

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

CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION FOR
THE SIX MONTHS
ENDED JUNE 30, 2021
TOGETHER WITH THE REVIEW REPORT

SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - JORDAN
JUNE 30, 2021

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Review Report

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 June 30, 2021 and the related condensed consolidated interim statements of profit or loss, and comprehensive income for the three and six months ended on June 30, 2021, and changes in owner's equity and cash flows for six-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 Group (A Public Shareholding Limited 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 statements are a translation of the condensed consolidated interim financial information in the Arabic language to which reference is to be made.

Amman - Jordan
July 29, 2021


Deloitte & Touche (M.E.) – Jordan

SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN-JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

<u>ASSETS</u>	Note	June 30, 2021 (Reviewed) JD	December 31, 2020 (Audited) JD
Current Assets:			
Cash on hand and at banks		3,788,052	1,327,662
Accounts receivable - net	5	22,153,163	10,757,841
Inventory - net	6	14,683,254	11,239,407
Due from related parties	12	541,547	528,547
Other debit balances		2,564,884	2,119,544
Total Current Assets		<u>43,730,900</u>	<u>25,973,001</u>
Non-Current Assets:			
Deferred tax assets		463,233	287,678
Intangible assets	2	20,242,728	6,358,736
Property and equipment - net		39,273,659	35,154,044
Right-of-use assets		914,478	801,473
Total Non-Current Assets		<u>60,894,098</u>	<u>42,601,931</u>
TOTAL ASSETS		<u>104,624,998</u>	<u>68,574,932</u>
LIABILITIES			
Current Liabilities:			
Due to banks	7	5,049,670	1,111,387
Notes payable		800,254	888,461
Accounts payable		9,476,345	5,083,085
Due to related parties	12	104,601	28,656
Deposits and accrued expenses		5,801,326	4,934,414
Lease liabilities due within one year		562,758	277,553
Loans instalments due within one year	8	10,152,935	4,981,965
Income tax provision	9	948,387	606,634
Total Current Liabilities		<u>32,896,276</u>	<u>17,912,155</u>
Non-Current Liabilities:			
Loans instalments due within more than one year	8	25,986,350	6,235,218
Lease liabilities due within more than one year		893,907	476,534
Provision for end-of-service indemnity		3,463,294	2,987,130
Total Non-Current liabilities		<u>30,343,551</u>	<u>9,698,882</u>
Total liabilities		<u>63,239,827</u>	<u>27,611,037</u>
OWNERS' EQUITY			
Paid-up capital	1	28,000,000	27,000,000
Statutory reserve		5,254,021	5,254,021
Retained earnings		6,123,660	11,173,660
Effect of the purchase of non-controlling interest shares		(2,463,786)	(2,463,786)
Foreign currencies translation differences	2	(1,113,704)	-
Actuarial (losses) arising from the end of service indemnity		(6,398)	-
Profit for the period		3,888,805	-
TOTAL SHAREHOLDERS' EQUITY		<u>39,682,598</u>	<u>40,963,895</u>
Non-controlling interest		1,702,573	-
TOTAL OWNERS' EQUITY		<u>41,385,171</u>	<u>40,963,895</u>
TOTAL LIABILITIES AND OWNERS' EQUITY		<u>104,624,998</u>	<u>68,574,932</u>

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

SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS

	Note	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
		2021	2020	2021	2020
		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
		JD	JD	JD	JD
Net Sales		26,927,560	15,449,383	49,858,575	33,359,877
Cost of sales		(18,430,068)	(9,810,263)	(33,041,429)	(21,511,752)
Gross Profit		8,497,492	5,639,120	16,817,146	11,848,125
<u>Less:</u> Selling and distribution expenses		(3,098,408)	(2,470,590)	(5,729,030)	(4,954,695)
General and administrative expenses		(2,123,411)	(1,625,854)	(4,707,196)	(3,010,672)
Financing expenses		(614,643)	(245,243)	(1,130,025)	(505,270)
Provision for end of service indemnity		(192,984)	(113,718)	(285,488)	(251,614)
Amortization of Right of use		(59,657)	(37,792)	(122,956)	(73,251)
Provision for expected credit losses	5	(44,830)	(62,776)	(102,570)	(100,516)
Provision for slow-moving inventory	6	(63,924)	(39,893)	(85,224)	(80,989)
Provision for lawsuits and other commitments		-	(49,820)	-	(69,820)
Other revenue and expenses - net		(67,416)	(13,719)	55,023	83,282
Profit for the Period before Income Tax		2,232,219	979,715	4,709,680	2,884,580
<u>Less:</u> Income tax expense	9	(362,738)	(74,472)	(661,353)	(208,553)
Profit for the Period		1,869,481	905,243	4,048,327	2,676,027
Attributable to:					
Company's shareholders		1,742,221	905,243	3,888,805	2,676,027
Non-Controlling Interest		127,260	-	159,522	-
		1,869,481	905,243	4,048,327	2,676,027
Earning Per Share for The Period					
"Company's shareholders"	10	0.062	0.0323	0.139	0.096

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SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - JORDAN
CONDENSED CONSOLIDATED INTERIM
STATEMENT OF COMPREHENSIVE INCOME

