

**IRBID DISTRICT ELECTRICITY COMPANY
(PUBLIC SHAREHOLDING COMPANY)
IRBID - JORDAN**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TOGETHER WITH REVIEW REPORT
FOR THE SIX MONTHS ENDED
30 JUNE 2026**

**IRBID DISTRICT ELECTRICITY COMPANY
(PUBLIC SHAREHOLDING COMPANY)
IRBID - JORDAN**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TOGETHER WITH REVIEW REPORT
FOR THE SIX MONTHS ENDED 30 JUNE 2026**

<u>Contents</u>	<u>Page</u>
Review report	-
Interim condensed consolidated statement of financial position	1-2
Interim condensed consolidated statement of profit or loss and other comprehensive income	3
Interim condensed consolidated statement of changes in shareholders' equity	4
Interim condensed consolidated statement of cash flows	5-6
Notes forming part of the interim condensed consolidated financial statements	7-11

REVIEW REPORT

30 June 2026

To Chairman and Member of Board Director
Irbid District Electricity Company
(Public Shareholding Company)
Irbid - Jordan

Introduction

We have reviewed the interim condensed consolidated statement of financial position of Irbid District Electricity Company and the subsidiaries "Group" as at 30 June 2026, the interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in shareholders' equity and the interim condensed consolidated statement of cash flows for the six months then ended, and a summary of significant accounting policies and other explanatory information. Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with 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 interim condensed consolidated financial statements do not present fairly from all material respects the interim condensed consolidated financial position for Irbid District Electricity Company and the subsidiaries "Group" as at 30 June 2026 and its interim condensed consolidated financial performance and its interim condensed consolidated cash flows for the six months then ended in accordance with IAS (34) "Interim Financial Reporting".



Phone: +962-6-581-6033
Fax: +962-6-581-6657
www.bdo.com.jo
info@bdo.com.jo

Samman & Co.
Public Accountants & Business Advisors
P.O. Box 922564
Amman 11192, Jordan
25 Um Metawee Al Aslameyeh St, Jandaweel

REVIEW REPORT (CONTINUED)

30 June 2026

To Chairman and member of Board Director
Irbid District Electricity Company
(Public Shareholding Company)
Irbid - Jordan

Other matter

The consolidated financial statements for the year ended 31 December 2025 were audited by another auditor who expressed an unqualified opinion on those statements on 29 March 2026.

Samman & Co.

Ahmad Ramahi
License No. 868



29 July 2026
Amman - Jordan

Irbid District Electricity Company
(Public Shareholding Company)
Irbid - Jordan

Interim condensed consolidated statement of financial position
As at 30 June 2026

	Note	30 June 2026	31 December 2025
		JD	JD
<u>Assets</u>			
Non-current assets			
Property and equipment	(5)	201,238,182	202,575,070
Subscribers' and rural fils contributions assets	(6)	105,073,408	101,874,764
Dispute lawsuits payments		119,821	124,792
Right of use assets	(7)	2,308,096	928,253
Projects under construction	(8)	10,380,756	10,411,871
Strategic inventory		7,403,696	2,755,319
Deferred tax assets		4,129,995	4,128,815
Financial assets at fair value through OCI		336,719	336,719
		330,990,673	323,135,603
Current assets			
Accounts receivable	(9)	133,101,650	112,027,175
Other debit balances		5,235,003	5,324,628
Inventories		5,404,343	5,100,031
Investment deposits at bank		10,000,000	25,000,000
Cash and cash equivalents		2,232,086	1,722,091
		155,973,082	149,173,925
Total assets		486,963,755	472,309,528

Irbid District Electricity Company
(Public Shareholding Company)
Irbid - Jordan

Interim condensed consolidated statement of financial position (Continued)
As at 30 June 2026

