of 2018) or to indicate that definitions in the Standard have not been updated with the new definitions developed in the revised *Conceptual Framework*.

The amendments, when they are actually updated, are effective for annual periods beginning on or after January 1, 2020.

4. Cash on Hand and at Banks

This item consists of the following:

	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
	JD	JD
Cash on hand	125,258	33,091
Current accounts at banks	587,968	156,850
Total	713,226	189,941
<u>Less:</u> provision for expected credit loss	(1,949)	(1,949)
Net Cash on Hand and Banks	711,277	187,992

- * The movement on provision for expected credit loss during the period / year is as follows:

	September 30, 2020	December 31, 2019
	JD	JD
Balance - beginning of the period / year	1,949	4,311
<u>Less:</u> (Reversal) during the year	-	(2,362)
Balance – End of Period / Year	1,949	1,949

5. Accounts Receivable - Net

This item consists of the following:

	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
	JD	JD
Trade receivables	1,041,446	847,288
Employees' receivables	12,636	13,572
Total	1,054,082	860,860
<u>Less:</u> provision for expected credit loss *	(126,427)	(250,038)
Accounts Receivable – Net	927,655	610,822

- * The movement on provision for expected credit loss during the period / year is as follows:

	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
	JD	JD
Balance - beginning of the period / year	250,038	248,182
<u>Add:</u> Provision during the period / year	6,646	1,856
<u>Less:</u> Written off debts during the period / year **	(130,257)	-
Balance – End of Period / Year	126,427	250,038

- * * According to the minutes of the first board of directors meeting of Al Ibtikar Company for Land Transport (a subsidiary) for the year 2020 and its appendix, held on January 19, 2020 and January 20, 2020 respectively, it was agreed to write off receivable balances in an amount of JD 130,257 through expected credit losses provision.

6. Other Debit Balances

The item consists of the following:

	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
	JD	JD
Prepaid expenses	81,201	24,905
Refundable deposits	67,640	50,844
Guarantees cash margins	213,430	112,429
Income and Sales tax deposit	50,155	49,367
Cheques box	4,168	4,220
Other	4,777	278
	421,371	242,043

7. Investment in Associate Companies

This item represents the investment in associate companies, which is accounted for at equity method:

Company	Nature of Business	Location	Paid-up Capital	Dividends	Company's Share of Associate Companies Profit				Ownership Percentage		September 30, 2019 (Audited)
					September 30, 2020 (Reviewed)	September 30, 2019 (Reviewed)	September 30, 2020 (Reviewed)	September 30, 2019 (Reviewed)	September 30, 2020	December 31, 2019	
			JD	JD	JD	JD	JD	%	JD	%	JD
Maset Al Aqaba for ships building Company	Navigation Ships Management	Aqaba	500,000	-	(75)	(914)		50	204,079	50	204,154
Arabian Ships Management Company	Management	Aqaba	149,000	60,000	31,600	45,000		20	147,306	20	175,706
Marine Lines for Storage and port Services Company	Navigation	Aqaba	350,000	-	(75)	(923)		50	314,772	50	314,847
Jordan National Line for Ships Operation Company	Marine Real Estate investment	Aqaba	700,000	-	117,270	34,731		50	758,639	50	641,369
Jordanian Marine Real Estate Investment Complex Company	Real Estate investment	Aqaba	15,600,000	-	(284,220)	(120,978)		26	1,608,796	26	1,893,016
Jordan National Shipping Lines Company	Marine	Amman	15,000,000	464,411	392,160	586,443		20.64	5,109,855	20.64	5,182,106
Jordanian Academy for Marine Studies	Education Chemical Storage	Amman	2,000,000	162,500	120,589	121,0664		25	941,079	25	982,990
Aqaba storing Chemicals Company*	Real Estate investment	Amman	600,000	-	38,269	97,977		15	216,144	15	573,875
Al Maha Real Estate Development Company	Real Estate investment	Amman	4000,000	-	(3,362)	(3,510)		33.33	3,977,455	33.33	3,980,817
Al Shams Economics Company	Commercial Agencies	Amman	30,000	-	-	-		30	7,200	30	7,200
Sea Star for Shipping and logistics Company	Marine Services Real Estate investment	Aqaba	200,000	40,000	(18,454)	(31,425)		50	134,920	50	193,374
Haqel Al Aqaba for Investment	Real Estate investment	Aqaba	50,000	-	-	-		33.33	16,667	33.33	16,667
Ayyam Amman Company For Real Estate improvement	Real Estate investment	Amman	750,000	-	84,128	124,669		40	655,070	40	570,942
Total Investment in Associate Companies				726,911	477,830	852,134			14,487,982		14,737,063

