

**Masafat for Specialized Transport Company
Public Shareholding Company
Amman-The Hashemite Kingdom of Jordan**

**Consolidated Interim Condensed Financial Statements
and Review Report
for the nine months ended September 30, 2022**

Masafat for Specialized Transport Company
Public Shareholding Company
Amman-The Hashemite Kingdom of Jordan

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Report on Review of Consolidated Interim Condensed Financial Information

To the Shareholders
Masafat for Specialized Transport Company
Public Shareholding Company
Amman-The Hashemite Kingdom of Jordan

We have reviewed the consolidated interim condensed statement of financial position of Masafat for Specialized Transport Company (Public Shareholding Company) and its subsidiaries, as at September 30, 2022, and the related consolidated interim condensed statements of comprehensive income, changes in equity and cash flows for the nine months period then ended. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standard no. (34) "Interim Financial Reporting". Our responsibility is to express a conclusion about this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagement no. (2410) "Review of interim financial information performed by the independent auditor of the entity". A review of consolidated interim condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim condensed financial information is not prepared, in all material respects, in accordance with International Financial Reporting Standard no. (34) "Interim Financial Reporting".

Talal Abu-Ghazaleh & Co. International



Aziz Abdelkader
(License # 867)

Amman October 20, 2022

Masafat for Specialized Transport Company
Public Shareholding Company
Amman-The Hashemite Kingdom of Jordan

Consolidated interim condensed statement of financial position as at September 30, 2022
- (Review and unaudited)

		September 30, 2022	December 31, 2021
	Notes	(Reviewed not audited)	(Audited)
ASSETS		JD	JD
Non-current Assets			
Property and equipment	3	21,584,582	20,117,129
Investments in associates		1,426,097	1,454,238
Investments in financial assets at fair value through other comprehensive income		277,151	325,809
Total Non-current Assets		23,287,830	21,897,176
Current Assets			
Inventory		471,965	387,486
Related parties receivables		6,367,855	4,434,158
Checks under collection - related parties		1,387,441	1,364,943
Other debit balances		1,014,963	1,038,007
Trade receivables		2,365,916	3,407,104
Cash and cash equivalents		138,929	218,383
Total Current Assets		11,747,069	10,850,081
Total Assets		35,034,899	32,747,257

The accompanying notes constitute an integral part of these financial statements

Masafat for Specialized Transport Company
Public Shareholding Company
Amman-The Hashemite Kingdom of Jordan

Consolidated statement of financial position as at September 30, 2022 - (Review and unaudited)

	September 30, 2022 (Reviewed not audited)	December 31, 2021 (Audited)
	JD	JD
EQUITY AND LIABILITIES		
Equity		
Capital	18,500,000	18,500,000
Statutory reserve	1,409,146	1,409,146
Voluntary reserve	1,267,137	1,267,137
Change in fair value of investments in financial assets at fair value through other comprehensive income	(133,449)	(84,791)
Share of change in fair value of investments in financial assets at fair value through other comprehensive income - associates	(45,995)	(44,061)
Retained earnings	1,368,373	1,230,378
Total equity before non-controlling interests	22,365,212	22,277,809
Non-controlling interests	1,304	1,306
Total equity	22,366,516	22,279,115
Liabilities		
Non- current liabilities		
Finance lease obligation	242,111	113,560
Loans -non-current	1,378,780	1,459,971
Deferred checks - long term portion	675,394	-
End of service provision	31,341	13,694
Total Non- Current Liabilities	2,327,626	1,587,225
Current Liabilities		
Trade payables	2,138,148	1,666,834
Other credit balances	1,762,451	1,198,678
Deferred checks	322,557	657,657
Related parties payables	128,671	70,351
Finance lease obligation	520,015	297,748
Loans - current	1,885,586	1,182,408
Banks overdraft	3,583,329	3,807,241
Total Current Liabilities	10,340,757	8,880,917
Total Liabilities	12,668,383	10,468,142
TOTAL EQUITY AND LIABILITIES	35,034,899	32,747,257

The accompanying notes constitute an integral part of these financial statements

Masafat for Specialized Transport Company
Public Shareholding Company
Amman-The Hashemite Kingdom of Jordan

Consolidated interim condensed statement of comprehensive income for the nine months ended September 30, 2022 - (Review and unaudited)

