

SINIORA FOOD INDUSTRIES GROUP
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - JORDAN

CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION FOR
THE THREE MONTHS
ENDED MARCH 31, 2024
TOGETHER WITH THE REVIEW REPORT

SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN
MARCH 31, 2024

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Review Report on the Condensed Interim Financial Information

AM/ 006655

To the Chairman and Members of the Board of Directors
Siniora Food Industries Company
(A Public Shareholding Limited Company)
Amman – Jordan

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Siniora Food Industries Company (A Public Shareholding Limited Company) The "Company" and its subsidiaries (together "The Group") as of March 31, 2024 and the related condensed consolidated interim statements of profit or loss, other comprehensive income, changes in owner's equity and cash flows for three-months period then ended, and a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial information in accordance with International Accounting Standard (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed consolidated 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 Company". A review of 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, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that the accompanying condensed consolidated interim financial information of Siniora Food Industries Company are not prepared in all material aspects in accordance with International Accounting Standard No. (34) related to the Interim Financial Reporting.

Other Matter

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

Amman - Jordan
April 30, 2024


Deloitte & Touche (M.E.) – Jordan
Deloitte & Touche (M.E.)
ديلويت أند توش (الشرق الأوسط)
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SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN-JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

		March 31, 2024 (Reviewed not Audited)	December 31, 2023 (Audited)
	<u>ASSETS</u>		
Current Assets:		JD	JD
Cash on hand and at banks		11,810,769	3,077,195
Accounts receivable - net	5	32,394,076	28,608,096
Inventory – net	6	20,929,077	20,629,107
Due from related parties	15	40,223	216,462
Other debit balances	7	10,320,888	8,061,070
Total Current Assets		<u>75,495,033</u>	<u>60,591,930</u>
Non-Current Assets:			
Deferred tax assets		596,440	566,313
Intangible assets		18,222,556	17,698,821
Property and equipment – net	8	55,524,997	53,101,339
Right-of-use assets		4,423,003	4,676,478
Total Non-Current Assets		<u>78,766,996</u>	<u>76,042,951</u>
TOTAL ASSETS		<u>154,262,029</u>	<u>136,634,881</u>
	<u>LIABILITIES</u>		
Current Liabilities:			
Borrowed fund due within one year	11	11,992,423	33,554,368
Note payable		1,020,787	2,483,054
Accounts payable		14,823,718	10,227,281
Due to related parties	15	2,927,452	2,985,208
Deposits and accrued expenses	10	9,141,684	7,978,786
Lease liabilities due within one year		650,280	948,386
Income tax provision	12	853,685	604,078
Total Current Liabilities		<u>41,410,029</u>	<u>58,781,161</u>
Non-Current Liabilities:			
Borrowed fund due within more than one year	11	115,247	23,488,994
Lease liabilities due within more than one year		3,725,053	3,583,625
Provision for end-of-service indemnity		4,633,407	4,429,974
Loan bond	9	56,720,000	-
Deferred tax liabilities		4,078,194	3,767,692
Total Non-Current liabilities		<u>69,271,901</u>	<u>35,270,285</u>
TOTAL LIABILITIES		<u>110,681,930</u>	<u>94,051,446</u>
	<u>OWNERS' EQUITY</u>		
Authorized paid-up capital	1	32,700,000	32,700,000
Paid in capital		28,000,000	28,000,000
Statutory reserve		6,597,702	6,597,702
Retained earnings		10,938,816	10,938,816
Effect of the purchase of non-controlling interest shares		(2,463,786)	(2,463,786)
Foreign currencies translation		(3,152,719)	(4,148,947)
Actuarial (losses) gain arising from the end of service indemnity		(161,341)	65,533
Profit for the period		258,859	-
TOTAL SHAREHOLDERS' EQUITY		<u>40,017,531</u>	<u>38,989,318</u>
Non-controlling interest	16	3,562,568	3,594,117
TOTAL OWNERS' EQUITY		<u>43,580,099</u>	<u>42,583,435</u>
TOTAL LIABILITIES AND OWNERS' EQUITY		<u>154,262,029</u>	<u>136,634,881</u>

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

SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS
(REVIEWED NOT AUDITED)

	Note	For the Three Months Ended March 31,	
		2024	2023
		JD	JD
Net Sales		39,532,014	36,662,358
Cost of sales		(29,335,983)	(26,237,804)
Gross Profit		10,196,031	10,424,554
<u>Less:</u> Selling and distribution expenses		(4,323,415)	(3,997,718)
General and administrative expenses		(2,950,740)	(3,027,700)
Financing expenses		(2,013,154)	(1,372,551)
(Provision) for end of service indemnity		(113,832)	(410,204)
(Provision) for expected credit losses	5	(77,443)	(51,827)
Released from (provision) for slow-moving inventory	6	52,305	(28,722)
(Provision) lawsuits and other commitments	10	(128,581)	-
Other (expenses) revenue - net		(93,861)	159,144
Profit for the period before taxes and monetary gain from hyperinflation		547,790	1,694,976
<u>Less:</u> Income tax expense	12	(411,651)	(156,499)
Profit for the Period before Monetary Gain from Hyperinflation		136,139	1,538,477
Net monetary (loss) gain from hyperinflation		(57,559)	228,806
Profit for the Period		<u>78,580</u>	<u>1,767,283</u>
Attributable to:			
Company's shareholders		258,859	1,797,554
Non-Controlling Interest		(180,279)	(30,271)
		<u>78,580</u>	<u>1,767,283</u>
Earning Per Share for the Period (Company's Shareholders)	13	<u>0.009</u>	<u>0.064</u>

