

**THE JORDANIAN PHARMACEUTICAL MANUFACTURING CO.**

**PUBLIC SHAREHOLDING COMPANY**

**INTERIM CONDENSED CONSOLIDATED**  
**FINANCIAL STATEMENTS (UNAUDITED)**

**30 JUNE 2024**

## **Report on Review of Interim Condensed Consolidated Financial Statements**

### **The Chairman and Board of Directors Members**

### **The Jordanian Pharmaceutical Manufacturing Company - Public Shareholding Company**

Amman - Jordan

#### **Introduction**

We have reviewed the accompanying interim condensed consolidated financial statements of The Jordanian Pharmaceutical Manufacturing Company – Public Shareholding Company (the "Company") and its subsidiaries (the "Group") as at 30 June 2024, comprising of the interim consolidated statement of financial position as at 30 June 2024 and the related interim consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six months period then ended and explanatory information. The management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard IAS 34 (Interim Financial Reporting). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements 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 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 condensed financial statements are not prepared, in all material respects, in accordance with IAS 34.

#### **Business Solutions for Auditing**



**THE JORDANIAN PHARMACEUTICAL MANUFACTURING COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2024**

	Note	30 June 2024 JD (Unaudited)	31 December 2023 JD (Audited)
<b>ASSETS</b>			
<b>Non-current assets -</b>			
Right of use assets		-	7,228,880
Property, plant and equipment	3	11,290,346	4,312,811
Intangible assets		2,062,147	2,112,053
Investment in associates		4,307,681	3,640,067
Deferred tax assets		1,231,515	1,231,515
Financial assets at fair value through other comprehensive income		392,869	319,419
		<u>19,284,558</u>	<u>18,844,745</u>
<b>Current assets -</b>			
Inventory		7,928,423	6,621,673
Other receivables		664,920	941,320
Due from related parties	4	1,182,968	1,182,968
Accounts receivables		12,695,015	13,616,143
Letters of credit under collection		158,481	-
Checks under collection		1,167,635	664,855
Cash and bank balances	5	5,816	615,769
		<u>23,803,258</u>	<u>23,642,728</u>
<b>Total Assets</b>		<u>43,087,816</u>	<u>42,487,473</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Attributable to equity holders of the parent -</b>			
Paid in capital	1	69,756,944	69,756,944
Share discount	1	(32,444,444)	(32,444,444)
Statutory reserve		216,424	216,424
Cumulative change in fair value through other comprehensive income		(2,124,182)	(2,197,632)
Accumulated losses		(35,625,888)	(36,058,854)
		<u>(221,146)</u>	<u>(727,562)</u>
Non-controlling interests		143,344	158,068
<b>Net equity</b>		<u>(77,802)</u>	<u>(569,494)</u>
<b>Liabilities</b>			
<b>Non-current liabilities -</b>			
Deferred gain from sale and lease back	6	-	976,289
Lease liabilities	6	-	5,986,774
Murabaha financing	6	-	20,357,971
Major shareholder loan	6	27,321,034	-
Notes payable		3,649,299	4,117,851
		<u>30,970,333</u>	<u>31,438,885</u>
<b>Current liabilities -</b>			
Current portion of deferred gain on sale and lease back	6	-	114,858
Current portion of lease liabilities	6	-	638,133
Current portion of murabaha financing	6	-	1,594,565
Current portion of major shareholder loan	6	2,347,556	-
Current portion of notes payable		955,708	971,417
Due to related parties	4	986,190	986,190
Accounts payables		2,915,431	2,446,877
Other payables		4,990,400	4,866,042
		<u>12,195,285</u>	<u>11,618,082</u>
<b>Total Liabilities</b>		<u>43,165,618</u>	<u>43,056,967</u>
<b>Total Equity and Liabilities</b>		<u>43,087,816</u>	<u>42,487,473</u>

The attached notes from 1 to 12 form part of these interim condensed consolidated financial statements

