

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

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2023
TOGETHER WITH THE INDEPENDENT
AUDITOR'S REPORT

JORDAN NATIONAL SHIPPING LINES COMPANY
(A PUBLIC LIMITED SHAREHOLDING COMPANY)
AQABA SPECIAL ECONOMIC ZONE - JORDAN
DECEMBER 31, 2023

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Independent Auditor's Report

AM / 000744

**To the Shareholders of
Jordan National Shipping Lines Company
(A Public Limited Shareholding Company)
Aqaba Special Economic Zone - Jordan**

Audit Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Jordan National Shipping Lines Company (The "Company") and its subsidiaries (The "Group") which comprise of the consolidated statement of financial position as of December 31, 2023, and the consolidated statements of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS" Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are furtherly described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants together with the other ethical requirements that are relevant to our audit of the Group's consolidated financial statements in Jordan, and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were most significant in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

For each matter below, our description of how our audit addressed the matter provided in that context:

Key Audit Matter	Scope of audit to address risk
<p>Accuracy of Sea Freight and Cruising Vessels Revenue</p> <p>The company achieved revenues from shipping and cruising ships in a total amount of JD 15,218,721 during the year, Note (22).</p> <p>Revenue from sea freight and cruising vessels represents a major part of the Group's revenue and is recognized when the related service is completed. This is the point at which the right to return becomes unconditional, as only time passes and rendering the service before payment is due.</p> <p>The amount of revenue recognized is based on the fair value of the amounts received or receivable (net of discounts, if any) as per the agreement with the customer or agency company and excludes amounts collected on behalf of others.</p> <p>We have determined that accuracy of maritime agency revenue is a key audit matter, given its significance in size and the level of judgements made and estimates applied in the measurement of its amount.</p>	<p>Our audit procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> • We obtained an understanding of the operation and industry of the Group and assessed the policies and procedures over the measurement of sea freight and cruising vessels revenue and determined if the relevant controls over the accuracy of such revenue had been appropriately designed and implemented. • We agreed the method of calculation of the amount of the revenue recognized to the details as per the agreements with customers and reperformed the mathematical accuracy of the calculation of revenue recognized, on a sample basis. We discussed significant judgements applied and estimations made in the determination of the revenue recognized with management and assessed if these judgments and estimates were reasonable by comparing them to supporting documentation. • We assessed the disclosure in the consolidated financial statements, relating to this matter, against the requirements of IFRSs.

Other Matter

The accompanying consolidated financial statements are a translation of the statutory consolidated financial statements in the Arabic language to which reference should be made.

Other Information

Management is responsible for the other information. The other information comprises the other information in the annual report excluding the consolidated financial statements and the independent auditor's report thereon, which is expected to be made available to us after the date of our audit report. Our opinion on the consolidated financial statements does not cover the other information, and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information mentioned above and, in so doing, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS Accounting Standards), and for such internal control as management determines necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosure are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement on our compliance with relevant ethical requirements regarding independence, and communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguard procedures.

From matters communicated with those charged with governance, we determine those matters of most significance in the audit of the consolidated financial statements of the current years, and are therefore, the key audit matters. We describe these matters in our auditor's report unless law and regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The Group maintains proper accounting records duly organized and in line with the accompanying consolidated financial statements, and we recommend that the General Assembly approve these consolidated financial statements.

**Amman – Jordan
March 28, 2024**


Deloitte & Touche (M.E) – Jordan
Deloitte & Touche (M.E.)
ديلويت أند توش (الشرق الأوسط)

				December 31,	
		Note	2023	2022	
ASSETS			JD	JD	
Current Assets:					
Cash on hand and at banks - net		5	9,226,918	8,990,025	
Accounts receivable - net		6	787,106	840,801	
Financial assets at fair value through profit or loss		7	2,012,993	2,197,834	
Due from related parties		17/a	4,798	11,026	
Other debit balances and prepaid expenses		8	347,758	185,985	
Inventory - Hotel - net		9	77,173	64,626	
Total Current Assets			12,456,746	12,290,297	
Non-Current Assets:					
Investments:					
Financial assets at fair value through other comprehensive income		10	3,124,629	3,096,670	
Investment in associate companies		11	6,986,783	7,199,136	
Investment properties - net		12	1,599,825	1,657,118	
Financial assets at amortized cost		14	531,000	-	
Total Investments			12,242,237	11,952,924	
Property and Equipment:					
Property and equipment - at cost		13	25,561,454	24,581,593	
Less: Accumulated depreciation		13	(10,207,695)	(9,487,480)	
Net Book Value of Property and Equipment			15,353,759	15,094,113	
Total Non-Current Assets			27,595,996	27,047,037	
TOTAL ASSETS			40,052,742	39,337,334	
Chairman of the Board of Directors.					
				December 31,	
		Note	2023	2022	
LIABILITIES			JD	JD	
Current Liabilities:					
Accounts payable and other credit balances		15	2,714,788	2,769,354	
Income tax provision		16/a	90,848	145,638	
Due to related parties		17/b	517,550	181,857	
Short - term loans and due installments		18	1,560,952	701,902	
Total Current Liabilities			4,884,138	3,798,751	
Long - term loans installments					
		18	4,826,902	5,500,000	
OWNERS' EQUITY					
Shareholders' Equity:					
Paid-up capital		19/a	15,000,000	15,000,000	
Statutory reserve		19/b	3,750,000	3,750,000	
Investments evaluation reserve		20	(1,339,709)	(1,393,350)	
Retained earnings		21	11,269,008	10,821,633	
Total Shareholders' Equity			28,679,299	28,178,273	
Non-controlling interests		25	1,662,403	1,860,310	
TOTAL OWNERS' EQUITY			30,341,702	30,038,583	
TOTAL LIABILITIES AND OWNERS' EQUITY			40,052,742	39,337,334	
General Manager					

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING AUDIT REPORT.

JORDAN NATIONAL SHIPPING LINES COMPANY
(A PUBLIC LIMITED SHAREHOLDING COMPANY)
AQABA SPECIAL ECONOMIC ZONE - JORDAN
CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	For the Year Ended	
		December 31,	
		2023	2022
Revenue:		JD	JD
Net revenue from maritime agencies, sea freight and cruising vessels	22	3,543,341	3,658,193
Gross hotel operating revenue before other expenses	23	<u>2,131,584</u>	<u>2,289,357</u>
Gross Profit		5,674,925	5,947,550
<u>Less:</u> General and administrative expenses	24	(2,608,064)	(2,586,757)
Marketing and advertising expenses		(180,058)	(186,210)
Information technology expenses - Hotel		(103,101)	(106,574)
Power and maintenance expenses - Hotel		(641,716)	(687,978)
(Provision) release for expected credit loss expense	5,6,8,17	(12,124)	5,481
Depreciation of property and equipment and investment properties	12,13	(814,396)	(640,103)
Financing expenses		(611,390)	(496,515)
(losses) gain from financial assets at fair value through profit or loss - net	26	(60,667)	511,708
Dividends return on financial assets at fair value through other comprehensive income		181,754	158,910
Company's share from investment in associate companies income	11	1,521,403	1,559,235
Interest income form financial assets at amortized cost		10,925	-
Other revenue	27	<u>770,891</u>	<u>528,187</u>
Income for the year before tax		3,128,382	4,006,934
Income tax expense	16/b	<u>(111,102)</u>	<u>(162,575)</u>
Income for the Year		<u><u>3,017,280</u></u>	<u><u>3,844,359</u></u>
Attributable to:			
The Company's shareholders		3,155,187	3,861,702
Non-controlling interests	25	<u>(137,907)</u>	<u>(17,343)</u>
		<u><u>3,017,280</u></u>	<u><u>3,844,359</u></u>
Earnings per share for the year attributable to the Company's shareholders:			
Basic and Diluted	28	<u><u>-/210</u></u>	<u><u>-/257</u></u>

Chairman of the Board of Directors

General manager

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JORDAN NATIONAL SHIPPING LINES COMPANY
(A PUBLIC LIMITED SHAREHOLDING COMPANY)
AQABA SPECIAL ECONOMIC ZONE - JORDAN
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
	<u>JD</u>	<u>JD</u>
Income for the year	3,017,280	3,844,359
<u>Items that will not be reclassified subsequently to the consolidated statement of profit or loss</u>		
Cumulative change in fair value - financial assets at fair value through comprehensive income	44,448	29,254
Gains (losses) from sale of financial assets at fair value through other comprehensive income	<u>1,391</u>	<u>(1,465)</u>
Total Comprehensive Income	<u><u>3,063,119</u></u>	<u><u>3,872,148</u></u>
Total Comprehensive Income Attributable to:		
The Company's shareholders	3,201,026	3,889,491
Non - controlling interests	<u>(137,907)</u>	<u>(17,343)</u>
	<u><u>3,063,119</u></u>	<u><u>3,872,148</u></u>