	<u>For the Three Months</u> <u>Ended June 30,</u>		<u>For the Six Months</u> <u>Ended June 30,</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>(Reviewed)</u>	<u>(Reviewed)</u>	<u>(Reviewed)</u>	<u>(Reviewed)</u>
	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>
Profit for the period	1,869,481	905,243	4,048,327	2,676,027
<u>Other comprehensive income items which</u> <u>may be reclassified to profit or loss in the</u> <u>subsequent period</u>				
Foreign currencies translation differences	(306,715)	-	(1,446,368)	-
<u>Other comprehensive income items that will</u> <u>not be reclassified to profit or loss in the</u> <u>subsequent period</u>				
Actuarial (losses) arising from the end of service indemnity	106	-	(8,309)	-
Total other comprehensive (loss) income items for the period after tax	(306,609)	-	(1,454,677)	-
Total Comprehensive Income for the Period	<u>1,562,872</u>	<u>905,243</u>	<u>2,593,650</u>	<u>2,676,027</u>
<u>Attributable to:</u>				
Company's shareholders	1,533,821	905,243	2,768,703	2,676,027
Non-controlling interest	46,991	-	(175,053)	-
	<u>1,562,872</u>	<u>905,243</u>	<u>2,593,650</u>	<u>2,676,027</u>

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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 Differences		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		JD	
For the Six Months Ended June 30, 2021																						
Balance at the beginning of the period (Audited)	27,000,000	-	5,254,021	-	11,173,660	-	(2,463,786)	-	-	-	-	-	-	-	3,888,805	-	40,963,895	-	159,522	-	40,963,895	-
Profit for the period	-	-	-	-	-	-	-	-	(1,113,704)	-	(6,398)	-	3,888,805	-	-	-	3,888,805	-	(334,575)	-	4,048,327	-
Other comprehensive income for the period	-	-	-	-	-	-	-	-	(1,113,704)	-	(6,398)	-	-	-	-	-	(1,120,102)	-	(175,053)	-	(1,454,677)	-
Total comprehensive income for the period	-	-	-	-	-	-	-	-	(1,113,704)	-	(6,398)	-	-	-	-	-	2,768,703	-	(175,053)	-	2,593,650	-
Increase in paid up capital – (Not 18)	1,000,000	-	-	-	(1,000,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,877,626	-
Distributed dividends – (Note 18)	-	-	-	-	(4,050,000)	-	-	-	-	-	-	-	-	-	-	-	(4,050,000)	-	-	-	(4,050,000)	-
Balance at the End of the Period (Reviewed)	28,000,000	-	5,254,021	-	6,123,660	-	(2,463,786)	-	(1,113,704)	-	(6,398)	-	3,888,805	-	3,888,805	-	39,682,598	-	1,702,573	-	41,385,171	-
For the Six Months Ended June 30, 2020																						
Balance at the beginning of the period (Audited)	25,000,000	-	4,634,738	-	9,234,813	-	(2,463,786)	-	-	-	-	-	-	-	-	-	36,405,765	-	-	-	36,405,765	-
Profit for the period / Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	-	-	2,676,027	-	-	-	2,676,027	-	-	-	2,676,027	-
Increase in Paid-up capital	2,000,000	-	-	-	(2,000,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributed dividends – (Note 18)	-	-	-	-	(2,500,000)	-	-	-	-	-	-	-	-	-	-	-	(2,500,000)	-	-	-	(2,500,000)	-
Balance at the End of the Period (Reviewed)	27,000,000	-	4,634,738	-	4,734,813	-	(2,463,786)	-	-	-	-	-	2,676,027	-	-	-	36,581,792	-	-	-	36,581,792	-

- Retained earnings include an amount of JD 463,233 that is restricted against deferred tax assets as of June 30, 2021, (JD 287,678 as of 31 December 2020) which cannot be used to be capitalized or distributed unless actually realized.

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SINTORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	Note	For the Six Months Ended June 30,	
		2021	2020
		(Reviewed)	(Reviewed)
CASH FLOWS FROM OPERATING ACTIVITIES:		JD	JD
Profit for the period before tax		4,709,680	2,884,580
Adjustments:			
Depreciation of property and equipment		1,904,809	1,685,934
Amortization of right of use		122,956	73,251
Amortization of intangible assets		113,277	29,001
Provision for expected credit losses	5	102,570	100,516
Provision for end of service indemnity		285,488	251,614
Provision for slow-moving inventory	6	85,224	80,989
Provision for lawsuits and other commitments		-	69,820
(Gain) from sale of property and equipment		(67,865)	(12,937)
Financing expenses		1,130,025	505,270
Losses of foreign currency differences		88,865	6,542
Cash Flows from Operations before Changes in Working Capital items		8,475,029	5,674,580
(Increase) in accounts receivable		(1,397,982)	(1,277,086)
(Increase) in due from related parties		(13,000)	(276,313)
Decrease (increase) in inventory		483,780	(1,110,786)
(Increase) in other debit balances		(50,636)	(671,590)
(Decrease) in notes payable		(88,207)	(34,888)
(Decrease) in accounts payable		(1,847,829)	(1,067,630)
Increase (decrease) in due to related parties		75,945	(46,585)
(Decrease) increase in deposits and accrued expenses		(184,829)	533,454
Cash Flows from Operating Activities before Tax and Provision of End of Service Indemnity Paid		5,452,271	1,723,156
Income tax paid	9	(495,155)	(435,223)
Provision of end-of-service indemnity paid		(504,817)	(33,620)
Net Cash Flows from Operating Activities		4,452,299	1,254,313
CASH FLOWS FROM INVESTING ACTIVITIES:			
(Purchase) of property and equipment		(3,306,005)	(902,767)
Payments to purchase a subsidiary	2	(16,348,787)	-
Proceeds from sale of property and equipment		67,865	59,264
(Purchase) of intangible assets		(12,769)	(97,468)
Net Cash Flows (used in) Investing Activities		(19,599,696)	(940,971)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Increase (decrease) increase in loans – net		18,886,241	(1,907,518)
Increase in due to banks	6	3,938,283	4,534,613
(Paid) from financing expenses		(1,130,025)	(505,270)
Distributed dividends		(4,050,000)	(2,500,000)
Lease liabilities payments		(168,493)	(49,902)
Net Cash Flows from (used in) Financing Activities		17,476,006	(428,077)
Net Increase (Decrease) in Cash		2,328,609	(114,735)
Cash on hand and at banks – Beginning of the Year		1,327,662	1,385,585
Increase in cash as a result of the acquisition of a subsidiary		131,781	1,270,850
Cash on Hand and at Banks - End of the Period		3,788,052	1,270,850
Non Cash transactions			
Increase in paid-up capital through retained earnings	1	1,000,000	2,000,000