**THE JORDANIAN PHARMACEUTICAL MANUFACTURING COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2024 (UNAUDITED)**

	Note	For the three months ended 30 June		For the six months ended 30 June	
		2024	2023	2024	2023
		JD	JD	JD	JD
Net sales		5,009,884	4,855,195	7,257,704	6,899,859
Cost of sales		(2,098,607)	(2,895,351)	(3,617,314)	(5,146,788)
<b>Gross profit</b>		<b>2,911,277</b>	<b>1,959,844</b>	<b>3,640,390</b>	<b>1,753,071</b>
Selling and distribution expenses		(764,494)	(537,972)	(1,441,750)	(1,031,954)
Administrative expenses		(818,391)	(637,556)	(1,453,041)	(1,191,114)
Groups share of associate operations		(69,289)	-	667,768	-
Donations		-	-	-	(290,570)
Finance costs		(106,866)	(72,616)	(283,685)	(383,402)
Research and study expenses		(115,069)	(118,467)	(217,773)	(217,265)
Impairment losses and amortization of intangible assets		(32,246)	(28,260)	(63,823)	(56,904)
Expired goods		(84,606)	(73,607)	(112,122)	(235,721)
Inventory Impairment		(100,000)	-	(200,000)	-
Other income and expenses, net		140,266	31,041	(117,722)	3,903
<b>Income (loss) for the period before income tax</b>		<b>960,582</b>	<b>522,407</b>	<b>418,242</b>	<b>(1,649,956)</b>
Income tax for the period		-	-	-	-
<b>Income (loss) for the period</b>		<b>960,582</b>	<b>522,407</b>	<b>418,242</b>	<b>(1,649,956)</b>
<b>Income (loss) for the period attributable to:</b>					
Shareholders of the parent company		974,803	412,537	432,966	(1,753,933)
Non-controlling interests		(14,221)	109,870	(14,724)	103,977
		<b>960,582</b>	<b>522,407</b>	<b>418,242</b>	<b>(1,649,956)</b>
		<b>JD/Fils</b>	<b>JD/Fils</b>	<b>JD/Fils</b>	<b>JD/Fils</b>
<b>Basic and diluted income (loss) per share for the period</b>	8	0/014	0/006	0/006	(0/025)

**THE JORDANIAN PHARMACEUTICAL MANUFACTURING COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2024 (UNAUDITED)**

Note	For the three months ended 30 June		For the six months ended 30 June	
	2024	2023	2024	2023
	JD	JD	JD	JD
<b>Income (loss) for the period</b>	960,582	522,407	418,242	(1,649,956)
<b>Other comprehensive income items that can not be reclassified to profit or loss in subsequent periods, net of tax</b>				
Change in fair value of financial assets through other comprehensive income	73,450	-	73,450	-
<b>Total comprehensive income for the period</b>	<u>1,034,032</u>	<u>522,407</u>	<u>491,692</u>	<u>(1,649,956)</u>
<b>Attributable to:</b>				
Shareholders of the parent company	1,048,253	412,537	506,416	(1,753,933)
Non-controlling interests	<u>(14,221)</u>	<u>109,870</u>	<u>(14,724)</u>	<u>103,977</u>
	<u>1,034,032</u>	<u>522,407</u>	<u>491,692</u>	<u>(1,649,956)</u>

**THE JORDANIAN PHARMACEUTICAL MANUFACTURING COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2024 (UNAUDITED)**

Attributable to equity holders of the parent company	Paid-in capital	Share discount	Statutory reserve	Cumulative change in fair value of financial assets at fair value through other comprehensive income		Accumulated losses	Total		Non- controlling interests	Net equity
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b>2024-</b>										
<b>Balance as at 1 January 2024</b>	69,756,944	(32,444,444)	216,424	(2,197,632)	(36,058,854)	(727,562)	158,068	(569,494)		
Total comprehensive income	-	-	-	73,450	432,966	506,416	(14,724)	491,692		
<b>Balance as at 30 June 2024</b>	<u>69,756,944</u>	<u>(32,444,444)</u>	<u>216,424</u>	<u>(2,124,182)</u>	<u>(35,625,888)</u>	<u>(221,146)</u>	<u>143,344</u>	<u>(77,802)</u>		
<b>2023-</b>										
<b>Balance as at 1 January 2023</b>	69,756,944	(32,444,444)	216,424	(2,197,632)	(33,202,985)	2,128,307	153,243	2,281,550		
Total comprehensive income	-	-	-	-	(1,753,933)	(1,753,933)	103,977	(1,649,956)		
<b>Balance as at 30 June 2023</b>	<u>69,756,944</u>	<u>(32,444,444)</u>	<u>216,424</u>	<u>(2,197,632)</u>	<u>(34,956,918)</u>	<u>374,374</u>	<u>257,220</u>	<u>631,594</u>		