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JORDAN NATIONAL SHIPPING LINES COMPANY
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AOABA SPECIAL ECONOMIC ZONE - JORDAN
CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

	Company's Shareholders' Equity									
	Investment			Retained Earnings			Total		Non-Controlling	
	Paid-up Capital	Statutory Reserve	Evaluation Reserve	Realized	Unrealized	Total	Shareholders' Equity	Interests	Total Owners' Equity	
For the Year Ended December 31, 2023										
Balance - beginning of the year	JD 15,000,000	3,750,000	(1,393,350)	10,818,901	2,722	10,821,623	28,178,273	1,860,310	30,038,583	
Income for the year	-	-	-	3,155,187	-	3,155,187	3,155,187	(137,907)	3,017,280	
Cumulative change in fair value - financial assets at fair value through other comprehensive income	-	-	44,448	-	-	-	44,448	-	44,448	
Gains from sale of financial assets at fair value through other comprehensive income	-	-	-	1,391	-	1,391	1,391	-	1,391	
Total Comprehensive Income	-	-	44,448	3,156,578	-	3,156,578	3,201,026	(137,907)	3,063,119	
Transferred from investment evaluation reserve to retained earnings as a result of selling financial assets at fair value through comprehensive income	-	-	9,193	(9,193)	-	(9,193)	-	-	-	
Dividends paid (Note 19) *	-	-	-	(2,700,000)	-	(2,700,000)	(2,700,000)	-	(2,700,000)	
Net change in Non-controlling interests	-	-	-	-	-	-	-	(60,000)	(60,000)	
Balance - End of the Year	15,000,000	3,750,000	(1,339,709)	11,266,286	2,722	11,269,008	28,679,299	1,662,403	30,341,702	
For the Year Ended December 31, 2022										
Balance - beginning of the year	15,000,000	3,750,000	(1,427,067)	8,768,608	(2,759)	8,765,849	26,088,782	1,405,747	27,494,529	
Income for the year	-	-	-	3,856,221	5,481	3,861,702	3,861,702	(17,343)	3,844,359	
Cumulative change in fair value - financial assets at fair value through other comprehensive income	-	-	29,254	-	-	-	29,254	-	29,254	
(Loss) from sale of financial assets at fair value through other comprehensive income	-	-	-	(1,465)	-	(1,465)	(1,465)	-	(1,465)	
Total Comprehensive Income	-	-	29,254	3,854,756	5,481	3,860,237	3,889,491	(17,343)	3,872,148	
Transferred from investment evaluation reserve to retained earnings as a result of selling financial assets at fair value through comprehensive income	-	-	4,463	(4,463)	-	(4,463)	-	-	-	
Dividends paid (Note 19) *	-	-	-	(1,800,000)	-	(1,800,000)	(1,800,000)	-	(1,800,000)	
Net change in Non-controlling interests	-	-	-	-	-	-	-	471,906	471,906	
Balance - End of the Year	15,000,000	3,750,000	(1,393,350)	10,818,901	2,722	10,821,623	28,178,273	1,860,310	30,038,583	

* In its meeting held on April 19, 2023 the General Assembly decided to distribute JD 2,700,000 as cash dividends to shareholders, representing 18% of capital for the year 2022 (1,800,000 JD as cash dividends to shareholders, representing 12% of capital for the year 2021).

- An amount equal to the negative balance of the investment revaluation reserve shown above shall be restricted from the retained earnings as of December 31, 2023 and 2022.

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

	Note	For the Year Ended	
		December 31,	
		2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		JD	JD
Income for the year before tax		3,128,382	4,006,934
Adjustments for:			
Depreciation of property and equipment and investment properties	13, 12	814,396	640,103
Losses (gain) from the re-valuation of financial assets at fair value through profit or loss	26	233,736	(417,454)
(Gains) from sale of financial assets at fair value through profit or loss	26	(9,172)	-
Dividends from financial assets at fair value through profit or loss	26	(163,897)	(94,254)
Dividends from financial assets at fair value through other comprehensive income		(181,754)	(158,910)
Provision (release) for expected credit loss expense	5,6,8	12,124	(5,481)
(Gain) from investments in associate companies	11	(1,521,403)	(1,559,235)
(Gain) on from sale property and equipment		(11,091)	(4,997)
Financing expenses		<u>(611,390)</u>	<u>496,515</u>
Cash Flows from Activities before Changes in Working Capital		2,912,711	2,903,221
Decrease (increase) in accounts receivable		53,695	(286,941)
Decrease in due from related parties		6,228	20,638
(Increase) decrease in other debit balances and prepaid expenses		(161,773)	53,843
(Increase) in inventory - hotel		(12,547)	(619)
(Decrease) in accounts payable and other credit balances		(54,566)	(200,717)
Increase (decrease) in due to related parties		<u>335,693</u>	<u>(98,992)</u>
Net Cash Flows from Operating Activities before Income Tax Paid		3,079,441	2,390,433
Income tax paid	16 /a	<u>(165,892)</u>	<u>(107,042)</u>
Net Cash Flows from Operating Activities		<u>2,913,549</u>	<u>2,283,391</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
(Purchase) of financial assets at amortized cost		(531,000)	-
Dividends from associate companies	11	1,733,756	1,684,500
Proceeds from the sale of property and equipment		11,091	4,997
(Purchase) of property and equipment-Net	13	(1,016,751)	(493,415)
Decrease (increase) in financial assets at fair value through profit or loss		62,841	(289,500)
Proceeds from the sale of financial assets at fair value through other comprehensive income		27,109	23,948
Dividends from financial assets at fair value through profit or loss - received	26	163,897	94,254
Decrease (increase) in financial assets at fair value through other comprehensive income		25,682	(17,593)
Dividends from financial assets at fair value through other comprehensive income - received		<u>181,754</u>	<u>158,910</u>
Net Cash Flows from Investing Activities		<u>658,379</u>	<u>1,166,101</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
(Decrease) increase in non-controlling interests - net		(197,907)	454,563
Increase in loans	18	860,952	5,851,444
Paid loans	18	(675,000)	(7,033,515)
Paid financing interest		(611,390)	-
Dividends paid	19	<u>(2,700,000)</u>	<u>(1,800,000)</u>
Net Cash Flows (used in) Financing Activities		<u>(3,323,345)</u>	<u>(2,527,508)</u>
Net Increase in Cash		248,583	921,984
Cash and Cash Equivalents - beginning of the year before provision		<u>9,090,113</u>	<u>8,168,129</u>
Cash and Cash Equivalents - End of the Year before provision	29	<u>9,338,696</u>	<u>9,090,113</u>
Non-Cash transaction			
Write off - other debt balances	6	-	9,529

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JORDAN NATIONAL SHIPPING LINES COMPANY
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AQABA SPECIAL ECONOMIC ZONE - JORDAN
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. General

- 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 was increased in several stages, the last of which was during the year 2013. Accordingly, the Company's capital became JD 15 million through capitalizing JD 2/925 million from 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 November 4, 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.
- The Board of Directors approved the Group's consolidated financial statements on March, 28 2024 which are subject to the approval of the General Assembly of Shareholders.

2. Significant Accounting Policies:

Basis of Consolidation

- The accompanying consolidated financial statements are prepared in accordance with the International Accounting Standards Board (IASB), the interpretations issued by the International Financial Reporting Interpretation Committee of the IASB.
- The consolidated financial statements are prepared under the historical cost convention except for financial assets and financial liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income which are stated at fair value as of the date of the consolidated financial statements. Furthermore, hedged financial assets and financial liabilities are also stated at fair value.
- The reporting currency of the consolidated financial statements is the Jordanian Dinar, which is the functional currency of the Group.
- The accounting policies adopted in preparing the consolidated financial statements are consistent with those applied in the year ended December 31, 2022, except for the effect of the application of the new and revised standards as stated in Notes (3 – (a) & (b)).

Basis of Financial Statements Consolidation

- Transactions, balances, revenue and expenses are eliminated between the company and the subsidiaries.
- The financial statements of the subsidiaries 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 financial statements of the subsidiary are made to comply with the accounting policies followed by the Group.
- The results of the subsidiaries are incorporated into the consolidated statement of profit or loss from the effective date of acquisition, which is the date on which the Company assumes actual control over the subsidiaries. Moreover, the operating results of the disposed subsidiary are incorporated into the consolidated 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.
- The Company's subsidiaries as of December 31, 2023 are stated as follows:

	Ownership Percentage	Nature of Activity	Establishment Country	Paid-Up Capital
	%			JD
Jordan Group for Shipping Agencies Company *	70	Shipping Agency	Jordan	150,000
Jordan Maritime Complex for Real Estate Investments Company **	74	Investment Properties / Hotel	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.

