

**AL Tajamouat for Touristic Projects Company
Public Shareholding Company
Amman-The Hashemite Kingdom of Jordan**

**Consolidated Interim Condensed Financial Statements
and Review Report
for the six months ended June 30, 2023**

AL Tajamouat For Touristic Projects Company
Public Shareholding Company
Amman-The Hashemite Kingdom of Jordan

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Report on Review of Consolidated Interim Condensed Financial Information

To the Shareholders

AL Tajamouat for Touristic Projects Company
Public Shareholding Company
Amman-The Hashemite Kingdom of Jordan

We have reviewed the consolidated interim condensed statement of financial position of AL Tajamouat for Touristic Projects Company and its subsidiaries (Public Shareholding Company), as at June 30, 2023, and the related consolidated interim condensed statements of comprehensive income, changes in equity and cash flows for the six months period then ended. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standard no. (34) "Interim Financial Reporting". Our responsibility is to express a conclusion about this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagement no. (2410) "Review of interim financial information performed by the independent auditor of the entity". A review of consolidated interim condensed 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.

Other Matter

The opening balances were audited by another certified public accountant who expressed a unqualified opinion on March 29, 2023.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim condensed financial information is not prepared, in all material respects, in accordance with International Financial Reporting Standard no. (34) "Interim Financial Reporting".



Talal Abu-Ghazaleh & Co. International

Aziz Abdelkader
(License # 867)



MEMBER OF THE

FORUM OF FIRMS

Amman July 26, 2023



AL Tajamouat for Touristic Projects Company
Public Shareholding Company
Amman-The Hashemite Kingdom of Jordan

Consolidated interim condensed statement of financial position as at June 30, 2023
- (review and unaudited)

		June 30, 2023	December 31, 2022
	Note	(reviewed and unaudited)	(audited)
ASSETS		JD	JD
Non-current Assets			
Investment properties	4	114,179,735	115,779,588
Property and equipment		21,827	11,178
Cheques under collection		734,294	176,410
Total Non-current Assets		114,935,856	115,967,176
Current Assets			
Assets held for sale	5	135,966	135,966
Trade receivables	6	4,885,123	4,101,256
Other debit balances		1,336,552	961,651
Cash and cash equivalents		5,673,707	5,584,220
Total Current Assets		12,031,348	10,783,093
Total Assets		126,967,204	126,750,269

The accompanying notes constitute an integral part of these financial statements

AL Tajamouat for Touristic Projects Company
Public Shareholding Company
Amman-The Hashemite Kingdom of Jordan

Consolidated statement of financial position as at June 30, 2023 - (review and unaudited)

		June 30, 2023	December 31, 2022
	Note	(reviewed and unaudited)	(audited)
		JD	JD
EQUITY AND LIABILITIES			
Equity			
Capital	7	93,000,000	93,000,000
Statutory reserve		2,308,411	2,308,411
Retained earnings		12,532,941	11,130,629
Total equity		107,841,352	106,439,040
Liabilities			
Non- current liabilities			
Syndicated loan - long term portion	8	11,687,046	14,597,546
Unearned revenue - long term portion		69,233	251,095
Tenants' refundable deposits		765,193	751,618
Total Non- Current Liabilities		12,521,472	15,600,259
Current Liabilities			
Trade payables		362,415	559,617
Other credit balances		680,833	539,959
Unearned revenue		5,558,872	3,609,134
Related parties payables		2,260	2,260
Total Current Liabilities		6,604,380	4,710,970
Total Liabilities		19,125,852	20,311,229
TOTAL EQUITY AND LIABILITIES		126,967,204	126,750,269

The accompanying notes constitute an integral part of these financial statements

AL Tajamouat for Touristic Projects Company
Public Shareholding Company
Amman-The Hashemite Kingdom of Jordan

**Consolidated interim condensed statement of comprehensive income for the six months ended
June 30, 2023 - (review and unaudited)**

	For the six month ended June 30		For the three month ended June 30	
	2023	2022	2023	2022
	JD	JD	JD	JD
Rental revenues	6,171,467	5,394,222	3,068,139	2,658,092
Cost of rental revenues	(2,138,582)	(1,662,028)	(1,153,287)	(839,731)
Depreciation of investment properties	(1,613,773)	(1,610,365)	(806,454)	(806,241)
Gross profit	2,419,112	2,121,829	1,108,398	1,012,120
Other revenues	113,474	84,689	61,083	31,928
Recovery of allowance for expected credit losses	132,237	124,320	132,237	124,320
Administrative expenses	(357,393)	(322,458)	(181,976)	(163,353)
Expected credit losses	(166,667)	(170,602)	(66,667)	(49,772)
Finance cost	(605,421)	(673,893)	(276,311)	(318,325)
Profit before tax and national contribution	1,535,342	1,163,885	776,764	636,918
Income tax	(113,251)	(41,436)	(62,106)	(17,817)
National contribution	(19,779)	(7,838)	(9,433)	(3,525)
Comprehensive income	1,402,312	1,114,611	705,225	615,576
Weighted average number of shares during the period	93,000,000	93,000,000		
Profit per share	JD -/015	JD -/012		

