

JORDAN NATIONAL SHIPPING LINES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA SPECIAL ECONOMIC ZONE – JORDAN

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

JORDAN NATIONAL SHIPPING LINES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA SPECIAL ECONOMIC ZONE – JORDAN
CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION AND
INDEPENDENT AUDTOR'S REVIEW REPORT
FOR THE SIX MONTHS ENDED
JUNE 30, 2024

TABLE OF CONTENTS

	<u>Page</u>
Review Report	1
Consolidated Condensed Interim Statement of Financial Position	2
Consolidated Condensed Interim Statement of Profit or Loss	3
Consolidated Condensed Interim Statement of Comprehensive Income	4
Consolidated Condensed Interim Statement of Changes in Owners' Equity	5
Consolidated Condensed Interim Statement of Cash Flows	6
Notes to Consolidated Condensed Interim Financial Information	7 – 17

INDEPENDENT AUDITOR'S REVIEW REPORT

AM \ 000744

To the Chairman and Board of Directors Members
Jordan National Shipping Lines Company
(Public Shareholding Limited Company)
Aqaba Special Economic Zone - Jordan

Introduction

We have reviewed the accompanying consolidated condensed interim statement of financial position of Jordan National Shipping Lines Company (Public Shareholding Limited Company) as of June 30, 2024 and the consolidated condensed interim related statements of profit or loss and comprehensive income for the three months and six months ended June 30, 2024 and statement of changes in owners' equity and cash flows for the six months period then ended, and a summary of significant accounting policies and other explanatory information. Management is responsible for the preparation and fair presentation of these consolidated condensed interim financial information in accordance with International Accounting Standard (34) Interim Financial Reporting. Our responsibility is to express an opinion on these consolidated condensed interim financial information based on our review.

Scope of Review

Except as explained in the following paragraph, we conducted our review in accordance with International Standard on Review Engagements 2410, Review of Condensed Interim Financial Information Performed by the Independent Auditor of the Company. 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.

Basis for Qualified Conclusion

As a result of being denied access to the financial information, management and auditors of Smit Lamnalco Company – Jordan ("Lamnalco"), an associate accounted for by the equity method, we were unable to complete our review of the Company's equity accounted investment of JD 4.4 million as at June 30, 2024 (JD 4.1 million as at December 31, 2023) and the Company's share of Lamnalco's income of JD 0.34 million for the period then ended (JD 0.36 million for the period ended on June 30, 2023). Had we been able to complete our review of the equity accounted investment and the Company's share of income, matters might have come to our attention indicating that adjustments might be necessary to the consolidated condensed interim financial information. Our conclusion for the six months period ended in June 30, 2023 was also modified in respect of this matter.

Qualified Conclusion

Except for the adjustments to the consolidated condensed interim financial information that we might have become aware of had it not been for the situation described above, based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial information is not prepared, in all material respects in accordance with International Accounting Standard (34) Interim Financial Reporting.

Other Matter

The accompanying consolidated condensed interim financial information are a translation of the statutory financial information in the Arabic language 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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JORDAN NATIONAL SHIPPING LINES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA SPECIAL ECONOMIC ZONE - JORDAN

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

		Note	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)		Note	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
			JD	JD			JD	JD
<u>ASSETS</u>					<u>LIABILITIES</u>			
Current Assets:					Current Liabilities:			
Cash on hand and at banks - net		4	8,244,293	9,226,918	Accounts payable and other credit balances		3,712,184	2,714,788
Accounts receivable - net		5	856,552	787,106	Income tax provision	13/A	93,442	90,848
Financial assets at fair value through profit or loss		18	2,043,181	2,012,993	Due to related parties	6/B	548,654	517,550
Due from related parties - net		6/A	34,675	4,798	Short term loans	8	750,000	1,560,952
Other debit balances and prepaid expenses			224,297	347,758	Total Current Liabilities		5,104,280	4,884,138
Inventory - hotel			34,998	77,173				
Total Current Assets			11,437,996	12,456,746	Long term loans	8	4,259,957	4,826,902
Investments:					<u>OWNERS' EQUITY</u>			
Financial assets at fair value through other comprehensive income		18	3,048,008	3,124,629	Shareholders' Equity:			
Investments in associate companies		7	7,473,921	6,986,783	Paid-up capital	1	15,000,000	15,000,000
Investment property - net			1,571,178	1,599,825	Statutory reserve		3,750,000	3,750,000
Financial assets at amortized cost		12	531,000	531,000	Investments revaluation reserve		(1,481,346)	(1,339,709)
Total Investments			12,624,107	12,242,237	Retained earnings		8,573,109	11,269,008
Property and Equipment:					Profit for the period		2,117,561	-
Property and equipment - at cost			25,878,448	25,561,454	Total Shareholders' Equity		27,959,324	28,679,299
Less: Accumulated depreciation			(10,506,798)	(10,207,695)	Non-controlling interests		2,110,192	1,662,403
Net Book Value of property and equipment			15,371,650	15,353,759	TOTAL OWNERS' EQUITY		30,069,516	30,341,702
Total Non-Current Assets			27,995,757	27,595,996	TOTAL LIABILITIES AND OWNERS' EQUITY		39,433,753	40,052,742
TOTAL ASSETS			39,433,753	40,052,742				