The following are the most significant consolidated financial data of Jordan Group for Shipping Agencies Company:

	December 31,	
	2023	2022
	JD	JD
Total Assets	1,239,329	1,016,111
Total Liabilities	534,172	285,263
Total Owners' Equity	705,157	730,848
	1,239,329	1,016,111
	2023	2022
Total Revenues	910,426	1,074,011
Total Expenses	(736,117)	(790,302)
Income for the Year	174,309	283,709

** Jordan Maritime Complex for Real Estate Investments Company is 74% owned by Jordan National Shipping Lines Company while Salam International Transport & Trading Company owns 26% of the Company's capital of JD 15.6 million. The Company's objectives are 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.

The following are the most significant financial data of Jordan Maritime Complex for Real Estate Investments Company:

	December 31,	
	2023	2022
	JD	JD
Total Assets	15,572,571	15,597,507
Total Liabilities	9,992,362	9,285,757
Total Partners' Equity	5,580,209	6,311,750
	15,572,571	15,597,507
	2023	2022
Total Revenue	2,131,584	2,457,898
Total Expenses	(2,863,123)	(2,851,961)
(Loss) for the Year	(731,539)	(394,063)

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 the 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's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, 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 the 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 the 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 the 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 represent the portion not owned by the Company relating to ownership of the subsidiaries.

The following are the most significant accounting policies used for the year ended December 31, 2023:

Revenue Recognition

Revenue from marine shipping operations is mainly recognized based on the completed trip and when the service is rendered to customers and the invoice is issued.

Revenue is recognized at the fair value of the amounts received or receivable (net of discounts, if any) of the contract with customers or shipping companies and excludes amounts collected on behalf of others. Revenue is recognized when the Group provides the service to its own vessel and issues the invoice to the customer when the shipping is done to a specific location (delivery). After delivery, the customer has full discretion. The Group recognizes receivables or credit notices when the service is rendered to the customer. This is the point at which the right to return becomes unconditional, as only time passes before payment is due.

Service revenue is recognized, which mainly consists of the hotel operations in addition to room reservation, when the service is rendered according to the price list and signed agreements.

Operational Leases Revenue

Revenue from ships operation contracts are recognized on the straight-line daily installment basis specified in the rent contract and for the whole period in case of lease contracts.

Property and Equipment

Property and Equipment are stated at cost less accumulated depreciation and any impairments. Depreciation for property and equipment, except for land, is calculated on a straight-line basis when the asset is ready for its intended use over the useful life of the asset using the following annual rates:

	%
Building	2
Office and electrical equipment	7/5 – 25
Vehicles	15
Furniture and fixtures	10 – 20
Computers	20 – 25
Partitions, improvements and decorations	15
Kitchen utilities and other	20 – 35

When the expected recoverable amount of any property and equipment is less than its net book value, the net book value is reduced to the expected recoverable amount, and the impairment loss is taken to the consolidated statement of profit or loss.

The useful lives of property and equipment are reviewed at the end of each year. In case the expected useful life is different from what was determined before, the change in estimate is recorded in the following years, being a change in estimate.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

Fair value

Fair value is defined as the price at which an asset is to be sold or paid to convert any of the liabilities in a structured transaction between the market participants on the measurement date, irrespective of whether the price can be realized directly or whether it is estimated using another valuation technique. When estimating the fair value of an asset or liability, the Group takes into consideration when determining the price of any asset or liability whether market participants are required to consider these factors at the measurement date. The fair value for measurement and / or disclosure purposes in these financial statements is determined on the same basis, except for measurement procedures that are similar to fair value procedures and are not fair value such as fair value as used in IAS (36).

In addition, fair value measurements are classified for the purposes of financial reporting to level (1), (2) or (3) based on the extent to which the inputs are clear concerning the fair value measurements and the importance of inputs to the full fair value measurements. These are as follows:

- Level inputs (1) inputs derived from quoted (unadjusted) prices of identical assets or liabilities in active markets that an enterprise can obtain on the measurement date;
- Level inputs (2) inputs derived from data other than quoted prices used at level 1 and observable for assets or liabilities, either directly or indirectly;
- Level inputs (3) are inputs to assets or liabilities that are not based on observable market prices.

Segments Information

- Business sectors represent a group of assets and operations that jointly provide products or services subject to risks and returns different from those of other business sectors, measured in accordance with the reports sent to the operations management and decision makers in the Group.
- The geographical sector relates to providing products or services in a specific economic environment subject to risk and returns different from those of sectors functioning in other economic environments.

Inventory

Inventory is stated at the lower of cost or net realizable value.

Financial Instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

Financial assets are recognised when the Group becomes a party to the contractual of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (except for financial assets at fair value through statement of profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value.

Debt Instruments at Amortized Cost or at Fair Value through Other Comprehensive Income

The Group assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Group's business model for managing the asset.

For an asset to be classified and measured at amortized cost or at fair value through other comprehensive income, its contractual terms should give rise to cash flows that are solely payments of principal and interest on the principal outstanding (SPPI).

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of the consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time, and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange differences are recognized in consolidated statement of profit or loss.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses (ECL) on trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Provision for expected credit loss

The Group has adopted the simplified approach to recognize expected credit losses over the life of its receivables as permitted by IFRS 9. Accordingly, non-impaired trade receivables that do not contain a significant financing component have been classified as part of stage 2 with the recognition of expected credit losses over their lifetime.

A provision for the expected credit loss should be recognized over the life of the financial instrument if the credit risk on that financial instrument increases substantially since the initial recognition and the expected credit loss is an expected weighted estimate of the present value of the credit loss. This value is measured as the present value of the difference between the cash flows due to the Group under the contract and the cash flows that the Group expects to receive arising from the expectation of several future economic scenarios, discounted at the effective interest rate of the asset.

The Group assesses whether there is objective evidence of impairment on an individual basis for each asset of individual value and collectively for other assets that are not individually significant.

Provisions for loss of credit losses are presented as a reduction of the total carrying amount of financial assets at amortized cost.

Write off

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in consolidated statement of profit or loss.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in consolidated statement of profit or loss.

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss statement on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at fair value through statement of profit or loss.

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

Trade receivables and other payables classified as financial liabilities are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised based on effective interest rate.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised consolidated statement of profit or loss.

Investments in Associates and Joint Ventures

An associate is a Group in which the parent Group exercises effective influence over financial and operating policy decisions that are not controlled by the parent Group, in which the ownership ratio ranges from 20% to 50% of the voting rights. It is established through contractual agreements and its financial and operational decisions should have consensus approval.

Investments in associates are reflected in the consolidated financial statements using the equity method of accounting and are initially recognized at cost and cost includes all acquisition costs.

The consolidated financial statements include the Group's share of profit and loss on investment in associates in accordance with the equity method after adjustments are made to comply with the accounting policies of the parent Group.

Real estate Investment

Are those assets acquired for the purpose of achieving rental income or investment and not for the purpose of selling them through the operational activities of the Group. Real estate investment are stated at net book value after deducting the accumulated depreciation at the end of the year. Their fair value is disclosed in the consolidated financial statements annually by independent real estate experts, based on market prices at the end of the year.

Provisions

Provisions are recognized when the Group has an obligation on the date of the consolidated financial position as a result of past events, it is probable to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Provision for Employees' End-of-Service Indemnities

A provision for legal and contractual commitments relating to employees' end-of-service indemnities is taken according to the Group's internal regulations on the consolidated statement of financial position date.

Payments to terminated employees are deducted from the provision amount. Moreover, the required provision for end-of-services indemnities for the year is charged to the consolidated statement of profit or loss.

Offsetting

Financial assets and financial liabilities are offset, and the net amount is reflected in the consolidated statement of financial position only when there are legal rights to offset the recognized amounts, the Group intends to settle them on a net basis, or assets are realized and liabilities are settled simultaneously.

Income Tax

- Income tax expenses represent accrued taxes and deferred taxes.
- Income tax expenses are accounted for on the basis of taxable income. Moreover, taxable income differs from income declared in the consolidated financial statements because the declared income includes non-taxable revenue or tax expenses not deductible in the current year but deductible in subsequent years, accumulated losses acceptable by the tax authorities, and items not accepted for tax purposes or subject to tax.
- Taxes are calculated on the basis of the tax rates prescribed according to the prevailing laws, regulations, and instructions in Jordan.
- Deferred taxes are taxes expected to be paid or recovered as a result of temporary timing differences between the value of the assets and liabilities in the consolidated financial statements and the value of the taxable amount. Deferred tax is calculated on the basis of the liability method in the statement of financial position according to the rates expected to be applied when the tax liability is settled or deferred tax assets and liabilities are recognized.
- Deferred tax assets and liabilities are reviewed as of the date of the consolidated financial statements, and reduced in case it is expected that no benefit will arise therefrom, partially or totally, or when tax liabilities are realized.

Lease Contracts

Leases are classified as finance leases when the terms of the lease provide for substantially all the risks and rewards of ownership of the lessee. All other leases are classified as operating leases.