* The Company has significant influence over the management and operating decisions of the associate company.

8. Projects under Construction

This item consists of the following:

	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
	JD	JD
Al Shouroq City Project	1,109,675	1,225,162
Dead Sea project	1,657,762	1,657,762
Total	2,767,437	2,882,924
Less: impairment	(250,000)	(250,000)
	2,517,437	2,632,924

- This item represent projects under construction with a total value of JD 2,767,437 as of September 30, 2020 that are not completed yet. The recovery of these amounts depends on executing the future plans of the subsidiaries to complete the projects and obtain the necessary funding.
- According to the Department of Lands and Survey, and latest valuations, the market value, using the base price of the basin where Al Shorouq City Project and Dead Sea Project are erected on, including the value of the land on which the projects are built, exceeds their book value.
- In accordance with the minutes of the Extraordinary Board of Directors meeting of Madaen Al-Shorouk for Investment and Real Estate Development (a subsidiary) for the year 2020, held on June 18, 2020, it was agreed to sell the Jordanian Zain Al Maha Real Estate Development Company, registered in the register of the limited liability companies with the Companies Control Department under the number (25169) at an amount of JD 645,000 against the full shares, which has a nominal value of JD 544,192 JD / share, and authorized the company's board of directors to authorize those whom applicable to transfer the ownership of the company to the buyers. Noting that this process has been completed and the ownership was transferred in the name of buyers.

9. Advance Payments for Land Acquisition

This item consists of the following:

	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
	JD	JD
Advance payments on Mada'en Al – Shorouq Investment Real Estate Company contracts*	6,002,517	6,431,223
	6,002,517	6,431,223

- * This item represents advance payments related to contracts with Madaen Al Shorouq Real Estate Investment and Development Company (subsidiary company) to purchase land from the National Resources Investment and Development Corporation, for development and construction purposes, The Company is still in the process of completing the terms of the contract to conclude the ownership transfer.

10. Balances and Transactions with Related Parties

a. Due from related parties during the period / year

Company Name	Nature of Relationship	Nature of Transaction	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
			JD	JD
Jordanian Marine Real Estate Investment Complex Company	Associate Company	Financing	20,389	3,024
Zahret AL Ordoon Clearance Company	Sister Company within the group	Financing	28,360	28,360
Aqaba Company for Chemical Storage	Associate Company	Financing	570,708	570,708
Haqel Aqaba 1 Company	Associate Company	Financing	33,000	33,000
Al Shams for General Investment	Sister Company within the group	Financing	-	13,941
Jordan National Shipping Lines Company	Associate Company	Financing	-	654
Sea Star for Shipping and Logistics Company	Associate Company	Financing	37,493	-
CMA CGM Company	Company Owned by a Shareholder	Expenses	18,343	-
Others	Sister Companies within the group	Expenses	72,325	32,517
Total			780,618	682,204
Less: Provision for expected credit loss *			(38,660)	(38,660)
Due from Related Parties - Net			741,958	643,544

* The movement on provision expected credit loss during the period / year is as follows:

	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
	JD	JD
Balance - beginning of the period / year	38,660	38,660
Balance - End of the Period / Year	38,660	38,660

b. Due to related parties during the period / year

Company Name	Nature of Relationship	Nature of Transaction	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
			JD	JD
Long term				
Al Maha Real Estate Development Company **	Associate company	Financing	3,955,216	3,944,707
Partner Current Account -Ahmad Helmi Armosh ***	Shareholder	Financing	1,113,085	203,085
Short term				
Jordanian Academy for Marine Studies Company	Associate Company	Expenses	659	2,909
Jordanian National Line for Ships Operating Company	Associate Company	Financing	391,270	397,115
Marine Lines for Storage and Port Services Company	Associate Company	Financing	292,786	292,936
Jordan National Shipping Lines Company	Associate Company	Financing	140,886	2,993
CMA CGM Company	Company Owned by a Shareholder	Expenses	-	45,487
Maset Al Aqaba Ships for Building Company	Associate Company	Financing	194,078	194,228
Jordan - Dubai for Properties Company	Partner at a subsidiary Company Owned by a Shareholder	Financing	108,643	442,000
Al Shams for General Investment	Company Owned by a Shareholder	Financing	123,776	-
Petra Navigation and Trading Company	Company Owned by a Shareholder	Expenses	18,531	35,613
Armoush Touristic Investment	Shareholder	Expenses	7,883	51,609
Sea Star for Shipping and Logistics Company	Associate Company	Financing	-	10,326
Madaen Aqaba for Investment and Real Estate Development Company	Company Owned by a Shareholder	Financing	-	1,262,711
Others	Company Owned by a Shareholder	Expenses	39,470	70,503
Total			1,317,982	2,808,430

- The above accounts are non - interest bearing and have no repayment schedule.

** A purchase and an ownership of the full shares of four subsidiaries companies from the associate company "Al Maha Real Estate Development Company", amounting to JD 4,019,364. However, in the future the capital of associates will be decreased by the amount mentioned above.

*** During the period ended September 30, 2020, an agreement was made to transfer the debit balance of the subsidiary Company (Mada'en Al-Nour for Investment and Real Estate Development Company) in Mada'en Aqaba for Investment and Real Estate Development Company (a former subsidiary), which is wholly owned by Mr. Ahmad Helmi Armoush (Shareholder) to his Credit balance in Mada'en Al-Nour for Investment and Real Estate Development Company.

- The total logistics' consultation to Petra Navigation and Trading company (Sister Company within the group) amounted to JD 153,863 for the nine months ended September 30, 2020 (JD 137,802 for the nine months ended September 30, 2019).

- The total earnings for Transportation for CMA CGM Company (Sister Company) amounted to JD 115,884 for the nine months ended September 30, 2020 (JD 151,656 for the nine months ended September 30, 2019).

- The total earnings of management and supervision from Sea Star for Shipping and Logistics' Company (Associate Company) is JD 9,000 for the nine months ended September 30, 2020 (JD 33,000 for the nine months ended September 30, 2019).

- The total earnings of management and supervision from Jordanian National Line for Ships Operating Company (Associate Company) is JD 18,000 for the nine months ended September 30, 2020 (JD 18,000 for the nine months ended September 30, 2019).

- In accordance with the decision of the extraordinary general assembly of Jordanian Marine Real Estate Investment Complex Company at its meeting on December 19, 2019, it was agreed to amortize the accumulated losses of the company from the accounts payable to the shareholders, each according to his share.

Executive management salaries and remunerations

Executive management salaries amounted to JD 66,780 for nine months ended September 30, 2020 (JD 66,780 for nine months ended September 30, 2019).

11. Due to Banks

This item consists of the following:

	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
	JD	JD
Overdraft *	339,441	560,829
	339,441	560,829

- * This item represents direct credit facilities in the form of an overdraft account, granted by several local banks, with a ceiling of JD 710,000 and an interest rate ranging from 7.5% to 9.5%, The purpose of the facilities is to finance the normal activities of the Company, and they have been granted against the personal guarantee of one of the shareholders, and a cash margin guarantees amounted to JD 110,000.