Chairman of the Board of Directors

General Manager

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

JORDAN NATIONAL SHIPPING LINES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA SPECIAL ECONOMIC ZONE - JORDAN

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE THREE MONTHS AND SIX MONTHS THEN ENDED JUNE 30, 2024 AND 2023

	For the Three Months		For the Six Months	
	Ended June 30,	Ended June 30,	Ended June 30,	Ended June 30,
Note	2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
	JD	JD	JD	JD
Revenue:				
Net revenue from maritime agencies, sea freight and cruising vessels	891,646	1,125,297	1,700,224	2,037,500
Gross hotel operating revenue before other expenses	508,542	647,748	757,276	1,162,922
Gross Profit	1,400,188	1,773,045	2,457,500	3,200,422
Less: General and administrative expenses and depreciation	(658,065)	(851,856)	(1,543,315)	(1,635,443)
Information technology expenses - Hotel	(24,133)	(27,297)	(48,975)	(52,849)
Power and maintenance expenses - Hotel	(135,083)	(169,532)	(261,064)	(313,945)
Financing expenses	(86,371)	(103,777)	(190,046)	(330,368)
Gain from financial assets at fair value through profit or loss - net	56,083	(156,235)	239,672	132,589
Dividends from financial assets at fair value through other comprehensive income	88,622	74,554	195,422	181,754
Company's share from investments in associate companies income	460,952	352,906	877,138	652,652
Expense /(surplus) expected credit loss - net	-	-	-	-
Other revenue - net	250,616	188,274	392,752	299,227
Income for the Period before Tax	1,352,809	1,080,082	2,119,084	2,134,039
Income tax expense	(49,807)	(52,452)	(80,119)	(98,452)
Income for the Period	1,303,002	1,027,630	2,038,965	2,035,587
Attributable to:				
The Company's shareholders	1,289,428	1,041,023	2,117,561	2,091,673
Non-controlling interests	13,574	(13,393)	(78,596)	(56,086)
	1,303,002	1,027,630	2,038,965	2,035,587
Earnings per share for the period attributable to the Company's shareholders:				
Basic and Diluted	10	-/09	-/14	-/14

General Manager

Chairman of the Board of Directors

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JORDAN NATIONAL SHIPPING LINES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA SPECIAL ECONOMIC ZONE - JORDAN

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2024 and 2023

	For the Three Months		For the Six Months	
	Ended June 30,		Ended June 30,	
	2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
Income for the period	JD	JD	JD	JD
	1,303,002	1,027,630	2,038,965	2,035,587
Items that will not be reclassified subsequently to the consolidated condensed interim of profit or loss:				
Change in fair value - financial assets at fair value through other comprehensive income	(150,530)	(196,101)	(142,120)	(177,598)
(Losses) from sale of financial assets at fair value through other comprehensive income	-	-	418	(5,825)
Total Comprehensive Income	1,152,472	831,529	1,897,263	1,852,164
Total Comprehensive Income Attributable to:				
The Company's shareholders	1,138,898	844,922	1,975,859	1,908,250
Non - controlling interests	13,574	(13,393)	(78,596)	(56,086)
	1,152,472	831,529	1,897,263	1,852,164

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED CONDENSED
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JORDAN NATIONAL SHIPPING LINES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AOABA SPECIAL ECONOMIC ZONE - JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN OWNERS' EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2024 and 2023

