

United Group For Land Transport Co. L.L.C
Public Shareholding Co., Ltd.
Amman - The Hashemite Kingdom of Jordan

The Interim condensed financial statements
And the Review Report
as of June 30, 2021
(Reviewed Not audited)

United Group For Land Transport Co
Public Shareholding Co., Ltd.
Amman - The Hashemite Kingdom of Jordan

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Report on the review of the condensed interim financial statements

To the Board of Directors of

United Group For Land Transport Co (P.S.C)

Amman - The Hashemite Kingdom of Jordan

Introduction:

We have reviewed the accompanying condensed interim financial statements of **United Group For Land Transport Co (P.S.C)** comprising of condensed interim statement of financial position as at 30 June 2021, and the related condensed interim statements of comprehensive income, changes in owners' equity and cash flows for six months ended 30 June 2021 and the related explanatory notes.

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

Scope of review:

We conducted our review in accordance with International Standard on Review 2410 "Review of interim Financial Information Performed by the Independent Auditor of the Entity". A review of the condensed interim financial information consists of making inquiries primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with international Standards on Auditing. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion:

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects in accordance with IAS 34.

Other matters:

Condensed interim financial statements were prepared for Instructions for listing the securities in the Amman Stock Exchange & for management's purposes.

Al Abbasi & Partners Co.

(An independent member of Moore Global)



Ahmad Mohammad Alabbasi

License No. 710

Amman in

24 July 2021

**United Group For Land Transport Co
Public Shareholding Co., Ltd.**

Amman - The Hashemite Kingdom of Jordan

The condensed interim Statement of financial position as of June 30 , 2021

(Reviewed Not audited)

	<u>Note</u>	<u>30-Jun-21</u> JD (Reviewed)	<u>31-Dec-20</u> JD (audited)
<u>Assets</u>			
<u>Non-current assets</u>			
Properties , trucks & equipment - Net	6	7,091,380	7,469,288
Total Non-current assets		7,091,380	7,469,288
<u>Current Assets</u>			
Cash and Cash equivalent		1,147,138	1,033,710
Account receivables - Net		443,135	388,288
Spare parts inventory - Net		180,886	108,244
Other debit balances		75,549	55,149
Total Current Assets		1,846,708	1,585,391
Total Assets		8,938,088	9,054,679
<u>Liabilities and Owners' Equity</u>			
<u>Owners' Equity</u>			
Paid up Capital		6,600,000	6,600,000
Statutory reserve		1,650,000	1,650,000
Retained earnings	7	–	706,657
Profit for the period		484,056	–
Total Owners' equity		8,734,056	8,956,657
<u>Current Liabilities</u>			
Other credit balances		106,224	30,639
Income tax Provision	8	97,808	67,383
Total Current Liabilities		204,032	98,022
Total Liabilities and Owners' Equity		8,938,088	9,054,679

United Group For Land Transport Co**Public Shareholding Co., Ltd.****Amman - The Hashemite Kingdom of Jordan****The condensed Interim Statement of comprehensive Income for six months ended at June 30, 2021****(Reviewed Not audited)**

	Note	For the six months ended at		For the three months ended at	
		30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
		JD	JD	JD	JD
		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Revenue		2,189,230	1,741,338	1,099,035	926,394
Operation expenses	10	(1,468,159)	(1,172,398)	(748,665)	(540,859)
Gross Profit		721,071	568,940	350,370	385,535
General & administrative expenses	11	(146,029)	(143,506)	(72,325)	(72,126)
Depreciations		(17,638)	(12,040)	(9,237)	(3,518)
Other revenues & expenses		54,460	2,090	53,281	350
Profit for the Period before income tax		611,864	415,484	322,089	310,241
Income tax	8	(127,808)	(86,886)	(67,639)	(64,785)
Period For the Profit		484,056	328,598	254,450	245,456
Total comprehensive income		484,056	328,598	254,450	245,456
		JD / Share	JD / Share	JD / Share	JD / Share
basic and diluted earining per share	9	0.073	0.050	0.039	0.037

United Group For Land Transport Co. L.L.C
Public Shareholding Co., Ltd.

