

SALAM INTERNATIONAL TRANSPORT
AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA – THE HASHEMITE KINGDOM OF JORDAN

CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED
JUNE 30, 2024 TOGETHER
WITH THE REVIEW REPORT

SALAM INTERNATIONAL TRANSPORT
AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA – THE HASHEMITE KINGDOM OF JORDAN
JUNE 30, 2024

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REVIEW REPORT

AM \ 000744

Chairman and Board of Directors Members
(Salam International Transport and Trading Company)
Public Shareholding Limited Company
Aqaba – The Hashemite Kingdom of Jordan

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Salam International Transport and Trading Company (a Public Shareholding Limited Company) (The "Company") and its subsidiaries (The "Group") as of June 30, 2024, and the related consolidated condensed interim statements of profit or loss and other comprehensive income for the three months and six months period ended June 30, 2024, and the related statements of changes in equity and cash flows for the six months period then ended, and material accounting policy information and other explanatory information. Management is responsible for the preparation and fair presentation of this consolidated condensed interim financial information in accordance with International Accounting Standard (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on these consolidated condensed 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 Entity". A review of consolidated 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 causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard (34) "Interim Financial Reporting".

Emphasis of Matters

We draw attention to:

- 1- Note (8) of the condensed consolidated interim financial information, which describes projects under construction that are not yet completed.
- 2- Note (9) of the condensed consolidated interim financial information, which describes details about advance payments to acquire land for which the ownership has not yet transferred to the Company.

Our conclusion is not modified in respect of these matters.

Other Matter

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

Amman – Jordan
July 30, 2024

Deloitte & Touche (M.E.) – Jordan
Deloitte & Touche (M.E.)
ديلويت أند توش (الشرق الأوسط)
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SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA - THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	June 30, 2024 (Reviewed) JD	December 31, 2023 (Audited) JD
ASSETS			
Current Assets:			
Cash and balances at banks	4	1,615,055	1,653,618
Accounts receivable-net	5	1,111,760	937,207
Due from related parties	10/a	786,011	1,067,923
Residential units available for sale		117,824	117,824
Checks under collection and notes receivable maturing during one year		45,845	75,599
Financial assets at fair value through statement of profits or losses	18/a	8,814	9,318
Inventory - net		108,424	102,386
Other debit balances	6	437,679	343,262
Total Current Assets		4,231,412	4,307,137
Non-Current Assets:			
Checks under collection and notes receivable - maturing in more than one year		63,701	77,554
Financial assets at fair value through other comprehensive income	18/a	491,081	500,443
Investments in real estate - net		4,357,634	4,393,603
Investments in associate companies	7	16,859,888	16,192,903
Projects under construction	8	2,368,490	2,368,490
Advance payments for land acquisition	9	4,961,989	4,961,989
Property and equipment - net		793,092	875,151
Right of use asset - net		200,909	213,210
Total Non-Current Assets		30,096,784	29,583,343
TOTAL ASSETS		34,328,196	33,890,480
LIABILITIES AND OWNERS' EQUITY			
Current Liabilities:			
Due to banks	11	163,936	22,069
Accounts payable		2,505,052	2,443,256
Due to related parties- short term	10/b	531,473	603,465
Lease liability - short term		22,887	22,887
Deferred checks and notes payable - short term		39,000	24,000
Income tax provision	13/a	43,650	66,872
Other credit balances	12	1,100,776	731,316
Total Current Liabilities		4,406,774	3,913,865
Non-Current Liabilities:			
Deferred cheques and notes payable - long term		18,244	30,244
Due to related parties - long term	10/b	3,971,446	3,971,446
Partner Current Account	10/b	28,927	48,677
Lease liability - long term		183,005	195,249
Total Non-Current Liabilities		4,201,622	4,245,616
Total Liabilities		8,608,396	8,159,481
OWNERS' EQUITY			
SHAREHOLDERS' EQUITY			
Authorized and Paid-up capital		18,000,000	18,000,000
Share discount		(1,349,998)	(1,349,998)
Statutory reserve		300,386	300,386
Fair value reserve for Financial assets at fair value		(309,748)	(301,032)
Retained earnings		4,766,587	5,677,319
Profit for the period		913,457	-
Total Shareholders Equity		22,320,684	22,326,675
Non-controlling interest		3,399,116	3,404,324
Total Owners' Equity		25,719,800	25,730,999
TOTAL LIABILITIES AND NET OWNERS' EQUITY		34,328,196	33,890,480

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

SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY
(A PUBLIC SHAERHOILDING LIMITED COMPANY)
AQABA - THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS
(REVIEWED NOT AUDITED)