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SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN
CONDENSED CONSOLIDATED INTERIM
STATEMENT OF COMPREHENSIVE INCOME
(REVIEWED NOT AUDITED)

	For the Three Months Ended March 31,	
	2024	2023
	JD	JD
Profit for the period	78,580	1,767,283
<u>Other comprehensive income items which may be reclassified to profit or loss in the subsequent period</u>		
Foreign currencies translation	1,188,817	1,412,735
<u>Other comprehensive income items that will not be reclassified to profit or loss in the subsequent period</u>		
Actuarial (losses) arising from the end of service indemnity	(270,733)	(79,552)
Total other comprehensive gain items for the period after tax	918,084	1,333,183
Total Comprehensive Income for the Period	996,664	3,100,466
Attributable to:		
Company's shareholders	1,028,213	2,896,968
Non-controlling interest	(31,549)	203,498
	996,664	3,100,466

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SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)

AMMAN – JORDAN

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(REVIEWED NOT AUDITED)

	Paid-up Capital	Statutory Reserve	Retained Earnings	Effect of the Purchase of Non- controlling Interest Shares	Foreign Currency Translation	Actuarial (Losses) Arising from the End of Service Indemnity	Profit for the Period	Total Shareholders' Equity	Non- controlling Interest	Total Owners' Equity
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
For the Three Months Ended March 31, 2024										
Balance at the beginning of the period (Audited)	28,000,000	6,597,702	10,938,816	(2,463,786)	(4,148,947)	65,533	-	38,989,318	3,594,117	42,583,435
Profit for the period	-	-	-	-	-	-	258,859	258,859	(180,279)	78,580
Other comprehensive income for the period	-	-	-	-	996,228	(226,874)	-	769,354	148,730	918,084
Total comprehensive income for the period	-	-	-	-	996,228	(226,874)	258,859	1,028,213	(31,549)	996,664
Balance at the End of the Period (Reviewed)	28,000,000	6,597,702	10,938,816	(2,463,786)	(3,152,719)	(161,341)	258,859	40,017,531	3,562,568	43,580,099
For the Three Months Ended March 31, 2023										
Balance at the beginning of the period (Audited)	28,000,000	6,103,988	13,712,082	(2,463,786)	(6,136,331)	25,117	-	39,241,070	4,259,997	43,501,067
Profit for the period	-	-	-	-	-	-	1,797,554	1,797,554	(30,271)	1,767,283
Other comprehensive income for the period	-	-	-	-	1,164,082	(64,668)	-	1,099,414	233,769	1,333,183
Total comprehensive income for the period	-	-	-	-	1,164,082	(64,668)	1,797,554	2,896,968	203,498	3,100,466
Effect of change in non-controlling interest	-	-	119,534	-	-	-	-	119,534	(119,534)	-
Balance at the End of the Period (Reviewed)	28,000,000	6,103,988	13,831,616	(2,463,786)	(4,972,249)	(39,551)	1,797,554	42,257,572	4,343,961	46,601,533

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SINIORA FOOD INDUSTRIES COMPANY
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AMMAN – JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
(REVIEWED NOT AUDITED)

		For the Three Months Ended March 31,	
	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		JD	JD
Profit for the period before income tax and net monetary gains from hyperinflation		547,790	1,694,976
Adjustments:			
Depreciation of property and equipment	8	1,418,507	1,150,460
Amortization of right of use		227,145	203,028
Amortization of intangible assets		19,187	19,268
Provision for expected credit losses	5	77,443	51,827
Provision for end of service indemnity		113,832	410,204
Provision for slow-moving inventory	6	(52,305)	28,722
Provision for lawsuits and other commitments	10	128,581	-
Loss (gain) loss from sale of property and equipment	8	7,008	(74,750)
Foreign currency differences		(2,774,969)	651,491
Cash Flows (used in) from Operations before Changes in Working Capital items		(309,531)	4,135,226
Decrease (Increase) in Assets			
Accounts receivable		(3,841,673)	(3,267,054)
Due from related parties		176,239	(1,235,771)
Inventory		(247,665)	269,492
Other debit balances		115,889	(1,725,919)
Increase (Decrease) in Liabilities			
Notes payable		(1,462,267)	(204,344)
Accounts payable		4,596,437	346,566
Due to related parties		(57,756)	109,255
Deposits and accrued expenses		934,317	1,412,910
Cash Flows (used in) Operating Activities before Tax and Provision of End of Service Indemnity Paid		(96,010)	(159,639)
Income tax paid	12	(63,859)	(124,691)
Provision of end-of-service indemnity paid		(39,895)	(396,013)
Net Cash Flows (used in) Operating Activities		(199,764)	(680,343)
CASH FLOWS FROM INVESTING ACTIVITIES:			
(Purchase) of property and equipment	8	(2,802,067)	(1,253,727)
Proceeds from the sale of property and equipment	8	453,664	191,277
(Purchase) of intangible assets		-	(2,357)
Net Cash Flows (used in) Investing Activities		(2,348,403)	(1,064,807)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Borrowed and (paid) funds – net	11	(45,157,489)	1,940,282
Lease liabilities payments		(280,770)	(281,959)
Proceeds from loan bond	9	56,720,000	-
Net Cash Flows from Financing Activities		11,281,741	1,658,323
Net Increase (Decrease) in Cash		8,733,574	(86,827)
Cash on hand and at banks – Beginning of the period		3,077,195	3,136,630
Cash on Hand and at Banks - End of the Period		11,810,769	3,049,803

