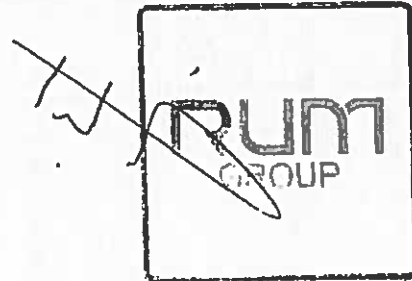


<p>To: Jordan Securities Commission Amman Stock Exchange Date:-9/8/2020 No:258/35/1/4/Rum/MA5 Subject: Quarterly Report as of <u>2020/3/31</u></p>	<p>السادة هيئة الأوراق المالية السادة بورصة عمان التاريخ:-2020/8/9 الرقم :- 258/35/1/4/رم/MA5 الموضوع: التقرير ربع السنوي كما هي في 2020/3/31</p>
<p>Attached the Quarterly Report of Rum Group For Transportation & Tourism Investment as Of 31/3/2020</p>	<p>مرفق طيه نسخة من البيانات المالية ربع السنوية لشركة شركة مجموعة رم للنقل والاستثمار السياحي كما هي بتاريخ 2020/3/31</p>
<p>Kindly accept our high appreciation and respect Rum Group For Transportation & Tourism Investment Shareholders Dep. Supervisor Ahmad khalil</p>	<p>وتفضلوا بقبول فائق الاحترام،،، اسم شركة مجموعة رم للنقل والاستثمار السياحي مسؤول قسم المساهمين احمد خليل</p>

بورصة عمان
الداشرة الإدارية والمالية
الديسوان
٢٠٢٠ آب ٩
الرقم المتسلسل: ٢٠٦٦
رقم الملف: ٢١٢٦٥
الرجوع الى الملف الإداري



Rum Group for Transportation and
Tourism Investment Co.

Limited Public Shareholding Co.
Amman – The Hashemite Kingdom of Jordan

Interim Consolidated Financial Statements
&Independent Auditor's Report as at March 31, 2020

Rum Group for Transportation and Tourism Investment Co.
Limited Public Shareholding Co.
Amman – The Hashemite Kingdom of Jordan

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Report on Review of Interim Consolidated Financial Statements

Rum Group for Transportation and Tourism Investment Co.
Limited Public Shareholding Company
Amman – Jordan

Introduction

We have reviewed the accompanying interim consolidated financial statements of **Rum Group for Transportation and Tourism Investment Co. PLC**, comprising the interim consolidated statement of financial position as at 31, March 2020, and the interim consolidated statement of comprehensive income, interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the period then ended. Management is responsible of the preparation and presentation of this interim consolidated financial information in accordance with international financial reporting standard (IAS 34) Interim Financial Reporting. Our responsibility is to express a conclusion on these interim consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the international standard on review engagements (2410) Review of Interim Financial Information Performed by the Independent Auditor of the Entity. a review of 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.

Emphasis clause on the effect of COVID-19 epidemic COVID-19

- A reference to note No. (18) in the financial statements (after the outbreak of the COVID-19 virus) The outbreak of the COVID-19 around the world has had a severe impact on the global economy, and it is expected that it will have a significant impact on the local economy as well due to the various measures taken to contain the spread of the virus, including travel bans, quarantine and social distance, and the closure of non-essential services and social services, and this has caused major hindrance to businesses around the world resulting in an economic slowdown. These conditions may compel the company to suspend or limit operations for long periods of time or unlimited time.

- The management has determined that these events are one of the subsequent events that are not required to amend the financial statements. Accordingly, the financial statements for the year ended December 31, 2019 were not modified to reflect the effect of the virus outbreak.

- Also, the impact of these conditions cannot be estimated reliably on the financial position and results of the company for future periods, and accordingly the management of the company decided to present financial statements according to the continuity principle.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with international financial reporting standard (IAS 34) Interim Financial Reporting.

Explanatory Note

The financial year ends on the 31st of December and the interim consolidated financial statements were conducted to meet the demands of the Jordan Securities Commission and the Management of the Company.

The Scientific Office for Auditing,
Accounting and Consulting
Jamal M. Falah
License No. "285"

05 August 2020
Amman - Jordan

mgj Scientific Office
for Auditing, Accounting
& Consulting
Public Accountants

Rum Group for Transportation and Tourism Investment Co
Limited Public Shareholding Co
Amman – The Hashemite Kingdom of Jordan
The Interim Consolidated Statement of Financial Position as at 31 March 2020