12. Net Company's Profit from Selling Associate Companies

This item consists of the following:

	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
	JD	JD
Sale of Jordan's Zain Al Maha Real Estate Development Company *	101,833	-
Sale of Oman River Transport and Supply Company **	6,770	-
	108,603	-

- * In accordance with the minutes of the Extraordinary Board of Directors meeting of Madaen Al-Shorouk for Investment and Real Estate Development (a subsidiary) for the year 2020, held on June 18, 2020, it was agreed to sell Jordanian Zain Al Maha Real Estate Development Company, at an amount of JD 645,000 against the full shares, which has a nominal value of JD 544,192 JD / share. Noting that the net book value of the investment is JD 543,167 as of June 23, 2020, resulting in a net profit of sales in the amount of JD 101,833.

- ** According to the minutes of the second Board of Directors meeting for the year 2020 for the Salam International Transport and Trade Company, held on February 6, 2020 and its intention to sell the investment of the Amman Transport and Supply Company, and given that the main reason of the company's establishment is no longer valid, and as the result of the transport project in Sudan has ended years ago, and to stop the company from paying expenses, registration fees and licenses; The Board approved the sale of the company to a partner in the group at the amount of JD 10,000 including the company's assets and liabilities. Noting that this process was completed and the ownership was transferred to the name of the partner on June 15, 2020, and this transaction resulted of a profit of JD 6,770.

13. Bank Loans

The loans details as of the date of the condensed consolidated interim financial information is as follows:

	Loan Principle	Remaining Installments	Payment method	Interest Rate	September 30, 2020 (Reviewed)			December 31, 2019 (Audited)		
					Accrued Installments	Due during a Year	Total	Accrued Installments	Due during a Year	Total
	JD		%		JD	JD	JD	JD	JD	JD
Housing Bank for Trade and Finance *	2,650,000	26	Monthly	8	-	180,000	180,000	-	562,168	562,168
Ethiad Bank *****	1,446,209	-	Monthly	8.75	-	-	-	25,000	34,000	59,000
Housing Bank for Trade and Finance ****	400,000	9	Monthly	8.25	-	57,151	57,151	-	66,359	66,359
Housing Bank for Trade and Finance ***	250,000	12	Monthly	8	-	37,261	37,261	10,000	60,639	70,639
Housing Bank for Trade and Finance *****	501,154	95	Monthly	8	-	60,000	60,000	-	60,000	60,000
					-	334,412	334,412	35,000	783,166	818,166
										441,032

* During the third quarter of the year 2013, the Company has changed the due note into a loan, the first installment of which matures on January 1, 2015 and in a monthly basis, where each installment amounted to JD 20,000 and JD 440,000

for the last installment on the loan full repayment, in order stabilize the liquidity position in the company as done during the year 2015, as an agreement was signed with the Housing Bank for Trade and Finance for which to postpone the

due instalments during the year 2015, to February 1, 2016 till September 1, 2020. However, during the second quarter of 2020 the loan was re-scheduled to be paid starting from January 1st, 2021 until February 1st 2023 on a monthly basis, where the amount

of each installment will be JD 20,000 and the remaining amount will be the last installment.

*** At the beginning of 2017, the Company was granted a discounting loan from Housing Bank for Trade and Finance for an amount of JD 250,000 with annual interest rate 8%, the loan shall be repaid over 50 installments

where the first was due on January 1, 2017 and the other installments are due at the beginning of each month till February 1st 2021, where the last installment will be JD 20,000. However, during the second quarter of 2020

the loan was re-scheduled to be paid starting from January 1st, 2021 until February 1st 2022 on a monthly basis, where the amount of each installment will be JD 5,000 and the remaining amount will be for the last installment

**** During the year 2017, the Company was granted discounted loan from Housing Bank for Trade and Finance for an amount of JD 400,000 with annual interest rate of 8.25%, the loan shall be repaid over 30 installments

where the first was due on August 1, 2017 noting that the loan was rescheduled to be settled on a monthly basis, where the amount of each installment is JD 6,000 including the interest .

***** During the year 2017, company's debit was rescheduled, where it shall be paid over equal monthly installments amounted to JD 5,000 each, including interest, starting from August 2018.