	Note	Paid-up Capital	Investment			Retained Earnings	Income for the Period	Total		Non-Controlling Interest	Total Owners' Equity
		JD	Statutory Reserve	Revaluation Reserve	JD			Shareholders' Equity	Interest		JD
For the Six Months Ended June 30, 2024											
Balance - beginning of the period (Audited)		15,000,000	3,750,000	(1,339,709)	11,269,008	-	-	28,679,299	1,662,403	-	30,341,702
Amendments from previous years		-	-	-	4,166	-	-	4,166	-	-	4,166
Income for the period		-	-	-	-	2,117,561	-	2,117,561	(78,596)	-	2,038,965
Change in fair value - financial assets at fair value through other comprehensive income		-	-	(142,120)	-	-	-	(142,120)	-	-	(142,120)
Gains from on sale of financial assets at fair value through other comprehensive income		-	-	-	418	-	-	418	-	-	418
Total Comprehensive Income		-	-	(142,120)	4,584	2,117,561	-	1,980,025	(78,596)	-	1,901,429
Transferred from investments revaluation reserve to retained earnings as a result of the sale of financial assets at fair value through comprehensive income		-	-	483	(483)	-	-	-	-	-	-
Dividends distributed *	17	-	-	-	(2,700,000)	-	-	(2,700,000)	-	-	(2,700,000)
Amortisation of losses from partner's current account - subsidiary company		-	-	-	-	-	-	-	616,385	-	616,385
Dividends distributed to partners - subsidiary Company		-	-	-	-	-	-	-	(90,000)	-	(90,000)
Balance - End of the Period (Reviewed)		15,000,000	3,750,000	(1,481,346)	8,573,109	2,117,561	-	27,959,324	2,110,192	-	30,069,516
For the Six Months Ended June 30, 2023											
Balance - beginning of the period (Audited)		15,000,000	3,750,000	(1,393,350)	10,821,623	-	-	28,178,273	1,860,310	-	30,038,583
Income for the period		-	-	-	-	2,091,673	-	2,091,673	(56,086)	-	2,035,587
Change in fair value - financial assets at fair value through other comprehensive income		-	-	(177,598)	-	-	-	(177,598)	-	-	(177,598)
(Losses) from on sale of financial assets at fair value through other comprehensive income		-	-	-	(5,825)	-	-	(5,825)	-	-	(5,825)
Total Comprehensive Income		-	-	(177,598)	(5,825)	2,091,673	-	1,908,250	(56,086)	-	1,852,164
Transferred from investments revaluation reserve to retained earnings as a result of the sale of financial assets at fair value through comprehensive income		-	-	7,455	(7,455)	-	-	-	-	-	-
Dividends distributed *	17	-	-	-	(2,700,000)	-	-	(2,700,000)	-	-	(2,700,000)
Dividends distributed to partners - Subsidiary Company		-	-	-	-	-	-	-	(60,000)	-	(60,000)
Balance - End of the Period (Reviewed)		15,000,000	3,750,000	(1,563,493)	8,108,343	2,091,673	-	27,386,523	1,744,224	-	29,130,747

* According to the General Assembly resolution in its meeting held on April 28, 2024 an amount of JD 2,700,000, 18% of Paid up capital was approved for distribution to the shareholders for the year ended 2023

(JD 2,700,000 for the year 2022).

- An amount equal to the negative balance of the investment revaluation shown above shall be restricted from the retained earnings as of June 30, 2024.

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JORDAN NATIONAL SHIPPING LINES COMPANY
(A PUBLIC LIMITED SHAREHOLDING COMPANY)
AQABA SPECIAL ECONOMIC ZONE - JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

