

Jordan Dairy Company (plc)
Amman – Jordan
Interim Consolidated Financial Statements
For the period from 1/1/2024 to 31/3/2024
Report on the review of the interim financial
information (Unaudited)

Jordan Dairy Company (plc)
Amman – Jordan

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Report on the review of the interim consolidated financial information (Unaudited)

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Report on the review of the interim consolidated financial information (Unaudited)

To the Board of Directors,
Jordan Dairy Company (plc)
Amman – Jordan

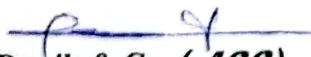
We have reviewed the accompanying interim consolidated financial statements of **Jordan Dairy Company (plc)** and the related Interim Consolidated Statement of Comprehensive Income, Interim Consolidated Changes in Equity and Interim Consolidated Cash Flow for the three months period ended on March 31st, 2024, and a summary of significant accounting policies and other explanatory notes from (1-7). Management is responsible for the preparation and fair presentation of this interim consolidated financial information in accordance with the International Standard 34 (Interim Financial Reports). Our responsibility is to express a conclusion on this interim consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information" Performed by the Independent Auditor of the Entity. A review of interim consolidated 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 interim consolidated financial information does not give a true and fair view of the **Jordan Dairy Company (plc)** financial position as at March 31st, 2024, and of its consolidated financial performance and its consolidated cash flows for the three month period then ended in accordance International Standard 34 (Interim Financial Reports).


Dweik & Co. (ACC)
Audit & Consult Consortium
Rafiq T. Dweik (Phd)
Audit license No (386)



April 28th, 2024
Amman - Jordan

Jordan Dairy Company (plc)**Amman – Jordan****Statement of Interim Consolidated Financial Position as of March 31st, 2024**

Assets	<u>31/3/2024/JD</u>	<u>2023/JD</u>
<u>Current Assets</u>		
Cash and cash equivalents	512876	327731
Checks under collection	2898195	1590670
Accounts' receivable - Net	7151931	7839653
Inventory - Net	2390450	3372437
Other current assets	1281822	1235653
Total Current Assets	<u>14235274</u>	<u>14366144</u>
<u>Non Current Assets</u>		
Property, plant & equipment	10879270	10971359
Biological assets	5758155	5758155
Property & equipment under progress	530552	316435
Investment in associate	181851	181851
Right –of – Use lease assets	40149	41777
Real – Estate investments- land	511521	511521
Investment in bonds	400000	400000
Total Non Current Assets	<u>18301498</u>	<u>18181098</u>
Total Assets	<u>32536772</u>	<u>32547242</u>
<u>Liabilities & Stockholders' Equity</u>		
<u>Current Liabilities</u>		
Due to banks	6403700	5818055
Short term loan	4661245	4282024
Accounts' payable	1667132	2806650
Other current liabilities	2523396	1990643
Total Current Liabilities	<u>15255473</u>	<u>14897372</u>
<u>Non Current Liabilities</u>		
Long term loan	5177518	5609057
Lease Liabilities	35396	34588
<u>Stockholders' Equity</u>		
Capital	4000000	4000000
Statutory reserve	1839425	1839425
Voluntary reserve	262500	262500
Shares' premium	1345417	1345417
Retained earnings	4621043	4558883
Net Stockholders' Equity	<u>12068385</u>	<u>12006225</u>
Total Liabilities & Stockholders' Equity	<u>32536772</u>	<u>32547242</u>

“ The accompanying notes are an integral part of these statements ”

Statement (B)

Jordan Dairy Company (plc)
Amman – Jordan
Statement of Interim Consolidated Comprehensive Income
for the Period Ended March 31st, 2024, 2023