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The Condensed interim Statement of Change in Owner's Equity for the six months ended at June 30,2021 (Reviewed not Audited)

	Paid up Capital	Statutory reserve	Profit for the period	Retained earnings	Total
	JD	JD	JD	JD	JD
For the six months ended 30 June 2021					
Balance as of January 1,2021 (Audited)	6,600,000	1,650,000	-	706,657	8,956,657
Period income after income tax	-	-	484,056	-	484,056
Total comprehensive income	-	-	484,056	-	484,056
Dividends distributed (Note 7)	-	-	-	(706,657)	(706,657)
Balance as of June 30,2021 (Reviewed)	6,600,000	1,650,000	484,056	-	8,734,056
For the six months ended 30 June 2020					
Balance as of January 1,2020(Audited)	6,600,000	1,650,000	-	985,053	9,235,053
Period income after income tax	-	-	328,598	-	328,598
Total comprehensive income	-	-	328,598	-	328,598
Dividends distributed	-	-	-	(985,053)	(985,053)
Balance as of June 30,2020 (Reviewed)	6,600,000	1,650,000	328,598	-	8,578,598

The accompanying notes form an integral part of this statement .

**United Group For Land Transport Co
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the condensed interim Statement of cashflow for the six months ended at June 30,2021

(Reviewed Not audited)

	Note	30-Jun-21 JD (Reviewed)	30-Jun-20 JD (Reviewed)
<u>Cash Flow From Operating Activities</u>			
Profit Period before income tax		611,864	415,484
Depreciation	6	337,227	241,911
Loss on sale of property & equipment		(46,519)	-
Operating profit before changes in working capital		902,572	657,395
<u>(Increase) decrease in current assets</u>			
Accounts receivable		(54,847)	30,076
Spare parts inventory		(72,642)	(32,431)
Other receivables		(20,400)	(30,778)
<u>Increase (decrease) in current liabilities</u>			
Other payables		75,585	16,579
Net Cash provided from Operating Activities before paid tax		830,268	640,841
paid income tax	8	(97,383)	(34,693)
Net Cash provided from Operating Activities after paid tax		732,885	606,148
<u>Cash Flows From Investing Activities</u>			
Purchase properties & equipment	6	(2,800)	(17,135)
Payments on account of purchase of property & equipment		-	9,780
Receipts from the sale of property and equipment		90,000	-
Net Cash (Used in) Investing Activities		87,200	(7,355)
<u>Cash Flows From Financing Activities</u>			
Cash Dividends	7	(706,657)	(985,053)
Net Cash (used in)Financing Activities		(706,657)	(985,053)
Net Increase (Decrease) in Cash and cash equivalent		113,428	(386,260)
Cash on hand and at banks at beginning of period		1,033,710	662,399
Cash on hand and at banks at ended period		1,147,138	276,139

**United Group For Land Transport Co
Public Shareholding Co., Ltd.**

Amman - The Hashemite Kingdom of Jordan

Notes to the condensed interim Financial Statements (Reviewed not Audited)

1- Company's Registration and Objectives

United Group For Land Transport Co. (P.S.C) was established by virtue of the temporary Companies Law No (1) of , and was registered in the public shareholding companies record at the Ministry of Industry and Trade in the Hashemite Kingdom of Jordan under number (4223) on December 23,1995 .

At the Extraordinary General Assembly meeting on 14 December 2005, it was decided to transfer the company from a limited liability company to a public joint stock company The legal procedures were completed by the Ministry of Industry and Trade on August 15, 2006 The company was registered in the Public Shareholding Companies Register under No. on September 5,2006 at the same previous objectives 414

At its extraordinary meeting held on April 2012, the General Assembly decided to reduce the company's Capital to JD 6,000,000 instead of JD 8,000,000 The legal proceedings were completed by the Ministry of Industry and Trade on MAY 17 , 2012

The Condensed interim financial statements were approved by the board of directors at its meeting held on 24 July 2021 these financial statements aren't subject to the approval of the

2- Basics of preparing interim condensed financial statements

General

The accompanying interim condensed financial statements of the company have been prepared in accordance to the IAS 34 (Interim Financial informations)

The accompanying interim condensed financial statements of the company have been prepared in accordance to the historical cost basic except for the financial assets at the fair value through the other comprehensive income statement which carried at fair value at the date of the financial statements

The financial statements are presented in Jordanian Dinars (JD) which is the financial currency of the company .

The accompanying interim condensed financial statements do not include all required informations and notes at the annual financial statements which prepared in accordance to the international financial reporting standard and should be read with the annual report as of December 31,2020 the business results for the six months ended at June 30,2021 do not necessarily represent an indicator for the expected results for the year ended at december 31,2021

3- Significant accounting estimates and assumptions

There are no material changes to the nature and amount of the changes in the estimate of amounts recognized in the interim financial statements as compared to the financial statements for 2020.