		For the Six Months Ended June 30,	
	Note	2024 (Reviewed)	2023 (Reviewed)
		JD	JD
CASH FLOWS FROM OPERATING ACTIVITIES:			
Income for the period before tax		2,119,084	2,134,039
Adjustments for:			
(Gains) losses on valuation of financial assets at fair value through profit or loss		(101,088)	38,741
Dividends from financial assets at fair value through profit or loss		(138,584)	(162,158)
Dividends from financial assets at fair value through other comprehensive income		(195,422)	(181,754)
Depreciation of property and equipment and investment property		327,750	327,764
(Gains) on sale of property and equipment		-	(3,700)
(Gains) from investments in associate companies	7	(877,138)	(652,652)
Cash Flows from Activities before Changes in Working Capital		1,134,602	1,500,280
(Increase) decrease in current assets:			
Accounts receivable		(69,446)	(705,306)
Due from related parties		(29,877)	(57,359)
Other debit balances and prepaid expenses		123,461	(15,066)
Inventory - hotel		42,175	(26,352)
Increase (decrease) in current liabilities:			
Accounts payable and other credit balances		997,055	(369,537)
Due to related parties		31,104	187,692
Net Cash Flows from Operating Activities before Income Tax Paid		2,229,074	514,352
Income tax paid	13/a	(77,525)	(132,166)
Net Cash Flows from Operating Activities		2,151,549	382,186
CASH FLOWS FROM INVESTING ACTIVITIES:			
Dividends from investments in associate companies	7	390,000	450,000
Proceeds from financial assets at fair value through comprehensive income		5,400	-
(Purchase) of property and equipment - net		(316,994)	(430,584)
Proceeds from sale of property and equipment		-	3,700
(Increase) in financial assets at fair value through profit or loss		-	(1,484)
(Increase) decrease in financial assets at fair value through other comprehensive income		(5,000)	14,906
Dividends from financial assets at fair value through profit or loss - received		138,584	162,158
Dividends from financial assets at fair value through other comprehensive income - received		195,422	181,754
Net Cash Flows from Investing Activities		407,412	380,450
CASH FLOWS FROM FINANCING ACTIVITIES:			
(Decrease) increase in loans		(1,377,897)	282,425
Dividends distributed		(2,700,000)	(2,700,000)
Decrease in non-controlling interests		526,385	(60,000)
Net Cash Flows (used in) Financing Activities		(3,551,512)	(2,477,575)
Net (decrease) in cash		(992,551)	(1,714,939)
Cash and cash equivalent - beginning of the year before provision		9,339,130	9,090,113
Cash and Cash Equivalent - End of the Period before provision	4	8,346,579	7,375,174
Non-monetary Items:			
Debts written-off		10,280	-
Amortization of losses from partner's current account - subsidiary company		616,385	-

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FINANCIAL INFORMATION AND SHOULD BE READ WITH THE REVIEW REPORT.

JORDAN NATIONAL SHIPPING LINES COMPANY
(A PUBLIC LIMITED SHAREHOLDING COMPANY)
NOTES TO CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

1. Incorporation and Activities

- According to the resolution of the Company's General Assembly, in its extraordinary meeting held on August 1, 2004, and the Companies Controller's Letter No. Msh/merger/13324 on August 30, 2004, stating the approval of his Excellency the Minister of Industry and Trade on the resolution of the Company's General Assembly to merge Jordan National Shipping Lines Company with Fast International Trade and Transport Company on June 30, 2004, a new public shareholding Company was established under the name of Jordan National Shipping Lines Company with a capital of JD 5,750,000 allocated to 5,750,000 shares at a par value of JD 1 each. The Company's capital increased in several stages, the last of which was during the year 2013. Where the Company's capital became JD 15 million through capitalizing JD 2/925 million from the retained earnings and distributing it as free stock dividends to the shareholders. The proper procedures to list the stock was completed on June 19, 2013.
- The Company was also registered in Aqaba Special Economic Zone under registration number (1103110402) on 4 November 2003.
- The Company's main objectives are to carry out different types of marine transportation activities using its own ships, as well as ships on lease, in addition to carrying out marine agencies and land transportation activities.

2. Basis of Preparation

a. Basis of preparation of consolidated condensed interim financial information:

- The consolidated condensed interim financial information for the six months ended June 30, 2024, have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting.
- The reporting currency of the consolidated condensed interim financial information is the Jordanian Dinar, which is the functional and presentation currency of the Company.
- The accompanying consolidated condensed interim financial information do not include all the information and disclosures 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 appropriation of the profit for the six months period ended June 30, 2024, which is usually performed at year-end.

b. Basis of consolidation of the condensed interim financial information

- The condensed interim financial information of the subsidiary is prepared for the same financial year, using the same accounting policies adopted by the Group. If the accounting policies adopted by the subsidiary are different from those used by the Group, the necessary adjustments to the condensed interim financial information of the subsidiaries Company are made to comply with the accounting policies followed by the Group.
- The results of the subsidiary Company are incorporated into the consolidated condensed interim statement of profit or loss from the effective date of acquisition, which is the date on which actual control over the subsidiaries is assumed by the Company. Moreover, the operating results of the disposed subsidiaries Companies are incorporated into the consolidated condensed interim statement of profit or loss up to the effective date of disposal, which is the date on which the Company loses control over its subsidiaries Company.