The attached notes from 1 to 12 form part of these interim condensed consolidated financial statements

**THE JORDANIAN PHARMACEUTICAL MANUFACTURING COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2024 (UNAUDITED)**

	Note	30 June 2024	30 June 2023
		JD	JD
<b><u>OPERATING ACTIVITIES</u></b>			
Profit (Loss) for the period		418,242	(1,649,956)
<b>Adjustments for-</b>			
Depreciation and amortization		437,768	422,458
Groups share of associate operations		(667,614)	-
Expired goods		112,122	235,721
Inventory Impairment		200,000	-
Finance costs		283,685	383,402
		<u>784,203</u>	<u>(608,375)</u>
<b>Changes in working capital:</b>			
Inventory		(1,618,872)	112,811
Accounts receivables		1,013,168	2,440,657
Checks under collection		(502,780)	(157,507)
Letters of credit under collection		(158,481)	184,336
Other receivables		276,400	410,620
Accounts payables		468,554	(458,807)
Due to related parties		-	(256,258)
Other payables		124,358	(386,571)
<b>Net cash flows from operating activities</b>		<u>386,550</u>	<u>1,280,906</u>
<b><u>INVESTING ACTIVITIES</u></b>			
Purchase of property, plant and equipment	3	(136,517)	(738,275)
<b>Net cash flows used in investing activities</b>		<u>(136,517)</u>	<u>(738,275)</u>
<b><u>FINANCING ACTIVITIES</u></b>			
Lease liabilities paid		-	(215,854)
Murabaha financing		-	(412,412)
Finance costs paid		(283,685)	(383,402)
Notes payable		(484,261)	(483,431)
<b>Net cash flows used in financing activities</b>		<u>(767,946)</u>	<u>(1,495,099)</u>
<b>Net decrease in cash and cash equivalents</b>		(517,913)	(952,468)
Cash and cash equivalents at the beginning of the period	5	615,769	2,608,016
<b>Cash and cash equivalents at the end of the period</b>	5	<u>97,856</u>	<u>1,655,548</u>

The attached notes from 1 to 12 form part of these interim condensed consolidated financial statements

**THE JORDANIAN PHARMACEUTICAL MANUFACTURING COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (UNAUDITED)**

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**(1) GENERAL**

The Jordanian Pharmaceutical Manufacturing Company (the "Company") was established on 27 January 2004 as a Public Shareholding Company, Keep 347 as a result of the merger between Al Razi for Pharmaceutical Manufacturing a public shareholding company and the Jordanian Company for the Production of Medicines and Medical Equipment a limited liability company, with an authorized capital of JD 73,312,500 and paid in capital of JD 69,756,944 divided into 69,756,944 shares at par value of JD1 per share.

The head office of the Company is located in Amman - The Hashemite Kingdom of Jordan.

The Company's main objective is the production of medical, chemical, and pharmaceutical products.

The interim condensed consolidated financial statements were approved by the Board of Directors on 31 July 2024.

**INVESTORS WITH SIGNIFICANT INFLUENCE ON THE GROUP:**

Mr. Mustafa Ahmed Hamoud Al-Kubaisi, Mr. Abdul Jabbar Mohsen Dhiyab Al-Kubaisi, Mr. Yasser Mahmoud Hamid Hamid, and Al-Sawar International Company for Investment and Trade and Rimco for Investment Company owns 34.4%, 28.5%, 15.3% 10.3% and 4.6% of the Company's issued shares, respectively.

**(2-1) BASIS OF PREPARATION**

The interim condensed consolidated financial statements for the period ended on 30 June 2024 are prepared in accordance with IAS 34 ("Interim Financial Information").

The interim condensed consolidated financial statements are presented in Jordanian Dinars ("JD") which is the functional currency of the Company.

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for financial assets at fair value through other comprehensive income that have been measured at fair value as at the date of the interim condensed consolidated financial statements.