	Note	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
		2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
		JD	JD	JD	JD
Revenue		1,207,682	1,489,169	2,536,210	3,174,633
Less: Cost of revenue		(1,076,781)	(1,122,317)	(2,199,963)	(2,224,253)
Gross Profit		130,901	366,852	336,247	950,380
Less: General and administrative expenses		(139,001)	(195,233)	(384,890)	(435,736)
Depreciation and amortization		(37,975)	(37,407)	(57,892)	(55,254)
Right of use depreciation		(8,907)	(6,151)	(15,057)	(12,301)
Finance Costs		(459)	(1,779)	(1,837)	(3,557)
Marketing expenses		(1,258)	(5,430)	(2,233)	(6,963)
Borrowing costs		(1,199)	(2,771)	(1,404)	(2,948)
Company's net share of associate companies profits	7	610,318	451,345	917,891	791,258
(Losses) gains from valuation of financial assets at fair value through profits or losses		(1,352)	76	(504)	(1,001)
Other income- net		91,967	44,063	120,388	62,063
Profit for the Period before Income Tax		643,035	613,565	910,709	1,285,941
Less: Income tax for the period	13/a	(1,617)	(14,449)	(2,460)	(35,673)
Profit for the Period		641,418	599,116	908,249	1,250,268
Attributable to:					
The Company's shareholders		627,408	581,952	913,457	1,220,964
Non-controlling interest		14,010	17,164	(5,208)	29,304
Total		641,418	599,116	908,249	1,250,268
Earnings per Share for the Period Attributable to the Company's Shareholders	16	0.036	0.033	0.050	0.067

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SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY

(A PUBLIC SHAERHOILDING LIMITED COMPANY)

AOABA - THE HASHEMITE KINGDOM OF JORDAN

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

(REVIEWED NOT AUDITED)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
	JD	JD	JD	JD
Profit for the period	641,418	599,116	908,249	1,250,268
<u>Other Comprehensive Income Items:</u>				
Items not to be subsequently transferred to condensed consolidated interim statement of profit or loss:				
Change in fair value -Financial assets at fair value through comprehensive income	(299)	(12,354)	(8,716)	(4,295)
Total Comprehensive Income for the Period	641,119	586,762	899,533	1,245,973
<u>Total Comprehensive Income for the Period Attributable to:</u>				
Company's shareholders	627,109	569,598	904,741	1,216,669
Non- controlling interest	14,010	17,164	(5,208)	29,304
Total	641,119	586,762	899,533	1,245,973

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SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY
(A PUBLIC SHAERHOOLDING LIMITED COMPANY)
AQABA - THE HASHEMITE KINGDOM OF JORDAN

Description	Company's Shareholders' Equity						
	Paid-up Capital	Issuance Discount	Statutory Reserve	Financial Assets at Fair Value			Non-Controlling Interest
				valuation Reserve	Retained Earnings	Profit for the Period	
	JD	JD	JD	JD	JD	JD	JD
For the Six Months Ended June 30, 2024							
Balance as the beginning of January 2024 (audited)	18,000,000	(1,349,998)	300,386	(301,032)	5,677,319	-	25,730,999
Prior year adjustments	-	-	-	-	(10,732)	-	(10,732)
Total comprehensive income for the period	-	-	-	(8,716)	-	913,457	899,533
Distributed dividends *	-	-	-	-	(900,000)	-	(900,000)
Balance at the End of the Period (reviewed)	18,000,000	(1,349,998)	300,386	(309,748)	4,766,587	913,457	25,719,800
For the Six Months Ended June 30, 2023							
Balance as the beginning of January 2024 (audited)	18,000,000	(1,349,998)	224,676	(285,238)	4,610,885	-	24,609,185
Prior year adjustments	-	-	-	-	6,147	-	6,147
Total Comprehensive Income For the Period	-	-	-	(4,295)	-	1,220,964	1,245,973
Distributed dividends *	-	-	-	-	(900,000)	-	(900,000)
Balance at the End of the Period (reviewed)	18,000,000	(1,349,998)	224,676	(289,533)	3,717,032	1,220,964	24,961,305

- An amount equivalent to the negative balance of financial assets valuation at fair value reserve is restricted from retained earnings according to the Jordanian Securities Exchange Commission's instructions.

* The general assembly decided at its meeting held on April 29, 2024, amounting to JD 900,000 distributed as cash dividends to shareholders by of 5% from the capital of the year 2023 (The general assembly decided at its meeting held on March 27, 2023, amounting to JD 900,000 distributed as cash dividends to shareholders by of 5% from the capital of the year 2022) .