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 Group 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 Group considers all relevant facts and circumstances in assessing whether or not the Company 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, 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 any of the subsidiaries Company, the Company performs the following;

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

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

The parent company owns the following subsidiaries as of June 30, 2024:

	Ownership Percentage	Activity Nature	Establishment Country	Paid Up Capital
	%			JD
Jordan Group for Shipping Agencies *	70	Shipping Agency	Jordan	150,000
Jordan Maritime Complex for Real Estate Investment **	74	Investment Properties	Jordan	15,600,000

* Jordan Group for Shipping Agencies Company is 70% owned by Jordan National Shipping Lines Company whereas each of Jordan Phosphate Mines Company and Arab Potash Company owns 15% of the Company's capital of JD 150,000. The Company's objectives are to represent companies and ships that conduct marine transport activities, act as marine and commercial representatives and agents, intermediate in marine transport activities, and provide all the necessary services for ships, goods, and transporters.

** Jordan Maritime Complex for Real Estate Investment Company is 74% owned by Jordan National Shipping Lines Company and The Salam International Transport and trading Company own 26% of the Company's capital amounted to JD 15.6 million. The Company's objectives to invest in real estate, including all types of buildings and residential apartments / complexes and lease commercial and residential real estate, including land and complexes.

c. Significant Accounting Policies

The accounting policies adopted in preparing the consolidated condensed interim financial information for the period ended June 30, 2024, are consistent with those applied in the year ended December 31, 2023. However, the following revised IFRS standards, which became effective for financial periods beginning on or after January 1, 2024, were followed in preparing the Group condensed consolidated interim financial information, which did not materially affect the amounts and disclosures contained in the condensed consolidated interim financial information for the previous period and years, noting that it 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 in to implement it, 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 Group has not applied the new and revised IFRS Accounting Standards that have been issued but are not yet effective, management is in the process of assessing the impact of the new requirements.

The new and revised (IFRS) for financial reporting preparation	Effective for annual periods beginning on or after.
Amendments to IFRS 21 - In exchangeability 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 Group's condensed consolidated interim financial statements during the initial application period. Furthermore, they expect that adopting these new standards, interpretations, and amendments will not have any significant impact on the financial statements during the initial application period.

3. Judgments, Estimates and Risk Management

The preparation of the consolidated condensed interim financial information requires management to make judgments, estimates and assumptions that affects 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 made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's annual financial statements for the year ended December 31, 2023.

The management believe that it's used estimates for the preparation of the consolidated condensed interim financial information are reasonable and consistent with the estimates for the preparation of the consolidated financial statements for the year 2023.

4. Cash on Hand and at Banks - Net

This item consists of the following:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Cash on hand and checks under collection	7,104	26,547
Deposits at banks *	5,674,581	7,196,362
Current accounts	2,664,894	2,116,221
	<u>8,346,579</u>	<u>9,339,130</u>
<u>Less</u> : Expected credit loss provision (Current accounts and deposits at banks)**	<u>(102,286)</u>	<u>(112,212)</u>
	<u>8,244,293</u>	<u>9,226,918</u>

* There is an amount of JD 2 Million representing cash margins for reducing the interest on a subsidiary company's loan. The above deposit is for a term of one month to one year and bears interest at a rate of 6.5% to 6.75%, as of June 30, 2024 and December 31, 2023.

- Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the Central Bank of Jordan and Central Banks of the respective countries. Accordingly, management of the Group estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month expected credit loss and taking into account the historical default experience and the current credit ratings of the banks.

