

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

CONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION FOR THE
PERIOD ENDED MARCH 31, 2023

JORDAN NATIONAL SHIPPING LINES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA SPECIAL ECONOMIC ZONE – JORDAN
CONSILDATED CONDENSED INTERIM FINANCIAL INFORMATION AND
INDEPENDENT AUDITOR’S REVIEW REPORT
FOR THE THREE MONTH ENDED MARCH 31, 2023

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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 March 31, 2023 and the related statements of profit or loss and comprehensive income and changes in owners' equity and cash flows for the three month period then ended, and a summary of significant accounting policies and other explanatory information. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Accounting Standard (34) Interim Financial Reporting. Our responsibility is to express an opinion on this 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 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 approximately JD 4,7 million as of March 31, 2023 (approximately JD 4,5 million as of March 31, 2022) and the Company's share of Lamnalco's income of JD 178,416 for the period then ended (JD 224,343 for period ended March 31, 2022). 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.

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.

Amman – Jordan
May 1, 2023


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)
AOABA SPECIAL ECONOMIC ZONE - JORDAN
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

		March 31, 2023 (Reviewed)	December 31, 2022 (Audited)		March 31, 2023 (Reviewed)	December 31, 2022 (Audited)
	ASSETS	JD	JD		JD	JD
Current Assets:				Current Liabilities:		
Cash on hand and at banks - net	4	8,725,700	8,990,025	Accounts payable and other credit balances	12	2,825,301
Accounts receivable - net	5	1,676,186	840,801	Income tax provision	6/B	161,872
Financial assets at fair value through profit or loss	15	2,477,437	2,197,834	Due to related parties	8	285,345
Due from related parties - net	6/A	110,450	11,026	Short - term loans and due installments		779,696
Other debit balances and prepaid expenses		301,339	185,985	Total Current Liabilities		4,052,214
Inventory - hotel		75,271	64,626			3,798,751
Total Current Assets		13,366,383	12,290,297			
				Long - term loans installments	8	5,500,000
Investments:						5,500,000
Financial assets at fair value through other comprehensive income	15	3,094,199	3,096,670	OWNERS' EQUITY		
Investments in associate companies	7	7,438,882	7,199,136	Shareholders' Equity:		
Investment properties - net	15	1,642,796	1,657,118	Paid-up capital		15,000,000
Total Investments		12,175,877	11,952,924	Statutory reserve		3,750,000
				Investments revaluation reserve		(1,367,392)
Property and Equipment:				Retained earnings		10,808,343
Property and equipment - at cost		24,707,579	24,581,593	Profit for the period		1,050,650
Less: Accumulated depreciation		(9,638,407)	(9,487,480)	Total Shareholders' Equity		29,241,601
Net Book Value of property and equipment		15,069,172	15,094,113	Non-controlling interests		1,817,617
Total Non-Current Assets		27,245,049	27,047,037	TOTAL OWNERS' EQUITY		31,059,218
TOTAL ASSETS		40,611,432	39,337,334	TOTAL LIABILITIES AND OWNERS' EQUITY		40,611,432

Chairman of the Board of Directors

General Manager

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

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	
	Ended March 31,	
	2023 (Reviewed)	2022 (Reviewed)
	JD	JD
Income for the period	1,007,957	849,555
Items that will not be reclassified subsequently to the Consolidated condensed interim statement of profit or loss:		
Cumulative change in fair value - financial assets at fair value other through comprehensive income	18,503	41,240
(Loss) from sale of financial assets at fair value through other comprehensive income	(5,825)	-
Total Comprehensive Income	<u>1,020,635</u>	<u>890,795</u>
Total Comprehensive Income Attributable to:		
The Company's shareholders	1,063,328	909,860
Non - controlling interests	<u>(42,693)</u>	<u>(19,065)</u>
	<u>1,020,635</u>	<u>890,795</u>

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JORDAN NATIONAL SHIPPING LINES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AOABA SPECIAL ECONOMIC ZONE - JORDAN
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