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CONSOLIDATED INTERIM FINANCIAL INFORMATION AND SHOULD BE READ WITH THE ACCOMPANYING REVIEW REPORT

SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

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 400,000. The Company's paid-up capital has been increased several times, the last increase was in the extraordinary meeting held on March 17, 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.
- 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.
- 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.

2. 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 affect 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 June 30, 2021:

Name of Company	Paid-up Capital	Percentage of Ownership	Business Nature of the Company	Location	Acquisition / Inception Date
Siniora Food Industries Company-Palestine	5,206,791 US Dollars	100%	Industrial	Palestine	25 January 2006
Siniora Food Holding Limited Company	60 Million AED	100%	Holding	UAE	25 February 2016
Tarakya Company for the Manufacture and Trade of Meat and Dairy Products*	71,4 Million TL	77%	Industrial	Turkey	1 March 2021

- Siniora Food Holding Limited company owns the following subsidiaries as of June 30, 2021 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	10,000,000 SAR	100%	Commercial	KSA	17 August 2009
Diamond Meat Processing Company	300,000 AED	100%	Industrial	UAE	5 April 2016
Siniora Gulf General Trading Company	1,000,000 AED	100%	Commercial	UAE	6 August 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.

- * On first of June 2021, the Group completed all legal procedures to purchase 77% of Tarakya Meat Industry Company shares in the Republic of Turkey, with a total value of 203.9 million Turkish Liras equivalent to JD 20.2 million including the Group's shares of the capital increase of the invested company which is approximately 38.5 million Turkish Liras (equivalent to approximately to JD 3.8 million)

The accounting of the initial purchases is based on the temporary fair value of the assets and liabilities acquired by the Company. A study of the distribution of the purchase price on the assets purchased by the management will be completed during the 12 months following the date of acquisition. The completion of this study may lead to a change in the fair value of the acquired assets and resulting liabilities, and thus to a change in the intangible assets.

The net assets directly attributable to the acquisition of the 77% was as follows on the date of acquisition, noting that management will perform a purchase price allocation study on the acquired assets during a year from the acquisition date noted that these numbers have been prepared by the subsidiary company management:

<u>Assets</u>	<u>March 1, 2021</u>
Current Assets:	JD
Cash on hand and at banks	101,472
Accounts receivable - net	7,776,931
Inventory – net	3,089,895
Other debit balances	<u>303,922</u>
Total Current Assets	<u>11,272,220</u>
Non-Current Assets:	
Deferred tax assets	152,973
Property and equipment – net	1,759,500
Right-of-use assets	<u>216,875</u>
Total Non-Current Assets	<u>2,129,348</u>
TOTAL ASSETS	<u>13,401,568</u>
 <u>Liabilities</u> 	
Current Liabilities:	
Accounts payable	4,805,638
Deposits and accrued expenses	809,841
Lease liabilities due within one year	156,586
Loans installments due within one year	<u>4,192,179</u>
Total Current Liabilities	<u>9,964,244</u>
Non-Current Liabilities:	
Loans installments due within more than one year	455,433
Lease liabilities due within more than one year	82,044
Provision for end-of-service indemnity	<u>535,560</u>
Total Non-Current liabilities	<u>1,073,037</u>
Total liabilities	<u>11,037,281</u>
Net Assets Acquired	2,364,287
<u>Less:</u> the agreed value (transaction value)	<u>16,348,787</u>
Other assets arising from the acquisition	<u>13,984,500</u>

Other assets arising from the acquisition transaction are presented under intangible assets item including the goodwill as of June 30, 2021, noting that the above balances represent the equivalent value in Jordanian dinars as of the date of acquisition, a translation difference in an amount of JD 1,446,368 resulted from the translation as of June 30, 2021. The Company share from translation difference amounted to JD 1,113,704 which was recorded in the statement of comprehensive income for the period.

