

Blue Stone Investments JORDAN
Public shareholding company
Amman - The Hashemite Kingdom of Jordan

Condensed interim financial statements
As of June 30, 2021
(Reviewed not audited)

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Report on the review of the condensed interim financial statements

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To the Board of Directors of

Blue Stone Investment JORDAN Co.

Public shareholding company

Amman - The Hashemite Kingdom of Jordan

Introduction:

We have reviewed the accompanying condensed interim financial statements of **Blue Stone Investment JORDAN Co. - public shareholding company** comprising of condensed interim statement of financial position as at 30 June 2021, and the related condensed interim statements of comprehensive income, changes in equity and cash flows for six-month period ended 30 June 2021 and the related explanatory notes.

The management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with IAS 34 – Condensed interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review:

We conducted our review in accordance with International Standard on Review 2410 "Review of Condensed interim Financial Information Performed by the Independent Auditor of the Entity". A review of the condensed 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. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion:

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

Other matters:

-The attached condensed consolidated interim financial statements have been prepared in accordance with the instructions of the Securities Commission and for management purposes.

-The financial statements were audited as on December 31, 2020, and the interim condensed financial statements as on June 30, 2020 were reviewed by another auditor, who issued an unqualified audit report on March 30, 2021 and an unqualified review report on July 8, 2020, respectively.

Obeidat & Alsaleh Co.

Nabeel M. Obeidat

License No. 877



Amman in

July 18, 2021

Blue Stone Investments JORDAN
Public shareholding company
Amman - The Hashemite Kingdom of Jordan

Statement of condensed interim financial position
as of June 30, 2020 (reviewed not audited)

	Note	June 30, 2021	December 31, 2020
		JD	JD
<u>Assets</u>		(Reviewed)	(Audited)
<u>Current assets</u>			
Cash on hand & at banks	5	28,191	19,570
Other receivable	6	7,398,396	3,927,199
Deffered receipt cheques - accrued	7	-	4,997,454
Deffered receipt cheques - short term	7	-	2,890,806
Financial assets at fair value through income st.	8	23,318,192	-
Other debit balances		8,428	3,668
Total current assets		30,753,207	11,838,697
<u>Non-current assets</u>			
Deffered receipt cheques - long term	7	-	18,023,689
Property, plant & equipments - net		18,521	21,572
Total non-current assets		18,521	18,045,261
Total assets		30,771,728	29,883,958
<u>Owners' equity liabilities</u>			
<u>Current liabilities</u>			
Income tax provision	9	18,390	19,309
Other credit balances		41,837	38,707
Total current liabilities		60,227	58,016
<u>Owners' equity</u>			
Capital		33,500,000	33,500,000
Statutory reserve		21,243	21,243
Accumulated (loss)		(3,695,301)	(3,695,301)
(Loss) for the period		885,559	-
Net owners' equity		30,711,501	29,825,942
Total liabilities and owners' equity		30,771,728	29,883,958

The accompanying notes form from (1) To (14) an integral part of this statement .

Blue Stone Investments JORDAN
Public shareholding company
Amman - The Hashemite Kingdom of Jordan

Statement of condensed interim of comprehensive income
for the six months ended June 30, 2021 (reviewed not audited)

	Note	For the six months ended		For the three months ended	
		30-Jun-2021	30-Jun-2020	30-Jun-2021	30-Jun-2020
		JD	JD	JD	JD
		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Credit interests revenue		20	1,949	-	535
Unearned gains from financial assets through income st.	8 B	1,165,910	49,419	1,165,910	170,219
General & administrative expenses		(29,281)	(101,760)	(14,896)	(48,690)
Debts Assigned	7 F	(251,090)	-	-	-
Profit (loss) for the period before tax		885,559	(50,392)	1,151,014	122,064
Income tax	9	-	-	-	-
Profit (loss) for the period		885,559	(50,392)	1,151,014	122,064
Comprehensive income (loss) for the period		885,559	(50,392)	1,151,014	122,064
		Fils/Dinar	Fils/Dinar	Fils/Dinar	Fils/Dinar
Basic and diluted earning per share	10	0.026	(0.002)	0.034	0.004

The accompanying notes form from (1) To (14) an integral part of this statement .