* The movement on expected credit loss provision related to the cash and balances at banks is as follows:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Balance – beginning of the period/ year	112,212	100,088
Expected credit loss for the period/ year	-	12,124
Provision no longer needed during the period/year	<u>(9,926)</u>	<u>-</u>
Balance – End of the Period/ Year	<u>102,286</u>	<u>112,212</u>

5. Accounts Receivable - Net

This item consists of the following:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Trade receivables	645,526	705,058
Foreign companies receivable	6,100	6,000
Ships owner's receivable	71,679	26,725
Hotel guest's receivable	209,911	126,341
	<u>933,216</u>	<u>864,124</u>
Less: Provision for expected credit loss *	<u>(76,664)</u>	<u>(77,018)</u>
	<u>856,552</u>	<u>787,106</u>

* The movement on the provision for expected credit loss related to receivable is as follows:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Balance – beginning of the period/year	77,018	77,018
Expected credit losses during the period/year	9,926	-
Write-off during the period/year *	<u>(10,280)</u>	<u>-</u>
Balance – End of the Period/Year	<u>76,664</u>	<u>77,018</u>

* Write-offs were approved by the Board of Directors.

The Group has adopted a policy of dealing with only creditworthy counterparties with good reputation in the market, in addition to obtaining sufficient guarantees, whenever appropriate, as a means of mitigating the risk of financial loss from defaults.

6. Related Parties Transactions

This item consists of the following:

a. Due from Related Parties – Net:

	Nature of Relationship	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
		JD	JD
Arab Ship Management Company	Associate Company	32,175	2,298
Other	Associate Company	<u>2,500</u>	<u>2,500</u>
		<u>34,675</u>	<u>4,798</u>

b. Due to Related Parties:

	Nature of Relationship	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
		JD	JD
Salam International Transport and Trading Company	Sister Company	499,872	501,099
Jordan National for Ship Operation Company	Associate Company	14,957	-
Other	Associate Company	<u>33,825</u>	<u>16,451</u>
		<u>548,654</u>	<u>517,550</u>

7. Investment in Associate Companies

This item represents the investments in associate companies, which is stated according to the equity method:

Company Name	Nature of Business	Location	Paid-up Capital	Dividends Distributed for the Period Ended June 30,		Company's Share from Investment in Associate Companies		Ownership Percentage		June 30, 2024 (Reviewed)	June 30, 2024 (Reviewed)	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
				2024 (Reviewed)	2023 (Reviewed)	June 30, 2024 (Reviewed)	June 30, 2023 (Reviewed)	June 30, 2024	December 31, 2023				
			JD	JD	JD	JD	JD	%	%			JD	JD
Arab Company for Ships Management	Maritime mediation	Aqaba	149,000	90,000	60,000	73,138	48,000	30	30		296,161	313,023	
Jordan Academy for Maritime Studies	Education	Amman	2,000,000	300,000	390,000	123,393	151,320	30	30		1,392,201	1,568,808	
Smit Lamnalco Company Ltd - Jordan	Ships services	Aqaba	50,000	-	-	334,719	357,777	27	27		4,424,522	4,089,803	
Jordan National Lines for Ships	Maritime												
Operation Company	transport	Aqaba	700,000	-	-	345,888	95,555	50	50		1,361,037	1,015,149	
Total Investments in associate Companies				390,000	450,000	877,138	652,652				7,473,921	6,986,783	

8. Short and Long Term Loans

This item consists of the following:

	June 30, 2024 (Reviewed)			December 31, 2023 (Audited)
	Due Installments	Short-term Loans Installments	Long-term Loans Installments	Total
	JD	JD	JD	JD
Cairo Amman Bank loan (A) – JD	-	200,000	1,022,358	1,222,358
Capital Bank loan (B) - JD	-	550,000	3,237,599	3,787,599
	-	750,000	4,259,957	5,009,957
				6,387,854

- On November 4, 2020, a loan was granted by Cairo Amman Bank for the purpose of renewing the hotel's fixed assets with a limit of JD 2,000,000 and an interest of 3.25%. The loan is repaid over 72 months according to 20 installments, the first installment is due on January 13, 2023, with a value of JD 100,000 and the loan is disbursed as needed and based on the invoices submitted to the bank for the renewal of the hotel's fixed assets.
- During the month of June 2022, a loan was granted from Capital Bank for the purpose of paying the remaining part of the Egyptian Arab Land Bank loan in the amount of JD 5,500,000, at interest rate of 7.7% as of June 20, 2024. The loan is repaid in quarterly installments, excluding interest, over 20 installments, the first installment is due after November 15, 2023, with value of JD 275,000 for the installment and interests are paid monthly basis from the date of implementation.