Assets	Notes	31-Mar-2020 JD	31-Dec-2019 JD
<u>Non-Current Assets</u>			
Net value of properties and equipment	2	6,446,995	6,607,536
Investment in associate Companies	3	3,387,169	3,387,169
Financial assets at fair value through other comprehensive income	4	12,461,918	13,265,617
Accounts receivable in associate companies	5	353,992	382,727
Total Non-Current Assets		22,650,074	23,643,049
<u>Current Assets</u>			
Cash on hand and at banks	6	90,286	443,676
Financial assets at fair value through income statement	7	6,894,807	6,857,146
Net account receivables	8	190,480	324,447
Other current assets	9	328,776	275,629
Total Current Assets		7,504,349	7,900,898
Total Assets		30,154,423	31,543,947
<u>Shareholders' Equity and Liabilities</u>			
<u>Shareholders' Equity</u>			
Capital		21,000,000	21,000,000
Share discount / ordinary		(1,750,000)	(1,750,000)
Compulsory reserve		556,132	556,132
Fair value reserve		2,870,509	3,674,827
Retained losses		(1,460,510)	(926,382)
Net Shareholders' Equity of the Parent Company		21,216,131	22,554,577
Non controlling shares		4,435	4,879
Net Shareholders' Equity	10	21,220,566	22,559,456
<u>Long Term Liabilities</u>			
Long term loans	11	3,428,823	3,302,828
Long term deferred checks		169,595	487,288
Total Long Term Liabilities		3,598,418	3,790,116
<u>Current Liabilities</u>			
Credit banks		530,478	505,722
Current portion of long-term loans	11	1,001,348	1,178,446
Accounts payable	12	2,360,456	2,133,023
Current portion of long-term checks		385,436	217,500
Associate and related companies acc.	13	568,221	645,084
Other current liabilities	14	489,500	514,600
Total Current Liabilities		5,335,439	5,194,375
Total Liabilities		8,933,857	8,984,491
Total Liabilities and Shareholders' Equity		30,154,423	31,543,947

The accompanying notes are an integral part of this statement .

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Rum Group for Transportation and Tourism Investment Co

Limited Public Shareholding Co

Amman – The Hashemite Kingdom of Jordan

The Interim Consolidated Statement of Comprehensive Income for the Period Ended at 31 March 2020

	<u>Note</u>	<u>31-Mar-2020</u> <u>JD</u>	<u>31-Mar-2019</u> <u>JD</u>
Revenues	15	412,804	746,937
Cost of revenues	16	(283,124)	(436,022)
Gross Operating Profit		129,680	310,915
Administrative and general expenses	17	(133,079)	(156,775)
Depreciation of property and equipment		(175,044)	(141,805)
Financing expenses		(54,473)	(62,092)
Other revenues		8,619	1,542
Realized gain of investments at fair value		10,757	(606)
Unrealized loss of investments at fair value		(288,492)	(83,854)
provision of impairment of accounts receivable		(32,540)	(53,282)
Losses of the Period Before Tax		(534,572)	(185,957)
Income tax		-	-
Losses of the Period After Tax distributed as follows :		(534,572)	(185,957)
Shareholders of the parent company		(534,128)	(185,154)
Non controlling shares		(444)	(803)
Total		(534,572)	(185,957)
<u>Comprehensive Income</u>			
fair value reserve for financial assets at fair value through other comprehensive income		(804,318)	148,786
Total Comprehensive Income for the Period		(1,338,890)	(37,171)
<u>Distributed as follows :</u>			
stakeholders' share of the parent company		(1,338,446)	(36,368)
Non controlling interest		(444)	(803)
Total Comprehensive Income for the Period		(1,338,890)	(37,171)
		<u>JD / Fils</u>	<u>JD / Fils</u>
Basic and diluted earnings per share		(0.025)	(0.009)
Weighted Average of Number of Shares		21,000,000	21,000,000

The accompanying notes are an integral part of this statement

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**Rum Group for Transportation and Tourism Investment Co
Limited Public Shareholding Co**

Amman – The Hashemite Kingdom of Jordan

The Interim Consolidated Statement of the Changes in Shareholders' Equity for the Period Ended at 31 March 2020

	Capital	Share Discount / Ordinary	Compulsory reserve	Fair Value Reserve	Retained Losses	Non controlling Interest	Net
	JD	JD	JD	JD	JD	JD	JD
Balance at 31/12/2019	21,000,000	(1,750,000)	556,132	3,674,827	(926,382)	4,879	22,559,456
Profit of the period	-	-	-	-	(534,572)	-	(534,572)
Transferred to the non controlling interest	-	-	-	-	444	(444)	-
Fair value adjustment	-	-	-	(804,318)	-	-	(804,318)
Balance at 31/03/2020	21,000,000	(1,750,000)	556,132	2,870,509	(1,460,510)	4,435	21,220,566
Balance at 31/12/2018	21,000,000	(1,750,000)	513,756	3,818,199	(1,080,128)	6,628	22,508,455
Loss of the period	-	-	-	-	(185,957)	-	(185,957)
Transferred to the non controlling interest	-	-	-	-	803	(803)	-
Fair value reserve	-	-	-	148,786	-	-	148,786
Previous years Expenses	-	-	-	-	(163,358)	-	(163,358)
Balance at 31/03/2019	21,000,000	(1,750,000)	513,756	3,966,985	(1,428,640)	5,825	22,307,926

- The retained losses for the losses until the 31th of March 2020 include unrealized profit with the amount of "288,483" JD.