The accompanying notes constitute an integral part of these financial statements

AL Tajamouat for Touristic Projects Company
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Amman-The Hashemite Kingdom of Jordan

Consolidated interim condensed statement of changes in equity for the six months ended June 30, 2023 - (review and unaudited)

	Capital	Statutory reserve	Retained earnings	Total equity
For the six month ended June 30, 2023	JD	JD	JD	JD
Balance as at January 1, 2023	93,000,000	2,308,411	11,130,629	106,439,040
Comprehensive income	-	-	1,402,312	1,402,312
Balance as at June 30, 2023	93,000,000	2,308,411	12,532,941	107,841,352
For the six month ended June 30, 2022				
Balance as at January 1, 2022	93,000,000	2,071,137	9,160,129	104,231,266
Comprehensive income	-	-	1,114,611	1,114,611
Balance as at June 30, 2022	93,000,000	2,071,137	10,274,740	105,345,877

The accompanying notes constitute an integral part of these financial statements

AL Tajamouat for Touristic Projects Company
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Consolidated statement of cash flows for the six months ended June 30, 2023 - (review and unaudited)

	June 30 2023	June 30 2022
	JD	JD
Cash Flow From Operating Activities		
Profit before tax and national contribution	1,535,342	1,163,885
Adjustments for:		
Depreciation of property and equipment	3,967	4,432
Depreciation of investment properties	1,613,773	1,610,365
Interest income	(108,942)	(59,630)
Finance costs	605,421	673,893
Expected credit losses	166,667	170,602
Recovery of allowance for expected credit losses	(132,237)	(124,320)
Change in operating assets and liabilities:		
Checks under collection	(557,884)	(673,328)
Trade receivables	(818,297)	(860,717)
Other debit balances	(374,901)	(284,424)
Unearned revenue	1,767,876	1,971,494
Trade payables	(197,202)	60,245
Other credit balances	73,506	(284,726)
	<u>3,577,089</u>	<u>3,367,771</u>
Income tax paid	(47,302)	(112,820)
National contribution paid	(10,940)	(23,506)
Net cash flows from operating activities	<u>3,518,847</u>	<u>3,231,445</u>
Cash Flows From Investing Activities		
Interest received	108,942	59,630
Purchase of property and equipment	(14,616)	(1,680)
Purchase of investment properties	(13,920)	(37,662)
Tenants' refundable deposits	13,575	(38,697)
Net cash Flows from investing activities	<u>93,981</u>	<u>(18,409)</u>
Cash Flow From Financing Activities		
Finance cost paid	(612,841)	(683,455)
Syndicated loan	(2,910,500)	(2,910,500)
Net cash flows from financing activities	<u>(3,523,341)</u>	<u>(3,593,955)</u>
Net change in cash and cash equivalents	89,487	(380,919)
Cash and cash equivalents - beginning of period	5,584,220	4,763,576
Cash and cash equivalents - end of period	<u>5,673,707</u>	<u>4,382,657</u>

The accompanying notes constitute an integral part of these financial statements

AL Tajamouat for Touristic Projects Company
Public Shareholding Company
Amman-The Hashemite Kingdom of Jordan

Note to consolidated interim condensed financial statements for the six months ended June 30, 2023

1. Legal status and activity

- Legal status and activity for parent company and subsidiary as follows:

Company name	Legal status	Registration date at the		Main activities
		Ministry of Industry and Trade	Rigester No.	
AL Tajamouat For Touristic Projects Company	Public shareholding company	June 6, 1983	183	Owning and operating "TAJ Lifestyle Center" in Abdoun area in Amman - Jordan.
Al Taj Al Thahabi for Alternative Power Resources Projects*hinery	Limited liability company	February 25, 2019	53789	Invest in renewable energy projects, distribute, purchase, sell electricity mainly for the Group's own use.

- The consolidated interim condensed financial statements have been approved by board of directors in its session held on July 25, 2023.

2. Significant accounting policies

- The consolidated interim condensed financial information for the Company were prepared according to International Accounting Standard (34) "Interim Financial Reporting".
- Accounting policies used in preparing the consolidated interim condensed financial statement are consistent with those policies used in preparing the financial statements for the year ended December 31, 2022.