	Note	30 June 2026 JD	31 December 2025 JD
<u>Shareholders' equity and liabilities</u>			
<u>Shareholders' equity</u>			
Share capital paid		26,785,733	26,785,733
Statutory reserve		6,214,193	6,214,193
Voluntary reserve		638,778	638,778
Retained earnings		9,893,697	11,699,271
Total Shareholders' equity		43,532,401	45,337,975
<u>Liabilities</u>			
<u>Non-current liabilities</u>			
Subscribers' and rural fils contributions liabilities	(6)	105,073,408	101,874,764
Lease liabilities		1,903,492	584,057
Advances from subscribers		7,249,387	7,711,527
Provision for end of service indemnity		12,935,245	12,894,084
Loan		5,400,000	7,200,000
Subscribers' deposits		72,345,744	70,607,912
		204,907,276	200,872,344
<u>Current liabilities</u>			
Accounts payable	(10)	131,819,764	121,475,478
Current portion of loan		3,600,000	3,600,000
Accrued expenses		6,420,667	7,482,679
Lease liabilities		342,877	387,464
Other credit balances		10,955,206	10,441,393
Bank credit facilities and loans		80,940,210	75,845,590
Other provisions		3,464,585	3,516,144
Income tax provision		980,769	3,350,461
		238,524,078	226,099,209
Total liabilities		443,431,354	426,971,553
Total shareholders' equity and liabilities		486,963,755	472,309,528

The condensed interim consolidated financial statements from page (1) to page (11) were approved and authorized for issue by the Board of Directors on 29 July 2026.

Irbid District Electricity Company
(Public Shareholding Company)
Irbid - Jordan

Interim condensed consolidated statement of profit or loss
and other comprehensive Income for the six months ended 30 June 2026

		For the three months ended 30 June		For the six months ended 30 June	
	Note	2026	2025	2026	2025
		JD	JD	JD	JD
Electricity power sales		76,339,922	72,153,082	157,844,396	149,027,119
Cost of power purchased		(62,038,753)	(60,181,024)	(131,378,145)	(126,070,638)
Gross Profit		14,301,169	11,972,058	26,466,251	22,956,481
Other operating revenues		286,786	119,319	587,698	851,551
Administrative expenses		(6,766,783)	(6,992,695)	(13,880,316)	(14,723,684)
Depreciation and amortization		(4,179,348)	(3,749,059)	(8,373,018)	(7,416,970)
Expected credit loss		191,469	(30,815)	(342,800)	(586,402)
Slow moving inventory		-	(275,958)	(172,479)	(796,460)
Operating profit from core activities		3,833,293	1,042,850	4,285,336	284,516
Revenue from non-core activities		1,381,276	1,943,458	2,661,652	3,364,718
Interest income		243,905	356,609	535,989	797,134
Interest income on late payments on energy bills		1,438,126	390,422	2,674,758	1,525,946
Non-core activities expenses		(584,735)	(595,810)	(1,028,548)	(1,098,562)
Finance costs		(857,377)	(1,117,111)	(1,728,675)	(2,089,864)
Interest expense on late payments on energy bills		(1,560,726)	(404,007)	(3,030,109)	(1,578,469)
Profit from non-core activities		60,469	573,561	85,067	920,903
Profit for the period before tax		3,893,762	1,616,411	4,370,403	1,205,419
Income tax		(886,700)	(522,185)	(1,175,977)	(702,422)
Profit for the period		3,007,062	1,094,226	3,194,426	502,997
Add: Other comprehensive income items		-	-	-	-
Total comprehensive income for the period		3,007,062	1,094,226	3,194,426	502,997
Basic and diluted share of profit (loss) for the period - JD/share	(11)	0.112	0.041	0.119	0.019

Irbid District Electricity Company
(Public Shareholding Company)
Irbid - Jordan

Interim condensed consolidated statement of changes in shareholders' equity
For the six months ended 30 June 2026