The following is the most important financial information for Tarakya Company for the Manufacture and Trade of Meat and Dairy Products (the Subsidiary Company) according to condensed interim financial information as of June 30, 2021 reviewed by the independent auditor:

The interim Statement of financial position:

<u>Assets</u>	<u>June 30, 2021</u>
	JD
Cash on hand and at banks	2,622,800
Accounts receivable - net	10,104,163
Inventory – net	3,398,947
Other debit balances	304,832
Due from related parties	9,207
Deferred tax assets	157,333
Property and equipment – net	2,150,961
Intangible Assets – net	12,391
Right-of-use assets	214,394
TOTAL ASSETS	<u><u>18,975,028</u></u>
 <u>Liabilities</u>	
Accounts payable	4,313,948
Deposits and accrued expenses	670,874
Lease liabilities	824,473
Bank's loans	5,075,516
Income tax provision	336,987
Provision for end-of-service indemnity	349,940
Total liabilities	<u>11,571,738</u>
TOTAL OWNERS' EQUITY	<u>7,403,290</u>
TOTAL LIABILITIES AND OWNERS' EQUITY	<u><u>18,975,028</u></u>

INTERIM STATEMENT OF PROFIT OR LOSS

	<u>June 30, 2021</u>
	JD
Net Sales	11,248,734
Cost of sales	<u>(8,966,891)</u>
Gross Profit	2,281,843
Selling and distribution expenses	(546,574)
General and administrative expenses	(427,303)
Other expenses - net	(5,213)
Financing expenses	(335,577)
End of services indemnity	(41,317)
Income tax expense	<u>(232,284)</u>
Profit for the Period	<u><u>693,575</u></u>

3. Significant Accounting Policies

Basis of Preparation of the Condensed Consolidated Interim Financial Statements

- The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting."
- The condensed consolidated interim financial statements of the Company are presented in Jordanian Dinar, which is also its functional currency.
- The condensed consolidated interim financial statements have been prepared on the historical cost basis, except for financial assets and financial liabilities which are stated at fair value as of the date of the condensed consolidated interim financial statements.
- The accompanying condensed consolidated interim financial statements do not include all the information and disclosures required for the annual financial statements, which are prepared in accordance with the International Financial Reporting Standards and should be read with the annual report of the Company as of December 31, 2020. In addition, the results of the Company's operations for the six months ended June 30, 2021 do not necessarily represent indications of the expected results for the year ending December 31, 2021. The Company did not deduct any statutory reserves from the profit of the six months period ended June 30, 2021 in accordance with the Companies Laws and Regulations issued, as these financial statements are an interim statements and the deductions are made at the end of the fiscal year.
- The accounting policies used in the preparation of the condensed consolidated interim financial information for the period ended on June 30, 2021 are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2020. However, the Group has adopted the following amendments and interpretations that apply for the first time in 2021 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:

Interest Rate Benchmark Reform - Phase 2 amendments

Effective from January 1, 2021, the Group has implemented Interest Rate Benchmark Reform - Phase 2 amendments which address issues that might affect financial reporting as a result of the reform of an interest rate benchmark, including the effects of changes to contractual cash flows or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark rate. The amendments provide practical relief from certain requirements in IFRS 9, IFRS 7, IFRS 4, IFRS 16 and IAS 39 relating to changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities and hedge accounting.

The amendments require an entity to account for a change in the basis for determining the contractual cash flows of a financial asset or financial liability that is required by interest rate benchmark reform by updating the effective interest rate of the financial asset or financial liability. In addition, it provides certain exceptions to hedge accounting requirements.

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 2020.

5. Accounts Receivable - Net

a. This item consists of the following:

	June 30, 2021 (Reviewed)	December 31, 2020 (Audited)
	JD	JD
Trade receivables	22,857,919	11,454,446
<u>Less: Provision for expected credit losses</u>	<u>(1,901,375)</u>	<u>(1,550,080)</u>
Net Trade Receivables	20,956,544	9,904,366
Cheques under collection maturing within 3 months	1,196,619	853,475
Net Accounts Receivables	<u>22,153,163</u>	<u>10,757,841</u>

The ageing of these receivables are as follows:

	June 30, 2021 (Reviewed)	December 31, 2020 (Audited)
	JD	JD
Less than 90 days	18,340,227	8,167,923
91 - 180 day	2,915,176	2,040,904
181 - 270 day	197,102	244,920
271 - 365 day	101,332	107,355
More than 365 days	1,304,082	893,344
	<u>22,857,919</u>	<u>11,454,446</u>

b. The movement on the provision for expected credit losses is as follows:

	For the Six Months Ended June 30, 2021 (Reviewed)	For the Year Ended December 31, 2020 (Audited)
	JD	JD
Balance - beginning of the period/year	1,550,080	1,404,306
<u>Add: Increase in provision due to acquisition of a subsidiary</u>	261,760	-
<u>Add: Provision booked during the period / year</u>	102,570	245,678
Foreign currencies translation	(600)	2,885
<u>Less: Written-off debts *</u>	<u>(12,435)</u>	<u>(102,789)</u>
Balance - End of the Period/Year	<u>1,901,375</u>	<u>1,550,080</u>

* During the period ended 30 June 2021, trade receivables were written-off by amount JD 12,435, in accordance with the board of directors approval. (102,789 JDs as of 31 December 2020)

6. Inventory - Net

a. This item consists of the following:

	June 30, 2021 (Reviewed)	December 31, 2020 (Audited)
	JD	JD
Raw materials	8,769,275	6,348,974
Finished products	4,809,106	3,831,190
Detergents and uniforms	37,573	31,519
Spare parts	1,997,336	1,909,571
	<u>15,613,290</u>	<u>12,121,254</u>
<u>Less: Provision for slow-moving items</u>	<u>(1,023,959)</u>	<u>(963,945)</u>
	14,589,331	11,157,309
Goods in transit	93,923	82,098
	<u>14,683,254</u>	<u>11,239,407</u>