The Group as a Lessor

Operating lease income is recognized using the straight-line method over the life of the lease. The initial direct costs incurred in the discussion and arrangement of the operating contract are added to the carrying amount of the leased assets and recognized in accordance with the straight-line method over the lease term.

The Group as a Lessee

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Borrowing Costs

Borrowing costs represents the financing expenses attributable to interest on loans. All borrowing costs are recognized at the effective interest method in the consolidated statement of profit or loss.

Foreign Currencies

- Transactions in foreign currencies are recorded during the year at the rates prevailing at the date of the transactions.
- Financial assets and financial liabilities are translated at the rates of exchange prevailing at the consolidated statement of financial position date.
- Non-financial assets and non-financial liabilities stated in foreign currencies are translated at fair value at the date when the fair value was determined.
- Foreign exchange gains and losses are recognized in the consolidated statement of profit or loss.
- Translation differences on non-financial assets and liabilities denominated in foreign currencies (such as shares) are recorded as part of the change in fair value.
- Upon consolidation of the financial statements, the assets, liabilities and subsidiaries of the major currency are translated into the reporting currency at the average rates of exchange at the consolidated statement of financial position date. Income and expense items are translated at the rate of exchange during the year and the resulting currency differences are presented in a separate line item in the consolidated statement of comprehensive income and within the consolidated equity. In the case of the sale of one of these companies, the amount of foreign currency translation differences related thereto is recognized in the income / expense in the consolidated statement of profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income, represents equity strategic investments that are not held for trade in the near future.

Financial assets are recognized through comprehensive income at fair value plus acquisition costs on acquisition and subsequently measured at fair value. The change in fair value is reflected in the consolidated statement of comprehensive income and within equity, including changes in fair value arising from translation differences on non-monetary assets in foreign currencies. In the case of the sale of these assets or part thereof, the resulting gain or loss is recognized to the consolidated statement of comprehensive income and equity and the investment reserve for the equity instruments sold, directly to retained earnings and not through the consolidated statement of profit or loss.

These financial assets are not subject to impairment testing.

Dividend income is recognized in the consolidated statement of profit or loss.

Financial Assets at fair Value through profit or loss

Financial assets at fair value through the statement of income are:

- Assets with contractual cash flows that are not SPPI; or/and
- Assets that are held in a business model other than held to collect contractual cash flows or held to collect and sell; or
- Assets designated at fair value through the statement of income using the fair value option.

These assets are measured at fair value, with any gains/losses arising on re-measurement recognized in the consolidated statement of profit or loss.

Dividends from these investments are booked in the consolidated statement of profit or loss.

3. Adoption of new and revised Standards

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

The following new and revised IFRSs, which became effective for annual periods beginning on or after January 1, 2023, have been adopted in these group consolidated financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

IFRS (17) Insurance Contracts (including the June 2020 and December 2021 amendments to IFRS (17))

IFRS 17 sets out principles for the recognition, measurement, presentation and disclosure of insurance contracts and replaces IFRS 4 Insurance Contracts.

IFRS 17 specifies a general model, modified for insurance contracts with direct participation features, described as a variable charge approach where the general model is simplified if certain criteria are met by measuring the remaining coverage liability using a premium allocation approach and the general model uses assumptions Current means to estimate the amount, timing, and uncertainty of future cash flows and explicitly measure the cost of uncertainty and take into account market interest rates and the effect of policyholders' options and guarantees.

The Group does not have any contracts that meet the definition of an insurance contract under IFRS 17.

Amendments to IAS (1) Presentation of Financial Statements and Statement of Practice for IFRS (2) Relative Judgments - Disclosure of Accounting Policies

The amendments change the requirements of IAS 1 in relation to the disclosure of accounting policies. The amendments replace the term "material accounting policy information" with the term "significant accounting policies". Accounting policy information is considered significant if it is considered together with other information included in the financial statements. of the Company, could reasonably be expected to influence decisions taken by the primary users of the general-purpose financial statements based on those financial statements.

The supporting paragraphs in IAS No. (1) have also been amended to clarify that accounting policy information that relates to intangible transactions, other events or conditions is immaterial and does not need to be disclosed, and accounting policy information may be material because of the nature of the relevant transactions, other events or conditions. Even if the amounts are immaterial, not all accounting policy information relating to material transactions, events or other conditions are material.

The Standards Board has also developed guidance and examples to explain and demonstrate the application of the "four-step materiality process" described in the IFRS Practice Statement (2).

Amendments to IAS 12 Taxes - Deferred taxes relating to assets and liabilities arising from a single transaction.

The amendments provide another exception to the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption to transactions that result in equal taxable and deductible temporary differences. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise upon initial recognition of an asset and a liability. In a transaction that does not constitute a business combination and does not affect accounting profit or taxable profit.

After the amendments to International Accounting Standard (12), the entity must recognize the relevant deferred tax assets and liabilities, with the recognition of any deferred tax asset subject to the recoverability criteria contained in International Accounting Standard No. (12).

Amendments to IAS 12 Income Taxes - International Tax Reform - Pillar Two Model Rules

The International Accounting Standards Board has amended the scope of IAS 12 to clarify that the standard applies to income taxes arising from tax law that has been promulgated or promulgated substantially to implement the rules of the Pillar Two model published by the OECD, including tax law that applies The minimum eligible local additional taxes described in those rules.

The amendments provide a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity does not recognize or disclose information about deferred tax assets and liabilities related to Pillar 2 income taxes.

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 the definition of accounting estimates. Under the new definition, accounting estimates are "cash amounts in the financial statements that are subject to measurement uncertainty," and the definition of a change in accounting estimates has been deleted.

New and Revised Standards in issue but not yet effective

At the date of authorization of these consolidated financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective, management anticipates that these new standards, interpretations and amendments will be adopted in the Group's consolidated financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the consolidated financial statements of the Group in the period of initial application.

Amendments to International Financial Reporting Standard No. (10) and International Accounting Standard No. (28): Sale or sharing of assets between an investor and its associate or joint venture.

The amendments made to International Accounting Standard No. (10) and to International Financial Reporting Standard No. (28) address situations in which the sale or contribution of assets is between the investor and its associate or joint venture. The amendments specifically stipulate those gains or losses resulting from the loss of control over a subsidiary that does not involve a business activity in a transaction with an associate or joint venture and is accounted for using the equity method is recognized in the profit or loss of the parent company only to the extent of the interests of unrelated investors in that associate or joint venture, likewise, profits and losses resulting from remeasuring investments held in any former subsidiary (which has become an associate or joint venture and is accounted for using the equity method) are recognized in the profit or loss of the former parent company only to the extent of the shares of non-investors. Related stakeholders in the new associate or joint venture.

The effective date has not yet been determined and early adoption is permitted.

Amendments to International Accounting Standard No. (1) - Presentation of Financial Statements - Classification of liabilities as current or non-current

The amendments made to International Accounting Standard No. (1) only affect the presentation of liabilities in the statement of financial position as current or non-current and not the value or timing of the recognition of any asset, liability, revenue or expense or the information disclosed about those items.

The amendments clarify that the classification of obligations as current or non-current is based on the rights existing at the end of the reporting period and specify that the classification is not affected by expectations about whether the entity will exercise its right to postpone the settlement of the obligation. They also clarify that rights are considered existing if the obligations are complied with at the end of the reporting period. It provides a definition of "settlement" to clarify that it refers to the transfer of cash, equity instruments, other assets or services to the counterparty.

The amendments apply retrospectively for annual periods beginning on or after January 1, 2024, with early adoption permitted.

Amendments to IAS (1) Presentation of Financial Statements - Non-Current Liabilities with Pledges

The amendments specify that only covenants that an entity is required to comply with at or before the end of the reporting period affect the entity's right to defer settlement of the liability for at least twelve months after the reporting date (and therefore should be taken into account when assessing whether the liability is classified as current or current). non-current), these covenants affect whether the right exists at the end of the financial reporting period, even if the liability for the covenants is assessed only after the financial reporting date (for example a covenant based on the financial position of the company at the financial reporting date for which Commitment only after the financial reporting date).

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if the entity only must comply with an undertaking after the reporting period, however, if the entity's right to defer settlement of the obligation is subject to the company's compliance with the undertakings within twelve months. Ten months after the reporting period, the company discloses information that enables users of financial statements to understand the risks of obligations becoming due within twelve months after the reporting period. This may include information about covenants (including the nature of the covenants and when the entity must comply therein), the carrying value of the relevant liabilities and facts and circumstances, if any, that indicate that the company may experience difficulties in complying with the commitments.

The amendments apply retrospectively for annual reporting periods beginning on or after January 1, 2024, and early adoption is permitted.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Financing Arrangements

The amendments add a disclosure objective to International Accounting Standard (7) that stipulates that a company is required to disclose information about its supplier financing arrangements that enable users of financial statements to evaluate the effects of those arrangements on the company's obligations and cash flows. In addition, the International Reporting Standard has been amended. Finance No. (7) to add supplier financing arrangements as an example to the requirements for disclosing information about the company's exposure to liquidity risk concentration risks.