Blue Stone Investments JORDAN
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Statement of condensed interim of changes in owners' equity
for the six months ended June 30, 2021 (reviewed not audited)

Description	Capital JD	Statutory reserve JD	Retained earnings JD	(Loss) for the period JD	Net JD
<u>For the six months ended June 30, 2021</u>					
Balance as of January 1, 2021 - Audited	33,500,000	21,243	(3,695,301)	-	29,825,942
Profit for the period after tax				885,559	885,559
Total comprehensive income for the period	-	-	-	885,559	885,559
Balance as of June 30, 2021 - Reviewed	<u>33,500,000</u>	<u>21,243</u>	<u>(3,695,301)</u>	<u>885,559</u>	<u>30,711,501</u>
<u>For the six months ended June 30, 2020</u>					
Balance as of January 1, 2020 - Audited	33,500,000	21,243	(3,771,986)	-	29,749,257
(Loss) for the period	-	-	-	(50,392)	(50,392)
Total comprehensive (loss) for the period	-	-	-	(50,392)	(50,392)
Balance as of June 30, 2020 - Reviewed	<u>33,500,000</u>	<u>21,243</u>	<u>(3,771,986)</u>	<u>(50,392)</u>	<u>29,698,865</u>

The accompanying notes form from (1) To (14) an integral part of this statement .

Blue Stone Investments JORDAN
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Statement of condensed interim of cash flows
for the six months ended June 30, 2021 (reviewed not audited)

		June 30, 2021	June 30, 2020
		JD	JD
		(Reviewed)	(Reviewed)
<u>Cash flows from operating activities</u>			
Profit (loss) for the period		885,559	(50,392)
Depreciations		3,051	3,062
Unearned (gains) from financial assets through income	8 B	(1,165,910)	(49,419)
Operating (loss) before changes in working capital		(277,300)	(96,749)
<u>(Increase) decrease in current assets</u>			
Deffered receipt cheques		25,911,949	-
Other receivable		(3,471,197)	-
Other debit balances		(4,760)	(3,122)
<u>Increase (decrease) in current liabilities</u>			
Other payable		3,130	(13,384)
Net cash flows provided from (used in) operating activities before paid tax		22,161,822	(113,255)
Paid tax	9	(919)	-
Net cash flows provided from (used in) operating activities		22,160,903	(113,255)
<u>Cash flows from investing Activities</u>			
Acquisitions of property , plant & equipments		-	(435)
Acquisitions of financial assets through income	8 B	(22,152,282)	-
Net cash flows (used in) investing activities		(22,152,282)	(435)
Net increase (decrease) in cash		8,621	(113,690)
Cash on hand & at banks at beginning of period		19,570	198,402
Cash on hand & at banks at ending of period		28,191	84,712

The accompanying notes form from (1) To (14) an integral part of this statement .

Blue Stone Investments JORDAN

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Notes to the condensed interim financial statements - reviewed not audited

1- Registration and activities of the company

Blue Stone Investments JORDAN Co. P.S.C. was established in accordance of instructions of jordanian companies temporary law number (1) for the year **1989** of capital amounted of JD **500,000** distributed on **500,000** shares of Nominal value JD **1** per share.

The company registered in public shareholding company record at ministry of industry & trade in **JORDAN** under number (**389**) dated of **March 2, 2006**, it obtained the right of commence work at **August 28, 2006**.

The company purposes of financial & real-estate investments.

The general assembly in its extraordinary meeting held on **November 18, 2017** decided to change company's name from Zahrat Alurdon Real-estate & Hotel Investments to Blue Stone Investments JORDAN , legal pcedures were completed on **November 29, 2017**.