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

	For the Six Months Ended June 30, 2021 (Reviewed)	For the Year Ended December 31, 2020 (Audited)
	JD	JD
Balance - beginning of the year	963,945	863,276
<u>Add: Provision booked during the period</u>	<u>85,224</u>	<u>100,669</u>
<u>Less: Written off inventory*</u>	<u>(25,325)</u>	-
Foreign currencies exchange	115	-
Balance - End of the Period / Year	<u>1,023,959</u>	<u>963,945</u>

* During the period ended June 30, 2021 damaged and slow moving items amounted to JD 25,325 were written off in accordance with board of directors approval.

6. Due to Banks

This item consists of credit facilities/ overdraft as the following:

	Utilized Balance		Ceiling	Annual Interest Rate	Maturity Date
	June 30, 2021 (Reviewed)	December 31, 2020 (Audited)			
	JD	JD	JD	%	
Arab Bank – Palestine	1,395,643	516,829	1,418,000	%3.35	31 Dec 2021
Cairo Amman Bank – Palestine	1,410,348	-	1,418,000	USD CAB Prime +1%	31 May 2022
Cairo Amman Bank – Palestine	169,297	-	435,637	%6	31 May 2022
Bank of Palestine – Palestine	695,859	-	709,000	%4.75 LIBOR 3 Months	31 October 2021
Arab Bank– Jordan	-	306,506	354,500	+ 2.25%	19 May 2021
Investment Bank– Jordan	167,969	-	250,000	%8.25	30 April 2022
Investment Bank– Jordan	65,466	-	211,000	LIBOR 3 Months + 2.25%	30 April 2022
Investment Bank – Jordan	277,346	-	300,000	%8.25	30 April 2022
Bank of Jordan – Jordan	867,742	288,052	900,000	%8.25	30 April 2022
	<u>5,049,670</u>	<u>1,111,387</u>			

- These facilities were granted to finance the working capital for the Group and are guaranteed by the Siniora Food Industries Company / Jordan.

8. Loans

This item consists of the following:

	June 30, 2021 (Reviewed)			December 31, 2020 (Audited)		
	Loans installment due within one year	Loans installment due within more than year	Total	Loans installment due within one year	Loans installment due within more than year	Total
	JD	JD	JD	JD	JD	JD
Arab Bank First Loan (a)	-	-	-	923,000	-	923,000
Arab Bank Second Loan (b)	1,273,800	-	1,273,800	1,273,800	636,900	1,910,700
Arab Bank Third Loan (c)	284,000	142,000	426,000	284,000	284,000	568,000
Arab Bank Fourth Loan (d)	1,136,000	1,988,000	3,124,000	1,136,000	2,556,000	3,692,000
Arab Bank Fifth Loan (e)	168,875	33,924	202,799	168,875	84,437	253,312
Arab Bank Sixth Loan (f)	144,750	196,579	341,329	144,750	298,731	443,481
Arab Bank Seventh Loan (g)	255,240	510,480	765,720	255,240	638,100	893,340
Arab Bank Eighth Loan (h)	496,300	1,488,900	1,985,200	496,300	1,737,050	2,233,350
Arab Bank – Nineth loan (i)	563,334	-	563,334	300,000	-	300,000
Cairo Amman Bank- First Loan (j)	535,706	14,465,378	15,001,084	-	-	-
Safa Bank First Loan(k)	166,599	4,833,763	5,000,362	-	-	-
Loans granted to the subsidiary in Turkey (l)	4,776,081	299,435	5,075,516	-	-	-
Bank of Jordan – First Loan (m)	175,000	1,011,657	1,186,657	-	-	-
Bank of Jordan – Second Loan (n)	177,250	1,016,234	1,193,484	-	-	-
	<u>10,152,935</u>	<u>25,986,350</u>	<u>36,139,285</u>	<u>4,981,965</u>	<u>6,235,218</u>	<u>11,217,183</u>

- Siniora Food Industries Company – Jordan signed a loan agreement with Arab Bank for USD 13 million in order to pay the company's obligations to Cairo Amman Bank and to finance the new production lines at an interest rate of 2.25 % + six months LIBOR with a minimum limit of 3.25%. The loan is guaranteed by the mortgage of the factory's land, and by the possessory mortgage on the machinery and equipment related to the Company's factory in Jordan, in addition to the endorsement of an insurance policy on the mortgaged machinery and equipment to the banks' benefit, as well as the guarantee of Siniora Food Industries Company – Jordan. The loan is to be repaid in 20 quarterly installments, the first installment was due on September 4, 2016.
- Siniora Food Holding Limited - United Arab Emirates have signed a credit facility agreement with Arab Bank – United Arab Emirates for AED 33 million, (which is equivalent to JD 6,369,000), in order to finance 75% of the purchase deal for a factory located in Dubai - UAE, with an annual interest rate of 3% + six months EIBOR with a minimum limit of 4%. The facilities are guaranteed by the mortgage of Siniora Food Holding Limited shares, in additions to a bank guarantee from Arab Bank –Jordan amounted USD 5.4 million renewed annually until the full payment of facilities. Moreover, the facilities are to be repaid in 20 quarterly installments, the first installment was due on March 28, 2017. During the year 2020, two installments were postponed in March and June 2020 to be due in March and June 2022.
- Siniora Food Industries Company – Jordan signed a loan agreement with the Arab Bank for USD 2 million in order to complete various capital expansions during the year 2018, at an interest rate of 2.25% + six months LIBOR with a minimum limit of 3.25%. The loan is guaranteed by Siniora Food Industries Company – Jordan. The loan is to be repaid in 20 quarterly installments, the first installment is due on June 4, 2018.
- Siniora Food Industries Company – Jordan signed a loan agreement with Arab Bank for USD 6 million in order to re-finance the properties and equipment's of the Company, in addition to financing the permanent working capital needs of the Company at an interest rate of six months LIBOR + margin rate of 2.5% annually. The loan is guaranteed by Siniora Food Industries Company – Jordan. The loan is to be repaid in 20 quarterly installments. During 2019 the Company has raised the loan ceiling during the period by an amount of USD 2 million to become USD 8 million. The first installment to be due on June 30, 2019, with the rest of the loan terms remain unchanged.