	Investment		Total			Non-controlling		Total Owners'
	Paid-up	Statutory	Revaluation	Retained	Income for	Shareholders'	Interest	Equity
Note	Capital	Reserve	Reserve	Earnings	the period	Equity	JD	Equity
<u>For the Three Months Ended March 31, 2023</u>								
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	-	-	-	-	1,050,650	1,050,650	(42,693)	1,007,957
Change in fair value - financial assets at fair value through other comprehensive income	-	-	18,503	-	-	18,503	-	18,503
(Loss) from sale of financial assets at fair value through other comprehensive income	-	-	-	(5,825)	-	(5,825)	-	(5,825)
Total Comprehensive Income	-	-	18,503	(5,825)	1,050,650	1,063,328	(42,693)	1,020,635
Transferred from investment evaluation reserve to retained earnings as a result of selling financial assets at fair value through comprehensive income								
Balance - End of the Period (Reviewed)	-	-	7,455	(7,455)	-	-	-	-
	<u>15,000,000</u>	<u>3,750,000</u>	<u>(1,367,392)</u>	<u>10,808,343</u>	<u>1,050,650</u>	<u>29,241,601</u>	<u>1,817,617</u>	<u>31,059,218</u>
<u>For the Three Months Ended March 31, 2022</u>								
Balance - beginning of the period (Audited)	15,000,000	3,750,000	(1,427,067)	8,765,849	-	26,088,782	1,409,412	27,498,194
Income for the period	-	-	-	-	868,620	868,620	(19,065)	849,555
Change in fair value - financial assets at fair value through other comprehensive income	-	-	41,240	-	-	41,240	-	41,240
Total Comprehensive Income	-	-	41,240	-	868,620	909,860	(19,065)	890,795
Balance - End of the Period (Reviewed)	<u>15,000,000</u>	<u>3,750,000</u>	<u>(1,385,827)</u>	<u>8,765,849</u>	<u>868,620</u>	<u>26,998,642</u>	<u>1,390,347</u>	<u>28,388,989</u>

- An amount equal to the negative balance of the investment revaluation reserve shown above shall be restricted from the retained earnings as of March 31, 2023.

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

	Note	For the Three Months Ended March 31,	
		2023 (Reviewed)	2022 (Reviewed)
CASH FLOWS FROM OPERATING ACTIVITIES:		JD	JD
Profit for the period before tax		1,053,957	888,816
Adjustments for:			
(Gain) on valuation on financial assets at fair value through profit or loss		(288,824)	(93,641)
Dividends from financial assets at fair value through other comprehensive income		(107,200)	-
Depreciation of property and equipment and investment properties		165,249	158,228
(Gain) from investment in associate companies	9	(299,746)	(343,417)
Cash Flows from Operating Activities before Changes in Working Capital		523,436	609,986
(Increase) decrease in current assets:			
Accounts receivable		(822,707)	21,207
Due from related parties		(99,424)	(18,250)
Other debit balances and prepaid expenses		(115,354)	7,161
Inventory - hotel		(10,645)	(2,294)
Increase (decrease) in current liabilities :			
Accounts payable and other credit balances		55,947	1,806,069
Due to related parties		103,488	494,277
Net Cash Flows (Used in) from Operating Activities before Income Tax Paid		(365,259)	2,918,156
Income tax paid	12	(29,766)	(1,740)
Net Cash Flows (Used in) from Operating Activities		(395,025)	2,916,416
CASH FLOWS FROM INVESTING ACTIVITIES:			
Dividends from investment in associate companies and disposals	7	60,000	390,000
(Purchase) in property and equipment - net		(125,986)	(12,638)
Decrease from financial assets at fair value through profit or loss		9,221	-
Decrease from financial assets at fair value through othe comprehensive income		2,471	-
Dividends from financial assets at fair value through other comprehensive income - received		107,200	-
Net Cash Flows from Investing Activities		52,906	377,362
CASH FLOWS FROM FINANCING ACTIVITIES:			
Increase (decrease) in loans		77,794	(85,847)
Net Cash Flows From (Used in) Financing Activities		77,794	(85,847)
Net (Decrease) Increase in cash		(264,325)	3,207,931
Cash and Cash Equivalents - beginning of the year before provision		9,090,113	8,168,129
Cash and Cash Equivalents - End of the Period before Provision	4	8,825,788	11,376,060

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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 three months ended March 31, 2023 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 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, 2022. In addition, the results of the Company's operations for the three months ended March 31, 2023 do not necessarily represent indications of the expected results for the year ending December 31, 2023, and do not contain appropriation of the profit for the three months period ended March 31, 2023, 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 are 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 subsidiary are made to comply with the accounting policies followed by the Group.
- The results of the subsidiary Company's 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 subsidiary Company's are incorporated into the condensed consolidated 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 subsidiary.