The interim condensed consolidated financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards, and should be read in conjunction with the Company's annual financial statements as at 31 December 2023. In addition, the results for the six months ended 30 June 2024 are not necessarily indicative of the results that may be expected for the financial year ending on 31 December 2024.



**THE JORDANIAN PHARMACEUTICAL MANUFACTURING COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (UNAUDITED)**

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**(2-2) CHANGES IN ACCOUNTING POLICES**

The accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024:

**Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7**

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments had no impact on the group's consolidated financial statements.

**Amendments to IFRS 16: Lease Liability in a Sale and Leaseback**

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the group's consolidated financial statements.

**Amendments to IAS 1: Classification of Liabilities as Current or Non-current**

In January 2021, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify: what is meant by a right to defer settlement, the right to defer must exist at the end of the reporting period, that classification is unaffected by the likelihood, that an entity will exercise its deferral right, and that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments had no impact on the group's consolidated financial statements.

**(2-3) BASIS OF CONSOLIDATION**

The interim condensed consolidated financial statements comprise the financial statements of the Company and its subsidiaries (the "Group") as at 30 June 2024. The subsidiaries that are included in the consolidated financial statements are as follow:

Subsidiary Name	Capital	Principal activities	Country of incorporation	Ownership percentage
	(JD)			
Dellas for Natural Products Co.	150,000	Industrial	Jordan	93.33%
Swagh for Pharmaceutical Manufacturing Co.	150,000	Industrial	Jordan	93.33%
Aragen for Technical Organic Co.	1,400,000	Industrial	Jordan	100%
Aragen for Technical Organic Co. (Free-Zone)	30,000	Industrial	Jordan	100%
Tafahom Algerian Jordanian Co.	10,000	Marketing	Jordan	51%

**THE JORDANIAN PHARMACEUTICAL MANUFACTURING COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (UNAUDITED)**

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The control exists when the Group controls the subsidiaries' significant and relevant activities, and is exposed, or has the rights, to variable returns from its involvement with the subsidiaries, and has the ability to affect those returns. Control over the subsidiaries is exercised when the following factors exist:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

When the Group owns less than a majority of the voting rights in an investee, in this case, the Group considers all factors and circumstances to determine whether it has control over the investee, which include the following:

- Contractual agreements with shareholders that have voting rights in the investee.
- Rights resulting from other contractual arrangements.
- The Group's current and future voting rights in the investee.

The Group reassesses its control over the investee when circumstances and factors exist that lead to the change in one or more of the three factors listed above.

Subsidiaries are fully consolidated from the date of acquisition being the date on which the Group gains control, and continues to do so until the date when such control ceases. The subsidiaries revenues and expenses are consolidated in the consolidated statement of comprehensive income from the date the Group gains control over the subsidiaries until that control ceases.

Profits, losses, and all other comprehensive income items are attributed to the shareholders' equity of the parent company, and to non-controlling interest, even if this leads to a deficit balance. If need arises, the subsidiaries' financial statements are adjusted accordingly to comply with the Group's accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interest
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in the statement of profit or loss and other comprehensive income
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

**THE JORDANIAN PHARMACEUTICAL MANUFACTURING COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (UNAUDITED)**

**(3) PROPERTY, PLANT AND EQUIPMENT**

During the six months period ended 30 June 2024, the Company purchased property, plant and equipment by the amount of JD 136,517 (30 June 2023: JD 738,275).

**(4) RELATED PARTIES BALANCES AND TRANSACTIONS**

Related parties represent major shareholders, directors and key management personnel of the Company, associates Company's and entities significantly controlled by them. Pricing policies and terms of the transactions are approved by the Company's management.

Balances with related parties as shown in the interim consolidated statement of financial position are as follows:

	<u>Nature of relationship</u>	<u>30 June 2024</u>	<u>31 December 2023</u>
		<u>JD</u>	<u>JD</u>
		<u>(Unaudited)</u>	<u>(Audited)</u>
<b>Due from related parties:</b>			
Jordan Algerian Pharmaceutical Manufacturing Co.	Associate Company	<u>1,182,968</u>	<u>1,182,968</u>
<b>Due to related parties:</b>			
Jordan Algerian Pharmaceutical Manufacturing Co.	Associate Company	<u>983,736</u>	<u>983,736</u>
Azal pharmaceutical company	Associate Company	<u>2,454</u>	<u>2,454</u>
		<u>986,190</u>	<u>986,190</u>
<b>Lease liabilities:</b>			
Jordan Islamic Bank	Previous Major Shareholder	<u>-</u>	<u>6,624,907</u>
<b>Murabaha financing:</b>			
Jordan Islamic Bank	Previous Major Shareholder	<u>-</u>	<u>22,254,436</u>
<b>Major Investor Loan:</b>			
Mr. Abdul Jabbar Mohsen Dhiyab Al-Kubaisi	Major Shareholder	<u>29,668,590</u>	<u>-</u>
<b>Other liabilities:</b>			
Amounts due to Board of Directors members	Board Members	<u>202,575</u>	<u>197,433</u>

**THE JORDANIAN PHARMACEUTICAL MANUFACTURING COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (UNAUDITED)**

The following is a summary of transactions with related parties that appear in the interim consolidated statement of profit or loss:

<u>Nature of relationship</u>		For the six months ended 30 June	
		2024	2023
		JD (unaudited)	JD (unaudited)
<b>Finance costs:</b>			
Jordan Islamic Bank	Previous Major Shareholder	<u>(278,512)</u>	<u>(383,402)</u>
<b>Administrative expenses</b>			
Board members transportation allowance	Board Members	<u>28,900</u>	<u>50,450</u>

Short term salaries, transportation and other benefits of key management personnel amounted to JD 196,257 for the period ended 30 June 2024 (for the period ended 30 June 2023: JD 266,400).

**(5) CASH AND CASH EQUIVALENTS**

	30 June 2024	31 December 2023
	JD	JD
	(Unaudited)	(Audited)
Murabaha portfolio short term	7,500	7,500
Bank balances	86,836	593,544
Cash on hand	<u>3,630</u>	<u>14,725</u>
<b>Cash and bank balances</b>	<u>97,856</u>	<u>615,769</u>

**(6) MAJOR SHAREHOLDER LOAN**

Based on the resolution of the Company's Board of Directors, it was approved to transfer the entire net direct debt owed to the Jordan Islamic Bank by the Jordanian Pharmaceutical Production Company, amounting to 29,668,590 dinars, in favor of Mr. Abdul Jabbar Mohsen Dhiyab Al-Kubaisi, based on the share sale agreement and the transfer of rights signed between the Jordan Islamic Bank and the second party. (Mr. Mustafa Ahmed Hamoud Al-Kubaisi, Mr. Abdul-Jabbar Mohsen Dhiab Al-Kubaisi, Mr. Yasser Mahmoud Hamid Hamid, and Al-Sawar International Company for Investment and Trade).

**THE JORDANIAN PHARMACEUTICAL MANUFACTURING COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (UNAUDITED)**

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**(7) INCOME TAX**

**The Jordanian Pharmaceutical Manufacturing Company**

The Company obtained a final clearance from the Income Tax Department until the end of 2020. The Company has also submitted 2021, 2022 and 2023 income tax return to the Income and Sales Tax Department within the legal timeframe.

**Dellas for Natural Products Company-**

The Company obtained a final clearance from the Income Tax Department until the end of 2020. The Company has also submitted 2021, 2022 and 2023 income tax returns to the Income and Sales Tax Department within the legal timeframe.

**Aragen for Technical Organic Company-**

The Company obtained a final clearance from the Income Tax Department until the end of 2018. The Company has also submitted 2019, 2020, 2021 and 2023 income tax returns to the Income and Sales Tax Department within the legal timeframe.

**Swagh for Pharmaceutical Manufacturing Company-**

The Company obtained a final clearance from the Income Tax Department until the end of 2018. The Company has also submitted 2019, 2020, 2021 and 2023 income tax returns to the Income and Sales Tax Department within the legal timeframe.

**Al Tafahum Algerian Jordanian Company-**

The Company submitted 2023 income tax returns to the Income and Sales Tax Department within the legal timeframe.