**United Group For Land Transport Co
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Notes to the condensed interim Financial Statements (Reviewed not Audited)

4- Significant accounting policies

The preparation of interim condensed financial information requires to use of significant and specific accounting estimates. It also requires management to use its own judgment in the process of applying accounting policies. The significant estimates and assumptions used in the preparation of the financial statements have been disclosed in note No. (3)

Accounting policies followed in condensed interim financial statements' preparation for this period are consistent with the policies followed the last year .

Change in accounting policies

During the current period, the Company adopted the below new and amended International Financial Reporting Standards ("IFRS") and improvements to IFRS that are effective for periods beginning on 1 January 2020 :-

- Amendments to IFRS 3 "Business Merger".
- Amendments to IAS 1 "Presentation of Financial Statements" .
- Amendments to IAS 8 "Changes in accounting estimates and errors".
- Amendments to IFRS 7 "Financial Instruments: Disclosures"
- Amendments to IFRS 9 "Financial Instruments"

These amendment do not have any impact on the company's financial statement

5- Comparative

Some of comparative figures have reclassified – when needed – to confirm with current year's figures.

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Notes to the condensed interim Financial Statements (Reviewed Not audited)

6- Properties , plant & equipment - Net

a. This item consists of :

	Lands	Vehicles	Buldings	Hanagers	Electrical and office equipment	Tools	Decorations and exterior fittings	Furniture	Solar Energy Systems	Total
<u>Cost</u>										
Cost as in the January 1, 2021 (Audited)	2,798,006	9,116,628	1,304,792	100,000	39,282	35,286	35,700	23,194	30,300	13,483,188
Additions	-	2,800	-	-	-	-	-	-	-	2,800
Deletions		(187,608)								(187,608)
Cost as in the June 30, 2021	2,798,006	8,931,820	1,304,792	100,000	39,282	35,286	35,700	23,194	30,300	13,298,380
<u>Acumulated Depreciation</u>										
balance as of january 1, 2021 (Audited)	-	5,525,420	283,640	100,000	34,990	23,008	20,373	22,998	3,471	6,013,900
Additions	-	319,589	13,321	-	641	1,232	917	11	1,516	337,227
Deletions		(144,127)								(144,127)
balance as of June 30, 2021	-	5,700,882	296,961	100,000	35,631	24,240	21,290	23,009	4,987	6,207,000
Net book value as of June 30, 2021 (reviewied)	2,798,006	3,230,938	1,007,831	-	3,651	11,046	14,410	-	25,313	7,091,380
Net book value as of December 31, 2020 (audited)	2,798,006	3,591,208	1,021,152	-	4,292	12,278	15,327	196	26,829	7,469,288

b. The cost of property and equipment that was fully depreciated is JD 2,473,752 as at 30 June 2021

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Notes to the condensed interim Financial Statements (Reviewed not Audited)

7- Retained Earning at the end of the Period / year

	30-Jun-21	31-Dec-20
	JD	JD
	(Reviewed)	(audited)
Balance at the beginning of the year	706,657	985,053
Profit after tax	-	706,657
Dividends paid *	(706,657)	(985,053)
Balance at end of the Period / year	-	706,657

* According to the company general assembly which was held on March 10,2021 , it was

8- Income tax provision

The Company has already filed the required disclosure report in the tax department for 2018 ,2019, 2020 The Department did not set a date for the discussion so far

	30-Jun-21	31-Dec-20
	JD	JD
	(Reviewed)	(audited)
Balance at the beginning of the period / year	67,383	34,694
payments	(67,383)	(34,694)
Period / year income tax	121,721	178,460
National Contribution Account	6,086	8,923
Paid in advance for income tax	(30,000)	(120,000)
Balance at end of period / year	97,807	67,383

9- Basic and diluted earningig per share

This item consists of :

	30-Jun-21	31-Dec-20
	JD	JD
	(Reviewed)	(Reviewed)
Profit of the period after tax	484,056	328,598
Weighted average shares (share)	6,600,000	6,600,000
Basic and diluted earningig per share	0.073	0.050

The diluted share of the share (Loss) for the period is equal to the basic share of the (Loss) period .