The term "supplier financing arrangements" is not defined and instead the amendments describe the characteristics of the arrangement about which the company will be required to provide information.

To achieve the disclosure objective, the company will be required to disclose in aggregate its supplier financing arrangements:

- Terms and conditions of arrangements.
 - The carrying value and associated items presented in the company's statement of financial position of the liabilities that form part of the arrangements.
 - The book value and associated items for which suppliers have already received payments from finance providers.
 - The range of payment due dates for both financial liabilities that form part of supplier financing arrangements and similar trade payables that do not form part of supplier financing arrangements.
 - Liquidity risk information.
- The amendments contain specific transitional exemptions for the first annual reporting period in which the company applies the amendments apply to annual reporting periods beginning on or after January 1, 2024, and early adoption is permitted.

Amendment to IFRS No. (16) Leases - Lease Obligations in Sale and Leaseback

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that meet the requirements of IFRS 15 to be accounted for as a sale. The amendments require the lessee seller to identify "lease payments" or "Adjusted Lease Payments" such that the Lessee Seller does not recognize gain or loss relating to the right of use held by the Lease Seller after the Commencement Date.

The amendments do not affect the profit or loss recognized by the lessee seller in connection with a partial or complete termination of the lease. Without these new requirements, the lessee seller may have recognized a gain on the right-of-use it retains solely because of the remeasurement of the lease liability (e.g. following a lease amendment or change in the lease term) by applying the general requirements in IFRS 16. This may be particularly the case in the case of a leaseback involving variable lease payments that are not based on an index or rate.

As part of the amendments, the IASB amended an illustrative example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and a lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also show that a liability arising from a sale and leaseback transaction that qualifies as a sale applying IFRS 15 is a lease liability.

IFRS S1 – General Requirements to Disclose Financial Information Related to Sustainability

The amendments apply to annual reporting periods beginning on or after January 1, 2024, and early adoption is permitted.

IFRS S2 – Disclosures Related to Climate

The amendments apply to annual reporting periods beginning on or after January 1, 2024, and early adoption is permitted.

The amendments apply to annual reporting periods beginning on or after January 1, 2024, and early adoption is permitted.

4. Significant Accounting Judgments and key Sources of Uncertainty Estimates

Preparation of the consolidated financial statements and application of the accounting policies require Group's management to make judgments, estimates, and assumptions that affect the amounts of financial assets and financial liabilities and to disclose potential liabilities. Moreover, these estimates and judgments affect revenues, expenses, provisions, in general, expected credit losses, as well as changes in fair value that appear in the consolidated statement of comprehensive income and within shareholders' equity. In particular, the Group's management requires judgments to be made to estimate the amounts and timing of future cash flows. These estimates are necessarily based on multiple hypotheses and factors with varying degrees of estimation and uncertainty. Meanwhile, the actual results may differ from estimates due to the changes arising from the conditions and circumstances of those estimates in the future.

Management believes that its estimates in the consolidated financial statements are reasonable. The details are as follows:

Expected useful life of tangible assets

The Group's management periodically recalculates the useful lives of tangible assets for calculating annual depreciation based on the general condition of those assets and estimated future useful lives. The impairment loss is recognized in the consolidated statement of profit or loss for the year.

Income tax

The fiscal year is charged with the income tax expense in accordance with the accounting regulations, laws and standards. Moreover, deferred tax assets and liabilities and the required tax provision are recognized.

Lawsuits provision

A provision is made to meet any potential legal liabilities based on a legal study prepared by the Group's legal counsel. This study identifies potential future risks and is reviewed periodically.

Assets and liabilities at cost

Management periodically reviews the assets and liabilities at cost for estimating any impairment in value, which is recognized in the consolidated statement of profit or loss for the year.

Fair value measurement and valuation procedures

When estimating the fair value of financial assets and financial liabilities, the Group uses available observable market data. In case of the absence of level 1 inputs, the Group conducts evaluations using appropriate valuation models to determine the fair value of financial instruments.

Provision for expected credit loss

The Group has adopted the simplified approach to recognize expected credit losses over the life of its receivables as permitted by IFRS 9. Accordingly, non-impaired trade receivables that do not contain a significant financing component have been classified as part of stage 1 with the recognition of expected credit losses over their lifetime.

A provision for the expected credit loss should be recognized over the life of the financial instrument if the credit risk on that financial instrument increases substantially since the initial recognition and the expected credit loss is an expected weighted estimate of the present value of the credit loss. This value is measured as the present value of the difference between the cash flows due to the Group under the contract and the cash flows that the Group expects to receive arising from the expectation of several future economic scenarios, discounted at the effective interest rate of the asset.

The Group assesses whether there is objective evidence of impairment on an individual basis for each asset of individual value and collectively for other assets that are not individually significant.

Provisions for loss of credit losses are presented as a reduction of the total carrying amount of financial assets at amortized cost.

Revenue Recognition

The Group's management uses significant estimates and assumptions to determine the amount and timing of revenue recognition under IFRS 15, "Revenue from contracts with customers".

Key Sources of Uncertainty Estimates:

- The following are the most significant assumptions about the future and other uncertain assumptions at the reporting date that have a risk ratio that could cause a material adjustment to the carrying amount of assets and liabilities during the next financial year.

5. Cash on Hand and at Banks - Net

This item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Cash on hand and checks under collection	26,547	17,494
Deposit at a bank *	7,196,362	6,457,142
Current accounts	<u>2,116,221</u>	<u>2,615,477</u>
	9,339,130	9,090,113
<u>Less:</u> Provision for expected credit loss - current accounts at banks **	<u>(112,212)</u>	<u>(100,088)</u>
	<u>9,226,918</u>	<u>8,990,025</u>

- * The above deposits are for a term of one month to one year and bear interest on deposits at banks at a rate of 6.5% to 6.75% as of December 31, 2023 and 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.
- ** The following is the movement of the provision for expected credit loss related to the cash and balances at banks:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Beginning balance of the year	100,088	93,000
Expected credit loss during the year	12,124	-
Transferred from provision for credit losses (Receivables - note 6)	-	7,088
Ending balance	112,212	100,088

6. Accounts Receivable - Net

This item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Trade receivables	705,058	606,325
Foreign companies receivable	6,000	38,784
Ships owners receivable	26,725	64,689
Hotel guests receivable	126,341	208,021
	864,124	917,819
<u>Less: Provision for expected credit loss *</u>	<u>(77,018)</u>	<u>(77,018)</u>
	787,106	840,801

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

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Balance – beginning of the year	77,018	90,211
Write off during the 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 5)	-	(7,088)
Transfer from provision for slow moving items – (Note 9)	-	8,905
Balance – End of the Year	77,018	77,018

- * Write off receivables have been approved by the Board of Directors for the year 2022.

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. The following are the aging of accounts receivable as of December 31, 2023:

	December 31,	
	2023	2022
	JD	JD
1 day – 179 days	797,241	835,214
180 day – 360 days	66,883	82,605
Total	864,124	917,819

7. Financial Assets at Fair Value through Profit or Loss

This item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Shares listed on Amman Stock Exchange	1,593,158	1,702,335
Shares listed on international stock markets	419,835	495,499
	2,012,993	2,197,834

8. Other Debit Balances and Prepaid Expenses

This item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Company margin deposits	126,250	13,750
Refundable deposits	53,089	40,090
Advance payments to contractors and suppliers – Subsidiary company	36,862	36,862
Prepaid expenses	104,872	85,534
Employees receivable	219	406
Accrued interest revenue and other	55,394	25,412
Other	7,934	20,793
	384,620	222,847
<u>Less:</u> provision for expected credit loss related to refundable deposits and suppliers' advanced payments *	(36,862)	(36,862)
	347,758	185,985

* The movement on the provision for refundable deposits and suppliers' advanced payments is as follows:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Balance –beginning of the year	36,862	36,862
Write off	-	-
Balance – End of the Year	36,862	36,862

9. Inventory-Hotel

This item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Food and beverage	33,760	31,491
Guest supplies	43,413	33,135
General supplies	12,095	12,095
	89,268	76,721
<u>Less:</u> Provision for slow-moving inventory *	<u>(12,095)</u>	<u>(12,095)</u>
	<u>77,173</u>	<u>64,626</u>

* The movement on the provision for slow-mowing inventory is as follows:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Balance – beginning of the year	12,095	21,000
Transfer to provision for credit losses (Receivables - note 6)	-	(8,905)
Balance – End of the Year	<u>12,095</u>	<u>12,095</u>

10. Financial Assets at Fair Value through Other Comprehensive Income

This item consists of the following:

	December 31	
	2023	2022
	JD	JD
Listed shares in Amman Stock Exchange	2,974,940	2,950,078
Unlisted shares	149,689	146,592
	<u>3,124,629</u>	<u>3,096,670</u>