***** The Company was granted a loan from Bank AL-Ethiad with a total amount of JD 1,446,209, that shall be paid on a monthly basis each installment amounted to JD 25,000 with an average interest rate of 8.75%,

and it is paid according to equal monthly installments including interest, and the last instalment was paid in May 2020 with an amount of JD 5 500 including the interest.

- The guarantees against the direct credit facilities mentioned above represent personal guarantee of Mr. Ahmed Helmi Armoush (major shareholder), cash margins and mortgages of listed shares at a market value amounted to JD 1,515,317 as of September 30, 2020.

- The movement of the loans as of September 30, 2020 and December 31, 2019 is as follows:

	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
	JD	JD
Balance at the beginning of the year	1,259,198	2,083,392
Loans - Paid	(174,436)	(824,194)
Balance at the End of the Period / Year	1,084,762	1,259,198

14. Income Tax

a. Income Tax Provision:

The movement on the income tax provision during the period / year is as follows:

	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
	JD	JD
Balance beginning of the period / year	63,521	224,194
Income tax for the period / year	51,814	32,744
Income tax for prior period / year	1,491	5,566
Income tax paid during the period / year	(24,386)	(198,983)
Provision no longer needed	(7,492)	-
Balance - End of the Period / Year	84,948	63,521

b. Income Tax Expense:

Income tax expense shown in the condensed consolidated interim statement of profit or loss represents the following:

	For the Nine months Ended September 30,	
	2020	2019
	JD	JD
Income tax expense for the period	51,814	9,908
Income tax expense for the prior year	1,491	5,566
Provision no longer needed	(7,492)	-
Balance – End of the period	45,813	15,474

c. Income Tax status:

Salam International Transport and Trading Company (Parent):

a. Aqaba:

The discussion of the income tax for the year 2018 has been completed by the Income and Sales Tax Department Commission, and submitted its tax returns for the year 2019, and according to the company's management and tax consultant there are no outstanding balances on the Company.

b. Amman:

The Company has reached a final settlement with the Income and Sales Tax Department up to the end of the year 2018 and submitted its tax returns for the year 2019, and according to the Company's management and the tax consultants there are no outstanding balances on the Company.

Subsidiaries:

- The following schedule shows the tax situation of each subsidiary:

<u>Company</u>	<u>Tax Returns up to Year</u>	<u>Final Settlement up to Year</u>
Farah International Catering Service Company	2019	2014
Golden State for Commercial Services Company	2019	2014
Mada'en Al – Noor Investment and Real Estate Development Company	2019	2015
Al-Ibtikar Land Transportation Company	2019	2017
Afaq Supply and Storage Company	2019	2019
Mada'en Al – Bahr Investment and Real Estate Development Company	2019	2016
Technical for Construction and Real Estate Services Company	2018	2016
Mada'en Al – Shorouq Investment Real Estate Company	2019	2016
Mada'en Al – Salam Construction Company	2019	2015

- In the opinion of management and the Company's tax consultant, the income tax provision for the Company and its subsidiaries is sufficient to settle any potential tax liabilities arising as of September 30, 2020.

15. Lawsuits against the Company

There are cases filed against the subsidiary company (Al Ibtikar for Land Transport) for a total amount of JD 193,765 while the lawsuit provision against it reached to JD 25,000 as of September 30, 2020. One of these cases amounted to JD 179,581 based on the cassation list provided to the court of cassation by the company regarding the decision that was issued by the court of appeal, which was revoked by the court of cassation and the case was returned to the court of appeal, And according to the company's legal advisor opinion the outcome of this revoke decision will increase the likelihood of the company's legal position to become a good position, which could increase the possibility to achieve results that could return the case if the court of appeal decided to make a new valuation from three appraisers. According to the company's management opinion there is no need to book additional provision for this case at all, It worth noting that the company has filled an independent lawsuit against this same party in Amman court of first instance for claim amounted to JD 352,828 the case is still pending in the court.