The Extraordinary General Assembly meeting held on **20 January 2018** approved the increase of the Company's capital from **500,000** shares / JD to **33,500,000** shares / JD through a public letter, a private letter and / or a strategic partner . The Extraordinary General Meeting held on **March 29, 2018** approved the increase of the company's capital through capitalizing the debt which resulted from the purchase of all the shares of the subsidiary. The legal procedures were completed at the Ministry of Industry and Trade on **16 April 2018**.

The condensed interim financial statements were approved by the board of directors at its meeting held on **July 18, 2021**, these financial statements aren't subject to the approval of the general assembly of shareholders .

2- Basis of preparation of condensed interim financial statements

These condensed interim financial statement have been prepared in accordance with inernational accounting standards (IAS 34))(Interim Financial Reporting).

The condensed interim financial statements have been prepared on historical cost except financial assets and liabilities which appears on fair value.

The condensed interim financial statements are presented in Jordanian Dinars (JOD) which is the company's presentation functional currency .

These condensed inerim financial statements do not include all the information required for a complete set of IFRS financial statements, However , selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the company's condensed interim financial position and performance since the last annual report of financial statements as of **December 31, 2020**, in addition, The results for the six months period ended **June 30, 2021** are not necessarily indicative of the results that may be expected for the financial year ending **December 31, 2021**.

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Notes to the condensed interim financial statements - reviewed not audited

3- Use of estimates

The preparation of the condensed interim financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions and particular, considerable judgement by management is required in the estimation of the amount and timing of future cash flows. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ, resulting in future change in such provisions.

Management believe that the estimates are reasonable and are as follows :

- Management evaluates its investments for impairment on a regular basis where there is a prolonged decline, Management estimates the value of impairment and the same is charged in the statement of condensed interim comprehensive income - An estimate of the collectible amount of trade accounts receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on historical recovery rates.

- Inventories are held at the lower of either cost or net realizable value. When inventories become old or obsolete, an estimate is made of their realizable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of aging or obsolescence, based on historical selling prices.

- Management reviews periodically the tangible and intangible assets in order to assess the amortization and depreciation for the year based on the useful life and future economic benefits. Any impairment is taken to the statement of condensed interim comprehensive income.

4- Significant accounting policies Changes in accounting policies

The accounting policies followed in the preparation of the interim condensed financial statements for the period are consistent with those followed in the preparation of the financial statements for the year ended December 31, 2020, except for the company's application of the following standards:

Standard Interest Rate Reforms - Phase Two Adjustments

The amendments require the entity to recognize the change in the basis for determining the contractual cash flows of the asset or liability, which is required to reform the interest rate standard by updating the effective interest rate of the financial asset or liability, in addition, it provides exceptions to the requirements of hedge accounting. With regard to exposure to cash flows, fair value hedges, and non-derivative financial assets and liabilities related to the benchmark interest between banks, which mature after 2021, it was found that there is no significant impact of the standard interest rate reform on the company's business results.

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Notes to the condensed interim financial statements - reviewed not audited

5- Cash on hand & at banks

This item consists of the following :

	June 30, 2021	December 31, 2020
	JD	JD
	(Reviewed)	(Audited)
Cash on hand	8,159	2,325
Cash at bank - current account	20,032	-
Cash at bank - deposit account	-	17,245
Total	28,191	19,570

6- Other receivable

A. This item consists of the following :

	June 30, 2021	December 31, 2020
	JD	JD
	(Reviewed)	(Audited)
United Arab Emirates Oil Services Company (UAE) (note 7 E , F)	6,930,695	3,422,118
Khaled Makhashin Advocates and Legal Consultants Office (UAE) (note 6 B)	467,701	505,081
Total	7,398,396	3,927,199

B. According to the agreement signed with Khaled Makhashin Law Firm (UAE), on December 16, 2020, the amount received from the sale of the shares of Union Real Estate Company (UAE) (note 8 b) amounting to 505,081 dinars was deposited with the office, in order to cover the costs of implementation The agreement signed between the Blue Stone Jordan Investment Company and the Emirates Oil Services Company, according to which the shares of (Gulfa Mineral Water and Transformative Industries) will be assigned to the company.