11. Investments in Associate Companies

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

Company	Nature of Business	Location	Paid up capital	Distributions		The company's share of the profits of subsidiaries		Ownership Percentage		December 31,	
				During the Year		2023	2022	2023	2022	2023	2022
Arab Ship Management Company	Ships Management	Aqaba	JD 149,000	60,000	30,000	116,802	70,744	30	30	313,023	256,221
Jordan Academy for Maritime Studies Company	Education	Amman	2,000,000	390,000	390,000	351,486	480,440	30	30	1,568,808	1,607,322
Smit Lamnaco Limited / Jordan	Ships services	Aqaba	50,000	1,183,756	1,039,500	720,539	884,741	27	27	4,089,803	4,553,020
Jordanian National for Ship Operation Company	Shipping	Aqaba	700,000	100,000	225,000	332,576	123,310	50	50	1,015,149	782,573
Total Investments in Affiliate Companies				<u>1,733,756</u>	<u>1,684,500</u>	<u>1,521,403</u>	<u>1,559,235</u>			<u>6,986,783</u>	<u>7,199,136</u>

12. Investment Properties - Net

This item consists of the following:

	Land	Buildings	Total
<u>For the Year 2023</u>	JD	JD	JD
Balance beginning of the year	691,473	1,442,438	2,133,911
Total	691,473	1,442,438	2,133,911
<u>Accumulated Depreciation</u>			
Balance beginning of the year	-	(476,793)	(476,793)
Depreciation during the year	-	(57,293)	(57,293)
Total	-	(534,086)	(534,086)
Balance at the End of the Year	691,473	908,352	1,599,825

Annual depreciation rate

<u>For the Year 2022</u>			
Balance beginning of the year	691,473	1,442,438	2,133,911
Total	<u>691,473</u>	<u>1,442,438</u>	<u>2,133,911</u>
<u>Accumulated Depreciation</u>			
Balance beginning of the year	-	(419,499)	(419,499)
Depreciation during the year	<u>-</u>	<u>(57,294)</u>	<u>(57,294)</u>
Total	<u>-</u>	<u>(476,793)</u>	<u>(476,793)</u>
Balance at the End of the Year	691,473	965,645	1,657,118

Annual depreciation rate	-	2%
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- The market value of property investments is estimated to be at around JD 4,175,820 as of December 31, 2023 (JD 4,125,920 as of December 31, 2022).

13. Property and Equipment

This item consists of the following :

2023										
Cost:	Lands	Building	Office and Electrical Equipment	Vehicles	Furniture and Fixtures	Computers	Partitions, Improvements and Decorations	Kitchen Utilities and Other	Projects under progress & other	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance-beginning of the year	1,360,708	16,722,875	2,118,426	303,168	2,151,439	538,751	663,451	445,844	276,931	24,581,593
Additions	-	1,335	33,204	29,750	47,801	52,121	-	-	852,540	1,016,751
Disposals	-	-	-	(36,890)	-	-	-	-	-	(36,890)
Transfers	-	425,994	17,883	-	50,499	-	9,584	-	(503,960)	-
Balance-End of the Year	1,360,708	17,150,204	2,169,513	296,028	2,249,739	590,872	673,035	445,844	625,511	25,561,454
Accumulated depreciation:										
Balance-beginning of the year	-	3,785,545	1,759,887	216,729	2,107,884	517,758	653,834	445,843	-	9,487,480
Additions	-	457,295	164,100	25,120	91,717	14,627	4,244	-	-	757,103
Disposals	-	-	-	(36,888)	-	-	-	-	-	(36,888)
Balance-End of the Year	-	4,242,840	1,923,987	204,961	2,199,601	532,385	658,078	445,843	-	10,207,695
Net Book Value as of December 31, 2023	1,360,708	12,907,364	245,526	91,067	50,138	58,487	14,957	1	625,511	15,353,759
2022										
Cost:										
Balance-beginning of the year	1,360,708	16,514,793	2,091,344	303,168	2,157,320	523,909	657,346	445,844	75,388	24,129,820
Additions	-	5,294	36,642	-	16,077	14,842	-	-	420,560	493,415
Disposals	-	-	(15,054)	-	(26,588)	-	-	-	-	(41,642)
Transfers	-	202,788	5,494	-	4,630	-	6,105	-	(219,017)	-
Balance-End of the Year	1,360,708	16,722,875	2,118,426	303,168	2,151,439	538,751	663,451	445,844	276,931	24,581,593
Accumulated depreciation:										
Balance-beginning of the year	-	3,425,732	1,619,846	193,840	2,115,955	497,198	647,899	445,843	-	8,946,313
Additions	-	359,813	155,095	22,889	18,517	20,560	5,935	-	-	582,809
Disposals	-	-	(15,054)	-	(26,588)	-	-	-	-	(41,642)
Balance-End of the Year	-	3,785,545	1,759,887	216,729	2,107,884	517,758	653,834	445,843	-	9,487,480
Net Book Value as of December 31, 2022	1,360,708	12,937,330	358,539	86,439	43,555	20,993	9,617	1	276,931	15,094,113

- Property and equipment include fully depreciated assets of JD 3,769,158 as of December 31, 2023 (JD 3,773,499 as of December 31, 2022).

14. Financial Assets at amortized cost – Net

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

					December 31,	
	Number of bonds	Interest rate	Interest maturity	Value	2023	2022
				JD	JD	JD
Arab Bank	500	%8	Semi annual	354,000	354,000	-
Al Etihad Bank	25	%8.5	Quarterly	177,000	177,000	-
					531,000	-

15. Accounts Payable and Other Credit Balances

This item consists of the following:

		December 31,	
		2023	2022
		JD	JD
Suppliers payable		1,485,065	1,216,341
Shareholders' and other deposits		227,490	223,059
Accrued expenses		625,258	409,795
Board of Directors' and management committee's remunerations		111,800	150,487
Deferred checks		-	85,297
Unearned revenue		123,303	472,887
Management and other fees-Hilton World Wide*		86,077	134,969
Sales tax		26,635	47,239
Other		29,160	29,280
		<u>2,714,788</u>	<u>2,769,354</u>

- * According to the agreement signed between Double Tree Hilton – Aqaba (the "Hotel") and Hilton Worldwide (Hilton), Hilton shall be entitled to annual fees and management fees of 2% and 1.75% of the Hotel's total operational revenue, respectively. In addition, to management incentives of 6% of the Hotel's adjusted net operational profit.

16. Income Tax

a. Income tax provision

The movement on the income tax provision is as follows:

	December 31,	
	2023	2022
	JD	JD
Balance – beginning of the year	145,638	90,105
Accrued income tax on income for the year	107,982	135,479
Accrued National Contribution Tax for the year	3,120	27,096
Income tax paid	<u>(165,892)</u>	<u>(107,042)</u>
Balance - End of the Year	<u>90,848</u>	<u>145,638</u>

b. Income tax stated in the consolidated statement of profit or loss represents the following:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Accrued income tax on profit for the year	(107,982)	(135,479)
Accrued National contribution tax for the year	<u>(3,120)</u>	<u>(27,096)</u>
	<u>(111,102)</u>	<u>(162,575)</u>

- A final settlement has been reached with the Income and sales Tax Department for Jordan National Shipping Lines Company (Holding Company) up to end of the year 2020. Moreover, the income tax returns for the year 2021 and 2022 have been submitted on time but have not reviewed by the Income and Sales Tax Department.
- The income tax of the Jordan Group for Shipping Agencies Company (a subsidiary company) was settled until the end of the year 2019 and the self-assessment statement for the years 2020, 2021 and 2022 was submitted on its legal dates and was not reviewed by the Income and Sales Tax Department.
- The income tax for Jordan Maritime Complex for Real Estate Investment Company (subsidiary company) has been settled to the end of the year 2019 and the self-assessment statement for the years 2020 until 2022 have been submitted and was not reviewed by the Income and Sales Tax Department.
-
- A provision for income tax for the year ended December 31, 2023 has been booked for Jordan National Shipping Lines Company and Jordan Group for Shipping Agencies Company (subsidiary company) in accordance with the Jordanian 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 year. In the opinion of the Company's management and its tax consultant, there is no need to book any additional provision as of December 31, 2023.
- Jordan Maritime Complex for Real Estate Investments Company did not book any deferred taxes since no benefits are expected from them in the near future.