9. Company's Share from Investments in Associate Companies' Income

This item consists of the following:

		For the Six Months Ended June 30,	
		2024 (Reviewed)	2023 (Reviewed)
		JD	JD
Jordan Academy for Maritime Studies Company	Associate	123,393	151,320
Arab Ship Management Company	Associate	73,138	48,000
Smit Lamnalco Ltd Company – Jordan	Associate	334,719	357,777
Jordanian National Lines for Ships Operation Company	Associate	345,888	95,555
		877,138	652,652

- Investment income from associate companies is accounted for using the equity method.

10. Earnings per Share for the Period Attributable to the Group's Shareholders

Earnings per share was calculated by dividing the income for the period by the number of shares during the period. The details are as follows:

	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 - Company's Shareholders	1,289,428	1,041,023	2,117,561	2,091,673
	Share	Share	Share	Share
Number of shares	15,000,000	15,000,000	15,000,000	15,000,000
	JD/Share	JD/Share	JD/Share	JD/Share
Earnings per share for the period	-/09	-/07	-/14	-/14

11. Transactions with Related Parties

Related parties, as defined in International Accounting Standard (24): (Related Party Disclosures); include associate companies, major shareholders, directors and other key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. In addition to the balances mentioned in note (6) the following transactions were carried out with related parties:

- a. Rent revenue from Arabian Ships Management Company (Associate Company) amounted to JD 12,662 for six months ended June 30, 2024 (JD 12,662 for six months ended June 30, 2023).
- b. Executive management's salaries and benefits for the Company and its subsidiaries:

	For the Six Months Ended June 30,	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
Salaries, bonuses, and per diems	235,981	267,013
Board of Directors transportation allowances	57,900	58,800
	<u>293,881</u>	<u>325,813</u>

12. Financial Assets at Amortized Cost - Net

During the month of October 2023, the Group purchased 500 bonds from Arab Bank loan bonds and 25 bonds from Al Etihad Bank loan bonds. These bonds mature after five years. The details of these bonds are as follows:

	Number of Bonds	Interest Rate	Interest Maturity	Value	March 31, 2024	December 31, 2023
				JD	JD	JD
Arab Bank	500	%8	Semi annual	354,000	354,000	354,000
Al Etihad Bank	25	%8.5	Quarterly	177,000	177,000	177,000
					<u>531,000</u>	<u>531,000</u>

13. Income Tax Provision

- a. Income tax provision

The movement on the income tax provision is as follows:

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Balance – beginning of the period / year	90,848	145,638
Accrued income tax on income for the period / year	66,766	107,982
Accrued national contribution tax for the period / year	13,353	3,120
Income tax paid	<u>(77,525)</u>	<u>(165,892)</u>
Balance - End of the Period / Year	<u>93,442</u>	<u>90,848</u>

- b. Income tax shown in the consolidated condensed interim statement of profit or loss is as follows:

	For the six Months Ended June 30,	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
Income tax on profit for the period	(80,119)	(98,452)
	<u>(80,119)</u>	<u>(98,452)</u>

- The income tax of the Jordan National Shipping Company "the Holding company" was cleaned until the end of the year 2020 and income tax returns the years 2021, 2022 and 2023 were submitted by due dates and were not reviewed by the Income and Sales Tax Department.
- The income tax of the Jordan Group for Maritime Agencies Company (a subsidiary company) was cleaned until the end of the year 2019 and income tax returns for the years 2020, 2021, 2022 and 2023 were submitted by due dates and were not reviewed by the Income and Sales Tax Department.
- As for the Jordan Maritime Complex Real Estate Investments (a subsidiary), the income tax was cleaned until the year 2019, also the company had submitted its income tax return the years 2020 until 2023 and was not reviewed by the Income and Sales Tax Department.
- A provision for income tax for the period ended June 30, 2024 has been booked for Jordan National Shipping Lines Company, and Jordan Group for Shipping Agencies Company (subsidiary company) in accordance with the Income Tax Law and Aqaba Special Economic Zone Law. However, Jordan Maritime Complex for Real Estate Investments Company (subsidiary company) did not book any income tax provision since it incurred losses during that period. In the opinion of the Company's management and its tax consultant, there is no need to book any additional provision as of June 30, 2024.
- Jordan Maritime Complex for Real Estate Investments Company did not book any deferred taxes since they have not been approved yet, and no benefits are expected from them in the near future.

14. Contingent Liabilities

As of the consolidated condensed interim statement of financial position date, the Group has contingent liabilities representing bank guarantees of JD 55,000 with a cash margins amounted to JD 6,250.