	<u>31/3/2024</u>	<u>31/3/2023</u>
<u>Comprehensive income</u>	<u>JD</u>	<u>JD</u>
Net sales	7875773	6791367
Cost of sales	(6533136)	(5938214)
Gross income	1342637	853153
Sales & distribution expenses	(441318)	(390582)
Overhead expenses	(396019)	(483614)
Depreciation	(69935)	(57433)
Banking interest & expenses	(242652)	(158542)
Other revenue	9686	6803
Fair value adjustments through comprehensive income	000	(32406)
Profits on sale of financial assets at fair value		
Through compressive income	000	6630
Profits of evaluating an investment in an associate	000	8568
Income (Loss) for the period before tax / Comprehensive income	202399	(247423)
Provision for income tax for the period	(133561)	(7121)
National contribution for public debt payment	(6678)	(356)
Income (Loss) for the period after tax / Comprehensive income	62160	(254900)
Earnings per share from comprehensive income for the period	1,6%	000
Weighted Average Shares	4000000	4000000

“ The accompanying notes are an integral part of these statements ”

Statement (C)

Jordan Dairy Company (plc)
Amman – Jordan
Statement of Interim Consolidated Changes in Equity
for the Period Ended March 31st, 2024, 2023

Description	Capital	Statutory reserve	Voluntary reserve	Shares' Premium	Retained Earnings		Parent's stockholders' equity	Non-controlling interest	Total
					Realized	Unrealized			
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance as of Dec. 31st, 2023	4000000	1839425	262500	1345417	(456005)	5014888	000	000	12006225
Income for the period after tax / Comprehensive income	000	000	000	000	62160	000	000	000	62160
Balance as of March 31st, 2024	4000000	1839425	262500	1345417	(393845)	5014888	000	000	12068385
Balance as of Dec. 31st, 2022	4000000	1839425	262500	1345417	432612	3659545	11539499	000	11539499
(Loss) for the period after tax / Comprehensive income	000	000	000	000	(230436)	(23838)	(254274)	(626)	(254900)
Non-controlling interest/capital	000	000	000	000	000	000	000	24500	24500
Balance as of March 31st, 2023	4000000	1839425	262500	1345417	202176	3635707	11285225	23874	11309099

“The accompanying notes are an integral part of these statements”

Jordan Dairy Company (plc)
Amman – Jordan
Statement of Interim Consolidated Cash Flows
for the Period Ended March 31st, 2024, 2023

Statement (D)

	31/3/2024	31/3/2023
	<u>JD</u>	<u>JD</u>
Cash Flows From Operating Activities:		
Income (Loss) for the period after tax / Comprehensive income	62160	(254900)
Adjustments:		
Depreciation	298900	293651
Adjustments on financial assets	000	32406
Operating income before working capital changes:	361060	71157
Accounts' receivable and other current assets	316015	(1716959)
Accounts' payable and other current liabilities	(604329)	87266
Net cash flows from operating activities	72746	(1558536)
Cash Flows From Investing Activities:		
Property, plant & equipment	(206811)	(995329)
Property & equipment under process	(214117)	(20313)
Financial assets at fair value through comprehensive income	000	(3563)
Investment in an associate	000	(8568)
Net cash flows from investing activities	(420928)	(1027773)
Cash Flows From Financing Activities:		
Due to banks	585645	23039
Loans	(52318)	2641548
Capital payments	000	24500
Net cash flows from financing activities	533327	2689087
Net change in cash and cash equivalents	185145	102778
Cash & cash equivalents at beginning of the period	327731	175652
Cash & cash equivalents at end of the period	512876	278430
	=====	=====

“The accompanying notes are an integral part of these statements”

Jordan Dairy Company (plc)
Amman – Jordan

Notes to Interim Consolidated Financial Statements
March 31st, 2024

1- Constitution and objectives:

A- The company is registered as a public shareholding company in the public shareholding companies register at Companies Control Department under the No. (68) on February 29th, 1968, and justified its legal status on December 10th, 1989.

B- The interim consolidated financial statements were approved by the broad of directors on April 27th, 2024, and it is subject to be approved by the general assembly.

C- Objectives:

To establish plants for dairy products and water, establishing projects and industries related to dairy industry and marketing its products and trading in its products.

2- Significant accounting policies:

The interim consolidated financial statements are prepared under the International Standard 34 (Interim Financial Reports) and the related interpretations originated by the International financial Reporting Interpretations Committee.

The interim consolidated financial statements do not include all significant matters and explanatory notes that are required for the annual financial statements and are prepared in accordance with the International Financial Reporting Standards, in addition the interim consolidated financial performance is not necessarily represents an indicator of the annual financial performance.

