

Philadelphia Int'l Educational Investments Company
Public Shareholding Company
Condensed Interim Financial Statements (Unaudited)
31 March 2024

Philadelphia Int'l Educational Investments Company
Public Shareholding Company

	<u>Pages</u>
- Report on review of condensed interim financial statements	2
- Interim statement of financial position	3
- Interim statement of comprehensive income	4
- Interim statement of changes in equity	5
- Interim statement of cash flows	6
- Notes to the condensed interim financial statements	7 - 8



Report on Review of Condensed Interim Financial Statements

To The Board of Directors
Philadelphia Int'l Educational Investments Company
Public Shareholding Company
Amman – Jordan

Introduction

We have reviewed the accompanying condensed interim financial statements of **Philadelphia Int'l Educational Investments Company**, comprising the interim statement of financial position as at 31 March 2024 and the related interim statement of comprehensive income, interim statement of changes in equity and interim statement of cash flows for the three-months period then ended and the notes about condensed interim financial statements. Management is responsible for the preparation and presentation of this condensed interim financial statement in accordance with International Accounting Standard number (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed interim financial statements based on our review.

Scope of Review

we conducted our review in accordance with the International Standard on Review Engagements (2410) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial statements consist 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.

Emphasis of Matter


The Company received a letter from the Directorate of Urban Planning and Villages containing the imposition of general regulatory returns in the amount of JOD (5) and fils (250) for each square meter of the entire area of the Company's land on which the university building are located, with a total amount of JOD (1,740,613). The Company objected the decision and offered to settle the claim with an amount of JOD (300,000). The Company has not received a response from the responsible authority to date, noting that any amounts that will be paid as regulatory returns will be capitalized by the Company as part of the cost of the lands.

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 International Accounting Standard number (34) "Interim Financial Reporting".

29 April 2024
Amman – Jordan




Arab Professionals
Ibrahim Hammoudeh
License No. (606)

Philadelphia Int'l Educational Investments Company
Public Shareholding Company
Interim Statement of Financial Position as at 31 March 2024
(In Jordanian Dinar)

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Assets		
Non - current assets		
Property and equipment	25,974,944	26,132,170
Financial assets measured at fair value through other comprehensive income	1	1
Total non - current Assets	<u>25,974,945</u>	<u>26,132,171</u>
Current assets		
Other assets	153,264	315,855
Accounts receivable	2,963,723	2,078,394
Checks under collection	40,267	25,048
Cash and cash equivalents	3,287,639	251,761
Total current assets	<u>6,444,893</u>	<u>2,671,058</u>
Total assets	<u>32,419,838</u>	<u>28,803,229</u>
Equity and liabilities		
Equity		
Paid - in capital	15,000,000	15,000,000
Statutory reserve	3,750,000	3,750,000
Cumulative change in fair value	(99,660)	(99,660)
Retained earnings	5,137,987	3,446,686
Total equity	<u>23,788,327</u>	<u>22,097,026</u>
Liabilities		
Non - current liabilities		
Credit facilities - long term	-	1,195,431
Current liabilities		
Credit facilities - short term	1,605,666	694,476
Accounts payable	1,522,741	1,562,357
Other liabilities	2,745,377	2,089,729
Unearned revenues	2,757,727	1,093,229
Postdated checks	-	70,981
Total current liabilities	<u>8,631,511</u>	<u>5,510,772</u>
Total liabilities	<u>8,631,511</u>	<u>6,706,203</u>
Total equity and liabilities	<u>32,419,838</u>	<u>28,803,229</u>

"The accompanying notes from (1) to (5) are an integral part of these condensed interim financial statements and read with review report"

Philadelphia Int'l Educational Investments Company
Public Shareholding Company
Interim Statement of Comprehensive Income
For the Three Months Ended at 31 March 2024

(In Jordanian Dinar)

	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
Net tuition revenues and other fees	4,663,350	3,548,522
Other revenues	163,084	98,232
Buses rental revenues	58,621	-
Total revenues	4,885,055	3,646,754
Operating and administrative expenses	(2,496,628)	(2,528,105)
Depreciation	(202,955)	(199,485)
Finance expenses	(40,454)	(80,772)
Other expenses and revenues	(4,131)	(3,951)
Profit for the period before income tax	2,140,887	834,441
Income tax for the period	(428,177)	(166,888)
National Contribution tax for the period	(21,409)	(8,344)
Total comprehensive income for the period	1,691,301	659,209
Basic and diluted earnings per share for the period	0.113	0.044

"The accompanying notes from (1) to (5) are an integral part of these condensed interim financial statements and read with review report"

Philadelphia Int'l Educational Investments Company
Public Shareholding Company
Interim Statement of Changes in Equity
For the Three Months Ended at 31 March 2024 (Unaudited)
(In Jordanian Dinar)