The accompanying notes are an integral part of this statement

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Rum Group for Transportation and Tourism Investment Co
Limited Public Shareholding Co

Amman – The Hashemite Kingdom of Jordan

The Interim Consolidated Statement of Cash Flows for the Period Ended at 31 March 2020

	<u>31-Mar-2020</u>	<u>31-Mar-2019</u>
	<u>JD</u>	<u>JD</u>
<u>Cash Flows from Operating activities</u>		
Losses of the Period Before Tax	(480,099)	(123,865)
Previous years Expenses	-	(163,358)
<u>Non-Cash Items</u>		
Depreciation of property and equipment	175,044	141,805
Unrealized gain of investment at fair value	288,492	83,854
Provision of impairment of accounts revievable	32,540	53,282
Profit from Operational Activities	<u>15,977</u>	<u>(8,282)</u>
<u>Changes in the Working Capital</u>		
Accounts receivable	101,427	(93,211)
Financial assets at fair value through income statement	(326,153)	(623,718)
Accounts Receivables in Associate Companies	28,735	(113,053)
Other current assets	(53,147)	(139,886)
Accounts Payable	150,570	(328,256)
Other current liabilities	(25,100)	141,122
Net Cash from Operating Activities	<u>(107,691)</u>	<u>(1,165,284)</u>
<u>Cash Flows from Investing Activities</u>		
Financial assets at fair value through other comprehensive income	(619)	792,941
Property and equipment	(14,503)	(171,713)
Net Cash from Investing Activities	<u>(15,122)</u>	<u>621,228</u>
<u>Cash Flows from Financing Activities</u>		
Long & short term loans	(51,103)	175,414
Credit Banks and Deferred Checks	(125,001)	415,143
Financing expenses paid	(54,473)	(62,092)
Net Cash from Financing Activities	<u>(230,577)</u>	<u>528,465</u>
Cash Flows from Operations	<u>(353,390)</u>	<u>(15,591)</u>
Opening cash balance	443,676	59,156
Balance at End of Period	<u><u>90,286</u></u>	<u><u>43,565</u></u>

The accompanying notes are an integral component of the final financial statement

Rum Group for Transportation and Tourism Investment Co.
Limited Public Shareholding Co.
Amman – The Hashemite Kingdom of Jordan
Accounting Policies

Basis of preparation

- The interim consolidated financial statements have been prepared in accordance with the Historical Cost Principle, except for the financial assets at fair value through the other comprehensive income, and the financial assets at fair value through the income statement, which appear at fair value on the date of the consolidated financial statements.
- The interim consolidated financial statements have been prepared in accordance to the International Financial Reporting Standard No. (34) .
- The financial statements are presented in Jordanian Dinar, which is the functional currency of the Company.
- The accounting policies for the current period are similar with the accounting policies of the previous period.
- The results of this interim do not necessarily represent the expected result for the whole financial year.

The Basis for Consolidation of the Financial Statements

The interim consolidated financial statements include assets and liabilities and the results of operation of Rum Group for Transport and Tourism Investment Company, and Rum International Hotels (Al-Walced Hotel) owned by the parent company by 98% and Rum Jordan for bus maintenance owned by the parent company by 90% and 10% by Rum International hotels (Al-Walced Hotel).

- The non-controlling shares of the subsidiaries of the company will be recorded, even if that leads to deficiency in the balance of the "non-controlling shares".
- The financial statements for the subsidiaries are consolidated from the moment control takes place and until it ends.
- The consolidated financial statements for the company and its subsidiaries are prepared according to the same accounting policies for the same financial period.
- Transactions, balances, expenses, revenues, earnings and unrealized losses are excluded from the deals of the company and its subsidiaries.

Use of Estimates

Preparing financial statements and applying accounting policies require the Management of the Company to make some estimates and suppositions that may affect the financial statements and the accompanying notes. Such estimates are based on assumptions of different accuracy and certainty. Therefore, actual results in the future may differ from the Management's estimates due to the variations of conditions and circumstances of these assumptions.

Below are the most important estimates applied in the preparation of the financial statements:

- Management periodically reevaluates the useful life of tangible assets for the purpose of calculating the annual depreciation based on the general condition of those assets and estimated useful life in the future. The impairment loss (if any) is taken in the income statement.
- Management periodically reviews financial assets that are presented at cost to estimate any impairment in value and are stated in the consolidated statement of income.
- The Management of the Company estimates the value of the provision for bad debts taking into consideration the possibility of collecting such liabilities.
- The Management of the Company estimates the value of the allocation of slow moving goods in accordance to its shelf life in storage.