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 Bank 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 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 income 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 subsidiaries are represented as of March 31, 2023:

	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 condensed consolidated interim financial information for the period ended March 31, 2023 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, 2023, were followed in preparing the Group condensed interim financial information, which did not materially affect the amounts and disclosures contained in the condensed 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.:

IFRS 17 Insurance Contracts

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.

The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

In June 2020, the Board issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after January 1, 2023. At the same time, the Board issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after January 1, 2023.

In December 2021, the IASB issued Initial Application of IFRS 17 and IFRS 9—Comparative Information (Amendment to IFRS 17) to address implementation challenges that were identified after IFRS 17 was published. The amendment addresses challenges in the presentation of comparative information.

For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application. Modification are applied retroactively, unless impractical, in this case, the modified retroactively or fair value approach is applied.

Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or noncurrent is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services, amendment apply retrospectively.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2 amendment apply retrospectively.

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".

The definition of a change in accounting estimates was deleted. However, the Board retained the concept of changes in accounting estimates in the Standard with the following clarifications:

- A change in accounting estimate that results from new information or new developments is not the correction of an error.
- The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.

The IASB added two examples (Examples 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The IASB has deleted one example (Example 3) as it could cause confusion in light of the amendments.

Amendments to IAS 12 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.

Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

The Board also adds an illustrative example to IAS 12 that explains how the amendments are applied.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:

- A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with:
 - Right-of-use assets and lease liabilities
 - Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset.

The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.

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, 2022.

The management believe that its used estimates for the preparation of the interim condensed financial information are reasonable and consistent with the estimates approved for the preparation of the consolidated financial statements for the year 2022.

4. Cash on Hand and at Banks

This item consists of the following:

	March 31, 2023 (Reviewed)	December 31, 2022 (Audited)
	JD	JD
Cash on hand and checks under collection	58,611	17,494
Deposits at banks *	6,957,555	6,457,142
Current accounts	1,809,622	2,615,477
	8,825,788	9,090,113
<u>Less:</u> Provision for expected credit loss (current Accounts and deposits at banks)	(100,088)	(100,088)
	<u>8,725,700</u>	<u>8,990,025</u>

- * The above deposits is for a term of one month to one year and bears interest at a rate of 4/5% to 6/15% as of March 31, 2023 and December 31, 2022.

- Balances with banks are assessed as having a low credit risk resulting from default, because these banks are subject to high supervision by the Central Bank of Jordan and the central banks in each of the countries in which the Group owns bank accounts. Accordingly, the Group's management estimates the loss allowance on bank balances at the end of the financial reporting period in an amount equal to the expected credit loss over a 12-month period. Considering the historical information of default, and the current credit ratings of banks.

5. Accounts Receivable - Net

This item consists of the following:

	March 31, 2023 (Reviewed)	December 31, 2022 (Audited)
	JD	JD
Trade receivables	1,431,613	606,325
Foreign companies receivable	57,035	38,784
Ships owners receivable	70,150	64,689
Hotel guests receivable	194,406	208,021
	<u>1,753,204</u>	<u>917,819</u>
<u>Less: Provision for expected credit loss *</u>	<u>(77,018)</u>	<u>(77,018)</u>
	<u>1,676,186</u>	<u>840,801</u>

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

	March 31, 2023 (Reviewed)	December 31, 2022 (Audited)
	JD	JD
Balance –beginning of the period/year	77,018	90,211
Provision expected credit losses during the Period/year	-	-
Write off during the period/year *	-	(9,529)
Provision that was no longer needed during the year	-	(5,481)
Transferred to credit losses (current accounts and deposits with banks - Note 4)	-	(7,088)
Transfer from provision for slow moving items	-	8,905
Balance – End of the Period/Year	<u>77,018</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 Party Balances

This item consists of the following:

a. Due from Related Parties – Net:

	Nature of Relationship	March 31, 2023 (Reviewed)	December 31, 2022 (Audited)
		JD	JD
Arab Ship Management Company	Associate Company	101,614	3,526
Smit Lamnalco -Jordan	Associate company	5,000	5,000
Other		3,836	2,500
		<u>110,450</u>	<u>11,026</u>

b. Due to Related Parties:

	Nature of Relationship	March 31, 2023 (Reviewed)	December 31, 2022 (Audited)
		JD	JD
Salam International Transport and Trading Company	Sister company	183,417	81,089
Jordan National for Ship Operation Company	Associate Company	86,027	85,877
Other		15,901	14,891
		<u>285,345</u>	<u>181,857</u>