17. Related Party Transactions

This item consists of the following:

a. Due from Related Parties - Net:

	Nature of Relationship	December 31,	
		2023	2022
		JD	JD
Arab Ship Management Company	Associate company	2,298	3,526
Smit Lamnalco -Jordan	Associate company	-	5,000
Other	Associate company	2,500	2,500
Total		<u>4,798</u>	<u>11,026</u>

b. Due to Related Parties:

	Nature of Relationship	December 31,	
		2023	2022
		JD	JD
Salam International Transport and Trading Company	Sister company	501,099	81,089
Jordan National for Ship Operation Company	Associate company	-	85,877
Other	Associate company	16,451	14,891
		<u>517,550</u>	<u>181,857</u>

18. Loans

This item consists of the following:

	December 31,				
	2023				2022
	Due Installments	Short- term Loan Installments	Long-term Loan Installments	Total	Total
	JD	JD	JD	JD	JD
Cairo Amman Bank loan - Jordanian dinar – (A)	-	460,952	701,902	1,162,854	701,902
Capital Bank loan - Jordanian dinar – (B)	-	1,100,000	4,125,000	5,225,000	5,500,000
	<u>-</u>	<u>1,560,952</u>	<u>4,826,902</u>	<u>6,387,854</u>	<u>6,201,902</u>

- On November 4, 2020, a loan was granted from Cairo Amman Bank for the purposes of renewing the hotel's fixed assets, with a ceiling of JD 2,000,000 and an interest rate of 3.25%. The loan will be repaid over 72 months in 20 installments, the first installment due on January 13, 2023, at a value of 100 thousand dinars, and the loan will be disbursed according to need and based on the invoices submitted to the bank related to 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 Egyptian Arab Land Bank loan in the amount of 5,500,000 JD, with an interest rate of 7.5%. The loan will be repaid in quarterly installments, excluding interest, in 20 installments, the first installment due after October 15, 2023, at a value of 275 thousand per installment, and interest will be paid monthly from the date of implementation.

The details on the loans' transactions during the years 2022 and 2023 were as follows:

	December 31,	
	2023	2022
	JD	JD
Balance - beginning of the year	6,201,902	7,383,973
Loans granted during the year	860,952	5,851,444
Loans paid during the year	<u>(675,000)</u>	<u>(7,033,515)</u>
Balance - End of the Year	<u>6,387,854</u>	<u>6,201,902</u>

19. Capital and Reserves

a. Capital

The authorized and paid-up capital amounted to JD 15,000,000, allocated to 15,000,000 shares. The par value of each share is JD 1 as of December 31, 2023 and 2022.

b. Statutory Reserve

The amounts accumulated in this account represent the transferred annual profits portion before taxes at a rate of 10% in accordance with the Companies Law, and it is not subject to distribution to shareholders, provided that it does not exceed 25% of the paid-up capital.

c. Dividends Paid

The General Assembly decided, in its ordinary meeting held on April, 19 2023 to distribute 2,700,000 JD as cash dividends to shareholders, representing 18% of capital for the year 2022 (JD 1,800,000 for the year 2021).

20. Investment Evaluation Reserve

This item represents the change in investment evaluation reserve as follows:

	December 31,	
	2023	2022
	JD	JD
Balance - beginning of the year	(1,393,350)	(1,427,067)
Net change during the year	<u>53,641</u>	<u>33,717</u>
Balance - End of the Year	<u>(1,339,709)</u>	<u>(1,393,350)</u>

21. Retained Earnings

The movement on this item is as follows:

	December 31,	
	2023	2022
	JD	JD
Balance - beginning of the year	10,821,623	8,765,849
Income for the year	3,155,187	3,861,702
Gains (Losses) from sale of financial assets at fair value through comprehensive income	1,391	(1,465)
Transferred from investment evaluation reserve to retained earnings as a result of selling financial assets at fair value through comprehensive income	(9,193)	(4,463)
Dividends paid	<u>(2,700,000)</u>	<u>(1,800,000)</u>
Balance - End of the Year	<u>11,269,008</u>	<u>10,821,623</u>

22. Net Revenue from Maritime Agencies, Sea Freight and Cruising Vessels

This item consists of the following:

	<u>2023</u>	<u>2022</u>
	JD	JD
Freight and cruising vessels income	15,218,721	11,850,235
Maritime agencies income	<u>910,426</u>	<u>1,067,706</u>
	16,129,147	12,917,941
<u>(Less):</u> Cost of freight and cruising vessels	<u>(12,585,806)</u>	<u>(9,259,748)</u>
Net Revenue from Maritime Agencies, Sea Freight and Cruising Vessels	<u>3,543,341</u>	<u>3,658,193</u>

- The above revenue represents mostly net revenue from operating ships in favor of one of the customers in addition to revenue of other maritime agencies.

23. Gross Hotel Operating Revenue before Other Expenses

This item consists of the following:

	<u>2023</u>		<u>2022</u>	
			Gross Operating	Gross Operating
	<u>Revenue</u>	<u>Direct Cost</u>	<u>Profit</u>	<u>Profit</u>
	JD	JD	JD	JD
Rooms	2,360,406	(484,734)	1,875,672	1,993,552
Food and beverage	1,017,307	(820,761)	196,546	232,233
Phone, fax, internet, laundry and health club	7,116	(16,758)	(9,624)	(11,421)
Other	<u>69,008</u>	<u>-</u>	<u>69,008</u>	<u>74,993</u>
	<u>3,453,837</u>	<u>(1,322,253)</u>	<u>2,131,584</u>	<u>2,289,357</u>

24. General and Administrative Expenses

This item consists of the following:

	<u>2023</u>	<u>2022</u>
	JD	JD
Salaries, wages, allowances and bonuses	1,284,342	1,264,107
Company's share of social security contributions	86,887	92,205
Rents	4,162	3,295
Postage, telephone and fax	29,614	31,386
Stationery and printings	10,245	6,212
Fees and subscriptions	8,026	4,170
Water, electricity and heating	10,576	11,788
Cleaning expenses	22,056	13,179
Hospitality	13,236	12,406
Traveling, accommodation and per diems	35,123	27,457
General maintenance	2,614	5,425
Machine and vehicles expenses	22,702	20,679
Insurance installments	101,079	87,057
Marketing and advertising	281	881
Donations	87,625	65,495
Training, courses and conferences	23,870	23,683
Board of Directors' transportation allowances	90,000	90,000
Board of Directors' transportation allowances - Subsidiary Companies	24,000	19,000
Board of Directors and committees remunerations provision expenses	205,100	200,100
Board of Directors' remunerations - Subsidiary Companies	21,800	25,000
Legal expenses, consultation, and stamps	74,716	66,975
Security expenses	58,554	39,699
Computer expenses	10,071	11,263
Commercial studies	11,200	12,659
Management and license fees - Hilton hotel	167,397	182,037
Governmental expenses	19,419	89,400
Bank commissions	49,260	65,357
Other	<u>134,109</u>	<u>115,842</u>
	<u><u>2,608,064</u></u>	<u><u>2,586,757</u></u>

25. Non-Controlling Interests

This item represents non-controlling interest in the net equity of the subsidiary companies. The details are as follows:

December 31,											
		2023					2022				
		Retained			Non-Controlling		Non-Controlling				
		Earnings /	Profit	Total	Interests' Share	Interests' Share	Interests' Share	Interests' Share	Interests' Share	Interests' Share	
Ownership	Paid-up	Statutory	Voluntary	Accumulated	(Loss) for	Partners' Equity	Non-Controlling	from Profit (Loss)	Non-Controlling	from Profit (Loss)	
Percentage	Capital	Reserve	Reserve	(Losses)	the Year	Interests	for the Year	Interests	for the Year	for the Year	
%	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
Company's Name											
Jordan Group for Shipping Agencies Company	70	150,000	150,000	30,000	200,848	174,309	705,157	211,547	52,293	219,254	85,113
Jordan Maritime Complex for Real Estate Investments Company	74	15,600,000	-	-	(9,288,252)	(731,539)	5,580,209	1,450,856	(190,200)	1,641,056	(102,456)
						1,662,403		(137,907)		1,860,310	
										(17,343)	

26. Gain from Financial Assets at Fair Value through Profit or Loss - Net

This item consists of the following:

	2023	2022
	JD	JD
(Losses) gains from evaluation of financial assets at fair value through profit or loss	(233,736)	417,454
Gains from sale of financial assets at fair value through profit or loss	9,172	-
Dividends income	163,897	94,254
	<u>(60,667)</u>	<u>511,708</u>

27. Other Revenue

The details of this item are as follows:

	2023	2022
	JD	JD
Foreign exchange differences	5,920	5,830
Ticket sales commissions	-	625
Bank interest income	387,185	243,246
Rents revenue – net	233,809	226,855
Other revenue - net *	143,977	51,631
	<u>770,891</u>	<u>528,187</u>

* Includes other revenues related to the hotel.