- e. Diamond Meat Processing Company – United Arab of Emirates signed an overdraft agreement with Arab Bank – Dubai for AED 3.5 million (equivalent to JD 675,500) to finance 80% of the value of the purchase of some property and equipment for the factory and the renovation of the factory and furniture, with an interest rate of six month EIBOR + 4%. The loan is guaranteed by Siniora Food Industries Company – Jordan. The loan is to be repaid in 16 quarterly installments. The first installment is due one month after the grant date of the overdraft or the full withdrawal, whichever is earlier.
- f. During 2019, Diamond Meat Processing Company - United Arab of Emirates obtained a loan from Arab Bank- Dubai branch amounted to AED 3 million (Equivalent to JD 579,000) to finance 80% of the purchase value of some property and equipment with an interest rate of six months EIBOR + 4%. The loan is guaranteed by Siniora Food Industries Company – Jordan. The loan is to be repaid in 16 quarterly installments. The first installment is due six months after the date of the grant or full withdrawal, whichever is earlier.
- g. Siniora Food Industries Company - Palestine signed a loan agreement with Arab Bank for USD 1,800,000 to finance 85% of the cost of purchasing a plot of land that will be exploited in the with an interest rate of 3 months EIBOR + 2.75% annually and a commission of 0.5% for once, this loan was granted on the bail of Siniora Company Jordan's food industry is to be repaid in 20 quarterly installments. The first installment was due on May 21, 2019. During the year 2020, an installment was postponed in May 2020 to be due in May 2024.
- h. Siniora Food Industries Company - Palestine signed a loan agreement with Arab Bank for USD 3,500,000 to finance 100% of the cost of processing and preparing the factory building and importing modern production lines with an interest rate of 3 months EIBOR + 2.75% and a commission of 0.5% for one time, this loan was granted on the bail of a company Siniora Food Industries Jordan to be repaid in 20 quarterly installments. The first installment was due on April 30, 2020. During the year 2020, an installment was postponed in April 2020 to be due in April 2025.
- i. Siniora Food Industries Company - Jordan signed a revolving loan agreement with Arab Bank for JD 400,000 to finance the working capital for Company with an interest rate 8.625%. The loan is guaranteed by Siniora Food Industries Company – Jordan. Each withdrawal from the revolving loan is to be paid by maximum of 100 days from the date of the withdrawal transaction.
- j. Siniora Food Industries Company - Palestine signed a loan agreement with Cairo Amman Bank for JOD 15,000,000 to finance acquisition deal of Tarakya Meat Industry Company shares located in Republic of Turkey through Siniora Food Industries - Jordan with an interest rate of (JOD Monthly CAB Prime + 1%). The loan is guaranteed by the mortgage of the factory's land, and by the possessory mortgage on the machinery and equipment related to the Company's factory in Palestine in additions to guaranteed by Siniora Food Industries Company – Jordan. The loan is to be repaid in 24 quarterly installments. The first installment is due six months after the date of the grant or full withdrawal which interest is paid.
- k. Siniora Food Industries Company - Palestine signed a loan agreement with Safa Bank (Palestine) for JOD 5,000,000 to finance acquisition deal of Tarakya Meat Industry Company shares located in Republic of Turkey through Siniora Food Industries - Jordan with Morabaha 5.5%. The loan is guaranteed by the mortgage of the factory's land, and by the possessory mortgage on the machinery and equipment related to the Company's factory in Palestine in additions to guaranteed by Siniora Food Industries Company – Jordan. The loan is to be repaid in 24 quarterly installments. The first installment is due six months after the date of the grant or full withdrawal which Morabaha is paid.
- l. Tarakya for the Manufacture and Trade of Meat and Dairy Products (Subsidiary Company) obtained several loans totaling 16 loans from several banks in the Republic of Turkey with total value 62.220 million Turkish Liras (Equivalent to JD 5 million as of June 30, 2021) to finance working capital of the Company. Interest rates range from 7.5% to 25.2% and the due installment range from February 5, 2020 to April 17, 2023.