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SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY
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AQABA - THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	For the Six Months Ended	
	June 30,	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit for the period before income tax	910,709	1,285,941
Adjustments:		
Property' equipment and investments in real estate depreciation	57,892	55,254
Right of use depreciation	15,057	12,301
Finance costs	1,837	3,557
Company's net share (gains) from investments in associate company's	(917,891)	(791,258)
Gain from the sale of property and equipment	57,545	-
Losses from financial assets at fair value valuation through profits and losses	504	1,001
Borrowing costs	1,404	2,948
Cash from Operating Activities before Changes in Working Capital items	127,057	569,744
(Increase) in accounts receivable	(174,553)	(284,349)
Decrease in checks under collection and notes receivable	43,607	182,576
(Increase) in inventory	(6,038)	(12,686)
(Increase) in other debit balances	(94,417)	(86,818)
Increase in accounts payable	61,796	207,704
Increase in other credit balances	369,460	235,441
Cash Flows from Operating Activities before Income Paid Tax	326,912	811,612
Income tax paid	(25,682)	(16,805)
Net Cash Flows from Operating Activities	301,230	794,807
CASH FLOWS FROM INVESTING ACTIVITIES:		
Dividends from associate companies	867,293	922,293
(Additions) in property and equipment	-	(16,358)
Proceeds from the sale of property and equipment	2,591	-
(Paid) from lease liability	(16,837)	(15,000)
Change in projects under construction	-	32,853
Change in advance payments for land acquisition	-	217,091
Decrease (increase) in financial assets at fair value through other comprehensive income	646	(4,032)
Net Cash Flows from Investing Activities	853,693	1,136,847
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase in deferred checks and notes payable	3,000	-
(Decrease) in due from / to related parties	(426,217)	(289,123)
Increase in due to banks	129,731	45,707
Distributed dividends	(900,000)	(900,000)
Net Cash Flows (used in) Financing Activities	(1,193,486)	(1,143,416)
Net (Decrease) Increase in Cash	(38,563)	788,238
Cash on hand and at banks - beginning of the year	1,653,618	979,349
Cash on Hand and at Banks - End of the Period	1,615,055	1,767,587

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SALAM INTERNATIONAL TRANSPORT AND
TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA - THE HASHEMITE KINGDOM OF JORDAN
NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION

1. Establishment and Activities

- a. Salam International Transport and Trading Company was established and registered as a Public Shareholding Limited Company on January 30, 1997 under registration no, (326), with a paid-up capital of JD 1,200,000, The Company's paid-up capital was gradually increased to JD 15,000,000, distributed over 15 million shares at JD 1 par value per share, In its extraordinary meeting held on April 22, 2014, the Company's General Assembly approved increasing the Company's capital of JD 15 million so that authorized and paid-up capital would become JD 18 million through public underwriting to the Company's shareholders.
- On September 13, 2011, the Company was registered at the Aqaba Special Economic Zone according to Law No, (32) For the Year 2000, specialized for Aqaba's special economic zone.
- The Company's Head Office is located in Aqaba – Jordan.
- b. The company main objectives include the following:
- Conducting all types of marine activity (transporting passengers and various types of goods, in addition to touristic marine transportation).
 - Possessing, managing, operating and leasing ships of all kinds.
 - Obtaining maritime agencies, brokering, and representing international rating agencies.
 - Obtaining commercial agencies and tendering.
 - Renting marine maintenance workshops of all kinds, including repairing ships.
 - Conducting land transport, business and related tendering.
 - Conducting real estate activities (buying and selling real estates and other real estate-related activities).
 - Providing services, operating touristic restaurants, and supplying hotels with food.
 - Guaranteeing others while benefiting the Company.
 - Transporting crude oil.
 - Investing in other companies.
 - Borrowing funds from banks to finance its activities.

2. Significant Accounting Policy Information

Basis of Preparation

- The accompanying condensed consolidated interim financial information have been prepared in accordance with International Accounting Standard (IAS) 34 "Condensed Interim Financial Reporting".
- The condensed consolidated interim financial information are prepared in accordance with the historical cost principle, except for certain financial assets which are stated at fair value through statement of profit or loss and financial assets stated at fair value through comprehensive income as of the date of the condensed consolidated interim financial information, Furthermore, financial assets and financial liabilities which been hedged from the risk from the changes in its fair value also stated at fair value.
- The reporting currency of the consolidated condensed interim financial information is the Jordanian Dinar, which is the functional currency of the Company.
- The accompanying condensed consolidated interim financial information do not include all the information and notes required for the annual financial statements, which are prepared in accordance with International Financial Reporting Standards and should be read with the annual report of the Company as of December 31, 2023, In addition, the results of the Company's operations for the six months ended June 30, 2024 do not necessarily represent indications of the expected results for the year ending December 31, 2024, and do not contain the appropriation of the profit of the six months ended June 30, 2024, which will be performed at the end of the fiscal year.

Basis of Consolidated Financial Information

- The condensed consolidated interim financial information of the Company and its subsidiaries under its control, the control exists when the Company controls the subsidiaries significant and relevant activities and is exposed, or has rights, to variable returns from its involvement with the subsidiaries and has the ability to affect those returns through its power over the subsidiaries.
- The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.
- All balances, transactions, income, and expenses between the Company and its subsidiaries are eliminated.
- The subsidiaries financial information are prepared under the same accounting policies adopted by the Company, If the subsidiaries apply different accounting policies than those used by the company, the necessary modifications shall be made to the subsidiaries' financial statements to make them comply with the accounting policies used by the Company.
- The results of the subsidiaries' operations are consolidated in the consolidated statement of profit or loss from the acquisition date, which is the date on which control over subsidiaries is effectively transferred to the Company, Furthermore, the results of the disposed of subsidiaries are consolidated in the consolidated statement of profit or loss up to the date of their disposal, which is the date on which the Company loses control over the subsidiaries.
- The non-controlling interests represents the portion not owned by the Company's subsidiaries; Non-controlling interests are shown in the subsidiaries net assets as a separate line item within the Company's statement of shareholders equity.