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SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
(REVIEWED NOT AUDITED)

1. General

- a. Siniora Food Industries Company was established and registered at the Ministry of Industry and Trade as a limited liability Company under No. (2890) on July 27, 1992 with an authorized and paid-up capital of JD 400 thousand. The Company's paid-up capital has been increased several times, the last increase was in the extraordinary meeting held on April 21, 2021, whereby the General Assembly decided to approve the increase of the Company's capital by JD 1 million / share to become JD 28 million / share. The Company has completed the legal procedures related to the capital increase with the regulatory authorities on June 20, 2021.

The Company's board of directors, in its meeting held on February 20, 2023, decided to approve an increase in the Company's capital by 4.7 million shares with a nominal value of JD 1 per share, plus an issuance premium. This increase was allocated to one or more strategic shareholders (non-public offering), provided that the issued share price, including the nominal value and the issuance premium, does not fall below 90% of the market price per share as of the fifteenth day from the date of the Securities Commission's approval of the capital increase operation. If the allocation procedures for the increase to strategic partner(s) are not completed, approval was given to cover the increase through a public offering to the company's shareholders, subject to obtaining all necessary decisions and approvals as per regulations. The General assembly approved, on March 13, 2023, the board of directors' decision to increase the company's capital from 28 million to 32.7 million based on the board of directors' resolution dated December 27, 2023, and issued unanimously by the board members representing approximately 95.4% of the Company's shares. During the board meeting, Aswaq for Investment Portfolios "Board Member" and Mr. Majdi Kazem Al-Sharif "CEO of the Company" were appointed to subscribe to the increase shares, with 2,470,588 shares and 82,353 shares allocated to each respectively, with a nominal value of JD 1 per share plus an issuance premium of JD 3.305 per share. This increase in capital will be executed through a non-public offering. On February 26, 2024, the Board of Directors recommended amending the extraordinary general assembly resolution dated March 13, 2023, regarding the method of covering the capital increase by allocating a portion of the increase to the mentioned shareholders instead of allocating it to one or more strategic shareholders. The General assembly, extraordinary meeting approved on March 27, 2024, the board of directors' recommendation, noted that the procedures for registering the increase in capital with the relevant authorities have not been completed.

- b. According to the Ministry of Industry and Trade Letter No. MSH/2/2890/32377 dated November 11, 2008, which includes the approval of the Minister of Industry and Trade on converting the legal form of Siniora Food Industries Company from a limited liability company to a public shareholding limited company, the General Assembly approved in its ordinary meeting dated February 4, 2009, the procedures followed to convert the Company's legal form. Moreover, the Company has been registered as a public shareholding limited company in the Public Shareholding Companies Register under number (459) on January 8, 2009.
- c. The Company was registered under number 07/6315110301 to practice the industrial activity in King Abdullah II Development Area / Sahab.
- d. The Company is 65.6% owned by Arab Palestinian Investment Company, which is considered the main shareholder of the Company as of March 31, 2024 and December 31, 2023.
- e. The Company's main objectives are producing, selling and buying meat and its byproducts; importing and exporting the necessary raw materials; and producing food products and trading them.
- f. The condensed consolidated interim financial information were approved by the Board of Directors on April 28, 2024.

2. Basis of Preparation of the Condensed Consolidated Interim Financial Information

The accompanying condensed consolidated interim financial information have been prepared in accordance with the International Accounting Standard No. (34) "Interim Financial Reporting".

The reporting currency of the condensed consolidated interim financial information is the Jordanian Dinar, which is the functional currency of the Company.

The consolidated financial statements are prepared in accordance with the historical cost principle for measurement adjusted for the effect of inflation where the entities operate in hyperinflationary economies.

The condensed consolidated interim financial information do not include all notes and information presented in the annual financial statements which is prepared in accordance with the International Financial Reporting Standards and should be read with the Group's annual report for the year ended December 31, 2023. The results of the three months ended March 31, 2024 do not indicate the expected results for the year ending December 31, 2023. Also, the Group did not deduct the legal reserves as stated in the Companies Law and the instructions issued on profit of the three months ended March 31, 2024 which is usually performed at year end.

Basis of Consolidation of the Condensed Interim Financial Statements

The condensed consolidated interim financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). 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 affects its returns. Moreover, the revenue and expenses transactions and balances between the company and its subsidiaries are eliminated.

The financial statements of the subsidiary companies were prepared using the same accounting policies adopted by the Company. If the accounting policies adopted by the subsidiary are different from those used by the Company, the necessary adjustments to the financial statements of the subsidiary company are made to comply with the accounting policies used by the Company.