- m. Siniora Food Industries Company - Jordan signed a loan agreement with Bank of Jordan for JD 3,500,000 to finance the Company's Property, Plants and Equipment's with an annual interest rate of 7%. This loan was granted by Siniora Food Industries Company - Jordan to be repaid in 20 equal quarterly installments, amount of each installment JD 175,000 for 5 years. The payment of first installment will start after 12 months from the loan execution date which interest is paid monthly from date of execution.
- n. Siniora Food Industries Company - Jordan signed a loan agreement with Bank of Jordan for USD 5 million to complete the Company's several Capital expenditure with an interest rate of three months EIBOR + 3% minimum limit of 3.25%. This loan was granted by Siniora Food Industries Company - Jordan to be repaid in 20 equal quarterly installments amount of each installment USD 250,000 for 5 years. The payment of first installment will start after 12 months from the loan execution date which interest is paid monthly from date of execution.

9. Income Tax Provision

a. Income Tax Provision

The movement on the income tax provision is as follows:

	June 30, 2021 (Reviewed)	December 31, 2020 (Audited)
	JD	JD
Balance - beginning of the period/year	606,634	432,576
Income tax paid	(495,155)	(509,180)
Accrued income tax on current period/year profit	836,908	683,238
Balance - End of the Period/Year	<u>948,387</u>	<u>606,634</u>

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

	For the Six Months Ended June 30,	
	2021 (Reviewed)	2020 (Reviewed)
	JD	JD
Accrued income tax on current period profit	836,908	227,811
Deferred tax assets for the period - Net	(175,555)	(19,258)
	<u>661,353</u>	<u>208,553</u>

- Siniora Food Industries - Jordan has reached a final settlement for its income tax up to the end of the year 2018, The Company has submitted its tax return for the year of 2020 and paid the declared tax while it has not been reviewed by the Income Tax and Sales Department yet. Self-assessment statements for 2019 were accepted within the samples system. In the opinion of the Company's managements and its tax advisor, the income tax provision booked in the financial statements is sufficient to meet any future tax liabilities as at June 30, 2021.
- On February 9, 2012, Siniora Food Industries Company - Palestine 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 (a subsidiary company) has reached a final settlement up to the end of the year 2018. The income tax report for 2019 has been submitted and has not yet been audited. In the opinion of the Company's management and its tax advisor, the income tax provision booked in the financial statements is sufficient to meet any future tax liabilities.

- Siniora Food Holding Limited and its subsidiaries are not subject to income tax due to the fact that there is no income tax in the countries in which they operate.
- Tarakya for manufacture and Trade of Meat and Dairy Products (Subsidiary Company) has reached a final settlement up to the end of the year 2020.

10. Earnings per Share for the Period

This item consists of the following:

	For the Six-Months Ended June 30,	
	2021 (Reviewed)	2020 (Reviewed)
	JD	JD
Profit for the period	3,888,805	2,676,027
Weighted average number of shares *	28,000,000	28,000,000
Earnings per share / basic and diluted	<u>0.139</u>	<u>0.096</u>

- * Weighted average has recalculated of shares number for the share portion from the prior period profit for the Company's shareholders on the basis of the number of authorized and paid-up capital shares for the period ended June 30, 2021, as the increase in paid-up capital was from distributing free shares in accordance with the requirements of IAS (33).

11. Contingent Liabilities

- a. There are several lawsuits filed against Siniora Food Industries Company – Palestine equivalent to JD 117,110 to cancel the Company's claims against others and labor claims. In the opinion of the Company's legal advisor and its management, no obligations will arise from these lawsuits. (JD 121,840 as of 31 December 2020).
- b. The Parent Company had contingent liabilities at the date of condensed consolidated interim statement of financial position, represented in bank guarantees equivalent to JD 149,566. (The Parent Company had contingent liabilities at 31 December 2020 a bank guarantees equivalent to JD 123,566 and guaranteed bank withdrawals equivalent to JD 65,088 and unguaranteed bank withdrawals equivalent to JD 384,369).
- c. Siniora Food Industries Company – Palestine (subsidiary company) had contingent liabilities at the date of the condensed consolidated interim statement of financial position, represented in bank guarantees equivalent to JD 420,390 (December 31, 2020: JD 46,076) and letter of credit equivalent to JD 50,925. (December 31, 2020: 0).
- d. As of June 30, 2021, the value of projects in progress amounted to JD 3,730,378 and the remaining cost of completion to complete the implementation of these projects is estimated to be amounted to JD 4,063,000 and is expected to be completed and to be ready for use by the group during the first half of 2022. (As of December 31, 2020, the value of projects in progress amounted to JD 1,082,154 and the remaining cost of completion to complete the implementation of these projects is estimated to be amounted to JD 9,591,507 and is expected to be completed and to be ready for use by the group during the first half of 2022).
- e. The Group had unutilized overdraft limits at the date of the condensed consolidated interim statement of financial position amounted to JD 5,083,075 (As 31 December 2019, the unutilized overdraft ceiling was JD 8,263,138).
- f. There are several lawsuits filed against Tarakya Company for the Manufacture and Trade of Meat and Dairy Products (subsidiary Company) equivalent to JD 112,880. In the opinion of the Company's legal advisor and its management, no obligations will arise from these lawsuits.
- g. Tarakya Company for the Manufacture and Trade of Meat and Dairy Products (subsidiary company) had contingent liabilities at the date of the condensed consolidated interim statement of financial position, represented in bank guarantees equivalent to JD 493,644.