	Share capital	Statutory reserve	Voluntary reserve	Retained earnings	Total
	JD	JD	JD	JD	JD
2026					
Balance at 1 January 2026	26,785,733	6,214,193	638,778	11,699,271	45,337,975
Comprehensive Income for the period	-	-	-	3,194,426	3,194,426
Dividends	-	-	-	(5,000,000)	(5,000,000)
Balance at 30 June 2026	26,785,733	6,214,193	638,778	9,893,697	43,532,401
2025					
Balance at 1 January 2025	21,000,000	4,948,972	638,778	16,760,741	43,348,491
Comprehensive Income for the period	-	-	-	502,997	502,997
Increase in capital	5,785,733	-	-	(5,785,733)	-
Dividends	-	-	-	(7,250,000)	(7,250,000)
Balance at 30 June 2025	26,785,733	4,948,972	638,778	4,228,005	36,601,488

Irbid District Electricity Company
(Public Shareholding Company)
Irbid - Jordan

Interim condensed consolidated statement of cash flows
For the six months ended 30 June 2026

	<u>2026</u>	<u>2025</u>
	JD	JD
<u>Operating activities</u>		
Profit for the period before tax	4,370,403	1,205,419
Adjustments for:		
Gain from selling property and equipments	(306,847)	(450,195)
Bank Interest income	(535,989)	(797,134)
Interest income on late payments on energy bills	(2,674,758)	(1,525,946)
Interest expense on late payments on energy bills	3,030,109	1,578,469
End-of-service indemnity	514,768	756,376
Depreciation and amortization	8,373,018	7,416,970
Depreciation portion related to non-core activities	104,793	71,135
Amortization of right of use asset	123,196	131,599
Finance cost of leases	36,908	38,666
Finance costs	1,728,675	2,089,864
Expected credit losses provision	342,800	586,402
Other provisions	82,610	(600)
Provision for slow moving inventories	172,479	796,460
	<u>15,362,165</u>	<u>11,897,485</u>
 Inventories	 (2,407,585)	 (9,489,804)
Accounts receivable	(18,742,516)	38,397,248
Other debit balances	89,626	177,759
Advances from subscribers	7,085,919	5,351,660
Subscribers' deposits	1,737,832	1,711,816
Provisions paid	(137,331)	(34,838)
Accounts payable	7,314,178	(31,299,533)
Accrued expenses and other credit balances	(1,375,469)	(504,426)
End of service indemnity paid	(687,086)	(673,282)
Cash generated from operations	<u>8,239,733</u>	<u>15,534,085</u>
 Income tax paid	 (3,546,849)	 (3,930,728)
Net cash flows from operating activities	<u>4,692,884</u>	<u>11,603,357</u>

Irbid District Electricity Company
(Public Shareholding Company)
Irbid - Jordan

Interim condensed consolidated statement of cash flows (Continued)
For the six months ended 30 June 2026

	Note	2026	2025
		JD	JD
<u>Investing activities</u>			
Projects under construction		(8,288,285)	(9,229,028)
Dispute lawsuits payments		(7,732)	(75,307)
Cash proceed from sale of property and equipment		537,181	733,883
Investment deposits at bank		15,000,000	10,000,000
Bank interest income received		535,989	797,134
Purchase of property and equipment		(9,088,157)	(10,726,536)
Net cash flows used in investing activities		(1,311,004)	(8,499,854)
<u>Financing activities</u>			
Dividends paid		(4,172,730)	(6,810,417)
Finance cost paid		(1,728,675)	(2,089,864)
Repayment of bank loans		(1,800,000)	(1,800,000)
Lease liability payment		(265,100)	(332,000)
Net cash flows used in financing activities		(7,966,505)	(11,032,281)
 Net change in cash and cash equivalents		 (4,584,625)	 (7,928,778)
Cash and cash equivalents at beginning of the period		(74,123,499)	(60,632,697)
Cash and cash equivalents at end of the period	(12)	(78,708,124)	(68,561,475)

**Irbid District Electricity Company
(Public Shareholding Company)
Irbid - Jordan**

**Notes forming part of the interim condensed consolidated financial statements
For the six months ended 30 June 2026**

1) General

Irbid District Electricity Company "the group" was established in 1959 as a public shareholding company and registered with the Ministry of Industry and Trade under registration number (17) on 31 December 1959.