16. Paid-up Capital and Shares Discount

The authorized and paid - up capital was amounted to JD 18 million, and the shares discount was amounted to JD 1,349,998 as of September 30, 2020 and December 31, 2019.

17. Segmental Distribution

A. The following is information on the Company's business segments distributed according to activities:

	Projects and Investments	Real Estate and Construction	Services	Transportation	For the Nine Months Ended September 30,	
					2020	2019
	JD	JD	JD	JD	JD	JD
Net sales	880,484	188,089	2,475,415	-	3,543,988	3,504,605
<u>Less: Cost of sales</u>	<u>(69,103)</u>	<u>(84,927)</u>	<u>(2,338,556)</u>	<u>(52,337)</u>	<u>(2,544,923)</u>	<u>(2,561,291)</u>
Gross Profit	811,381	103,162	136,859	(52,337)	999,065	943,314
<u>Less: Expenses allocated to segments:</u>						
General and administrative expenses	(225,121)	(194,100)	(119,940)	(44,440)	(583,601)	(631,567)
Expected credit loss provision	-	-	-	-	-	(186,708)
Marketing expenses	-	(9,142)	-	-	(9,142)	(18,127)
Operational Profit	586,260	(100,080)	16,919	(96,777)	406,322	106,912
Company's share from associates' companies profit	481,192	(3,362)	-	-	477,830	852,134
Borrowing cost	(88,147)	(27,331)	-	(5,363)	(120,841)	(184,586)
Company's share from selling subsidiaries' investments	-	108,603	-	-	108,603	-
Other revenue - net	16,376	5,262	14,190	20,484	56,312	42,106
Gains from revaluation of assets at fair value through profit or loss statement	124	-	(16)	-	108	(1,230)
Profit / (loss) for the period before tax	995,805	(16,908)	31,093	(81,656)	928,334	815,336
<u>Less: Income tax for the period and previous years</u>	<u>(26,000)</u>	<u>-</u>	<u>(18,323)</u>	<u>(1,490)</u>	<u>(45,813)</u>	<u>(15,474)</u>
Profit / (Loss) for the Period	969,805	(16,908)	12,770	(83,146)	882,521	799,862
Total Assets	14,850,456	15,496,551	1,992,722	376,346	32,716,075	32,432,265
Total Liabilities	3,118,706	6,565,941	513,212	403,161	10,601,021	11,050,762

18. Fair Value Hierarchy

A. The fair value of financial assets and financial liabilities of the Company specified at fair value on an ongoing basis:

Some financial assets and liabilities of the Company are evaluated at fair value at the end of each fiscal period. Moreover, the following table shows information on how the fair value of these financial assets and liabilities is determined (evaluation methods and inputs used).

Financial Assets	Fair Value		Level of Fair Value	Valuation Method and Inputs Used	Important Intangible Inputs	Relation between the Fair Value and the Important Intangible Inputs
	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)				
	JD	JD				
Financial assets at fair value						
Financial assets at fair value through statement of Profit or Loss						
Companies' shares	8,960	8,852	Level I	Quoted Shares	N/A	N/A
Total	8,960	8,852				
Financial assets at fair value through comprehensive income						
Shares that have market value	263,260	282,471	Level I	Quoted Shares	N/A	N/A
Shares with no market value	352,000	362,000	Level II	Compared it with the market value of a similar instrument	N/A	N/A
Total	615,260	644,471				
Total Financial Assets at Fair Value	624,220	653,323				

There were no transfers between Level I and Level II during the ended period September 30, 2020 and 2019.

B. The fair value of assets and financial liabilities of the Company (non-specific fair value on an ongoing basis):

Except for what is mentioned in the table below, we believe that the carrying amount of the financial assets and liabilities shown in the condensed consolidated interim financial information of the Company approximate their fair value. Moreover, the Company's management believes that the book value of the items is equivalent to their fair value. That is, they will be due on a short-term basis, and interest rates will be repriced during the year.