7- Deffered receipt cheques

Deffered receipt checks comprise part of the proceeds of the sale of a portion of the Company's share in the subsidiary's capital (**OBN Energie FZA - UAE Company**) amounting to 9 annual checks, the first of which is due on **15 December 2020** amounted of AED **26,727,056** and its equivalent in jordanian dinars is JD **5,158,322**. The value of each of the remaining eight checks is AED **15,958,095** and its equivalent in Jordanian Dinars is JD **3,079,912**. The maturity of the checks is deferred until **December 15, 2028**.

The present value of the deffered receipt cheques is calculated as follows:

	June 30, 2021	December 31, 2020
	JD	JD
	(Reviewed)	(Audited)
Cheques book value	-	29,797,620
Deffered revenues	-	(3,885,671)
Cheques present value	-	25,911,949

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Notes to the condensed interim financial statements - reviewed not audited

C. Classification of cheques

	June 30, 2021	December 31, 2020
	JD	JD
	(Reviewed)	(Audited)
Accrued	-	4,997,454
Short term	-	2,890,806
Long term	-	18,023,689
Total	-	25,911,949

D. According to the purchase, sale and financial settlement agreement signed on **March 7, 2021** with the United Arab Emirates Oil Services Company, settled the deferred checks with a total value of **150,689,000** UAE dirhams, which is equivalent in Jordanian dinars **29,082,977** Jordanian dinars (note 7 F), and as follows:

- The United Arab Emirates Oil Services Company pays its deferred checks within the next **8** years in advance through the transfer of financial assets (shares traded on the Dubai Financial Market) in favor of the Blue Stone Jordan Investments Company, as it was agreed to transfer **5,034,152** shares of the shares owned by The United Arab Emirates Oil Services Company in Gulfa Mineral Water and Transforming Industries Company (Gulfa General Investments Company) for the benefit of the Blue Stone Jordan Investments Company, with a market value of **22,152,282** Jordanian Dinars (note 7 E), and the ownership transfer process was implemented for the Blue Stone Jordan Investments Company on **March 15, 2021** According to legal principles, the purchase was disclosed on March 15, 2021, at the Dubai Financial Market.

- The purchase of the remaining shares owned by the Blue Stone Jordan Investments Company in OBN Energy FZA, amounting to **18,413** shares, amounting to **3,422,118** Jordanian dinars (note 7 E), based on the agreements previously signed between the two parties and proving them as a liability to the Emirates Oil Services Company covered by the settlement Above, the transfer of shares was duly carried out during the month of **December 2020**.

- The remaining amount of the agreement amounting to **3,508,577** Jordanian dinars (note 7 E) remains with the United Arab Emirates Oil Services Company as well.

This is in return for settling deferred checks, the value of which is **29,797,620** JD.

According to the agreement, the receivables owed by the United Arab Emirates Oil Services Company amounting to **6,930,695** Jordanian dinars (note 7 E) will be settled by being paid in cash or in the form of other shares that will be waived in favor of the Blue Stone Jordan Investments Company with its approval during **2021**.