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 investee's returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.

When the Company has less than the majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. In this regard, the Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company with respect to other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

When the Company loses control of a subsidiary, the Company performs the following:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiaries.
- Derecognizes the book value of any non-controlling interests.
- Derecognizes transfer accumulated difference in Owners' Equity.
- Derecognizes the fair value to the next controlling party.
- Derecognizes the fair value of any retained investment.
- Derecognizes any gain or loss in income statement.
- Reclassifies owners' equity already booked in other comprehensive income to the income statement or Retained earnings as appropriate.

The non-controlling interests represents the portion not owned by the Company relating to ownership of the subsidiaries.

- The Company owns the following subsidiary companies as of June 30, 2024:

Company's Name	Paid-up Capital	Ownership Percentage	Nature of Activity	Place of Work	Date of Ownership	June 30, 2024 (Not Audited)		For the Six Months Ended June 30, 2024 (Not Audited)	
						Total Assets	Total Liabilities	Total Revenue	Total Expenses
						JD	JD	JD	JD
Farah International Catering Service Company	1,000,000	100	Trading	Jordan	September 21, 1992	2,977,491	1,499,630	2,185,878	(2,204,592)
Golden State For Commercial Services Company	204,874	100	Trading	Jordan	September 4, 2005	212,721	400	-	(491)
Mada'en Al – Noor Investment and Real Estate Development	6,000,000	75	Real estate	Jordan	June 3, 2004	5,441,669	1,575,867	24,820	(74,378)
Al - Ibtikar Land Transportation	2,600,000	70	Transportation	Jordan	March 9, 2005	215,702	394,966	57,545	(81,554)
Afaq Supply and Storage Company	500,000	90	Supply & storage	Jordan	February 18, 2008	1,057,868	293,952	89,810	(4,090)
Mada'en Al – Bahr Investment and Real Estate Development	1,000,000	100	Trading	Jordan	September 5, 2010	1,429,448	1,510,055	-	(41,677)
Technical for Construction and Real Estate Services	1,000,000	98.75	Real estate	Jordan	September 1, 1992	3,615,780	168,887	154,738	(90,505)
Mada'en Al – Shorouq Investment Real Estate Company	6,660,000	69.99	Real estate	Jordan	November 20, 2006	10,146,643	4,087,724	4,686	(25,607)
Mada'en Al – Salam Construction Company	250,000	80	Real estate	Jordan	May 15, 2006	296,810	500	-	-
Maha Al Sharq Real Estate Investment & Development Company	1,709,608	100	Real estate	Jordan	January 30, 2019	1,709,608	1,760	-	(21)
Al Maha Al Arabi Real Estate Investment & Development Company	715,150	100	Real estate	Jordan	January 30, 2019	715,150	1,401	-	(31)
Ard Al Maha Al Arabi Real Estate Development Company	1,050,413	100	Real estate	Jordan	January 30, 2019	1,050,413	1,980	-	(21)

- Subsidiaries' results of operations are included in the consolidated statement of profits or losses effective from the acquisition date, which is the date of the actual transfer of the control over the subsidiary by the Group. The results of operations of subsidiaries disposed of during the year were included in the consolidated statement of profits or losses up to the effective date of disposal, which is the date of losing control over the subsidiaries.

Investments in Associates and Companies Subject to Joint Control

Associated company is that company in which the owner company has significant influence over its financial and operating policies but does not control them, and whereby the Company owns between 20% to 50% of the voting rights, Moreover, associate company is established through contractual agreements and their operating and financial decisions require unanimous approval, Investments in associate companies are recorded in the condensed consolidated interim financial statements according to the equity method and initially recognition at cost which includes all acquisition costs.

The condensed consolidated interim financial information includes the Company's share of the profits and losses from the investment in associate companies, according to the equity method, after the required necessary adjustments are made to comply with the accounting policies adopted by the owner company.

As of June 30, 2024, the details of investments in associates are as follows:

<u>Company's Name</u>	<u>Percentage of Ownership</u>	<u>Business Location</u>
	%	
Jordanian Marine Real Estate Investment Complex Company	26	Jordan
Jordan National Shipping Lines Company	20.64	Jordan
Jordanian Academy for Marine Studies	25	Jordan
Jordanian National Line for Ships Operation Company **	50	Jordan
Aqaba Storing Chemicals Company	15	Jordan
Al Maha Real Estate Development Company	33.33	Jordan
Arabian Ships Management Company	20	Jordan
Al Shams Economics Company	24	Jordan
Sea Star for Shipping and Logistics Company **	50	Jordan
Haqel al Aqaba one for Investment *	33.33	Jordan
Ayam Amman Company for real estate improvement	40	Jordan

- * Haqel al Aqaba One for investment Company was established by a group of Aqaba Storing Chemicals Company partners and will have significant influence over the financial and operating policies of the Aqaba Storing Chemicals Company (associate company).
- ** The Company does not have control over these companies, but it does exercise significant influence over the financial and operating policies of these companies.