	September 30, 2020 (Reviewed)		December 31, 2019 (Audited)		The Level of
	Book Value	Fair Value	Book Value	Fair Value	
Assets with no fair value	JD	JD	JD	JD	JD
Real estate investments	4,627,611	7,772,550	4,681,579	7,772,550	Level II
Total Assets with no Fair Value	4,627,611	7,772,550	4,681,579	7,772,550	
Financial Liabilities with no Fair Value					
Loans	1,084,762	1,410,986	1,259,198	1,410,986	Level II
Total Financial Liabilities with no Fair Value	1,084,762	1,410,986	1,259,198	1,410,986	

For the items mentioned above, the fair value of financial assets and financial liabilities was determined for the second level, in accordance with agreed-upon pricing forms, and reflects the credit risk of the parties that the Company deals with.

19. Earnings per Share for the Year Attributable to the Company's Shareholders

This item consists of the following:

	For the Three months Ended September 30,		For the Nine months Ended September 30,	
	2020 (Reviewed) JD	2019 (Reviewed) JD	2020 (Reviewed) JD	2019 (Reviewed) JD
Income for the period attributable to the shareholders of the Company	281,781	332,599	900,374	948,465
Weighted average number of shares	Shares 18,000,000	Shares 18,000,000	Shares 18,000,000	Shares 18,000,000
	Shares / JD	Shares / JD	Shares / JD	Shares / JD
Profit per share for the period attributable to the Company's Shareholders	0.15	0.18	0.05	0.05

20. Liquidity risk

Liquidity risk, also referred to as funding risk, is the risk that the Company will encounter difficulty in raising funds to meet commitments. Moreover, the Company manages liquidity risk through maintaining adequate reserves and continuously monitoring forecast and actual cash flows, in addition to matching the maturities of financial assets with those of financial liabilities.

The quick ratio comparing cash and cash at banks balances and accounts receivable, excluding Decent Housing for Decent Living Project balance as of September 30, 2020 and December 31, 2019 is as follows:

	September 30, 2020 JD	December 31, 2019 JD
Cash and balances at banks	711,277	187,992
Checks under collection and notes receivable - short term	281,276	96,934
Accounts receivable-net	927,655	610,822
Financial assets at fair value through income statement	8,960	8,852
Due from related parties	741,958	643,544
Total	2,671,126	1,548,144
Current Liabilities	(4,782,370)	(6,461,938)
(Deficit) in working capital	(2,112,244)	(4,913,794)

The Company's liquidity position as of September 30, 2020 and December 31, 2019 is as follows:

	September 30, 2020 (Reviewed) JD	December 31, 2019 (Audited) JD
Current assets	3,643,332	2,408,247
<u>Less:</u> Current liabilities	(4,782,370)	(6,461,938)
(Deficit) in Working Capital	(1,139,038)	(4,053,691)

Management believes that the liquidity risk is not significant as of the date of the consolidated financial statements, as current liabilities include JD 1,317,982 which are due to related parties-short term as of September 30, 2020 (JD 2,808,430 as of December 31, 2019). As the management plan to face the liquidity deficit is to activate the operational activities of the company and its subsidiaries, bearing in mind that the company's management considers that the obligations to related parties do not constitute a cash burden on the company given that these obligations will be paid either by liquidating some of these companies or through dividends distribution.

The Company estimates the liquidity risk on a monthly basis, based on long-term future projections, Moreover, the Company evaluates capital and financing requirements periodically, and the availability of liquidity depends on the support from the related parties in addition to the banking financings.

21. Contingent Liabilities

The Company has contingent liabilities as of the date of the consolidated condensed interim financial statements as follows:

	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
	JD	JD
Letter of guarantees	235,105	134,104

22. Losing Control over Subsidiaries

- a. In accordance with the minutes of the Extraordinary Board of Directors meeting of Madaen Al-Shorouk for Investment and Real Estate Development (a subsidiary) for the year 2020, held on June 18, 2020, it was agreed to sell the Jordanian Zain Al Maha Real Estate Development Company, registered in the register of the limited liability companies with the Companies Control Department under the number (25169) at an amount of JD 645,000 against the full shares, which has a nominal value of JD 544,192 JD / share, and authorized the company's board of directors to authorize those whom applicable to transfer the ownership of the company to the buyers. Noting that this process has been completed and the ownership was transferred in the name of buyers.

