

Trust International Transport Co.
Public shareholding company
Amman - The Hashemite Kingdom of Jordan

Condensed interim financial statements
as of June 30, 2021
(Reviewed not audited)

Trust International Transport Co.
Public shareholding company
Amman - The Hashemite Kingdom of Jordan

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Report on the review of the condensed interim financial statements

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To the Board of Directors of

Trust International Transport Co.

Public shareholding company

Amman - The Hashemite Kingdom of Jordan

Introduction:

We have reviewed the accompanying condensed interim financial statements of **Trust International Transport Co. - public shareholding company** comprising of condensed interim statement of financial position as at 30 June 2021, and the related condensed interim statements of comprehensive income, changes in equity and cash flows for six-month period ended 31 March 2021 and the related explanatory notes.

The management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with IAS 34 – Condensed interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review:

We conducted our review in accordance with International Standard on Review 2410 "Review of Condensed Interim Financial Information Performed by the Independent Auditor of the Entity". A review of the 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. Consequently, it 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 interim financial statements are not prepared, in all material respects in accordance with IAS 34.

Emphasis of matters:

- There are cases filed by the company facing others, at a value of JD 61,527, and there are cases filed by others against the company, at a value of JD 548,095 (note 11).
- Income taxes on the company were estimated at JD 257,443 for the years 2006 to 2010 (note 7).

Other matters:

- The attached condensed interim financial statements have been prepared in accordance with the instructions of the Securities Commission and for management purposes.
- The financial statements were audited as on December 31, 2020, and the interim condensed financial statements as on June 30, 2020 were reviewed by another auditor, who issued an unqualified audit report on January 31, 2021 and an unqualified review report on July 23, 2020, respectively.

Obeidat & Alsaleh Co.

Nabeel M. Obeidat

License No. 877



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Amman in

July 25, 2021

Trust International Transport Co.
Public shareholding company
Amman - The Hashemite Kingdom of Jordan

Statement of condensed interim of financial position
as of June 30, 2021 (reviewed not audited)

	<u>Note</u>	<u>30-Jun-2021</u>	<u>31-Dec-2020</u>
<u>Assets</u>		JD	JD
<u>Current assets</u>		(Reviewed)	(Audited)
Accrued notes receivable - net	5	-	-
Related Parties	10	384,762	375,576
Other debit balances		38,347	38,347
Total current assets		423,109	413,923
<u>Non-current assets</u>			
Property, plant & equipments - net	6	4,700	6,938
Total non-current assets		4,700	6,938
Total assets		427,809	420,861
<u>Liabilities and owners' equity</u>			
<u>Current liabilities</u>			
Other credit balances		123,805	122,370
Income tax provision	7	2,746	1,588
Total current liabilities		126,551	123,958
<u>Owners' equity</u>			
Capital		500,000	500,000
Statutory reserve		1,027	1,027
Accumulated (Loss)	8	(204,124)	(204,124)
Profit for the period		4,355	-
Net owners' equity		301,258	296,903
Total liabilities and owners' equity		427,809	420,861

The accompanying notes form from (1) To (15) is an integral part of these statements

Trust International Transport Co.
Public shareholding company
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Statement of condensed interim of comprehensive income
for the six months ended June 30, 2021 (reviewed not audited)

	Note	For the six months ended		For the three months ended	
		30-Jun-2021	30-Jun-2020	30-Jun-2021	30-Jun-2020
		JD	JD	JD	JD
		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Other income		10,313	9,817	5,149	4,909
General & administrative expenses	8	(2,562)	(6,310)	(1,127)	(875)
Depreciations		(2,238)	(1,454)	(1,119)	(727)
Profit for the period before tax		5,513	2,053	2,903	3,307
Income tax	7	(1,158)		(610)	
Profit for the period		4,355	2,053	2,293	3,307
Total comprehensive income for the period		4,355	2,053	2,293	3,307
		4,355	Fils/Dinar	Fils/Dinar	Fils/Dinar
Basic and diluted earning per share	9	0.009	0.004	0.006	0.007

The accompanying notes form from (1) To (15) is an integral part of these statements

Trust International Transport Co.
Public shareholding company
Amman - The Hashemite Kingdom of Jordan

Statement of condensed interim of changes in owners' equity
for the six months ended June 30, 2021 (reviewed not audited)

Description	Capital JD	Statutory reserve JD	Accumulated (loss) JD	Profit for the period JD	Net JD
<u>For the six months ended June 30, 2021</u>					
Balance as of January 1, 2021- audited	500,000	1,027	(204,124)	-	296,903
Profit for the period after tax	-	-	-	4,355	4,355
Total comprehensive income for the period	-	-	-	4,355	4,355
Balance as of June 30, 2021 - reviewed	500,000	1,027	(204,124)	4,355	301,258
<u>For the six months ended June 30, 2020</u>					
Balance as of January 1, 2020 - audited	500,000	271	(209,337)	-	290,934
Profit for the period after tax	-	-	-	2,053	2,053
Total comprehensive income for the period	-	-	-	2,053	2,053
Balance as of June 30, 2020 - reviewed	500,000	271	(209,337)	2,053	292,987