7. Investment in Associate Companies

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

Company	Nature of Business	Location	Paid-up Capital	Dividends Paid during the period ended March 31,		Company's Share from Investment in Associate Companies		Ownership Percentage		March 31, 2023 (Reviewed)	December 31, 2022 (Audited)
				2023	2022	March 31, 2023	March 31, 2022	March 31, 2023	December 31, 2022		
				(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	%	%		
Arab Ship Management Company	Ships Management	Aqaba	JD 149,000	60,000	-	JD 25,141	15,900	30	30	JD 221,362	256,221
Jordan Academy for Maritime Studies Company	Education	Amman	2,000,000	-	390,000	78,864	89,106	30	30	1,686,186	1,607,322
Smit Lammalco Limited / Jordan	Ships services	Aqaba	500,000	-	-	178,416	224,343	27	27	4,731,436	4,553,020
Jordanian National for Ship Operation Company	Shipping	Aqaba	700,000	-	-	17,325	14,067	50	50	799,898	782,573
Total Investments in Affiliate Companies				60,000	390,000	299,746	343,416			7,438,882	7,199,136

8. Long Term Loans Installments

This item consists of the following:

	March 31, 2023 (Reviewed)				December 31, 2022 (Audited)
	Due Installments	Short- term Loan Installments	Long-term Loan Installments	Total	Total
	JD	JD	JD	JD	JD
Cairo Amman Bank loan - Jordanian dinar – (A)	-	779,696	-	779,696	701,902
Capital Bank loan - Jordanian dinar – (B)	-	-	5,500,000	5,500,000	5,500,000
	-	779,696	5,500,000	6,279,696	6,201,902

- 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 7,5%. And so that the loan is repaid in quarterly installments, excluding interest, according to 20 installments, the first installments is due on October 15, 2023, with value of JD 275,000 for the installments and interests are paid monthly basis from the date of implementation.

9. Company's Share from Investment in Associate Companies

Details of this item are as follows:

		For the three months Ended March 31,	
		2023 (Reviewed)	2022 (Reviewed)
	Relationship	JD	JD
Jordan Academy for Maritime Studies Company	Associate	78,864	89,106
Arab Ship Management Company	Associate	25,141	15,900
Smit Lamnalco ltd Company – Jordan	Associate	178,416	224,343
Jordanian national lines for shipping	Associate	17,325	14,067
		299,746	343,416

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

10. Earnings per Share for the Year Attributable to the Company'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 March 31,	
	2023 (Reviewed)	2022 (Reviewed)
	JD	JD
Profit for the period - Company's Shareholders	1,050,650	868,620
	Share	Share
Number of shares	15,000,000	15,000,000
	JD/Share	JD/Share
Earnings per share for the period	0.070	0.058

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 6,331 for Three months ended March 31, 2023 (JD 6,331 for three months ended March 31, 2022).
- b. Executive management's salaries and benefits for the Company and its subsidiaries:

	For the Three Months Ended March 31,	
	2023 (Reviewed) JD	2022 (Reviewed) JD
Salaries, bonuses, and per diems	117,293	84,873
Board of Directors transportation allowances	29,400	23,400
	<u>146,693</u>	<u>108,273</u>

12. Income Tax Provision

a. Income tax provision

The movement on the income tax provision is as follows:

	March 31, 2023 (Reviewed) JD	December 31, 2022 (Audited) JD
Balance – beginning of the period / year	145,638	90,105
Accrued income tax on income for the period / year	46,000	135,479
Accrued National Contribution Tax for the period / year	-	27,096
Accrued National Contribution Tax for the prior years	-	-
Income tax paid	(29,766)	(107,042)
Balance - End of the Period / Year	<u>161,872</u>	<u>145,638</u>

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

	For the Three Months Ended March 31,	
	2023 (Reviewed) JD	2022 (Reviewed) JD
Income tax on profit for the period	46,000	39,261
	<u>46,000</u>	<u>39,261</u>

- The income tax of the Jordan National Shipping Company "the Holding company" was settled until the end of the year 2020 and the self-assessment statement for the year 2021 was submitted on its legal dates and was not reviewed by the Income and Sales Tax Department.

- The income tax of the Jordan Group for Maritime Agencies Company (a subsidiary company) was settled until the end of the year 2019 and the self-assessment statement for the years 2020 and 2021 was submitted on its legal dates and was not reviewed by the Income and Sales Tax Department.
- As for the Jordan Maritime Complex Real Estate Investments (a subsidiary), the income tax was settled until the end of the year 2017 and the income tax discussion was completed until the year 2018, also the company had submitted its income tax return until 2021 and was not reviewed by the Income and Sales Tax Department.
- A provision for income tax for the period ended March 31, 2023 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 March 31, 2023.
- 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.