Rum Group for Transportation and Tourism Investment Co.
Limited Public Shareholding Co.
Amman – The Hashemite Kingdom of Jordan
Accounting Policies

Cash on Hand and at Banks

Are represented by cash on hand and at banks and they do not involve risks of change in their value.

Checks Under Collection

Checks under collection appear at fair value when collected.

Receivables

Receivables are presented with the original invoice after deducting the provision for bad debts, debts are written off when there is subjective evidence on the possibility of not collecting liabilities. Bad debts are written-off when there is no possibility of collection.

Warehouse for Spare Parts

Items at spare parts inventory are stated at the lower of cost and net realizable value, and the cost is estimated using first-in, first-out method. The carrying amount of inventory is recognized as an expense of inventory impairment is stated in the income statement.

Financial Assets at Fair Value Through Other Comprehensive Income: -

Financial assets are recorded at fair value through statement of comprehensive income when buying at fair value in addition to acquisition expenses and revalued subsequently at fair value; the change is shown at fair value in the statement of comprehensive income and in equity, including the change in fair value that results from exchange differences in non-cash items in foreign currencies. In the case of selling these assets or part of them thereof the results of profits or losses are recorded in the statement of comprehensive income and in equity. And the evaluated sold asset reserve balance is transferred directly to the retained earnings and not through the income statement.

These assets are not subject to the impairment test. And profit is recognized in the statement of income.

Rum Group for Transportation and Tourism Investment Co.
Limited Public Shareholding Co.
Amman – The Hashemite Kingdom of Jordan
Accounting Policies

Financial Assets at Fair Value through the Income Statements

- Investments of shares reserved for the company for trading purposes, and to gain earnings from short-term market fluctuations.
- Assets are recorded when buying at cost, and reevaluated later at fair value; the change in fair value is stated in the income statement. In the case of selling these assets or part of them, the results of profits or losses are recorded in the statement of comprehensive income

Fair Value: -

Closing prices in active markets represent the fair value of financial assets. In the absence of quoted prices or lack of active trading for certain financial assets, their fair value will be estimated by comparing them to the fair value of a similar financial instrument or by calculating the present value of future cash flows. If the fair value of the financial asset cannot be reliably measured, it will be presented at cost after deducting any impairment in value.

Setoff

Financial assets and financial liabilities are set-off and the net amount is reflected in the financial statements upon the availability of legally binding rights, and when they are settled on the setoff basis or when assets realization and liabilities settlements take place at the same time.

Loans and Crediting Banks

Loans and crediting banks appear in the balance of utilized amounts and loans interests and crediting banks are allocated to the account of income in the period of allocating these interests.

Property & Equipment

Property and equipment appear at cost after decreasing the accumulated depreciation, and the depreciated assets (except lands) when they are ready for use on the basis of the straight line method over the expected life span as per the following proportions:

Buildings	4 %
Vehicles	15 %
Furniture & office equipment	2-20 %
Equipment	15-25 %

Investment in Associates

Investment in associates is presented by the equity method. These investments are controlled by the company and the company has an efficient role on its financial and operational policies. According to the equity method, these investments are shown at cost and the changes in the net assets of the associated company are added to it. The results of the associated company are shown in the comprehensive income statement; any changes in the equity of the associated company will be shown under the equity of the company. And, the losses that are more than the shares of the company in associates' capital will not be confirmed except for its share in the associates' obligations.

Rum group for transportation and tourism investment CO.
Limited public shareholding Co.
Amman – The Hashemite Kingdom of Jordan
Accounting Policies

Other Accounts Payable: -

Liabilities are recognized for amounts to be paid in the future for received goods or services whether or not they were claimed by the supplier.

Provisions

Provisions are recognized when the Company has an obligation (legal or expected) as a result of past event, and the payment of the liability is probable and can be reliably measured.

Non-Controlling Shares

The rights belonging to the subsidiary company, and do not fall within the scope of the parent company either directly or indirectly, and is outlined separately from the equity of the parent company under the consolidated statement of financial position. The comprehensive income should be accredited to the stakeholders of the parent company and to the non-controlling shares, even if they demonstrate a negative balance for the non-controlling shares.

Revenue Recognition

Revenue is recognized upon the provision of service and issuing a customer invoice. Revenue of interest is recognized on a time basis and represents the actual revenue for assets.

Financing Expenses

Interests payable for facilities granted for the company are included in the income statement during their due period.

Foreign Currencies

Transactions made in foreign currencies are registered at the current exchange rates on the date of conducting such transactions. Financial liabilities and assets balance are transferred to foreign currency by using current exchange rates on the date of financial statements by the Central Bank of Jordan. Profits and losses arising from balances exchange to foreign currency are registered in foreign currencies in the income statement.

Income Tax

Income tax is calculated on the basis of taxable profits. Taxable profits differ from the reported profits in the financial statements because the declared profits include non-taxable income or non-deductible expenses in the fiscal year but sometimes in subsequent years. Also, accumulative losses that are taxable or non-taxable or acceptable for deduction for tax purposes.