The Company owns the following subsidiaries as of March 31, 2024:

Name of Company	Paid-up Capital	Percentage of Ownership	Business Nature of the Company	Location	Acquisition / Inception Date
Siniora Food Industries Company- Palestine	USD 5.2 million	100%	Manufacturing	Palestine	January 25, 2006
Siniora Food Holding Limited Company	AED 60 million	100%	Holding	United Arab Emirates	February 25, 2016
Tarakya Company for the Manufacture and Trade of Meat and Dairy Products *	TL 102 million	83.8%	industrial	Turkey	March 1, 2021
Siniora Food Industries – Saudi Arabia **	SAR 30 million	100%	industrial	Saudi Arabia	January 11, 2023

- * The General Assembly of Tarakya Company for the Manufacture and Trade of Meat and Dairy Products (subsidiary Company) approved, in its meeting held on December 28, 2022, to increase the paid-up capital of the Company through Siniora Food Industries Company, the company's share becomes 81% instead of 77% representing an increase by 4%. Noting that the value of the increase, including the issuance premium, was paid during January 2023, and the legal procedures were completed with the authorities in the Republic of Turkey on January 11, 2023. The Company also, after the approval of the General Assembly on May 15, 2023, increased the company's paid-up capital to become 83.8% instead of 81% representing an increase of 2.8%, noting that the value of the increase, including the issue premium, was paid during July 2023, and the legal procedures were completed with the authorities in the Republic of Turkey on July 26, 2023. The Board of Directors of Trakya Meat and Dairy Industries Company agreed on February 15, 2024, to increase the company's capital by 320 million Turkish Lira, noting that the general assembly approved in subsequent period the Board of Directors' decision on April 24, 2024.

** On January 11, 2023, Siniora Food Industries Company - Jordan registered Siniora Food Industries Company (a subsidiary) in the Kingdom of Saudi Arabia with an authorized Paid-Up capital of 30 million Saudi riyals, where the Company's ownership percentage is 100% of the capital. Noting that the capital has not been paid yet as of the date of the consolidated financial statements, and the Company has not started its operations yet.

Siniora Food Holding Limited company owns the following subsidiaries as of March 31, 2024 and December 31, 2023 directly or indirectly:

Name of Company	Paid-up Capital	Percentage of Ownership	Business Nature of the Company	Location	Acquisition / Inception Date
Saudi Siniora Trading Company	SAR 10 million	100%	Trading	Saudi Arabia	August 17, 2009
Diamond Meat Processing Company	AED 300 thousand	100%	Manufacturing	United Arab Emirates	April 5, 2016
Siniora Gulf General Trading Company	AED 1 million	100%	Trading	United Arab Emirates	August 6, 2014

The results of operations of the subsidiary companies are consolidated into the condensed consolidated interim statement of profit or loss and comprehensive income from the effective date of acquisition, which is the date on which actual control over the subsidiary company is obtained. Moreover, the results of operations of the disposed subsidiaries are incorporated into the condensed consolidated statement of profit or loss and comprehensive income up to the effective date of disposal which is the date on which the Company loses control over the subsidiary companies.

3. Significant Accounting Policies

The accounting policies used in the preparation of the condensed consolidated interim financial information for the period ended on March 31, 2024 are consistent with those used in the preparation of the annual consolidated financial statement for the year ended December 31, 2023. However, the Company has adopted the following amendments and interpretations that apply on or after January 1, 2024 in preparation of the condensed consolidated interim financial information and have not materially affected the amounts and disclosures in the condensed consolidated interim financial information for the period and prior years, which may have an impact on the accounting treatment of future transactions and arrangements.

New and amended IFRS Standards that are effective for the current year:

Amendment to IFRS 16 Leases—Lease Liability in a Sale and Leaseback

Amendments to IAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Non-current

Amendments to IAS 1 Presentation of Financial Statements—Non-current Liabilities with Covenants

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements

IFRS S1 - General Requirements for Disclosure of Sustainability – related financial information*

IFRS S2 - Climate Related Disclosures*

- * Provided that the regulatory authorities in the countries in which the Company operates approve its application, noted that no instructions have been issued regarding it until the date of the condensed consolidated interim financial information.

IFRS Accounting Standards issued but not yet Effective.

The Group has not applied the new and revised IFRS Accounting Standards that have been issued but are not yet effective, management is in the process of assessing the impact of the new requirements.

The new and revised (IFRS) for financial reporting preparation	Effective for annual periods beginning on or after.
Amendments to IFRS 21 – Lack of Exchangeability	January 1, 2025
Amendments to IFRS 18 - Presentation and disclosure in financial statements	January 1, 2027
Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures—Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	The effective date has been deferred indefinitely

The management anticipates adopting these new standards, interpretations, and amendments in the Group's condensed consolidated interim financial statements during the initial application period. Furthermore, they expect that adopting these new standards, interpretations, and amendments will not have any significant impact on the Group's condensed consolidated interim financial statements during the initial application period.

4. Significant Accounting Judgments and key Sources of Uncertainty Estimates and Risk Management

The preparation of the condensed consolidated interim financial information and application of the accounting policies require the Group management to make judgments, estimates, and assumptions that affect the amounts of financial assets and financial liabilities and to disclose the contingent liabilities. Moreover, these estimates and judgments affect revenue, expenses and provisions in general and the expected credit losses. In particular, the Group management requires judgments to be made to estimate the amounts and timing of future cash flows. These mentioned estimates are necessarily based on multiple hypotheses and factors with varying degrees of estimation and uncertainty. The actual results may differ from estimates due to the changes arising from the conditions and circumstances of those estimates in the future.