28. Earnings per Share for the Year Attributable to the Group's Shareholders

The share of profit for the year attributable to the shareholders of the group was calculated by dividing the profit for the year attributable to the shareholders of the group by the number of shares during the financial period, and its statement is as follows:

	December 31,	
	2023	2022
	JD	JD
Income for the year-attributable to the Group's Shareholders	3,155,187	3,861,702
Number of shares	<u>Share</u> 15,000,000	<u>Share</u> 15,000,000
Earnings per share for the year: Basic and diluted	<u>JD/Share</u> <u>-/210</u>	<u>JD/Share</u> <u>-/257</u>

29. Cash and Cash Equivalents

This item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Cash on hand, at banks and checks under collection	2,142,768	2,632,971
Deposits due within 3 months	7,196,362	6,457,142
	<u>9,339,130</u>	<u>9,090,113</u>

30. Transactions with Related Parties

Related parties, as defined in IAS 24 (related party disclosures), include associate companies, major shareholders, directors and other key management personnel of the Group, and entities controlled, jointly controlled or affected by such parties. In addition to the balances mentioned above in Note (16), the movements resulting from transactions with related parties were as follows:

- a. Rent revenue from associate and sister companies amounted to JD 54,938 for the year ended December 31, 2023 (JD 54,773 for the year ended December 31, 2022).
- b. Executive management's and board of directors salaries and benefits of the Company and its subsidiaries in addition to the salaries and allowances of the hotel's chief executive officer were as follows:

	2023	2022
	JD	JD
Salaries, bonuses, and per diems	589,828	595,190
Board of Directors' transportation allowances	114,000	109,000
	<u>703,828</u>	<u>704,190</u>

31. Contingent Liabilities

- The Group was contingent liabilities represet for Bank's guarantees at the date of the consolidated statement of financial position of JD 55,000 and related paid cash margins of JD 6,250.

32. Risks Management

a. Capital Risk Management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. No changes have occurred on the Group's policies since the year 2022.

The Group has a strategy to maintain a reasonable debt-to-equity ratio (calculated by dividing total debts over total equity) provided that total debt does not exceed 200%.

The table below shows total debt with respect to owners' equity:

	December 31,	
	2023	2022
	JD	JD
Total debts	6,387,854	6,201,902
Total owners' equity	30,341,702	30,038,583
Debt-to- Equity Ratio	<u>21%</u>	<u>21%</u>

b. Market Risk

Market risk refers to the losses that might arise from the changes in market prices such as changes in interest rates, foreign currency prices, and prices of equity instruments, and consequently, changes in the fair value of cash flows for on and off consolidated statement of financial position financial instruments.

Foreign Currency Risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group's major transactions are in Jordanian Dinar and US Dollar. Foreign currencies risk relates to changes in currency exchange rates for settlements in foreign currencies. As the Jordanian Dinar (the Group's functional currency) is pegged to the US Dollar, the Group's management believes that the foreign currency risk related to transactions denominated in US Dollar is immaterial.

Interest Rate Risk:

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The sensitivity analysis below is determined based on the exposure to interest rate for Groups borrowings utilized and deposits outstanding at the consolidated financial statements date.

The analysis is prepared assuming that the amount of liability outstanding at the consolidated statement of financial position date was outstanding for the whole year. A 0.5% increase or decrease is used:

	Balance	+ 0.5%	-0.5%
	JD	JD	JD
Current credit facilities – (loss) / gain	6,387,854	31,939	(31,939)
Deposit at bank – gain / (loss)	7,196,362	35,981	(35,981)
		<u>67,920</u>	<u>(67,920)</u>

c. Liquidity Risk

Liquidity risk, also referred to as funding risk, is the risk that the Group will encounter difficulties in raising funds to meet its commitments. The Group manages liquidity risk by maintaining adequate reserves and continuously monitoring forecast and actual cash flows. Furthermore, a portion of the Group's funds is invested in cash Group balances and investments at fair value through the statement of profit or loss which are readily available to meet short-term and medium-term funding and liquidity management requirements. Moreover, the liquidity management believes that the liquidity risks are immaterial.

d. Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. Moreover, the Group has adopted a policy of dealing with only creditworthy counterparties, in addition to obtaining sufficient guarantees, whenever appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group's financial assets mainly consist of customers' receivables, financial investments at fair value through the statement of profit or loss and financial investments at fair value through comprehensive income, cash and cash equivalents, and other receivables. Trade receivables are made up of local customers' receivables and debts due from governmental parties as well as external customers. In the opinion of the Group's management, the probability of not collecting the accounts receivable, totally or partially, is unlikely. Moreover, strict credit controls are maintained, and each customer's account is monitored separately and continuously. Moreover, the management believes that the credit risks are immaterial.

33. Geographical Distribution

The assets and liabilities of the Group exist within Jordan as of December 31, 2021 and 2022 except for the following:

a. Debts

	December 31, 2023		December 31, 2022	
	Receivables	Payables	Receivables	Payables
	JD	JD	JD	JD
Receivables (Payables)	<u>36,074</u>	<u>143,959</u>	<u>84,906</u>	<u>144,288</u>

b. Investments

	December 31,	
	2023	2022
	Financial Investments	
	JD	JD
Shares listed / unlisted on international stock markets	<u>419,835</u>	<u>495,499</u>
	<u>419,835</u>	<u>495,499</u>

c. Information from Group Business Sectors

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

	Marine Services Sector	Hotel Services Sector	Other	Total	
				For the Year Ended December 31,	
	JD	JD	JD	2023 JD	2022 JD
Revenue	16,129,147	3,453,837	-	19,582,984	16,500,796
Direct cost	(12,585,806)	(1,322,253)	-	(13,908,059)	(10,553,246)
Business Sector Results	3,543,341	2,131,584	-	5,674,925	5,947,550
Marketing and advertising expenses	-	(180,058)	-	(180,058)	(186,210)
Information technology expenses	-	(103,101)	-	(103,101)	(106,574)
Power and maintenance expenses	-	(641,716)	-	(641,716)	(687,978)
General and administrative expenses	(1,743,364)	(864,700)	-	(2,608,064)	(2,586,757)
(Expense) Surplus expected credit loss	(12,124)	-	-	(12,124)	5,481
Depreciation expenses	(125,770)	(688,626)	-	(814,396)	(640,103)
Financing expenses	-	(611,390)	-	(611,390)	(496,515)
Financial assets and investments revenue	-	-	1,653,415	1,653,415	2,229,853
Other revenue	<u>544,423</u>	<u>226,468</u>	<u>-</u>	<u>770,891</u>	<u>528,187</u>
Income for the year before income tax	2,206,506	(731,539)	1,653,415	3,128,382	4,006,934
Income tax expense	<u>(111,102)</u>	<u>-</u>	<u>-</u>	<u>(111,102)</u>	<u>(162,575)</u>
Income for the year	<u>2,095,404</u>	<u>(731,539)</u>	<u>1,653,415</u>	<u>3,017,280</u>	<u>3,844,359</u>

	Marine Services Sector	Hotel Services Sector	Other	December 31	
				2023	2022
	JD	JD	JD	JD	JD
<u>Other Information:</u>					
Sector Assets	<u>24,480,171</u>	<u>15,572,571</u>	<u>-</u>	<u>40,052,742</u>	<u>39,337,334</u>
	<u>24,480,171</u>	<u>15,572,571</u>	<u>-</u>	<u>40,052,742</u>	<u>39,337,334</u>
Sector Liabilities	<u>2,301,829</u>	<u>7,409,211</u>	<u>-</u>	<u>9,711,040</u>	<u>9,298,751</u>
	<u>2,301,829</u>	<u>7,409,211</u>	<u>-</u>	<u>9,711,040</u>	<u>9,298,751</u>

34. 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):

	Fair Value		Fair Value Hierarchy	Valuation Techniques and Key Inputs	Significant Unobservable Inputs	Relationship of Unobservable Inputs to Fair Value
	December 31,					
	2023	2022				
Financial Assets	JD	JD				
Financial assets at fair value						
Financial assets at fair value through profit or loss:						
Quoted shares	1,942,093	2,126,934	Level 1	Through using the equity method and the latest available financial information	Not Applicable	Not Applicable
Unquoted shares	70,900	70,900	Level 3			
	2,012,993	2,197,834				
Financial assets at fair value through other comprehensive income:						
Quoted Shares	2,974,940	2,950,078	Level 1	Through using the equity method and the latest available financial information	Not Applicable	Not Applicable
Unquoted Shares	149,689	146,592	Level 3			
	3,124,629	3,096,670				
Total Financial Assets at Fair Value	5,137,622	5,294,504				

There were no transfers between Level 1 and Level 2 during the years 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 consolidated financial statements approximate their fair values:

	December 31, 2023		December 31, 2022	
	Book Value	Fair Value	Book Value	Fair Value
	JD	JD	JD	JD
Financial assets not calculated at fair value				
Investments properties	1,599,825	4,125,820	1,657,118	4,125,920
Total financial assets not calculated at fair value	1,599,825	4,125,820	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.

35. Subsequent Events

In its meeting held on March 28, 2024 the Board of Directors recommended to the General Assembly of Shareholders, to distribute an amount of 2,225,000 as cash dividends to shareholders at 15% of capital. This recommendation is subject to the approval of the General Assembly of Shareholders.