12. Balances and Transactions with Related Parties

a. The Company entered into transactions with related parties as follows:

	Relationship Status	June 30, 2021 (Reviewed)		December 31, 2020 (Audited)	
		Receivables	Payables	Receivables	Payables
<u>Condensed Consolidated Interim Statement of Financial Position</u>					
		JD	JD	JD	JD
Unipal General Trading Company	Sister company	485,121	-	388,931	-
Arab Shopping Centers Company	Sister company	-	-	23,932	-
Medical Supplies and Services Company	Sister company	-	-	-	1,063
Palestinian Automobile Company	Sister Company	-	196	-	220
Employees receivables		56,426	-	108,015	-
Sky Advertising, Publication and Promotion Company	Sister Company	-	15,844	-	20,826
Arab Palestinian Investment Company	Holding Company	-	82,014	7,669	-
Arab Financial Leasing Company	Sister Company	-	6,547	-	6,547
Total		<u>541,547</u>	<u>104,601</u>	<u>528,547</u>	<u>28,656</u>

Condensed Consolidated Interim Statement of profit or loss

	Relationship Status	For the Six Months Ended June 30			
		2021 (Reviewed)		2020 (Reviewed)	
		Purchases JD	Sales JD	Purchases JD	Sales JD
Unipal General Trading Company	Sister Company	-	2,952,91	-	2,423,29
Arab Palestinian Shopping Centers Company	Sister Company	-	-	-	113,830
Sky Advertising, Publication, and Promotion Company	Sister Company	112,219	-	258,040	-
Medical Supplies and Services Company	Sister Company	-	-	12,341	-
Arab Palestinian Investment Company	Holding company	40,200	-	80,401	-
Arab Financial Leasing Company	Sister Company	33,861	-	27,693	-

b. The salaries of executive management amounted to JD 624,853 for the six-months ended June 30, 2021 (JD 467,829 as of June 30, 2020).

13. Non-controlling interests

This item represents the non-controlling interests of net assets of Trakia Meat and Dairy Products Company amounted to 23%.

14. Geographical Distribution Analysis

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

	Inside the Kingdom			Total	
				For the Six Months	
	Inside the Kingdom Excluding Aqaba	Aqaba Branch	Outside the Kingdom	2021 (Reviewed)	2020 (Reviewed)
	JD	JD	JD	JD	JD
Net sales	14,594,086	470,898	34,793,591	49,858,575	33,359,877
Cost of sales	(9,272,778)	(342,156)	(23,426,495)	(33,041,429)	(21,511,752)
Gross Profit	5,321,308	128,742	11,367,096	16,817,146	11,848,125
Selling and distribution expenses	(2,097,883)	(104,019)	(3,527,128)	(5,729,030)	(4,954,695)
General and administrative expenses	(1,600,766)	(9,368)	(3,097,062)	(4,707,196)	(3,010,672)
Provision for end of service indemnity	-	-	(285,488)	(285,488)	(251,614)
Amortization of right of use	(34,965)	-	(87,991)	(122,956)	(73,251)
Provision for expected credit losses	(83,900)	-	(18,670)	(102,570)	(100,516)
Provision for slow-moving inventory	(42,600)	-	(42,624)	(85,224)	(80,989)
Provision for lawsuits and other commitments	-	-	-	-	(69,820)
Income from operations	1,461,194	15,355	4,308,133	5,784,682	3,306,568
Financing expenses	(127,388)	-	(1,002,637)	(1,130,025)	(505,270)
Other revenue – net	8,865	-	46,158	55,023	83,282
Profit for the Period before Income Tax	1,342,671	15,355	3,351,654	4,709,680	2,884,580
Income tax expenses for the period	(221,000)	-	(440,353)	(661,353)	(208,553)
Profit for the Period	1,121,671	15,355	2,911,301	4,048,327	2,676,027
				June 30, 2021 (Reviewed)	December 31, 2020 (Audited)
		Inside the Kingdom JD	Outside the Kingdom JD	JD	JD
Total Assets		25,677,270	78,947,728	104,624,998	68,574,932
Total Liabilities		11,325,022	51,914,805	63,239,827	27,611,037

15. 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.

16. Coronavirus Effect (Covid-19)

The outbreak incident of Coronavirus (Covid-19) in the beginning of the year 2020 in most of geographical regions around the world has caused widespread disruptions to business and economic activity with the consequent negative impact on economic activity. Based on the analysis prepared by the Group's management up to the date of the consolidated financial statements, there was no material impact on the Group's operations, or the liquidity or the estimates of the Group's.

Management will continue to monitor the situation closely and take additional measures as an alternative plan in the event of prolonging the period of turmoil. These and other related matters will be considered and assess their impact on the Group's estimates, including the expected credit loss model for financial assets, evaluation of the financial assets and the rationality of the inputs used for this purpose during the coming periods.

17. Approval of interim condensed financial information

These condensed consolidated interim financial information were approved by the Board of Directors and authorized for issue on July 29, 2021.

18. Dividend

The General Assembly approved in their ordinary meeting held on April 21, 2021 to distribute cash dividends by 15% of the Company paid in capital which is equivalent to JD 4,050,000 and the general assembly approved to increase the Company paid up capital from JD 27 million to JD 28 million through transferring the amount from retained earnings and distributed as free shares to shareholders based on their share percentages of the paid-up capital. (The general assembly approved in their meeting held on June 3, 2020 to distribute cash dividends by 10% from Company paid-up capital which equivalent to JD 2,500,000)