We believe that the estimates used in the preparation of these condensed consolidated interim financial information are reasonable and consistent with those used in the preparation of the consolidated financial statements for the year ended 2023.

5. Accounts Receivable - Net

a. This item consists of the following:

	March 31, 2024 (Reviewed not Audited)	December 31, 2023 (Audited)
	JD	JD
Trade receivables	32,005,801	27,602,235
Cheques under collection maturing within 3 months	2,571,380	3,108,014
	34,577,181	30,710,249
<u>Less: Provision for expected credit losses</u>	<u>(2,183,105)</u>	<u>(2,102,153)</u>
Net Accounts Receivables	32,394,076	28,608,096

The table below illustrates the determination of the risk of trade receivables based on the provision's matrix:

As of March 31, 2024	Receivables are past due					
	Current receivables (not past due) *	Less than 90 days	From 91 days to 180 days	From 181 days to 365 days	More than 365 days	Total
	JD	JD	JD	JD	JD	JD
Total trade receivables	27,573,122	5,316,448	397,190	118,167	1,172,254	34,577,181
Expected credit loss	452,416	372,151	139,017	47,267	1,172,254	2,183,105
Expected credit loss rate	1.6%	7%	35%	40%	100%	6.3%

As of December 31, 2023	Receivables are past due					
	Current receivables (not past due) *	Less than 90 days	From 91 days to 180 days	From 181 days to 365 days	More than 365 days	Total
	JD	JD	JD	JD	JD	JD
Total trade receivables	23,058,487	5,674,062	471,348	147,734	1,358,618	30,710,249
Expected credit loss	122,285	397,184	164,972	59,094	1,358,618	2,102,153
Expected credit loss rate	0.5%	7%	35%	40%	100%	6.9%

* Current receivables include short-term checks due within 3 months.

- b. The movement on the expected credit loss during the period / year is as follows:

For the three-period ended March 31, 2024 (Reviewed not Audited)			
	Stage 2	Stage 3	Total
	JD	JD	JD
Balance – Beginning of the period	743,535	1,358,618	2,102,153
Provision booked during the period	264,094	(186,651)	77,443
Foreign currencies translation	3,222	287	3,509
Balance – End of the Period	<u>1,010,851</u>	<u>1,172,254</u>	<u>2,183,105</u>

For the year ended December 31, 2023 (Audited)			
	Stage 2	Stage 3	Total
	JD	JD	JD
Balance – Beginning of the year	715,261	1,296,225	2,011,486
Provision booked during the year	51,072	116,237	167,309
Foreign currencies translation	(22,798)	(53,844)	(76,642)
Balance – End of the Year	<u>743,535</u>	<u>1,358,618</u>	<u>2,102,153</u>

6. Inventory - Net

- a. This item consists of the following:

	March 31, 2024 (Reviewed not Audited)	December 31, 2023 (Audited)
	JD	JD
Raw materials	11,381,628	10,561,876
Finished products	6,858,709	7,169,680
Detergents and uniforms	246,677	236,481
Spare parts	<u>3,760,252</u>	<u>3,679,562</u>
	22,247,266	21,647,599
<u>Less:</u> Provision for slow-moving items	<u>(1,336,708)</u>	<u>(1,389,013)</u>
	20,910,558	20,258,586
Goods in transit	<u>18,519</u>	<u>370,521</u>
	<u>20,929,077</u>	<u>20,629,107</u>

- b. The movement on the provision for slow-moving items during the period / year is as follows:

	For the three- Months Ended March 31, 2024 (Reviewed not Audited)	For the Year Ended December 31, 2023 (Audited)
	JD	JD
Balance - Beginning of the period / year	1,389,013	1,187,072
<u>Add:</u> Provision booked during the period / year	<u>(52,305)</u>	<u>201,941</u>
Balance - End of the Period / Year	<u>1,336,708</u>	<u>1,389,013</u>

7. Other Debit Balances

This item consists of the following:

	March 31, 2024 (Reviewed not Audited)	December 31, 2023 (Audited)
	JD	JD
Advances to suppliers	3,922,757	2,794,046
Prepayments	3,504,589	1,724,876
Refundable deposits	362,450	362,181
Sales tax deposits related to foreign subsidiaries	2,434,948	3,085,878
Others	96,144	94,089
	<u>10,320,888</u>	<u>8,061,070</u>

8. Property and Equipment – Net

During the three-month period ended March 31, 2024 the Group acquired property and equipment with a total cost of JD 2,802,067 which mainly covers project under constructions from Siniora Food Industries – Saudi Arabia with an amount of JD 1,636,831 (JD 1,253,727 acquired property and equipment during the three-months period ended March 31, 2023).

Property and equipment at net book value of JD 460,672 were disposed by the Group resulting in a net loss of JD 7,008 during the three-months ended March 31, 2024 (disposal of net book value with an amount of JD 116,527 during the three-months ended March 31, 2023, resulting in a net gain amounted to JD 74,750 during the three-months period ended March 31, 2023).

The value of depreciation on property and equipment at the Group level during the three-months period ended March 31, 2024 amounted to JD 1,418,507 (JD 1,150,460 depreciation of property and equipment at the Group level during the three-month period ended on March 31, 2023).