Rum Group for Transportation and Tourism Investment Co
Limited Public Shareholding Co
Amman – The Hashemite Kingdom of Jordan
Notes to the Interim Consolidated Financial Statements for the Period March 2020

1- General

Rum Group For Transport & Tourism Investment "Public Limited Shareholding Company" P.L.C. was established as a limited liability company under the name (Rum for Specialized Tourism Transport) on 20/02/2000 with a capital of 10 million JD. On 29/05/2006 it was converted into a Public Shareholding Company, with capital became 21 million JD/share and registered in the register of Public Shareholding Companies under the No. (408) according to the Companies Law no. (22) for 1997 and its amendments.

The interim consolidated financial statements have been approved by the Board of Directors at its meeting on 05/08/2020.

2- Property & Equipment

<u>Cost</u>	<u>Lands and Buildings</u>	<u>Vehicles</u>	<u>Furniture and Office Equipment</u>	<u>Machines & Equipment</u>	<u>Total</u>
Balance at 31/12/2019	3,697,218	4,327,453	522,423	404,286	8,951,380
Additions during the year	7,475	-	2,755	4,273	14,503
Balance at 31/03/2020	3,704,693	4,327,453	525,178	408,559	8,965,883
<u>Accumulated Depreciation</u>					
Balance at 31/12/2019	415,110	1,331,133	401,925	195,676	2,343,844
Additions during the year	14,570	148,841	8,079	3,554	175,044
Balance at 31/03/2020	429,680	1,479,974	410,004	199,230	2,518,888
Net Book Value at 31/03/2020	3,275,013	2,847,479	115,174	209,329	6,446,995
Net Book Value at 31/12/2019	3,282,108	2,996,320	120,498	208,610	6,607,536

- Lands and buildings include the land on which Al-Waleed Hotel is built on and the land used by Rum for Transportation Company in Al-Yadoudeh, where the fair value of the land and the building is estimated to be 4,450,000 JD, and the book value is 3,275,013 JD.
- There are lands and buses mortgaged in favor of banks as granted loans.
- The company used the straight-line method for property and equipment depreciation, according to the expected useful life of these properties and equipments with a percentage of (2 % -25 %).

Rum Group for Transportation and Tourism Investment Co
Limited Public Shareholding Co
Amman – The Hashemite Kingdom of Jordan
Notes to the Interim Consolidated Financial Statements for the Period March 2020

3- Investment in Associates

- Investment in Associates with a percentage that is not less than 20% and not more than 50% from the amount of voting rights of the company.

<u>Description</u>	<u>Percentage of Ownership</u>	<u>31-Mar-2020</u>	<u>31-Dec-2019</u>
		<u>JD</u>	<u>JD</u>
Rum for Aviation Investment.	40%	3,386,669	3,386,669
Rum Academy For Tourism And Aviation Training.	50%	500	500
Total		3,387,169	3,387,169

- Below summarizes the transactions of the company over investment in associates:

<u>Description</u>	<u>Cost at the Beginning of the Period</u>	<u>Share of Business Results</u>	<u>Cost at the End of the Period</u>
	<u>JD</u>	<u>JD</u>	<u>JD</u>
Rum for Aviation Investment.	3,386,669	-	3,386,669
Rum Academy For Tourism And Aviation Training.	500	-	500
Total	3,387,169	-	3,387,169

- The table below summarizes some information relating to associates:

<u>Name of the Company</u>	<u>Registered Capital JD/share</u>	<u>Share of Rum Group</u>	<u>Legal Status</u>	<u>Date of Establishment</u>	<u>Objectives</u>
Rum for Aviation Investment	14,000,000	5,660,000	Private shareholding	23/05/2010	Aviation Investments
Rum Academy for Tourism and Aviation Training	1000	500	LTD	31/8/2010	Aviation & Tourism Training

- Rum Academy for Tourism and Aviation Training has not exercised out any activity since the date of establishment .
- The results of the subsidiary (Rum for Aviation Investment) have not been recorded due to the non-disclosure of its financial statements.