	For the nine month ended September 30,		For the three month ended September 30,	
	2022	2021	2022	2021
	JD	JD	JD	JD
Revenues	19,184,400	16,482,221	7,586,573	6,352,965
Cost of revenues	(16,787,172)	(14,888,896)	(6,372,388)	(5,703,555)
Fuel station, net profit (loss)	23,673	(3,831)	23,186	(2,202)
Gross profit	2,420,901	1,589,494	1,237,371	647,208
Other revenues, net	296,927	229,668	108,080	57,297
Administrative expenses	(1,348,070)	(1,032,369)	(720,849)	(320,107)
Finance cost	(351,389)	(335,380)	(127,490)	(113,147)
Impairment loss of evaluation of investments in associate	(36,000)	-	(18,000)	-
Shares of results of associates	9,793	12,222	14,237	10,373
Profit before tax	992,162	463,635	493,349	281,624
Income tax	(196,827)	(90,780)	(95,884)	(54,380)
National contribution	(9,842)	(4,539)	(4,796)	(2,719)
Profit	785,493	368,316	392,669	224,525
Other Comprehensive Income				
Change in fair value of investments in financial assets at fair value through other comprehensive income	(48,658)	48,875	24,614	(35,861)
Change in fair value of investments in financial assets at fair value through other comprehensive income - associates	(1,934)	2,980	2,747	(1,753)
Total Comprehensive Income	734,901	420,171	420,030	186,911
Profit attributable to:				
Shareholders of the parent	785,495	368,318		
Non-controlling interests	(2)	(2)		
Total	785,493	368,316		
Total comprehensive income attributable to:				
Shareholders of the parent	734,903	420,173		
Non-controlling interests	(2)	(2)		
Total	734,901	420,171		
Weighted average number of shares during the period	18,500,000	18,500,000		
Earnings per share	JD -/042	JD -/020		

The accompanying notes constitute an integral part of these financial statements

Masafat for Specialized Transport Company
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Amman-The Hashemite Kingdom of Jordan

Consolidated interim condensed statement of changes in equity for the nine months ended September 30, 2022 - (Review and unaudited)

	Capital	Statutory reserve	Voluntary reserve	Change in fair value of investment in financial assets through other comprehensive income	Share of change in fair value of investment in financial assets through other comprehensive income - associates	Retained earnings	Total before non-controlling interests	Non-controlling interests	Total equity
	JD	JD	JD	JD	JD	JD	JD	JD	JD
For the nine month ended September 30, 2022									
Balance as at January 1, 2022	18,500,000	1,409,146	1,267,137	(84,791)	(44,061)	1,230,378	22,277,809	1,306	22,279,115
Distributed dividends	-	-	-	-	-	(647,500)	(647,500)	-	(647,500)
Comprehensive income	-	-	-	(48,658)	(1,934)	785,495	734,903	(2)	734,901
Balance as at September 30, 2022	18,500,000	1,409,146	1,267,137	(133,449)	(45,995)	1,368,373	22,365,212	1,304	22,366,516
For the nine month ended September 30, 2021									
Balance as at January 1, 2021	18,500,000	1,322,457	1,188,400	(151,621)	(49,138)	1,175,480	21,985,578	1,431	21,987,009
Distributed dividends	-	-	-	-	-	(555,000)	(555,000)	-	(555,000)
Comprehensive income	-	-	-	48,875	2,980	368,318	420,173	(2)	420,171
Balance as at September 30, 2021	18,500,000	1,322,457	1,188,400	(102,746)	(46,158)	988,798	21,850,751	1,429	21,852,180

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Masafat for Specialized Transport Company
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Consolidated statement of cash flows for the nine months ended September 30, 2022
- (Review and unaudited)

	September 30, 2022	September 30, 2021
	JD	JD
Cash Flow From Operating Activities		
Profit before tax	992,162	463,635
Adjustments for:		
Depreciation	1,964,290	1,891,251
Expected credit losses	-	45,000
Gain from sale of property and equipment	(55,767)	(44,985)
Impairment loss of evaluation of investment in associates	36,000	
Shares of results of associates	(9,793)	(12,222)
Change in operating assets and liabilities:		
Inventory	(84,479)	38,801
Related parties receivables	(1,933,697)	(984,393)
Checks under collections -related parties	(22,498)	(23,547)
Other debit balances	23,044	(400,070)
Trade receivables	1,041,188	(517,808)
Deferred checks	340,294	80,297
End of service provision	17,647	1,343
Trade payables	471,314	597,474
Other credit balances	443,689	(376,828)
Related parties payables	58,320	78,736
	<u>3,281,714</u>	<u>836,684</u>
Income tax paid	(86,585)	(86,585)
Net cash flows from operating activities	<u>3,195,129</u>	<u>750,099</u>
Cash Flows From Investing Activities		
Financial assets at fair value through other comprehensive income	-	(109,543)
Purchase of property and equipment	(3,658,906)	(1,119,572)
Proceeds from sale of property and equipment	282,930	201,000
Net cash Flows from investing activities	<u>(3,375,976)</u>	<u>(1,028,115)</u>
Cash Flow From Financing Activities		
Finance lease obligation	350,818	(6,611)
Loans	621,987	698,299
Banks overdraft	(223,912)	34,252
Distributed dividends	(647,500)	(555,000)
Net cash flows from financing activities	<u>101,393</u>	<u>170,940</u>
Net change in cash and cash equivalents	<u>(79,454)</u>	<u>(107,076)</u>
Cash and cash equivalents - beginning of period	218,383	181,891
Cash and cash equivalents - end of period	<u><u>138,929</u></u>	<u><u>74,815</u></u>