9. Loan Bond

On March 10, 2024, Siniora Food Industries - Jordan, after obtaining approval from the Securities Commission, have issued 800 bonds through a non-public offering, each with a nominal value of USD 100,000, totaling USD 80 million (equivalent to JD 56,720,000). These bonds reward a fixed interest rate of 7.75%, payable semi-annually on March 10 and September 10 of each year, for a duration of 5 years. The principal of the bonds is due on September 10, 2029.

These bonds are unsecured, and the company's obligations are limited to paying the full nominal value of the bond and the accrued interest on it at the specified dates.

The commitments regarding the bonds are as follows:

- Net debt not exceeding 4 times profit before tax, finance charges, and depreciation for the years 2024 and 2025, 3.75 times for the year 2026, and 3.5 times for the remaining years.
- The coverage ratio of finance expenses (profit before tax and finance charges to finance expenses) should not be less than 2 times.
- Not pledging the company's assets to any external party during the issuance period, except for any legal or judicial liens or reservations.

In addition to the above commitments, the bond issuance prospectus included a condition to maintain the company's ownership percentage in its subsidiaries, with the exception of any decrease resulting from the company raising its capital through the entry of a strategic partner (provided that the company retains at least 51% ownership of the subsidiaries).

The company's compliance period with the terms and commitments begins in the year 2024, with the first report issued at the end of the first quarter of 2025. Subsequently, periodic reports will be issued every six months.

10. Deposits and Accrued Expenses

This item consists of the following:

	March 31, 2024 (Reviewed not Audited)	December 31, 2023 (Audited)
	JD	JD
Remunerations and accrued salaries	3,227,900	1,883,284
Sales tax deposits	825,902	819,060
Provision for lawsuits and other commitments *	361,496	233,735
Accrued customer's sales commissions	706,634	886,834
Accrued insurance expenses	503,917	536,611
Provision for paid leaves	585,988	518,794
Sales return provision	282,505	488,186
Credit cards	-	218,750
Accrued utilities and phone expenses	60,086	71,762
Professional fees	258,037	287,713
Social security deposits	345,601	276,598
Media and advertising	734,948	412,302
Accrued interest expenses	269,011	130,438
Advanced payment from customers	159,647	293,305
Accrued rent	-	219,857
Board of directors' remuneration	45,000	45,000
Board members transportation and representation of committees	255,000	192,000
Other	520,012	464,557
	<u>9,141,684</u>	<u>7,978,786</u>

- * This item includes a provision booked by the Group against contingent liabilities that may arise, the movement on this provision during the period / year was as follows:

	For the three- Months Ended March 31, 2024 (Reviewed not Audited)	For the Year Ended December 31, 2023 (Audited)
	JD	JD
Balance – Beginning of the period / year	233,735	284,737
<u>Add</u> : Expense (Released from) during the period / year	128,581	(40,000)
<u>Less</u> : Paid during the period / year	-	(5,000)
<u>Less</u> : Foreign currencies translation	(820)	(6,002)
Balance – End of the Period / Year	<u>361,496</u>	<u>233,735</u>

11. Borrowed Fund

This item consists of following:

	March 31, 2024 (Reviewed not Audited)	December 31, 2023 (Audited)
	JD	JD
Overdraft	4,767,372	17,224,712
Revolving Loans	5,065,143	7,854,205
Bank Loans	2,275,155	31,964,445
	<u>12,107,670</u>	<u>57,043,362</u>
<u>Analysis of Borrowed Funds Maturity:</u>		
Due Within one year	11,992,423	33,554,368
Due within more than one year and less than five years	115,247	23,488,994
	<u>12,107,670</u>	<u>57,043,362</u>
<u>Analysis of Borrowed Funds Interest:</u>		
Fixed rate	6,136,300	18,451,419
Variable rate	5,971,370	38,591,943
	<u>12,107,670</u>	<u>57,043,362</u>

The movement on borrowed funds as follows:

	For the Three- Months Ended March 31, 2024 (Reviewed not Audited)	For the Year Ended December 31, 2023 (Audited)
	JD	JD
Balance - Beginning of the period / year	57,943,362	54,482,323
Borrowed and (paid) funds – net *	(45,157,489)	6,984,053
Foreign currency translation differences	<u>(678,203)</u>	<u>(3,523,014)</u>
Balance - End of the Year	<u>12,107,670</u>	<u>57,943,362</u>

* The Group made early repayments (before their due dates) of some loans during the three months ended March 31, 2024, and subsequent to the date of the condensed consolidated interim financial statements, the Group made early repayments of approximately JD 2,823,947.

The interest rate on borrowed funds as follows:

	For the Three Months Ended March 31, 2024 (Reviewed)	For the Year Ended December 31, 2023 (Audited)
	%	%
Overdraft	From 7% To 49.5%	From 6.07% To 51.72%
Revolving loans	From 7% To 62%	From 6.83% To 52.65%
Bank loans	From 7% To 51.72%	From 5.5% To 8.5%

Collateral for borrowed funds:

The Company provide first-degree mortgage by the amount of JD 14,071,480 and possessory mortgage on machinery and equipment in the amount of JD 14,666,803 and endorsement of the mortgaged machinery and equipment insurance policy in the amount of USD 22 million as guarantees against some of the loans above. Noted that the management is in the process of releasing all pledges during the second quarter of 2024.