The same accounting policies used in the previous period's financial statements have been adopted.

3- Investment in Subsidiary:

- a- The company owns 100% of the capital of the subsidiary company (Al Maha Agricultural & Zoological Investments Co. L.L.C.) that being JD (1,000,000), the subsidiary's interim consolidated financial statements show that its assets as of March 31st, 2024 are JD (21,647,030), income for the period after tax / Comprehensive income is JD (577,566) and net equity is JD (11,837,471).

For the purposes of preparing separate interim financial statements, investments in subsidiaries are recorded using the cost method, with the recognition of any decline in the investment's value - if any -. Dividends arising from investments in subsidiaries are recorded when the General Assembly of the subsidiary decide distributing such dividends.

- b- The company owns 100% of the capital of the subsidiary company (Jordanian Sohul Al Maha for Real Estate Development Co. L.L.C.) that being JD (50,000), note that the issued capital is JD (100,000) the subsidiary's interim financial statements show that its assets as of March 31st, 2024 are JD (561,513), and loss for the period after tax / Comprehensive income is JD (000) and net equity is JD (33,184).

For the purposes of preparing separate interim financial statements, investments in subsidiaries are recorded using the cost method, with the recognition of any decline in the investment's value - if any -. Dividends arising from investments in subsidiaries are recorded when the General Assembly of the subsidiary decide distributing such dividends

4- **Corporate Tax position:**

- ◆ The tax position of the parent Company was finalized with Income and Sales Tax Department till end of the year 2020.
- ◆ Tax declaration of the parent Company for the years 2021, 2022 were submitted to Income and Sales Tax Department, and tax assessment still not conducted by the Department yet.
- ◆ The tax position of the subsidiary (Al Maha Agricultural & Zoological Investments Co. L.L.C.) was finalized till end of the years 2018,2020.
- ◆ Tax declaration of the subsidiary (Al Maha Agricultural & Zoological Investments Co. L.L.C.) for the years 2019, 2021, 2022 was submitted to Income and Sales Tax Department, and tax assessment still not conducted by the Department yet.

5- **Operating Segments:**

- ◆ The company and its subsidiaries practice it's activities through:

1. **Industrial activity:**

Industrial activity includes the production and sale of various dairy products and miscellaneous plastic bottles and water.

2. **Cattle and trees' farms activity:**

Cattle and trees' farms' activities include fattening and breeding cattle, sheep and calves and establishing farms and trading with its products.

3. **Investment activity:**

Investment activity includes investment in financial assets.

4. **Real-estate activity:**

Real-estate activity includes investment in real-estate and reclaiming Agricultural Land.

- ◆ The following table shows the presentation of the results of the operating segments for the two companies:

<u>A- Comprehensive Income Information</u>	<u>Industrial Activity</u>	<u>Farms Activity</u>	<u>Investment activity</u>	<u>Real-estate activity</u>	<u>31/3/2024</u>
	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>
Net sales	4046381	3829392	000	000	7875773
Cost of sales	(3696894)	(2836242)	000	000	(6533136)
Gross profit	349487	993150	000	000	1342637
Allocated expenses	(441318)	000	000	000	(441318)
Unallocated expenses	(431390)	(417455)	000	000	(848845)
Unallocated revenues	7816	1870	000	000	9686
Income for the period after tax / Comprehensive income					62160
<u>B- Other Information</u>					
Assets segment except cash	19004995	12507380	000	511521	32023896
Unallocated assets	000	000	000	000	512876
Total Assets					32536772

6- Contingencies

A- Following are the Parent Company's contingent liabilities as at the date of the interim consolidated financial statements:

	<u>31/3/2024</u>
	<u>JD</u>
L/C's & collections	1287440
L/Gs	549684
Total	1837124

B- The parent company has liabilities in against a lawsuit of JD (355,243).

7- General:

Attention must be drawn to the effect of the Jordan Securities Commission regulations and Jordanian Companies Law on calculating statutory reserve only on the realized earnings bases, as well as presenting the unrealized earnings separately in the retained earnings item. Attention to be drawn to restrictions on the distributing dividends for unrealized earnings.