15. Geographical Distribution

The assets and liabilities of the Group located within the Hashemite Kingdom of Jordan as of June 30, 2024 and December 31, 2023 except for the following:

a. Debts

	June 30, 2024 (Reviewed)		December 31, 2023 (Audited)	
	Receivables	Payables	Receivables	Payables
	JD	JD	JD	JD
Account receivables (Payables)	<u>77,136</u>	<u>(1,216,651)</u>	<u>36,074</u>	<u>(143,959)</u>

b. Investments

	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	<u>Financial Investments</u>	
	JD	JD
Shares listed / unlisted on international markets	495,218	419,835
	<u>495,218</u>	<u>419,835</u>

c. Information from Group Business Sectors

The following are Information from the Group business sectors allocated according to activities:

	Marine Services	Hotel Services	Financial Investment and Affiliate Companies	Total (Reviewed) For the Six Months Ended June 30,	
	Sector	Sector		2024	2023
	JD	JD	JD	JD	JD
Revenue	8,278,953	1,378,537	-	9,657,490	10,077,500
Direct cost	(6,578,729)	(621,261)	-	(7,199,990)	(6,877,078)
Business Sector Results	1,700,224	757,276	-	2,457,500	3,200,422
General and administrative expenses and Depreciation	(818,366)	(724,949)	-	(1,543,315)	(1,635,443)
Information technology expenses	-	(48,975)	-	(48,975)	(52,849)
Power and maintenance expenses	-	(261,064)	-	(261,064)	(313,945)
Financing expenses	-	(190,046)	-	(190,046)	(330,368)
Financial assets and investments revenue	-	-	1,312,232	1,312,232	966,995
Other revenue	289,607	103,145	-	392,752	299,227
Income (Loss) for the Period before Income Tax	1,171,465	(364,613)	1,312,232	2,119,084	2,134,039
Income tax expense	(80,119)	-	-	(80,119)	(98,452)
Income (Loss) for the Period	<u>1,091,346</u>	<u>(364,613)</u>	<u>1,312,232</u>	<u>2,038,965</u>	<u>2,035,587</u>
				June 30, 2024 (Reviewed)	December 31, 2023 (Audited)
<u>Other Information:</u>				JD	JD
Sector Assets	10,815,913	15,521,730	13,096,110	39,433,753	40,052,742
	<u>10,815,913</u>	<u>15,521,730</u>	<u>13,096,110</u>	<u>39,433,753</u>	<u>40,052,742</u>
Sector Liabilities	3,027,690	6,336,547	-	9,364,237	9,711,040
	<u>3,027,690</u>	<u>6,336,547</u>	<u>-</u>	<u>9,364,237</u>	<u>9,711,040</u>

16. Approval of the Condensed Consolidated Interim Financial Information

This consolidated condensed interim financial information were approved by the Board of Directors and authorized for issue on July 29, 2024.

17. Dividends Distributed

The General Assembly resolution in its meeting held on April 28, 2023, an amount of JD 2,700,000, 18% of paid-up capital was approved for distribution to the shareholders for the year ended 2023 (JD 2,700,000 for the year 2022).

18. Fair Value Hierarchy

a. Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis:

Some of the financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fairvalue of these financial assets and financial liabilities are determined (valuation techniques and key inputs):

Financial Assets	Fair Value		Fair Value Hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
	June 30, 2024 (Reviewed)	December 31, 2023 (Audited)				
	JD	JD				
Financial assets at fair value						
Financial assets at fair value through profit or loss:						
Quoted shares	2,043,181	1,942,093	Level 1	Quoted Shares	Not Applicable	Not Applicable
Unquoted shares	-	70,900	Level 3	Through using the equity method and latest financial information available	Not Applicable	Not Applicable
	2,043,181	2,012,993				
Financial assets at fair value through other comprehensive income:						
Quoted Shares	2,824,626	2,974,940	Level 1	Quoted Shares	Not Applicable	Not Applicable
Unquoted Shares	223,382	149,689	Level 3	Through using the equity method and latest financial information available	Not Applicable	Not Applicable
	3,048,008	3,124,629				
Total Financial Assets at Fair Value	5,091,189	5,137,622				

There were no transfers between Level 1 and level 2 during the first half of the year 2024 and 2023.