The accounting policies used in the preparation of the condensed consolidated interim financial information for the period ended on June 30, 2024 are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2023. However, the Group has adopted the following amendments and interpretations that apply for the first time in January 1st, 2024 and have not materially affected the amounts and disclosures in the condensed consolidated interim financial information for the period and prior years, which may have an impact on the accounting treatment of future transactions and arrangements:

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

- Amendment to IFRS 16 Leases—Lease Liability in a Sale and Leaseback
- Amendments to IAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Non-current
- Amendments to IAS 1 Presentation of Financial Statements—Non-current Liabilities with Covenants
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements
- IFRS S1 - General Requirements for Disclosure of Sustainability – related financial information*
- IFRS S2 - Climate Related Disclosures*

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

IFRS Accounting Standards issued but not yet effective

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

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

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

3. Judgments, estimates and risk management

The preparation of condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments adopted by management in applying the Company's accounting policies and the main sources of uncertainty in the estimation are the same as those applied to the Company's annual financial statements for the year ended December 31, 2023.

We believe that our used estimates for the preparation of the condensed consolidated interim financial information are reasonable and consistent with the estimates approved for the preparation of the consolidated financial statements for the year 2023.

4. Cash and Balances at Banks

This item consists of the following:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Cash on hand	24,172	14,973
Current accounts at banks	1,592,832	1,640,594
Total	1,617,004	1,655,567
Less: provision for expected credit losses *	(1,949)	(1,949)
Net Cash on Hand and at Banks	1,615,055	1,653,618

* The movement on provision for expected credit losses during the period/year is as follows:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Balance at the beginning of the period/year	1,949	1,949
Balance at the End of Period / Year	1,949	1,949

5. Accounts Receivable – Net

This item consists of the following:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Trade receivables	1,211,989	1,046,661
Employees' receivables	23,549	15,324
Total	1,235,538	1,061,985
Less: provision for expected credit losses *	(123,778)	(124,778)
Accounts Receivable – Net	1,111,760	937,207

* The movement on provision for expected credit losses during the period/year is as follows:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Balance at the beginning of the period/year	124,778	126,428
Write-off during the period/year	(1,000)	(1,650)
Balance at the End of Period/Year	123,778	124,778

6. Other Debit Balances

The item consists of the following:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Prepaid expenses	160,153	65,859
Refundable deposits	37,344	37,344
Guarantees	214,023	214,573
Income and Sales tax deposit	26,159	25,486
	437,679	343,262

7. Investment in Associate Companies

This item represents the investments in associate companies, which is accounted for in the equity method:

Company's Name	Nature of Business	Location	Paid-up Capital JD	Dividends		Company's Share of Associate Companies Profit		Ownership Percentage		Amortized Losses JD	June 30, 2024 (Reviewed) JD	December 31, 2023 (Audited) JD
				June 30, 2024 (Reviewed) JD	June 30, 2023 (Reviewed) JD	June 30, 2024 (Reviewed) JD	June 30, 2023 (Reviewed) JD	June 30, 2024 %	December 31, 2023 %			
Jordan National Shipping Lines Company	Marine	Amman	15,000,000	557,293	557,293	437,567	431,582	20.64	20.64	-	5,822,527	5,942,233
Jordanian Marine Real Estate Investment Complex Company	Real Estate investment	Aqaba	15,600,000	-	-	(92,392)	(81,821)	26	26	616,387	2,004,878	1,480,883
Jordanian Academy for Marine Studies	Education	Amman	2,000,000	250,000	325,000	102,828	126,100	25	25	-	1,160,169	1,307,341
Jordan National Line for Ships Operation Company	Marine	Aqaba	700,000	-	-	345,888	95,555	50	50	-	1,456,347	1,110,459
Aqaba storing Chemicals Company*	Chemical Storage	Amman	4,000,000	-	-	89,811	72,256	15	15	-	1,005,331	915,520
Al Maha Real Estate Development Company	Real Estate investment	Amman	12,000,000	-	-	-	-	33.33	33.33	-	3,973,530	3,973,530
Arabian Ships Management Company	Ships Management	Aqaba	149,000	60,000	40,000	48,758	32,000	20	20	-	193,110	204,352
Sea Star for Shipping and Logistics Company	Marine Services	Aqaba	200,000	-	-	(5,694)	(5,825)	50	50	-	79,861	85,555
Haqel Al Aqaba (1) for Investment	Real Estate investment	Aqaba	50,000	-	-	-	-	33.33	33.33	-	16,667	16,667
Investment in Shams Economics Company	Commercial	Amman	30,000	-	-	-	-	30	30	-	7,200	7,200
Ayyam Amman Company for Real Estate improvement	Real Estate investment	Amman	750,000	-	-	(8,875)	121,411	40	40	-	1,140,268	1,149,143
Total Investment in Associate Companies				867,293	922,293	917,891	791,258			616,387	16,859,888	16,192,903

* The Group has significant influence over the management and operating decisions on Aqaba Storing Chemicals Company.