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Trust International Transport Co.
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Statement of condensed interim of cash flows
for the six months ended June 30, 2021 (reviewed not audited)

	Note	30-Jun-2021 JD (Reviewed)	30-Jun-2020 JD (Reviewed)
<u>Cash flows from operating activities</u>			
Profit for the period		5,513	2,053
Depreciations	6	2,238	1,454
Operating profit before changes in working capital		7,751	3,507
<u>(Increase) decrease in current assets</u>			
Related Parties		(9,186)	553
<u>Increase (decrease) in current liabilities</u>			
Other credit balances		1,435	(4,060)
Net cash provided from operating activities		-	-
Net changes in cash		-	-
Cash at end of period		-	-

The accompanying notes form from (1) To (15) is an integral part of these statements

Trust International Transport Co.

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Notes to the condensed interim financial statements - reviewed not audited

1- Company's registration and objectives

Trust International Transportation Co. P.S.C. was established and registered in public shareholding company record at ministry of industry & trade in **JORDAN** under number **(313)** dated of **May 15, 1996**, it obtained the right of commence work at **December 12, 1996**.

The company purposes are to management transmission lines between **JORDAN** and some neighboring countries and other areas ,company's conditions has been reconciled of written and paid capital aomunted of JD **3,455,200** of nominal value of one JD per share , written and paid capital were reduced to be JD **3,434,750** of nominal value of one JD per share .

The general assembly in its extaordinary meeting held on **April 30, 2016** decided to reduce capital from JD/Share **3,434,750** to JD/Share **500,000** , through amortizing some of accumulated loss amounted of JD **2,934,750** , legal prcedures were completed on **August 23, 2016**.

The Condensed interim financial statements were approved by the board of directors at its meeting held on **July 25, 2021**, these financial statements aren't subject to the approval of the general assembly of shareholders .

2- Basis of preparation of interim financial statements

These condensed interim financial statement have been prepared in accordance with inernational accounting standards ((IFRS) IAS 34))(Interim Financial Reporting).

The condensed interim financial statements have been prepared on historical cost except financial assets and liabilities which appears on fair value.

The condensed interim financial statements are presented in Jordanian Dinars (JOD) which is the company's presentation functional currency .

These condensed inerim financial statements do not include all the information required for a complete set of IFRS financial statements, However , selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the company's financial position and performance since the last annual report of financial statements as of **December 31, 2020**, in addition, The results for the six months period ended **June 30, 2021** are not necessarily indicative of the results that may be expected for the financial year ending **December 31, 2021**.

Trust International Transport Co.

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Notes to the condensed interim financial statements - reviewed not audited

3- Use of estimates

The preparation of the interim financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions and particular, considerable judgement by management is required in the estimation of the amount and timing of future cash flows. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ, resulting in future change in such provisions.

Management believe that the estimates are reasonable and are as follows :

- Management evaluates its investments for impairment on a regular basis where there is a prolonged decline, Management estimates the value of impairment and the same is charged in the statement of comprehensive income - An estimate of the collectible amount of trade accounts receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on historical recovery rates.

- Inventories are held at the lower of either cost or net realizable value. When inventories become old or obsolete, an estimate is made of their realizable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of aging or obsolescence, based on historical selling prices.

- Management reviews periodically the tangible and intangible assets in order to assess the amortization and depreciation for the year based on the useful life and future economic benefits. Any impairment is taken to the statement of comprehensive income.

4- Significant accounting policies

Changes in accounting policies

The accounting policies followed in the preparation of the interim condensed financial statements for the period are consistent with those followed in the preparation of the financial statements for the year ended December 31, 2020, except for the company's application of the following standards:

Standard Interest Rate Reforms - Phase Two Adjustments

The amendments require the entity to recognize the change in the basis for determining the contractual cash flows of the asset or liability, which is required to reform the interest rate standard by updating the effective interest rate of the financial asset or liability, in addition, it provides exceptions to the requirements of hedge accounting. With regard to exposure to cash flows, fair value hedges, and non-derivative financial assets and liabilities related to the benchmark interest between banks, which mature after 2021, it was found that there is no significant impact of the standard interest rate reform on the company's business results.