	<u>Paid - in capital</u>	<u>Statutory reserve</u>	<u>Cumulative change in fair value</u>	<u>Retained earnings</u>	<u>Total</u>
Balance at 1 January 2024	15,000,000	3,750,000	(99,660)	3,446,686	22,097,026
Total comprehensive income for the period	-	-	-	1,691,301	1,691,301
Balance at 31 March 2024	<u>15,000,000</u>	<u>3,750,000</u>	<u>(99,660)</u>	<u>5,137,987</u>	<u>23,788,327</u>
Balance at 1 January 2023	15,000,000	3,750,000	(99,660)	1,708,483	20,358,823
Total comprehensive income for the period	-	-	-	659,209	659,209
Balance at 31 March 2023	<u>15,000,000</u>	<u>3,750,000</u>	<u>(99,660)</u>	<u>2,367,692</u>	<u>21,018,032</u>

"The accompanying notes from (1) to (5) are an integral part of these condensed interim financial statements and read with review report"

Philadelphia Int'l Educational Investments Company
Public Shareholding Company
Interim Statement of Cash Flows
For the Three Months Ended at 31 March 2024

(In Jordanian Dinar)

	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
Operating activities		
Profit for the period before income tax	2,140,887	834,441
Depreciation	202,955	199,485
Provision for end of service indemnity	12,000	-
Changes in working capital		
Checks under collection	(15,219)	(14,986)
Accounts receivable	(885,329)	(332,587)
Other assets	162,591	96,484
Accounts payable	(39,616)	(110,241)
Unearned revenues	1,664,498	1,690,857
Postdated checks	(70,981)	-
Other liabilities	194,062	(5,116)
Net cash flows from operating activities	<u>3,365,848</u>	<u>2,358,337</u>
Investing activities		
Property and equipment	<u>(45,729)</u>	<u>(75,898)</u>
Financing activities		
Credit facilities	<u>(284,241)</u>	<u>(1,502,439)</u>
Changes in cash and cash equivalents	<u>3,035,878</u>	<u>780,000</u>
Cash and cash equivalents, beginning of the year	<u>251,761</u>	<u>162,416</u>
Cash and cash equivalents, end of the period	<u><u>3,287,639</u></u>	<u><u>942,416</u></u>

"The accompanying notes from (1) to (5) are an integral part of these condensed interim financial statements and read with review report"

Philadelphia Int'l Educational Investments Company
Public Shareholding Company
Notes to the Condensed Interim Financial Statements (Unaudited)
31 March 2024

(In Jordanian Dinar)

1 . General

Philadelphia Int'l Educational Investments Company was established during the year 1991 as a limited liability company under the number (2240), the legal entity of the firm has been changed to a public shareholding company at the year 2004 under the number (352). The company head office is in the Hashemite Kingdom of Jordan.

The company's main objectives are the following:

- The acceptance and preparing of higher education students.
- Establishing Scientific Research Centers and cooperating with other national and arabic Universities.
- Renting and investing Real Estate to the favor of the university.
- Sign scientific agreements with local and international universities.
- Investing the company's funds and using it as deemed appropriate.

The company shares are listed in Amman Stock Exchange – Jordan.

The condensed interim financial statements have been approved for issue by the Company's Board of Directors on 28 April 2024.

2 . Summary of significant accounting policies

Basis of preparation

The condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standard (34) "Interim Financial Reporting". They do not include all of the information required in annual financial statements in accordance with IFRSs, and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2023.

The condensed interim financial statements have been prepared on a historical cost basis except for the financial assets which are valued at fair value.

The condensed interim financial statements are presented in Jordanian Dinar which is the functional currency of the Company.

The accounting policies are consistent with those used in the previous period, except for the adoption of new and amended standards effective as at the beginning of the year.

Use of estimates

The preparation of the condensed interim financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions, considerable judgment by management is required in the estimation of the amount and timing of future cash flows. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future changes in such provisions.

Management believes that the estimates are reasonable and are as follows:

- Management reviews periodically the tangible assets in order to assess the depreciation for the year based on the useful life and future economic benefits. Any impairment is taken to the interim statement of profit or loss.
- The measurement of impairment losses under IFRS 9 requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. Elements of the expected credit loss model that are considered accounting judgments and estimates include Probability of default (PD), Loss given default (LGD) and Exposure at default (EAD).

3 . Equity

The General Assembly has resolved in its meeting held during 2024 to distribute (7%) cash dividends to the shareholders.

4 . Income tax

- The Company settled its tax liabilities with the Income Tax Department up to the year 2021.
- The income tax returns for the years 2022 and 2023 have been filed with the Income Tax Department, but the Department has not reviewed the Company's records till the date of this report.
- The income and National Contribution Tax provision for the three months ended at 31 March 2024 was calculated in accordance with the Income Tax Law.

5 . Fair value

The fair values of the financial assets and liabilities are not materially different from their carrying values as most of these items are either short-term in nature or re-priced frequently.

Financial assets and financial liabilities measured at fair value in the condensed interim statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

<u>31 March 2024</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at fair value through other comprehensive income	-	1	-	1
<u>31 December 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at fair value through other comprehensive income	-	1	-	1