Rum Group for Transportation and Tourism Investment Co
Limited Public Shareholding Co
Amman – The Hashemite Kingdom of Jordan
Notes to the Interim Consolidated Financial Statements for the Period March 2020

4. Financial Assets at Fair Value Through other Comprehensive Income :

<u>Description</u>	<u>31-Mar-2020</u>	<u>31-Dec-2019</u>
	<u>JD</u>	<u>JD</u>
Investments in listed companies in Amman Stock Exchange *	12,449,229	13,252,928
Investments in unlisted companies in Amman Stock Exchange **	12,689	12,689
Total	12,461,918	13,265,617

* Investments in Companies Listed in Amman Stock Exchange Consist of the Following:

<u>Description</u>	<u>Share</u>	<u>31-Mar-2020</u>	<u>Share</u>	<u>31-Dec-2019</u>
	<u>2020</u>	<u>JD</u>	<u>2019</u>	<u>JD</u>
Jordanian Mutual Funds Management Co.	2,757,787	8,576,717	2,757,785	9,238,580
Century Investment Group Co.	900,000	2,304,000	900,000	2,394,000
Rum Financial Brokerage Co.	741,218	1,311,956	741,218	1,378,665
Arab Union International Insurance Co.	185,910	256,556	185,910	241,683
Total		12,449,229		13,252,928

- According to the decision of the Board of the Securities Commission, it is forbidden for (Rum Group for Transport and Tourism Investment) to use the purchased shares of the (Jordanian Mutual Funds Management Co.) . The prohibition period has ended at 07/03/2019.
- There is a mortgage on the shares of (Jordanian Mutual Funds Management Co.) .(1000000 shares) for the Etihad Bank loan granted to the company.
- There are shares reserved for membership of the Boards of Directors as follow:
500 shares of the Jordanian Mutual Funds Management Co , 10000 shares of the Arab Union International Insurance and 1000 shares of Century Investment Group Co.
- These investments were evaluated at fair value of the closing prices of stocks in Amman Stock Exchange at the end of the period.

These results were stated at the comprehensive income statement and was moved to fair value reserve through equity.

Rum Group for Transportation and Tourism Investment Co
Limited Public Shareholding Co
Amman -- The Hashemite Kingdom of Jordan
Notes to the Interim Consolidated Financial Statements for the Period March 2020

Financial Assets at Fair Value Through Other Comprehensive Income:

** investment in companies unlisted on Amman Stock Exchange consist of the following :

<u>Description</u>	<u>Percentage</u>	<u>31-Mar-2020</u>	<u>31-Dec-2019</u>
	<u>2020</u>	<u>JD</u>	<u>JD</u>
Arkan for financial consulting	4%	12,689	12,689
Total		12,689	12,689

The movements of unlisted investments during the period are as follows :

<u>Description</u>	<u>Cost at the</u> <u>Beginnin of</u> <u>the Period</u>	<u>Share of</u> <u>Business</u> <u>Result</u>	<u>Cost at the</u> <u>End of the</u> <u>Period</u>
	<u>JD</u>	<u>JD</u>	<u>JD</u>
Arkan Financial Consulting	12,689	-	12,689
Total	12,689	-	12,689

<u>Name of the Company</u>	<u>Capital</u> <u>JD/share</u>	<u>Share of</u> <u>Rum Group</u>	<u>Legal Status</u>	<u>Date of</u> <u>Establishment</u>	<u>Objectives</u>
Arkan Financial Consulting	2,500,000	100,000	Limited Liability	20/12/2016	Financial investment

- The results of (Arkan for financial consalting) has not been recorded due to the non disclosure of its financial statements.

5- Accounts Receivables in Associate Companies :

<u>Description</u>	<u>31-Mar-2020</u>	<u>31-Dec-2019</u>
	<u>JD</u>	<u>JD</u>
Rum International for Tourism & Travel	459,769	459,769
Rum for Aviation Investment.	2,700	2,700
Air Arabia- jordan	8,352	8,352
Jordanian Mutual Funds Management	141,788	141,788
Total	612,609	612,609
Less impairment of accounts recievable	(258,617)	(229,882)
Total	353,992	382,727

- Rum International Travel & Tourism Company was transferred to the voluntary liquidation on 03/03/2016 .

- The impairment of accounts recievable movments :

<u>Description</u>	<u>31-Mar-2020</u>	<u>31-Dec-2019</u>
	<u>JD</u>	<u>JD</u>
Balance at the beginning of the year	229,882	114,942
Additions during the year	28,735	114,940
Total	258,617	229,882

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6- Cash On Hand and at Banks

	<u>31-Mar-2020</u>	<u>31-Dec-2019</u>
<u>Description</u>	<u>JD</u>	<u>JD</u>
Cash and checks on hand	70,311	64,512
Cash at banks	19,975	379,164
Total	<u><u>90,286</u></u>	<u><u>443,676</u></u>

7- Financial Assets at Fair Value Through Income Statements :

	<u>Shares</u>	<u>31-Mar-2020</u>	<u>Shares</u>	<u>31-Dec-2019</u>
<u>Description</u>	<u>2020</u>	<u>JD</u>	<u>2019</u>	<u>JD</u>
Century Investment Group Co.	2,640,822	6,760,504	2,527,900	6,724,214
Arab Union International Insurance Company	97,321	134,303	102,255	132,932
Total		<u><u>6,894,807</u></u>		<u><u>6,857,146</u></u>