13. Contingent Liabilities

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

14. Geographical Distribution

The assets and liabilities of the Group located within the Hashemite Kingdom of Jordan as of March 31, 2023 and December 31, 2022 except for the following:

a. Debts

	March 31, 2023 (Reviewed)		December 31, 2022 (Audited)	
	Receivables	Payables	Receivables	Payables
	JD	JD	JD	JD
Balance	97,461	204,001	84,906	144,288

b. Investments

	March 31, 2023 (Reviewed)	December 31, 2022 (Audited)
	Financial Investments	
	JD	JD
Shares listed on international markets	471,070	495,499
	471,070	495,499

c. Information from Gruoup Business Sectors

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

	Marine Services Sector	Hotel Services Sector	Other	Total	
				For the three Months Ended March 31,	
				2023 (Reviewed)	2022 (Reviewed)
	JD	JD	JD	JD	JD
Revenue	4,137,563	835,216	-	4,972,779	3,814,874
Direct cost	(3,225,360)	(320,042)	-	(3,545,402)	(2,476,342)
Business Sector Results	912,203	515,174	-	1,427,377	1,338,532
General and administrative expenses and depreciation	(373,485)	(410,102)	-	(783,587)	(694,571)
Information technology expenses	-	(25,552)	-	(25,552)	(25,446)
Power and maintenance expenses	-	(144,413)	-	(144,413)	(139,357)
Financing expenses	-	(226,591)	-	(226,591)	(131,034)
Financial assets and investments revenue	-	-	695,770	695,770	437,057
Other revenue	64,884	46,069	-	110,953	103,635
Income for the period before Income Tax	603,602	(245,415)	695,770	1,053,957	888,816
Income tax expense	(46,000)	-	-	(46,000)	(39,261)
Income for the period	557,602	(245,415)	695,770	1,007,957	849,555
				March 31, 3023 (Reviewed)	December 31, 2022 (Audited)
<u>Other Information:</u>				JD	JD
Sector Assets	25,264,664	15,346,768	-	40,611,432	39,337,334
	25,264,664	15,346,768	-	40,611,432	39,337,334
Sector Liabilities	2,239,979	7,312,235	-	9,552,214	9,298,751
	2,239,979	7,312,235	-	9,552,214	9,298,751

15. Fair Value Hierarchy

a. Fair value of financial assets and financial liabilities 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 fair value 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
	March 31, 2023 (Reviewed)	December 31, 2022 (Audited)				
	JD	JD				
Financial assets at fair value						
Financial assets at fair value through profit or loss:						
Quoted shares	2,477,437	2,197,834	Level 1	Quoted Shares	Not Applicable	Not Applicable
Financial assets at fair value through other comprehensive income:						
Quoted Shares	2,944,510	2,950,078	Level 1	Quoted Shares	Not Applicable	Not Applicable
Unquoted Shares	149,689	146,592	Level 2	Through using the equity method	Not Applicable	Not Applicable
	3,094,199	3,096,670				
	5,571,636	5,294,504				
Total Financial Assets at Fair Value						

There were no transfers between Level 1 and Level 2 during the first quarter 2023 and 2022.

b. Fair value of financial assets and financial liabilities not measured at fair value on a recurring basis:

Except for what is detailed in the following table, we believe that the carrying amounts of financial assets and financial liabilities recognized in the Company's financial statements approximate their fair values:

Financial assets not calculated at fair value	March 31, 2023 (Reviewed)		December 31, 2022 (Audited)	
	Book Value	Fair Value	Book Value	Fair Value
	JD	JD	JD	JD
Investments properties	1,642,796	4,125,920	1,657,118	4,125,920
Total financial assets not calculated at fair value	1,642,796	4,125,920	1,657,118	4,125,920

The fair values of the financial assets and financial liabilities included in Level 2 categories above have been determined in accordance with the generally accepted pricing models that reflect the credit risk of the counterparties.

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 April 27, 2023.

17. Subsequent events

Subsequent to the date of the condensed consolidated interim financial information, the shareholders of the general assembly approved the recommendation of the board of director in their meeting dated April 19, 2023 to distribute JD 2,700,000 as cash dividends to the shareholders, representing 18% of its paid-up capital.