8. Projects under Construction

This item consists of the following:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Al Shouroq City Project *	939,042	939,042
Dead Sea project	1,679,448	1,679,448
Total	2,618,490	2,618,490
<u>Less: Impairment</u>	<u>(250,000)</u>	<u>(250,000)</u>
	2,368,490	2,368,490

- Projects under construction represent a total value of JD 2,368,490 as of June 30, 2024 and are not completed yet. However, the recovery of these amounts depends on executing the future plans of the subsidiaries to complete the projects and obtain the necessary funding.

* According to the Department of Land and Survey, the market value is based on the price of the plot, of land on which Al Shorouq City Project is erected including the value of the land on which the project is built exceeds their book value as of December 31, 2023.

The movement for Al Shorouq City Project as follows:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Balance at the beginning of the period/ year	939,042	971,894
Disposal of projects in progress balances related to sold land for Mada'en Al Shorouq - Note (10)	-	(32,852)
Balance At the End of the Period/Year	939,042	939,042

9. Advance Payments for Land Acquisition

This item consists of the following:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Advance payments related to contracts for Mada'en Al - Shorouq *	4,961,989	4,961,989
	4,961,989	4,961,989

- * Movement on advance payments for lands acquisition as follows:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Balance at the beginning of the year	4,961,989	5,179,080
Sales of lands by waiver contracts **	-	(217,091)
Balance at the End of the Period/Year	4,961,989	4,961,989

- This item represents advance payments related to contracts with Mada'en Al Shorouq Real Estate Investment and Development Company (subsidiary company) and its subsidiaries to purchase land from the National Resources Investment and Development Institute, for development and construction purposes. According to the latest real estate valuation from three appraisers, the fair value for these lands exceeds their costs, in addition to the capitalised expenses; accordingly, there is no need to book any impairments. During the prior year some of the lands were sold by waiver of the contracts with approval from the National Resources Investment and Development Institute.

10. Balances and Transactions with Related Parties**a. Due from related parties as the end of the period / year:**

	Nature of Relationship	Nature of Transaction	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
Company Name			JD	JD
Jordanian Marine Real Estate Investment Complex Company	Associate Company	Financing	532,700	527,875
Aqaba Company for Chemical Storage	Associate Company	Financing	36,000	240,294
Ayam Amman for investment development	Associate Company	Financing	100,000	100,000
CMA CGM Company	Company owned by shareholder	Expenses	46,498	83,614
Sea Star for Shipping and Logistics Company	Associate Company	Expenses	-	27,500
Petra Navigation & International Trading Company	Company owned by shareholder	Expenses	104	99,314
Armouh Tourist Investments Company	Company owned by shareholder	Expenses	63,316	-
Sun Tourism Company	Company owned by shareholder	Expenses	16,223	3,148
Jordanian National Line for Ships Operating Company	Associate Company	Financing	5,666	-
Others	Sister Companies within the group	Expenses	24,164	24,838
Total			824,671	1,106,583
Less: Provision for expected credit losses *			(38,660)	(38,660)
Due from Related Parties - Net			786,011	1,067,923

* The movement on provision expected credit losses during the period / year is as follows:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Balance - Beginning of the Year	38,660	38,660
Balance - End of the Year	38,660	38,660

b. Due to related parties during the period / year

	Nature of Relationship	Nature of Transaction	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
Company Name			JD	JD
Long term				
Al Maha Real Estate Development Company **	Associate company	Financing	3,971,446	3,971,446
Partner Current Account - Ahmad Helmi Armouh	Shareholder	Financing	28,927	48,677
Short term				
Jordan National Shipping Lines Company	Associate Company	Expenses	433	15,290
Jordan - Dubai for Properties Company	Partner in an Subsidiary Company	Financing	-	74,405
Al Shams for General Investment	Company owned by shareholder	Expenses	167,845	232,390
Armouh Company for Touristic Investments	Company owned by shareholder	Expenses	-	735
Noor AL-Balad Company	Company owned by shareholder	Expenses	275,000	275,000
Sea Star for Shipping and Logistics Company	Company owned by shareholder	Expenses	82,550	-
Others	Company owned by shareholder	Expenses	5,645	5,645
Total			531,473	603,465

- The above accounts are non - interest bearing and have no repayment schedule.

** A purchase and an ownership of the full shares of four subsidiaries companies from the associate company "Al Maha Real Estate Development Company", amounted to JD 4,019,364 . However, in the future the capital of associates will be decreased by the amount mentioned above.

- The total Transportation revenue for CMA CGM Company (Sister Company) amounted to JD 88,146 for the six months ended June 30, 2024 (JD 178,621 for the six months ended June 30, 2023).

- The total earnings of management and supervision from Jordanian Sea Star for Shipping and Logistics Company (Associate Company) is JD 3,000 for the six months ended June 30, 2024 (JD 6,000 for the six months ended June 30, 2023).

- The rental earning from the Technical for Construction and Real Estate Services Company (Associate Company) amounted to JD 17,900 for the six months ended on June 30, 2023 (JD 17,900 for the six months ending on June 30, 2023).

- The total earnings of management and supervision from Jordanian National Line for Ships Operating Company (Associate Company) is JD 12,000 for the six months ended June 30, 2024 (JD 12,000 for the six months ended June 30, 2023).