8- Accounts Receivable

	<u>31-Mar-2020</u>	<u>31-Dec-2019</u>
<u>Description</u>	<u>JD</u>	<u>JD</u>
Trading Receivables	414,968	547,060
Less provision for impairment of accounts revievable	(224,488)	(222,613)
Total	<u><u>190,480</u></u>	<u><u>324,447</u></u>

The movements in provision for impairment of accounts revievable during the period are as follows:

	<u>31-Mar-2020</u>	<u>31-Dec-2019</u>
<u>Description</u>	<u>JD</u>	<u>JD</u>
Opening balance	222,613	172,982
Additions	1,875	49,631
Ending balance	<u><u>224,488</u></u>	<u><u>222,613</u></u>

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9- Other Current Assets:

<u>Description</u>	<u>31-Mar-2020</u> <u>JD</u>	<u>31-Dec-2019</u> <u>JD</u>
Prepaid expenses	151,951	85,074
Checks under collection	28,300	44,830
Spare parts warehouse	52,793	57,270
Staff acc.	45,861	39,445
Other receivables	35,582	32,655
Income Tax acc.	41,454	41,625
Guarantees insurance	7,484	7,484
Refundable deposits	6,496	6,461
Total	369,921	314,844
Less impairment of slow moving spare parts and accounts receivable	(41,145)	(39,215)
Total after provision	328,776	275,629

- The movements of the impairment of slow moving spare parts & of doubtful debts during the period are as follows:

<u>Description</u>	<u>31-Mar-2020</u> <u>JD</u>	<u>31-Dec-2019</u> <u>JD</u>
Banlance in beginng	39,215	27,565
Additions	1,930	11,650
Banlance in Ending	41,145	39,215

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10- Shareholders' Equity

- Capital

The declared company capital is (21 million JD / Share) , each share per value is one JD / per share.

- Share Discount/Ordinary

It is the difference of the par value and the subscription price. That is in case the company decided to issue shares that are less than par value; in which The General Assembly of the company decided to issue extra shares to its capital. With a discount of 25% per share (1 JD/par)

- Compulsory Reserve

The accumulate amounts in this account represent the transferred annual profits before tax within 10% during this year and the previous years and they are in-distributable to Shareholders.

- Non-Controlling Shares

The rights belonging to the subsidiary company, and do not fall within the scope of the parent company either directly or indirectly, and is outlined separately from the equity of the parent company under the consolidated statement of financial position. The comprehensive income should be accredited to the stakeholders of the parent company and to the non-controlling shares. Even if they demonstrate a negative balance for the non-controlling shares.

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11- Long and Short-term Loans :

<u>Description</u>	<u>Outstanding Balance</u>	<u>Current Portion</u>	<u>Non-Current Portion</u>	<u>Intrest rate</u>	<u>Guarantees</u>
Ettihad Bank	3,403,243	965,048	2,438,195	3.75%-9%	Bus & land mortgage
Commercial Bank	1,026,928	36,300	990,628	9.00%	land mortgage
Total	4,430,171	1,001,348	3,428,823		

- There are mortgaged buses, lands, buildings and financial stocks in favor of banks and financial institutions for granted loans .

- In March 2019, the company granted a loan from Ettihad Bank of a (300,000) JD with (10%) annual intrest, and the payment was divided to (48) installments; each instalment is (6,250) JD that must be paid on the date of 30/7/2019 until it is fully paid. Except for the last installment its accrual date is on 30/6/2023.

- A loan was granted from Ettihad Bank in July 2019 with the amount of "1.51" million JD with an annual interest of (10%) and with a (16) quarterly installments, the value of each installment is "100" thousand JD, including interest paid from the date of 10/04/2020 until full payment.

- A loan was granted from Ettihad Bankin in July 2019 , with the amount of "165" thousand JD with an annual interest of (10%). With a (36) installments, the value of each installment is "5.3" thousand JD, including interest paid from the date of 30/11/2020. Until full payment.

- A loan was granted from Ettihad Bank to buy new (13) 2020 model busses for the company. The amount of the loan was (1.7) million of the (Central Bank of Jordan Financing Programs) with an annual interest of (4.5%) with (48) installmens the value of each installment is "22,250" JD not including interest starting from the date of 31/01/2020 until full payment,except for the last installment that its value represents the rest of the loan balance on 31/12/2023.