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Notes to the condensed interim Financial Statements (Reviewed not Audited)

10- Operating expenses

This item consists of :

	For the six monthes ended at		For the three monthes ended at	
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
	JD	JD	JD	JD
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Staff cost	304,480	272,825	155,142	141,871
Cost of vehicles *	1,124,188	856,165	575,863	376,105
Movable Goods Insurance	-	6,113	-	6,113
Transfer fees with others	4,010	2,400	840	1,200
Consumables	9,289	5,620	3,756	1,791
Arranging entry trucks	16,582	14,065	8,228	7,891
Transfer fees	79	557	-	250
Stamp expenses	4,471	4,471	2,236	2,236
Charges for weighing fees	2,565	3,290	1,260	1,220
Fee guarantees expenses	2,368	2,369	1,184	1,184
General Safety Expenses	127	20	77	20
External Clearance and Transfer	-	4,503	-	1,336
Total	1,468,159	1,172,398	748,586	541,217

Cost of vehicles *

	For the six monthes ended at		For the three monthes ended at	
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
	JD	JD	JD	JD
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Depreciation	319,589	229,871	158,864	65,678
fuel	564,834	441,104	288,973	207,721
Maintenance and repairs	115,476	79,233	67,918	45,400
cars Insurance	22,333	20,056	11,259	9,418
tires	60,571	40,500	28,926	23,600
license	20,371	18,459	10,285	8,936
Oil expenses	12,625	17,071	5,744	10,177
Car expenses	1,681	3,122	787	1,870
Services of containers and ships	205	190	135	70
Washing and steaming expenses	3,214	3,044	1,328	1,478
Vehicle Tracking Expenses	3,289	3,515	1,644	1,757
Total	1,124,188	856,165	575,863	376,105

United Group For Land Transport Co**Public Shareholding Co., Ltd.****Amman - The Hashemite Kingdom of Jordan****Notes to the condensed interim Financial Statements (Reviewed not Audited)****11- General and administrative expenses**

	For the six monthes ended at		For the three monthes ended at	
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
	JD	JD	JD	JD
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Salaries and wages	96,000	96,000	48,000	48,000
The company's contribution to social security	13,680	13,680	6,840	6,840
Stationery and prints	792	813	330	327
Cleaning services	2,260	2,575	1,013	1,112
Hospitality	920	581	408	180
Postage, telegraph, phone and internet	2,654	2,846	1,232	1,524
Electric and water	1,175	2,807	311	1,310
Bank expenses	210	121	86	41
Governmental fees	2,907	2,166	1,525	712
Security fees	6,600	8,824	3,300	5,524
Maintenance expenses	1,221	614	656	489
Law suits and issues	3,962	1,802	500	500
Donations	3,000	540	3,000	540
Professional fees	1,875	–	937	–
Travel and transportation expenses	–	1,126	–	300
Advertising	200	365	–	–
Subscription fees of the Securities Depository Cent	1,650	1,650	825	825
Health insurance expenses	6,923	6,996	3,362	3,544
Total	146,029	143,506	72,325	71,768

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Notes to The Condensed Interim Financial Statements - Reviewd Not Audited

12- **Segment Information**

			For the Three Months ended at June 30	
			2021	2020
			Total	Total
	The main activity	others	Total	Total
	JD	JD	JD (Reviewed)	JD (Reviewed)
Revenue	2,189,230	54,460	2,243,690	1,743,428

other segment

Capital expenditure	2,800		2,800	17,135
Depreciation	337,227		337,227	241,911

			30-Jun-21	31-Dec-20
			Total	Total
			Total	Total
	The main activity	others	Total	Total
	JD	JD	JD (Reviewed)	JD (audited)

Assets And Liability

Assets	7,790,950	1,147,138	8,938,088	9,054,679
Liabilities	204,032		204,032	98,022

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Notes to the condensed interim Financial Statements - Reviewed not Audited

13- Related Party Transactions

Realated parties include Key shareholders , Key management personnel , Key managers , associates and subciidiaries and controlled companies . The company's management has approved the pricing policies and terms of transactions Whith related parties .

Salaries and bonus of the management

The following is a summary of the benefits of management of the company

	30-Jun-21	30-Jun-20
	JD	JD
	(Reviewed)	(Reviewed)
Salaries and bonus	96,000	96,000
Company's contribution to social security	13,680	13,680
Total	109,680	109,680

14- Capital Risk management

The company is generally exposed to financial risks, credit risks, liquidity risks, and market risks. In general, the company's objectives and policies in managing financial risks to which the financial statements are exposed are similar to what was disclosed in the company's financial statements as on December 31, 2020 in addition to what was stated in a note No. 15 Subsequent Events.

15- Subsequent events

In light of the impact of the Corona virus (Covid 19) on the global economy and various business sectors and the accompanying restrictions and procedures imposed by the Jordanian government, the company's operational activities were affected by these events, which had a negative impact on the company's business results for the year compared to the previous year.

The extent and duration of these effects are not specified and depend on future developments that cannot be accurately predicted at the present time, such as the rate of spread of the virus and the effectiveness of measures taken to contain it. In light of the current economic turmoil, it is not possible to make reliable estimates on the impact of the virus until the date of approval of the financial statements. Future developments may affect the company's future results, cash flows and financial condition.