Executive management salaries and remunerations

Executive management salaries amounted to JD 89,412 for six months ended June 30, 2024 (JD 99,612 for six months ended June 30, 2023).

11. Due to Banks

This item consists of the following:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Overdraft - subsidiary company*	163,936	22,069
	163,936	22,069

* This item represents direct credit facilities in the form of a current debit account granted by several banks, the details of direct credit facilities are as follows:

- Direct credit facilities in form of overdraft granted by Arab bank to Farah International Catering Service company with a total limit of JD 200,000, With an interest of 7.5% and a commission of 0.5% annually, the objective of these facilities is to finance the company's regular activities, and they have been granted against the personal guarantee of one of the shareholders for Farah International Catering Service Company (Subsidiary company), and a cash margin guarantee amounted to JD 100,000.

12. Other Credit Balances

This item consists of the following:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Shareholders deposits	734,618	525,674
Unpaid accrued expenses	73,892	95,229
Income tax deposits	7,570	7,130
Advance payments against selling plots of lands *	154,738	-
Social security deposits	19,199	17,271
Sales tax deposits	26,634	28,872
Unrealized revenues	59,125	32,140
Lawsuits provision	25,000	25,000
	1,100,776	731,316

* This item represents a payment received in advance from clients for selling plots of land for Mada'en Al – Shorouq (subsidiary company), as the company did not assign the ownership of the plots of land in favor of the clients until the checks received are due and the necessary contracts are signed. (Notes 8 and 9).

13. Income Tax

a. Income Tax Provision:

The movement on the income tax provision during the period/year is as follows:

	June 30, 2024 (Reviewed) JD	December 31, 2023 (Audited) JD
Balance at beginning of the period/year	66,872	93,512
Income tax for the period/year	2,460	59,850
Income tax paid during the period/year	(25,682)	(86,490)
Balance at the End of the Period / Year	43,650	66,872

b. Income Tax status:

Salam International Transport and Trading Company (Parent Company):

a. Aqaba:

The discussion of the income tax for the year 2021 has been completed by the Income and Sales Tax Department Commission and submitted its tax returns for the year 2023. According to the Company's management and tax consultant, there are no outstanding balances on the Company.

b. Amman:

The Company has reached a final settlement with the Income and Sales Tax Department up to the end of the year 2018 and has submitted its tax returns up to the year 2023. According to the Company's management and the tax consultants, there are no outstanding balances on the Company.

Subsidiaries:

- The following schedule shows the tax status for the subsidiaries:

<u>Company</u>	<u>Tax Returns up to Year</u>	<u>Final Settlement up to Year</u>
Farah International Catering Service Company	2023	2019
Golden State for Commercial Services Company	2022	2020
Mada'en Al – Noor Investment and Real Estate Development Company	2023	2018
Al-Ibtikar Land Transportation Company	2023	2020
Afaq Supply and Storage Company	2023	2020
Mada'en Al – Bahr Investment and Real Estate Development Company	2023	2020
Technical for Construction and Real Estate Services Company	2023	2020
Mada'en Al – Shorouq Investment Real Estate Company	2023	2018
Mada'en Al-Salam Construction Company *	2023	2015

- In the opinion of management and the Company's tax consultant for the Company and its subsidiaries, the income tax provision within the condensed consolidated interim financial statements is sufficient to settle any potential tax liabilities arising as of June 30, 2024.
- No deferred tax assets were recorded as of June 30, 2024 due to the lack of certainty of the management benefiting from them in the near future.

* Under liquidation.

14. Lawsuits against the Company

- There are lawsuits filed against the subsidiary (Al Ibtikar Land Transport Company) for a total amount of JD 199,895 while the provision for them amounted to JD 25,000 as of June 30, 2024. Of these, there is one case amounted to JD 179,581 based on the cassation list submitted by the Company to the Cassation Court based on the decision issued by the Appellate Court. The appeal overturned the ruling issued by the Court of Appeal and returned the case to the Appeal Court, where the Appeal Court decided to conduct technical expertise and appoint an expert, as the expert issued an expert report in which he concluded that the liability required from the Company does not exceed JD 7,000. The court decided to conduct a triple expertise of three experts appointed by the Appeal Court and the appeal ruling was issued on January 23, 2023 accepting the appeal as a subject matter and rescinding the appealed decision in terms of the amount of the overcharged amount, and instead obliging the appellant, the defendant, the innovation Company for land transportation, to pay the plaintiff an amount of JD 5,287 and reject the claim for what is more than that, and include the defendant in the relative fees and expenses the legal interest from the date of the claim until full payment, and the plaintiff includes attorney fees in favor of the defendant at the rate of JD 1,200 for the two stages of litigation, as he lost the largest part of his lawsuit. Based on the opinion of the company and the lawyer that the allocated provision is sufficient to face the cases brought against the subsidiary Company as of June 30, 2024.