12- Accounts Payable :

<u>Description</u>	<u>31-Mar-2020 JD</u>	<u>31-Dec-2019 JD</u>
Financial broker acc.	1,989,978	1,854,464
Suppliers acc.	370,478	278,559
Total	2,360,456	2,133,023

13- Associates and Related Companies :

<u>Description</u>	<u>31-Mar-2020 JD</u>	<u>31-Dec-2019 JD</u>
Rum for Aviation Investment Co.	502,821	508,798
Century Investment Group Co.	65,400	136,286
Total	568,221	645,084

14- Other Current Liabilities :

<u>Description</u>	<u>31-Mar-2020 JD</u>	<u>31-Dec-2019 JD</u>
Dividends payable	115,219	115,266
Deposit - Subscription rights	71,772	79,857
Advanced payment from clients	119,902	123,810
Accrued expenses	41,598	32,811
Social security acc.	15,167	36,043
Other's deposit	28,988	27,710
Sales tax acc.	12,602	7,351
Revenue received in advance	22,500	30,000
Governmental provisions	61,752	61,752
Total	489,500	514,600

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15- Revenues:

<u>Description</u>	<u>31-Mar-2020</u>	<u>31-Mar-2019</u>
	<u>JD</u>	<u>JD</u>
Rum for Transportation & Tourism Investment Revenues	358,707	710,824
Rum International Hotels Revenues	34,412	36,113
Rum Jordan For bus maintenance Revenues	19,685	-
Total	412,804	746,937

16- Cost of Revenues:

<u>Description</u>	<u>31-Mar-2020</u>	<u>31-Mar-2019</u>
	<u>JD</u>	<u>JD</u>
Cost of Revenues-Rum for Transportation & Tourism Investment	231,801	374,844
Cost of Revenues - Rum International Hotels	39,635	61,178
Cost of Revenues - Rum Jordan For bus maintenance	11,688	0
Total	283,124	436,022

17- General & Administrative Expenses :

<u>Description</u>	<u>31-Mar-2020</u>	<u>31-Mar-2019</u>
	<u>JD</u>	<u>JD</u>
Salaries, wages	36,734	31,607
Social security contributions	4,012	4,062
Rent exp.	1,399	4,215
Margin financing interest and shares sale commission	45,567	45,780
Board of Directors' fees	-	17,125
Miscellaneous	15,091	24,514
Fees, licenses and subscriptions	14,063	13,681
Professional fees	3,588	5,295
Securities Commission expenses	3,699	3,668
Phone & Internet	4,607	2,584
Mortgage expenses	790	-
Electricity and water	1,174	1,727
Stationary	1,298	1,637
Maintenance	1,057	880
Total	133,079	156,775

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18- Impact of the Coronavirus Virus Outbreak (COVID 19)

- The outbreak of the COVID-19 worldwide has severely affected the global economy, and is expected to have a major impact on the local economy as well due to the various measures taken to contain the spread of the virus, including travel bans, quarantine and social distance, and the closure of non-essential and social services and may cause major disturbances to businesses around the world resulting in an economic slowdown. These conditions may force the company to suspend or limit operations for long or indefinite periods of time.
- The management has determined that these events are one of the subsequent events that are not required to amend the financial statements. Accordingly, the financial statements for the year ended December 31, 2019 have not been modified to reflect the effect of the virus outbreak.
- Likewise, it is not possible to estimate the impact of these conditions reliably on the financial position and results of the company for future periods, and accordingly the management of the company decided to present financial according to the continuity principle.
- The government and the central bank have responded to face the impact of this pandemic to reduce the economic effects and financial burdens of closing the sectors (government and private) and prohibiting the movement of individuals, according to a set of decisions, including:
- The application of old age insurance incurred by the company and its employees in the Social Security Corporation (temporary suspension of old age pension for the months of March, April and May of 2020) and the installments of the amounts due on the establishments according to their desire and for a maximum period of 31/12/2023 without interest.

Establishing a fund to support the national effort (Hemat Watan Fund) to fight the COVID-19 epidemic and confront its economic effects.

- Contributing and bearing part of the unemployment fees for the establishments affected by the procedures of closure and quarantine through the Social Security Corporation.
- To postpone the credit facilities due to banks granted to clients of the economic sectors that are affected by the spread of the COVID-19 from companies and individuals.
- The central bank allowed banks to restructure loans for individuals and companies, especially medium and small ones, which were affected by the consequences of this virus, in addition to pumping additional liquidity to the national economy with the value of 550 million JD. Through reducing the obligatory cash reserve, reducing financing costs and increasing the deadlines for existing and future facilities for economic sectors, including medium and small projects through the central bank's program for financing and supporting economic sectors. In addition to supporting the procedures of the Jordanian loan guarantee company by reducing the company's program commissions and raising the insurance coverage rate for the local sales guarantee program.

Accordingly, the impact of these conditions cannot be estimated reliably on the financial position and results of the company for future periods.

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19- Financial Instruments:

a- Fair value

The company practices its activities using a number of financial instruments. The book value of these instruments is similar to its fair value as per the Accounting Standard No. (32).

b- Prices Fluctuation Risks

1- Currency Risks:

The majority of the company transactions are in JD or US Dollars. The USD to JOD exchange rate is fixed at 0.71 JOD.

2- Interest Rate Risk:

Most of the financial instruments appearing in the balance sheet are not subject to any interest rate risk, with the exception of banking facilities, loans and current accounts.

C- Risk of Credit and Liquidity:

The company deals with banking institution with good efficiency to hold its cash. Accounts receivables are shown at fair value.