**(8) PROFIT (LOSS) PER SHARE FOR THE PERIOD**

	For the six months period ended 30 June	
	2024	2023
Profit (loss) for the period (JD)	432,966	(1,753,933)
Weighted average number of shares (share)	69,756,944	69,756,944
	JD/Fils	JD/Fils
Basic and diluted profit (loss) per share for the period	0/006	(0/025)

**THE JORDANIAN PHARMACEUTICAL MANUFACTURING COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (UNAUDITED)**

**(9) SEGMENT INFORMATION**

For management purposes, the Company is organized based on the reports which are used by the General Manager and the main Decision Maker of the Company through the geographical distribution of sales and the geographical distribution of assets and liabilities.

The geographical distribution of sales, cost of sales, gross profit and type of sold items are as follows:

for the six months ended 30 June						
	Inside Jordan		Outside Jordan		Total	
	2024	2023	2024	2023	2024	2023
	JD	JD	JD	JD	JD	JD
Net sales	4,900,014	3,788,234	2,357,690	3,111,625	7,257,704	6,899,859
Cost of sales	(2,442,217)	(2,825,744)	(1,175,097)	(2,321,044)	(3,617,314)	(5,146,788)
<b>Gross profit</b>	<b>2,457,797</b>	<b>962,490</b>	<b>1,182,593</b>	<b>790,581</b>	<b>3,640,390</b>	<b>1,753,071</b>
<b>Other information:</b>						
Depreciation and amortization	437,768	422,458	-	-	437,768	422,458
Finance costs	283,685	383,402	-	-	283,685	383,402

The geographical distribution of assets, liabilities is as follows:

	Inside Jordan		Outside Jordan		Total	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	JD	JD	JD	JD	JD	JD
Total assets	31,989,391	29,797,031	11,098,425	12,690,442	43,087,816	42,487,473
Total liabilities	40,859,900	41,296,785	2,305,718	1,760,182	43,165,618	43,056,967

**(10) LAWSUITS HELD AGAINST THE COMPANY**

There are cases filed against the company for an amount of JD 587,348 as on 30 June 2024, and this is within the normal activity of the company, and in the discretion of the management and its legal advisor, the company will not have substantial obligations in response to these cases.

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**(11) COMMITMENTS AND CONTINGENCIES**

As of the date of these interim condensed consolidated financial statements, the Company has the following commitments and contingencies:

	30 June 2024	31 December 2023
	JD	JD
	(Unaudited)	(Audited)
<b>Commitments and contingencies:</b>		
Bills of collection	282,160	-
Letters of credit	-	2,649,137
Bank guarantees	2,469,237	146,409

**Associate companies contingent liability:**

The financial statements of The Jordanian Algerian Pharmaceutical Manufacturing Company (49% owned associate company) contain overdraft account issued from The Housing Bank Algeria by the amount of DZD 184.8 million as of 30 June 2024 against 100% guarantee issued from The Jordanian Pharmaceutical Manufacturing Company.

**(12) FAIR VALUES**

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

**Level 1:** quoted prices (unadjusted) in active markets for financial assets.

**Level 2:** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instrument evaluated based on: Prices quoted in active markets for similar instruments or through the use of valuation model that includes inputs that can be traced to markets, these inputs could be defended directly or indirectly.

**Level 3:** inputs for the asset or liability that are not based on observable market data.

**A- Financial assets and liabilities that are measured at fair value:**

	Book value	Level 1	Level 2	Level 3
	JD	JD	JD	JD
<b>As at 30 June 2024 (Unaudited)</b>				
Financial assets at fair value through other comprehensive income	392,869	-	-	392,869
<b>As at 31 December 2023 (Audited)</b>				
Financial assets at fair value through other comprehensive income	319,419	-	-	319,419

The management believes that the book value of financial assets and liabilities are not materially different from its fair value.

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**B- Financial assets and liabilities that are not measured at fair value:**

	30 June 2024	31 December 2023
	JD	JD
<b>Book value</b>	(Unaudited)	(Audited)
Cash and bank balances	5,816	615,769
Due from related parties	1,182,968	1,182,968
Accounts receivables	12,695,015	13,616,143
Checks under collection	1,167,635	615,769
Major shareholder loan	29,668,590	-
Lease liabilities	-	6,624,907
Murabaha financing	-	22,254,436
Notes payables	4,605,007	5,089,268
Due to related parties	986,190	986,190
Accounts payables	2,915,431	2,446,877

The management believes that the book value of financial assets and liabilities are not materially different from its fair value.