During 2008, under the privatization initiative of the electricity sector, the government of the Hashemite Kingdom of Jordan resolved to sell its entire 55.46% ownership stake in the Company's capital to Kingdom Electricity Company. During 2009, Kingdom Electricity Company sold its share in the Company's capital to Electricity Distribution Company, a public shareholding company ("Parent Company").

The main activities of the Company are to distribute electricity and provide it to retail consumers who live in northern Jordan (Irbid, Jerash, Ajloun, Mafraq and AL-Ramtha), in accordance with the distribution license granted to the Company on June 30, 2008, for a period of 25 years starting from said date.

The interim condensed financial statements have been approved by the Board of Directors in their meeting held on 29 July 2026.

2) Basis of preparation

The interim condensed consolidated financial statements have been prepared in accordance with IAS (34) "Interim Financial Reporting" and in accordance with local standard. Which do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2025 annual report.

3) Accounting policies

The accounting policies applied in the preparation of the condensed interim financial statements are consistent with those applied for the year ended 31 December 2025, except for the following amendments which are applied for the first time in 2026. However, not all of these are expected to have an impact on the Company, as they either do not relate to the Company's activities or require accounting that is consistent with the Company's current accounting policies.

New standards, interpretations and amendments adopted from 1 January 2026:

- Amendments to the *Classification and Measurement of Financial Instruments* (Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments Disclosures*)

New standards, interpretations and amendments adopted from 1 January 2027:

- IFRS 18 *Presentation and Disclosure in Financial Statements*
- IFRS 19 *Subsidiaries without Public Accountability: Disclosures*.

The Group is assessing the impact of these accounting standards and new amendments and does not expect that these standards and amendments—issued by the International Accounting Standards Board and not yet effective—will have a material impact on the consolidated financial statements.

Notes forming part of the interim condensed consolidated financial statements (Continued)
For the six months ended 30 June 2026

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include Categorisation and sub-totals in the statement of profit or loss, Aggregation/disaggregation and labelling of information, Disclosure of management-defined performance measures.

The Group does not expect to be eligible to apply IFRS 19.

These amendments had no material impact on the interim condensed financial statements.

4) Basis of consolidation

Where the company has control over an investee, it is classified as a subsidiary. The company controls an investee if all three of the following elements are present:

- power over the investee,
- exposure to variable returns from the investee,
- and the ability of the investor to use its power to affect those variable returns.

Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Control exists in situations where the company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether control exists the company considers all relevant facts and circumstances, including:

- The size of the company's voting rights relative to both the size and dispersion of other parties who hold voting rights
- Substantive potential voting rights held by the company and by other parties
- Other contractual arrangements
- Historical patterns in voting attendance

The interim condensed consolidated financial statements present the results of the company and its subsidiaries ("the Group") as if they formed a single entity, as a result, Intercompany transactions and balances between group companies are therefore eliminated in full.

The interim condensed consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognized at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

Notes forming part of the interim condensed consolidated financial statements (Continued)
For the six months ended 30 June 2026

The subsidiaries included in the interim condensed consolidated financial statements are as follows:

<u>Company name</u>	<u>Country of incorporation</u>	<u>Share capital</u>	<u>Main activity</u>	<u>Ownership percentage</u>
Nour Al Shamal for commercial projects and services	Jordan	250,000	Commercial mediation and management consulting services	100%

5) Property and equipment

The additions to property and equipment, including transfers from projects under construction, during the first half of 2026 amounted to JOD 10,076,140. Disposals during the same period amounted to JOD 2,947,919 while depreciation of property and equipment amounted to JOD 8,465,109.