Masafat for Specialized Transport Company
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Note to consolidated interim condensed financial statements

1. Legal status and activity

- Legal status and activity for parent company and subsidiaries as follows:

Company name	Legal status	Registration date at the		Main activities
		Ministry of Industry and Trade	Rigester No.	
Masafat for Specialized Transport	Public shareholding company	March 6, 2006	391	Practice of specialized transportation for construction materials, ready mix concrete, goods, crude and petroleum products, liquid chemicals, and oils
Jordanian Company for crushers and the supply of equipment and construction machinery	Limited liability company	November 29, 1995	4195	trade in construction supplies, extraction of gravels and sand of all kinds and mining, and management of crushers for the purpose of the company
Masafat for Car Leasing	Limited liability company	December 18, 2014	39044	Sell and purchase new and used cars, delivery service for client and lease cars

- The consolidated interim condensed financial statement have been approved by board of directors in its session held on October 19, 2022.

2. Significant accounting policies

- The consolidated interim condensed financial information for the Company were prepared according to International Accounting Standard (34) "Interim Financial Reporting".
- Accounting policies used in preparing the consolidated interim condensed financial statement are consistent with those policies used in preparing the financial statements for the year ended December 31, 2021.

Note to consolidated interim condensed financial statements for the nine months ended September 30, 2022

3. Property and equipment

	September 30, 2022		Lands	Vehicles and pumps		Buildings and hangers	Fuel station		Electronics and computer hardware and software		Tools	Furniture	Solar energy system		advance payment to purchase property and equipment		Total
	JD	JD		JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
Cost																	
Balance - beginning of period	3,789,942	36,733,756		1,529,265	502,430		301,386	560,344	146,186	28,359	13,054						43,604,722
Additions	-	290,933		10,304	-		3,190	5,081	620	-	-				3,348,778		3,658,906
Disposals	-	(437,870)		-	-		-	-	-	-	-				-		(437,870)
Transfer	-	2,357,648		-	-		-	-	-	-	-				(2,357,648)		-
Balance - end of period	3,789,942	38,944,467		1,539,569	502,430		304,576	565,425	146,806	28,359	13,054				1,004,184		46,825,758
Accumulated depreciation																	
Balance - beginning of period	-	21,727,082		849,223	72,544		274,189	428,370	134,294	1,891	-				-		23,487,593
Depreciation	-	1,850,010		62,300	7,536		8,212	31,687	2,418	2,127	-				-		1,964,290
Disposals	-	(210,707)		-	-		-	-	-	-	-				-		(210,707)
Balance - end of period	-	23,366,385		911,523	80,080		282,401	460,057	136,712	4,018	-				-		25,241,176
Net	3,789,942	15,578,082		628,046	422,350		22,175	105,368	10,094	24,341					1,004,184		21,584,582
December 31, 2021																	
Cost																	
Balance - beginning of year	3,717,441	35,261,202		1,529,265	502,430		296,574	560,344	146,186	-					388,709		42,402,151
Additions	72,501	49,685		-	-		4,812	-	-	28,359					1,799,937		1,955,294
Disposals	-	(752,723)		-	-		-	-	-	-					-		(752,723)
Transfer	-	2,175,592		-	-		-	-	-	-					(2,175,592)		-
Balance - end of year	3,789,942	36,733,756		1,529,265	502,430		301,386	560,344	146,186	28,359,000					13,054		43,604,722
Accumulated depreciation																	
Balance - beginning of year	-	19,815,784		763,421	62,495		259,396	384,219	131,493	-					-		21,416,808
Depreciation	-	2,370,607		85,802	10,049		14,793	44,151	2,801	1,891					-		2,530,094
Disposals	-	(459,309)		-	-		-	-	-	-					-		(459,309)
Balance - end of year	-	21,727,082		849,223	72,544		274,189	428,370	134,294	1,891					-		23,487,593
Net	3,789,942	15,006,674		680,042	429,886		27,197	131,974	11,892	26,468,000					13,054		20,117,129

Note to consolidated interim condensed financial statements for the nine months ended September 30, 2022

4. Subsidiaries

The consolidated interim condensed financial statement includes the financial statement of the subsidiaries as of September 30, 2022 as follows:

Company name	Legal entity	Paid in capital	Ownership percentage	Total assets	Total liabilities	Retained earnings
		JD	%	JD	JD	JD
Jordanian Company for crushers and the supply of equipment and construction machinery	LLC	100,000	99.9	364,306	-	9,955
Masafat for Car Leasing	LLC	500,000	100	2,348,508	1,592,673	225,048