15. Contingent Liabilities

The Company has contingent liabilities as of the date of the condensed consolidated interim financial statements as follows:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Letter of guarantees	78,000	78,000

- Mada'in Al-Bahr Company (subsidiary company) had obligations at the date of the financial statements that could arise in the form of delay fines in paying the land lease fees and the lease agreement of the land of recession, which amounted to JD 432,063, according to the letter of the Jordanian Company for Free Zones and Development No. 8/9/4462 dated May 14, 2019 and there are unpaid rents until the contracts are completed. According to the same letter, a recommendation will be submitted to the Council of Ministers by the Group and the Investment Authority to exempt from the amounts of fines and the lease of the land receding, as they have become public funds requiring a decision by the Council of Ministers to issue an exemption after taking some agreed upon steps.

16. Earnings per Share for the Year Attributable to the Company's Shareholders

This item consists of the following:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
	JD	JD	JD	JD
From Continued operation				
Income for the period attributable to the shareholders of the Company	627,408	581,952	913,457	1,220,964
	Shares	Shares	Shares	Shares
Number of shares	18,000,000	18,000,000	18,000,000	18,000,000
	Shares / JD	Shares / JD	Shares / JD	Shares / JD
Profit per share for the period attributable to the Company's shareholders	0.036	0.033	0.050	0.067

17. Segmental Distribution

The following is information on the Company's business segments distributed according to activities:

	For the Six Months Ended June 30,					
	Projects and Investments		Real Estate and Construction		Services	
	JD	JD	JD	JD	JD	JD
Net Revenue	226,067	148,677	2,161,466	-	2,536,210	3,174,633
Less: Cost of Revenue	(48,010)	(55,075)	(2,059,543)	(37,335)	(2,199,963)	(2,224,253)
Gross Profit	178,057	93,602	101,923	(37,335)	336,247	950,380
Less: Expenses allocated to segments:						
General and administrative expenses	(163,101)	(114,090)	(138,266)	(44,219)	(459,676)	(506,848)
Marketing expenses	-	(2,233)	-	-	(2,233)	(6,963)
Company's share from associates' companies profit	917,891	-	-	-	917,891	791,258
Gains from of financial assets at fair value valuation through profits or losses	(504)	-	-	-	(504)	(1,001)
Other revenue - net	23,626	14,805	24,412	57,545	120,388	62,063
Borrowing cost	(1,404)	-	-	-	(1,404)	(2,948)
Profit for the Period before Tax	954,565	(7,916)	(11,931)	(24,009)	910,709	1,285,941
Less: Income tax for the period	(2,460)	-	-	-	(2,460)	(35,673)
Profit for the Period	952,105	(7,916)	(11,931)	(24,009)	908,249	1,250,268
Sector Total Assets	16,072,349	15,062,655	2,977,490	215,702	34,328,196	33,890,480
Sector Total Liabilities	1,700,793	5,013,007	1,499,630	394,966	8,608,396	7,884,481

18. Fair Value Hierarchy

The fair value of financial assets and financial liabilities of the Company specified at fair value on an ongoing basis:

Some financial assets and liabilities of the Company are evaluated at fair value at the end of each fiscal period. Moreover, the following table shows information on how the fair value of these financial assets and liabilities is determined (evaluation methods and inputs used).

Financial Assets	Fair Value		Level of Fair Value	Valuation Method and Inputs Used	Important Intangible Inputs	Relation between the Fair Value and the Important Intangible Inputs
	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)				
	JD	JD				
Financial assets at fair value						
Financial assets at fair value through statement of Profits or Losses						
Quoted Shares	8,814	9,318	Level I	Quoted Shares	N/A	N/A
Total	8,814	9,318				
Financial assets at fair value through other comprehensive income						
Quoted Shares	340,081	349,443	Level I	Quoted Shares	N/A	N/A
Unquoted Shares	151,000	151,000	Level II	Compared it with the market value of a similar instrument	N/A	N/A
Total	491,081	500,443				
Total Financial Assets at Fair Value	499,895	509,761				

There were no transfers between Level I and Level II during the ended period June 30, 2024 and the year 2023.

19. Liquidity risk

Liquidity risk, also referred to as funding risk, is the risk that the Company will encounter difficulty in raising funds to meet commitments. Moreover, the Company manages liquidity risk through maintaining adequate reserves and continuously monitoring the forecast and actual cash flows, in addition to matching the maturities of financial assets with those of financial liabilities.

The Company's liquidity position at the date of the consolidated condensed interim financial statements is as follows:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Current assets	4,231,412	4,307,137
<u>Less:</u> Current liabilities	(4,406,774)	(3,913,865)
(Deficit)/Surplus in Working Capital	(175,362)	393,272

Management believes that the liquidity risk is not significant as of the date of the condensed consolidated interim of financial statements.

The Company estimates the liquidity risk on a monthly basis, based on long-term future projections. Moreover, the Company evaluates capital and financing requirements periodically, and the availability of liquidity depends on the support from the related parties in addition to the banking financings and selling the land through the waiver.

20. Approval of Condensed Consolidated Interim Financial Information

The condensed consolidated interim financial information of the Company has been approved by the Company's Board of Directors on July 28, 2024.