6) Subscribers' and rural fils contributions assets

The following are the changes in the balances of subscribers' and rural fils contributions assets:

	<u>JD</u>
Subscribers' and rural fils contributions assets as at 31 December 2025	101,874,764
Transferred from projects under construction	7,548,059
Depreciation	(4,349,415)
Subscribers' and rural fils contributions assets as at 30 June 2026	105,073,408

Subscribers' and rural fils contributions assets are depreciated at an annual rate of 4%, and the corresponding subscribers' and rural fils contributions liabilities are amortized at the same rate. Accordingly, they do not affect the Company's financial performance.

Notes forming part of the interim condensed consolidated financial statements (Continued)
For the six months ended 30 June 2026

7) Lease Contracts

Right of use assets

As of 31 December 2025	928,253
Additions	1,503,039
Amortization	(123,196)
As of 30 June 2026	<u>2,308,096</u>

Lease liabilities

As of 31 December 2025	971,521
Additions	1,503,039
Finance cost	36,909
Lease payment	(265,100)
As of 30 June 2026	<u>2,246,369</u>

8) Projects Under Construction

This item represents projects for the development and expansion of the electricity distribution network and associated infrastructure, categorized as follows:

	30 June 2026	31 December 2025
	JD	JD
Self-financing projects	3,478,951	1,872,333
Subscribers' contributions	3,697,581	6,130,881
Rural fils contributions	3,204,224	2,408,657
	<u>10,380,756</u>	<u>10,411,871</u>

The movement in projects under construction is as follows:

	JD
Projects under construction as at 31 December 2025	10,411,871
Additions	8,504,927
Transferred to property and equipment	(987,983)
Transferred to subscribers' and rural fils contributions assets	(7,548,059)
Projects under construction as at 30 June 2026	<u>10,380,756</u>

9) Accounts receivable

The increase in receivables during the first half of 2026 amounted to JOD 21,074,474 most of which relates to subscribers' receivables and receivables from government entities. The Group also recognized expected credit losses during the same period amounting to JOD 342,800.

Notes forming part of the interim condensed consolidated financial statements (Continued)
For the six months ended 30 June 2026

10) Accounts payable

The increase in payables during the first half of 2026 amounted to JOD 10,212,287 most of which relates to the National Electric Power Company.

11) Basic and diluted share of profit for the period - JD / share

	For the six months ended 30 June	
	2026	2025
Comprehensive income for the period - JD	3,194,426	502,997
Weighted average number of shares - share	26,785,733	26,785,733
Basic and diluted earnings per share of profit for the period -JD / share	0.119	0.019

12) Cash and cash equivalents

For the purposes of preparing the interim consolidated statement of cash flows, the details of cash and cash equivalents are as follows:

	30 June 2026	30 June 2025
	JD	JD
Cash and cash equivalents	2,232,086	3,266,310
Bank credit facilities and short-term loans	(80,940,210)	(71,827,785)
	(78,708,124)	(68,561,475)

13) Contingent Liabilities

Claims

The value of lawsuits filed against the Group as at 30 June 2026 amounted to JOD 2,239,068 (2025: JOD 2,412,149). In the opinion of the Group's management and its legal advisor, the provision recorded against these cases is sufficient to meet any obligations that may arise from such cases.

Dispute with the National Electric Power Company

The National Electric Power Company (the Company's electricity supplier) is claiming an amount of JOD 717,357 from Irbid District Electricity Company as at 30 June 2026 (2025: JOD 717,357), representing differences in late payment interest. Management and the Company's legal advisor believe that no liabilities will arise for the Company, in accordance with the electricity tariff (bulk tariff) issued by the Energy and Minerals Regulatory Commission, which is binding for both parties.

14) Comparative figures

Certain balances of consolidated financial statements of 2025 have been reclassified to confirm with the classification used for 30 June 2026 and the reclassification did not result in any impact on the interim condensed consolidated statement of profit or loss and other comprehensive income and interim condensed consolidated statement of changes in shareholders' equity for the year 2025.