12. Income Tax

a. Income Tax Provision

The movement on the income tax provision is as follows:

	March 31, 2024 (Reviewed not Audited)	December 31, 2023 (Audited)
	JD	JD
Balance - Beginning of the period / year	604,078	470,778
Income tax paid	(63,859)	(850,837)
Accrued income tax on current profit period / year	313,466	984,137
Balance – End of the Period / Year	<u>853,685</u>	<u>604,078</u>

b. The income tax expense shown in the condensed consolidated interim statement of profit or loss represent the following:

	For the Three Months Ended March 31,	
	2024 (Reviewed not Audited)	2023 (Reviewed not Audited)
	JD	JD
Accrued income tax on current period profit	313,466	291,500
Deferred tax assets for the period	(43,676)	(23,710)
Deferred tax liabilities for the period	141,861	(111,291)
	<u>411,651</u>	<u>156,499</u>

- Siniora Food Industries - Jordan has reached a final settlement for its income tax up to the end of the year 2018. The Income and Sales Tax Department reviewed the tax returns for the years 2019 and 2020 where the Company's claim included tax differences amounted to JD 154,747 and JD 138,259 respectively, and national contribution differences amounted to JD 24,147 and JD 21,231 respectively. The Company appealed the decisions to the tax court, and in the opinion of the company's management and the legal consultant, it is expected that the case will be ruled in favor of the Company and there is no need to an additional provision for the tax claims. The Company has submitted its tax return for the years of 2021 and 2022 and paid the declared tax. While a decision has not yet been issued by the Income and Sales Tax Department. In the opinion of the Company's managements and its tax advisor, the income tax provision booked in the condensed consolidated interim financial information is sufficient to meet any future tax liabilities as at March 31, 2024.
- On February 9, 2012, Siniora Food Industries Company – Palestine (Subsidiary Company) obtained from Palestine Investment Promotion Agency a full exemption from income tax for five years from January 1,2010 to December 31, 2014, in addition to a nominal exemption of 50% of income tax starting from January 1,2015 to December 31,2029 in which the company will pay taxes at a rate of 7.5%.

Siniora Food Industries Company - Palestine (Subsidiary Company) has reached a final settlement up to the end of the year 2020. The Company has submitted its tax return for the year 2020 and 2021 and paid the declared tax. While a decision has not yet been issued by the Income and Sales Tax Department. In the opinion of the Company's managements and its tax advisor, the income tax provision booked in the condensed consolidated interim financial information is sufficient to meet any future tax liabilities.

- The 9% income tax rate has been implemented by the United Arab Emirates starting from the beginning of the year 2024. The management and tax advisor believe that the provisions allocated in the condensed consolidated interim financial information is sufficient to meet any future tax liabilities.
- Tarakya for manufacture and Trade of Meat and Dairy Products (Subsidiary Company) has reached a final settlement up to the end of the year 2022.

- Income tax was calculated for the 3 months ended March 31, 2024 in accordance with the effective income tax law in Jordan and other locations, and in the opinion of the management and the tax consultant of the Company, the provision allocated is sufficient to meet any tax obligations and there is no need to an additional provision for the period ended March 31, 2024.

13. Earnings per Share for the Period

This item consists of the following:

	For the Three-Months Ended March 31,	
	2024 (Reviewed not Audited)	2023 (Reviewed not Audited)
	JD	JD
Profit for the period	258,859	1,797,554
Weighted average number of shares	28,000,000	28,000,000
Earnings per share / basic and diluted	0.009	0.064

14. Contingent Liabilities

- There are several lawsuits filed against Siniora Food Industries Company – Jordan equivalent to JD 238,167 as of March 31, 2024. In the opinion of the Company's legal advisor and its management, no obligations will arise from these lawsuits (JD 248,956 as of December 31, 2023).
- There are several lawsuits filed against Siniora Food Industries Company – Palestine equivalent to JD 48,050 as of March 31, 2024 to cancel the Company's claims against others and/or labor claims. In the opinion of the Company's legal advisor and its management, no obligations will arise from these lawsuits. (JD 49,157 as of December 31, 2023).
- There are several lawsuits filed against Tarakya Company for the Manufacture and Trade of Meat and Dairy Products (subsidiary Company) equivalent to JD 47,253 as at March 31, 2024. In the opinion of the Company's legal advisor and its management, no obligations will arise from these lawsuits. (JD 51,855 as of December 31, 2023).
- The Parent Company had contingent liabilities represented in bank guarantees equivalent to JD 115,930 and bills of collection equivalent to JD 804,953 as of March 31, 2024. (Bank guarantees equivalent to JD 160,729 bills of collections equivalent to 121,925 as at December 31, 2023).
- Siniora Food Industries Company – Palestine (subsidiary company) had contingent liabilities represented in bank guarantees equivalent to JD 730,353 in additions to letter of credit equivalent to JD 170,085 and bills of collection equivalent to JD 162,587 as at March 31, 2024. (The Company had contingent liabilities represented in bank guarantees equivalent to JD 747,158 in addition to letter of credit equivalent to JD 170,007 as at December 31, 2023).
- Tarakya Company for the Manufacture and Trade of Meat and Dairy Products (subsidiary company) had contingent liabilities represented in bank guarantees equivalent to JD 271,412 as at March 31, 2024. (The Company had contingent liabilities represented in bank guarantees equivalent to JD 301,223 as at December 31, 2023).
- Siniora Food Industries - Saudi Arabia (a subsidiary company) had contractual obligations amounting to JD 15,179,350 as of March 31, 2024, which mainly representing commitments for the purchase of assets and equipment. (Contractual obligations amounting to JD 2,411,703 as of December 31, 2023).
- The Group had unutilized overdraft and revolving loans limits amounted to JD 14,524,560 as at March 31, 2024 (The unutilized overdraft and revolving loans ceiling was JD 17,919,385 as December 31, 2023).
- The net value of projects in progress amounted to JD 4,881,283 as at March 31, 2024 and the remaining cost of completion to complete the implementation of these projects is estimated to be amounted to JD 8,562,464 and is expected to be completed and to be ready for use by the Group during the year 2024.