The following are the major financial information of Zain AL Maha Al Ordouni Real Estate Development Company as of June 23, 2020:

	June 23, 2020	December 31, 2019
	JD	JD
<u>Assets</u>		
Advanced payments for lands	428,706	428,706
Projects under construction	115,486	115,486
Total assets	544,192	544,192
<u>Liabilities</u>		
Due to related parties	1,025	-
Account payable	-	250
Total liabilities	1,025	250
<u>Owners' equity</u>		
Paid in capital	544,192	544,192
(Accumulated losses)	(250)	-
(Losses for the period)	(775)	(250)
Total owners equity	543,167	543,942
Total liabilities and owners equity	544,192	544,192

The net loss for the Period ended June 23, 2020 and December 31, 2019 were as follows:

	June 23, 2020	December 31, 2019
	JD	JD
<u>Statement of profit or loss</u>		
General and administrative expenses	(775)	(250)
Loss for the year	(775)	(250)

- b. According to the minutes of the second board of directors meeting for the year 2020 for the Salam International Transport and Trade Company, held on February 6, 2020 and its intention to sell the investment of the Amman River Transport and Supply Company, and given that the main reason of the company's establishment is no longer valid, and as the result of the transport project in Sudan has ended years ago, and to stop the company from paying expenses, registration fees and licenses; The Board approved the sale of the company to a partner in the group at the amount of JD 10,000 including the company's assets and liabilities. Noting that this process was completed and the ownership was transferred to the name of the partner on June 15, 2020, and this transaction resulted of a profit of JD 6,770.

The following are the financial information of Amman Transport and Supplying Company as of December 31, 2019:

	<u>December 31, 2019</u>
	JD
<u>Assets</u>	
Cash at banks	500
Total assets	<u>500</u>
<u>Liabilities</u>	
Account payable	3,230
Total liabilities	<u>3,230</u>
<u>Owners' equity</u>	
Paid in capital	1,000
(Accumulated losses)	<u>(3,730)</u>
Net owners' equity	<u>(2,730)</u>
Total liabilities and owners' equity	<u>500</u>

23. Comparative Figures

During the year ended December 31, 2019, the Company has adjusted accounting errors, as required according to the International Accounting Standard No, (8) - accounting policies, changes in estimates and errors, these errors have been corrected, resulting in retroactive adjustments to the year ended December 31, 2018 and 2017.

- The impact of the modifications shown is as follows:

Adjusting items related to 2018

	January 1st, 2020		
	Balance before adjustment	Effect of adjustment	Adjusted Balance
	JD	JD	JD
statement of change in partners equity			
(Accumulated losses)	(1,162,955)	(790,711)	(1,953,666)
Non-controlling interests	4,710,714	(130,883)	4,579,831

These adjustments did not have any material impact on the period ending September 30, 2019 and therefore the comparative figures have not been modified in condensed consolidated interim statement of profit or losses and the cash flow.

24. Amortization of Accumulated Losses

According to the extraordinary general assembly meeting held on June 25, 2020, an amount of JD 2,234,750 was approved to be amortized from the balance of the realized accumulated losses in the Company as of December 31, 2019 by using the whole balance of the voluntary reserve and the statutory reserve.

Accordingly, the balance of the voluntary reserve, statutory reserve and realized losses has become, after making the necessary accounting entries on June 25, 2020, is as follows:

Account name	Balance before amortization	Impact of the amortization of the accumulated realized losses	Balance after amortization
	JD	JD	JD
Realized accumulated losses	(2,767,399)	2,234,750	(532,649)
Voluntary reserve	48,024	(48,024)	-
Statutory reserve	2,186,726	(2,186,726)	-

25. Approval of Consolidated Condensed Interim Financial Information

The condensed consolidated interim financial information of the Company has been approved by the Company's Board of Directors on October 25, 2020.