3. Subsidiary

The consolidated interim condensed financial statement includes the financial statement of the subsidiary as of June 30, 2023 as follows:

Company name	Legal entity	Ownership		Total assets	Total liabilities	Losses period	Retained earnings
		Paid in capital	percentage				
		JD	%	JD	JD	JD	JD
Al Taj Al Thahabi for Alternative Power Resources Projects*hinery	LLC	2,500	100	2,500	1,773	-	(1,773)

Note to consolidated interim condensed financial statements for the six months ended June 30, 2023

4. Investment properties

	June 30, 2023	Lands	Construction works	Electro-mechanica	Outdoor works	Furniture and fixtures	Total
		JD	JD	JD		JD	JD
Cost							
Balance - beginning of period		31,703,645	80,506,685	36,152,035	2,239,014	709,801	151,311,180
Additions		-	-	13,920	-	-	13,920
Balance - end of period		31,703,645	80,506,685	36,165,955	2,239,014	709,801	151,325,100
Accumulated depreciation							
Balance - beginning of period		-	17,458,261	15,782,737	1,631,942	658,652	35,531,592
Depreciation		-	805,066	721,805	78,364	8,538	1,613,773
Balance - end of period		-	18,263,327	16,504,542	1,710,306	667,190	37,145,365
Net		31,703,645	62,243,358	19,661,413	528,708	42,611	114,179,735
December 31, 2022							
Cost							
Balance - beginning of year		31,703,645	80,506,685	36,135,155	2,239,014	672,134	151,256,633
Additions		-	-	16,880	-	37,667	54,547
Balance - end of year		31,703,645	80,506,685	36,152,035	2,239,014	709,801	151,311,180
Accumulated depreciation							
Balance - beginning of year		-	15,848,130	14,343,109	1,475,213	641,257	32,307,709
Depreciation		-	1,610,131	1,439,628	156,729	17,395	3,223,883
Balance - end of year		-	17,458,261	15,782,737	1,631,942	658,652	35,531,592
Net		31,703,645	63,048,424	20,369,298	607,072	51,149	115,779,588

- Investment property has been evaluated by real estate appraiser for an amount of JD 122,551,390 dated March 19, 2023.

5. Assets held for sale

On 4 August 2020, the Group has acquired a plot of land, no. (110) parcel no. (30) located in Al-Salt, Jordan in accordance with the settlement agreement with one of the tenants, the Group obtained a valuation for the land from an independent real estate expert and has recorded it for its fair value amounted to JD 135,966, the Board of Directors approved the settlement agreement on 16 February 2020.

6. Trade receivables

	June 30, 2023 (reviewed and unaudited)	December 31, 2022 (audited)
	JD	JD
Trade receivables	5,398,278	4,006,022
Checks under collection	4,382,449	5,029,375
Less: Allowance for expected credit losses	(4,895,604)	(4,934,141)
Net	<u>4,885,123</u>	<u>4,101,256</u>

(*) The following is the movement of allowance for expected credit losses during the period / year.

	June 31, 2023 (Review and unaudited)	December 31, 2022 (Audited)
	JD	JD
Balance - beginning of period / year	4,934,141	5,821,156
Additions during the period / year	166,667	360,593
Written off during the period / year	(72,967)	(1,097,523)
Recovery of expected credit losses allowance	(132,237)	(150,085)
Balance - end of period / year	<u>4,895,604</u>	<u>4,934,141</u>

7. Capital

The authorized and paid-in capital was JD 100,000,000, divided into 100,000,000 shares at a par value of JD 1 each. On 26 August 2019, the General Assembly, in its extra-ordinary meeting, has approved the reduction of the authorized and paid in capital by JD 7,000,000 against the share discount, to become 93,000,000 shares at a par value of one Jordanian Dinar each. The capital reduction procedures were finalized with the Ministry of Trading, Industry and Supply and Amman Stock Exchange on 4 March 2020.

8. Syndicated loan

- On 18 January 2010, the Group signed a JD 40,000,000 syndicated loan agreement managed by The Housing Bank for Trade and Finance. During September 2011, the Group raised an additional financing of JD 20,000,000 to reach JD 60,000,000 in total.
- The mall (Taj Life Style) and landsite of the mall, which is located in Abdoun, were pledged as collaterals against this loan.
- The Group rescheduled the loan several times, the last of which was on 19 December 2019, where the date of the last payment was rescheduled to be November 2029, while the method of calculating interest remained the same where it is calculated using the weighted average prime lending rate of all lenders minus an annual margin of 1.97%. This percentage has been changed to be 2.72% from November 3 to December 31, 2022.
- The quarterly installments amounted to JD 582,100, in addition to the interest are settled in February, May, August and November of each year.
- During the year 2021, the group paid all due installments in addition to the two installments due in February and May of the year 2022 with a value of JD 1,164,200.
- During the year 2023, the Group made ten payments amounted to 5,821,000 dinars as follows:
 - During the first quarter of 2022, the Group paid installments due in August 2022 amounting to 582,100 JD.
 - During the second quarter of 2022, the Group paid the installment due in November 2023 amounting to JD 582,100, in addition to paying the installments due in February, May and August of the year 2023, totaling JD 1,746,300.
 - During the third quarter of 2022, the Group paid the installment due in November 2023 amounting to JD 582,100, in addition to paying the installments due in February and May of the year 2024, totaling JD 1,164,200.
 - During the fourth quarter of 2022, the Group paid the installments due in August and November of the year 2024, amounting JD 1,164,200.
- During the first quarter of 2023, the Group paid the installments due in year 2025 amounting to JD 2,328,400 , in addition to paying the installment due in February of the year 2026 during second quarter of the year 2023 totaling JD 582,100, and the next installment of the loan is due on May 3, 2026.