15. Balances and Transactions with Related Parties

The Company enters into transactions with companies that fall within the definition of a related party as stated in International Accounting Standard No. 24: "Related Party Disclosures". Related parties consist of companies under common ownership and/or joint management and control and key management personnel. Transactions with these related parties were made on substantially the same terms that prevailed at the same time for similar transactions with customers and third parties. Balances and transactions between the Company and its subsidiaries, which are related parties, are eliminated on consolidation and are not disclosed in this note.

Condensed Consolidated Interim Statement of Financial Position:

	Relationship Status	March 31, 2024 (Reviewed)		December 31, 2023 (Audited)	
		Receivables	Payables	Receivables	Payables
		JD	JD	JD	JD
Unipal General Trading Company	Sister Company	-	901,922	-	1,043,099
Arab Palestinian Shopping Centers Company	Sister Company	-	-	-	-
Medical Supplies and Services Company	Sister Company	-	12,954	911	-
Palestinian Automobile Company	Sister Company	-	1,782,740	-	1,782,737
Employees receivables		39,374	-	215,471	-
SKY Advertising, Publication and Promotion Company	Sister Company	-	106,687	-	88,039
National Aluminum and Profile Company	Sister Company	849	-	-	-
Arab Palestinian Investment Company	Holding Company	-	90,385	-	12,205
Arab Financial Leasing Company	Sister Company	-	32,764	-	59,128
Total		<u>40,223</u>	<u>2,972,452</u>	<u>216,462</u>	<u>2,985,208</u>

Condensed Consolidated Interim Statement of Profit or Loss

	Relationship Status	For the Three Months Ended March 31,			
		2024 (Reviewed)		2023 (Reviewed)	
		Purchases	Sales	Purchases	Sales
		JD	JD	JD	JD
Unipal General Trading Company	Sister Company	-	2,291,832	-	2,704,811
National Aluminum and Profile Company	Sister Company	-	742	755	-
SKY Advertising, Publication, and Promotion Company	Sister Company	57,592	-	91,965	-
Arab Palestinian Investment Company	Holding	74,445	-	40,200	-
Arab Financial Leasing Company	Sister Company	16,952	-	18,015	-

- b. The salaries of executive management amounted to JD 457,638 for the three-months ended March 31, 2024 (JD 435,846 as of March 31, 2023).

16. Non-controlling interests

This item represents the non-controlling interests of net assets of Trakia Meat and Dairy Products Company (Subsidiary Company) amounted to 16.2%. (16.2% as of 31 December 2023).

17. Geographical Distribution Analysis

The following is information on the Company's activities inside and outside the Kingdom:

	Inside the Kingdom			Total	
				For the three-months	
				Ended March 31,	
	Inside the Kingdom	Aqaba Branch	Outside the Kingdom	2024	2023
	Excluding Aqaba			(Reviewed not Audited)	(Reviewed not Audited)
	JD	JD	JD	JD	JD
Net sales	9,523,900	359,008	29,649,106	39,532,014	36,662,358
Cost of sales	(6,503,885)	(250,868)	(22,581,230)	(29,335,983)	(26,237,804)
Gross Profit	3,020,015	108,140	7,067,876	10,196,031	10,424,554
Selling and distribution expenses				(4,323,415)	(3,997,718)
General and administrative expenses				(2,950,740)	(3,027,700)
Provision for end of service indemnity				(113,832)	(410,204)
Provision for expected credit losses				(77,443)	(51,827)
Provision for slow-moving inventory				52,305	(28,722)
Released from (Provision) for lawsuits and other commitments				(128,581)	-
Income from operations				2,654,805	2,908,383
Financing expenses				(2,013,154)	(1,372,551)
Other (expenses) revenue – net				(93,861)	159,144
Profit for the Period before Income Tax and Monetary Gain Arising from Hyperinflation				547,790	1,694,976
Income tax expenses for the period				(411,651)	(156,499)
Net Monetary (loss) gain from hyperinflation				(57,559)	228,806
Profit for the Period				78,580	1,767,283

18. Fair Value Hierarchy

We believe that the carrying amount of financial assets and liabilities shown in the condensed consolidated interim financial information of the group approximate their fair value, due to the fact that its balances are due on short-term basis or the interest rates will be repriced during the year.

19. Subsequent events

- The General Assembly approved in their ordinary meeting held on April 28, 2024 to distribute cash dividends by 15% of the Company's paid in capital which is equivalent to JD 4.2 million.
- On April 28, 2024, the General Assembly approved the distribution of free shares to shareholders, totaling 2,147,059 shares with a nominal value of JD 1 per share, each according to their proportionate share of the capital. This distribution was made through capitalization of a portion of the retained earnings as of December 31, 2023.