E. The following is a summary of the financial settlement:

	JD
The amount of the financial settlement	29,082,977
Deduct : The assigned shares of Gulfa Mineral Water Company (note 7 F)	(22,152,282)
<u>The remaining amount was distributed as follows:</u>	6,930,695
The United Arab Emirates Oil Services Company was obligated to purchase the remaining shares of OBN Energy (note 6A)	3,422,118
A residual liability of the Emirates Oil Services Company	3,508,577
Total (note 6 A)	6,930,695

Blue Stone Investments JORDAN**Public shareholding company****Amman - The Hashemite Kingdom of Jordan****Notes to the condensed interim financial statements - reviewed not audited****F. Based on the above, post-dated checks were settled as follows:**

	<u>JD</u>
Deffered receipt cheques - book value	29,797,620
Deduct : deffered revenues	(3,885,671)
Cheques present value	25,911,949
Deduct: Shares of Gulfa General Investments Company ceded (note 7E)	(22,152,282)
Deduct: a residual receivable of the Emirates Oil Services Company	(3,508,577)
Debts Assigned	251,090

8- Financial assets at fair value through income st.

A. This item consists of the following :

	Number of share	June 30, 2021	December 31, 2020
	Share	JD (Reviewed)	JD (Audited)
<u>Outside JORDAN</u>			
<u>Public shareholding companies (listed)</u>			
Gulfa General Investments Company (UAE)	5,034,152	23,318,192	-
Total		23,318,192	-

B. The movement of financial assets at f.v through income during the period as follow :

	June 30, 2021	December 31, 2020
	JD (Reviewed)	JD (Audited)
Balance beginning of the period / year	-	499,687
Acquisitions of shares listed in global financial markets	22,152,282	-
Selling of shares listed in global financial markets (note 6 B)	-	(499,687)
Unearned gains from financial assets through income st.	1,165,910	-
Balance ending of the period / year	23,318,192	-

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Notes to the condensed interim financial statements - reviewed not audited

9- Income tax

A. The movement of income tax provision during the period as follow :

	June 30, 2021	December 31, 2020
	JD	JD
	(Reviewed)	(Audited)
Balance beginning of the period/year	19,309	-
Tax of the year (note 9 C)	-	19,309
Income tax paid during period / year	(919)	-
Balance ending of the period/year	<u>18,390</u>	<u>19,309</u>

- B. Income tax was accepted for the end of **2018** within the sampling system, and for **2019 & 2020**, a self-assessment statement were submitted for it and not yet reviewed.

C. Reconciliation of taxable income

	June 30, 2021	December 31, 2020
	JD	JD
	(Reviewed)	(Audited)
Recorded profit (loss)	885,559	(18,626)
Non-taxable income	(1,165,910)	(5,394)
Non-taxable expenses	-	115,969
Taxable (loss) income	<u>(280,351)</u>	<u>91,949</u>
Income tax rate	20%	20%
Income tax for the year	<u>-</u>	<u>18,390</u>
National contribution accountt (1% of taxable income)	<u>-</u>	<u>919</u>
Total income tax	<u>-</u>	<u>19,309</u>

10- Basic and diluted earning per share

This item consists of the following :

	June 30, 2021	June 30, 2020
	JD	JD
Profit (loss) for the period (JD)	885,559	(50,392)
Weighted average shares (share)	33,500,000	33,500,000
Basic and diluted earning per share	<u>0.026</u>	<u>(0.002)</u>

The diluted earning per share is equal to the basic earning per share .

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Notes to the condensed interim financial statements - reviewed not audited

11- **Cases**

There are cases filed by some of the company's shareholders against the company and members of its board of directors, whose subject is to challenge the legality of the company's general assembly meeting held on August 4, 2020, and the cases are still pending before the Court of First Instance.

12- **Risk management**

The company is exposed in general to financial risks, credit risks, liquidity risks and market risks, especially in light of the Corona pandemic, and in general, the goals and policies of the company in managing the financial risks to which the financial statements are exposed, and they have been disclosed in the financial statements as well as the financial statements of the company as well On December 31, 2020.

13- **Subsequent events**

There are no subsequent events may have material affects to consolidated condensd interim financial position .

14- **Comparative figures**

Some of the comparative figures have been reclassified to suit the classification of the current fiscal period figures. The reclassification and did not result in any impact on the profit or property rights of the previous year.