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Notes to the condensed interim financial statements - reviewed not audited

5- Accrued notes receivable - net

This item consists of :

	<u>30-Jun-2021</u>	<u>31-Dec-2020</u>
	JD	JD
	(Reviewed)	(Audited)
Accrued notes receivable	41,190	41,190
Less: notes receivable impairment	<u>(41,190)</u>	<u>(41,190)</u>
Net	<u><u>-</u></u>	<u><u>-</u></u>

Trust International Transport Co.**Public shareholding company****Amman - The Hashemite Kingdom of Jordan****Notes to the condensed interim financial statements - reviewed not audited****6- Property , plant & equipments - Net**

A. This item consists of the following :

	Furnitures & fixtures	Electrical machines and cellulars	Vehicles	Computers	Total
	JD	JD	JD	JD	JD
<u>Cost</u>					
Balance at ending of the period	24,879	5,718	84,586	2,552	119,952
<u>Accumulated depreciations</u>					
Balance at beginning of the period	24,879	5,718	79,865	2,552	113,014
Depreciations	-	-	2,238	-	2,238
Balance at ending of the period	24,879	5,718	82,103	2,552	115,252
Book value as of June 30, 2021 (Reviewed)	-	-	2,483	-	4,700
Book value as of December 31, 2020 (Audited)	-	-	4,721	-	6,938

B. Cost of depreciated property , plant & equipments JD 75,199 as of June 30, 2021 (JD 75,199 as of December 31, 2020) .

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Notes to the condensed interim financial statements - reviewed not audited

7- Income tax

- A. The company's income tax was accepted for the end of **2019** according to sampling system and for the year **2020**, a self-assessment statement were submitted for it and not yet reviewed.

Income tax department issued its decision of disapproval revealed self-esteem for the years **2006-2010** , the department evaluated tax of JD **257,443** , the company filled a legal objection of not recognize departmen decission ,the case is still under consideration by the Tax Appeals Court and is in the process of discussing the experience report.

The **34,924** dinars tax license income tax returns will be refunded or set-off in the event of estimating tax amounts on the company, according to the opinion of the company tax advisor.

B. The movement of income tax provision during the period as follow :

	30-Jun-2021	31-Dec-2020
	JD	JD
	(Reviewed)	(Audited)
Balance beggining of the period / year	1,588	-
Tax of the period / year (note 7 C)	1,158	1,588
Balance ending of the period / year	2,746	1,588

C. Reconciliation of taxable income

	30-Jun-2021	31-Dec-2020
	JD	JD
	(Reviewed)	(Audited)
Recorded profit	5,513	7,557
Non-taxable income	-	-
Non-taxable expenses	-	-
Taxable income	5,513	7,557
Income tax rate	20%	20%
Income tax for the year	1,103	1,512
National contribution accountt (1% of taxable income)	55	76
Total income tax	1,158	1,588

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8- Accumulated (loss)

The movement of the accumulated (loss) during the period as follow :

	<u>30-Jun-2021</u>	<u>31-Dec-2020</u>
	JD	JD
	(Reviewed)	(Audited)
Balance at beginning of the period / year	(204,124)	(209,337)
Profit for the year	-	5,969
Transfer to statutory reserve	-	(756)
Balance at ending of the period / year	<u>(204,124)</u>	<u>(204,124)</u>

9- Basic and diluted earning per share

This item consists of :

	<u>30-Jun-2021</u>	<u>30-Jun-2020</u>
	JD	JD
Profit for the period after tax (JD)	4,355	2,053
Weighted average shares (share)	500,000	500,000
Basic and diluted earning per share	<u>0.009</u>	<u>0.004</u>

The diluted earning per share is equal to the basic earning per share for the period .

10- Related parties

Related parties represents what appears on financial position of amounts invested in general trade with related parties companies at agreed rates according to the signed agreements.

11- Legal situation

There are cases set up by the company against others with a value of JD **61,527**, also there are cases and lawsuit represents of compensations of injuries and death of vehicles accidents amounted of JD **548,095** and other lawsuits not specified amounts and results , the provisions were recorded in records according to the ratios recommended by lawyer depending on the stages of cases , it still under consideration .

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12- Future plan

- Finishing cases which are facing company upon vehicles accidents , and try to finish it of reconciling at lowest amount possible .
- After previous item , working at versify activities according to multiple purposes contained in the policy of the company .

13- Risk management

The company is exposed in general to financial risks, credit risks, liquidity risks and market risks, especially in light of the Corona pandemic, and in general, the goals and policies of the company in managing the financial risks to which the financial statements are exposed, and they have been disclosed in the financial statements as well as the financial statements of the company as well On December 31, 2020.

14- Subsequent events

There are no subsequent events may have material affects to financial position .

15- Comparative figures

Some of the comparative figures have been reclassified to suit the classification of the current fiscal period figures. The reclassification and did not result in any impact on the profit or property rights of the previous year.