

للمرسل
بمعرفة خان
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أشارتنا رقم : 2019/97
التاريخ : 2019/ 11 /3

السادة / هيئة الأوراق المالية المحترمين

د. ع. /

تحية طيبة وبعد ,

مرفق طيه البيانات المالية عن الفترة كما في 2019/9/30 باللغة الانجليزية

وتفضلوا بقبول فائق الاحترام.....

رئيس مجلس الإدارة

الدكتور محمد أبو حمور



هيئة الأوراق المالية
الدائرة الإدارية / الديوان

٤ تشرين الثاني ٢٠١٩

الم رقم المتسلسل ٥٦٧٤١

الجهة المختصة ١١٢ / ١١٢

SALAM INTERNATIONAL TRANSPORT
AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA – JORDAN

CONSOLIDATED CONDENSED
INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED
SEPTEMBER 30, 2019

SALAM INTERNATIONAL TRANSPORT
AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA – JORDAN
CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION
AND INDEPENDENT AUDITOR'S REVIEW REPORT FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2019

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INDEPENDENT AUDITOR'S REVIEW REPORT

AM \ 000744

To the Chairman and Members of the Board of Directors of
Salam International Transport and Trading Company
Public Shareholding Limited Company
Aqaba – The Hashemite Kingdom of Jordan

Introduction

We have reviewed the accompanying consolidated condensed interim statement of financial position of Salam International Transport and Trading Company (a Public Shareholding Limited Company) as of September 30, 2019 and the related consolidated condensed interim statements of profit or loss and consolidated condensed interim statements of comprehensive income for the three months and nine-months period ended September 30, 2019, and the consolidated condensed interim statements of changes in equity and cash flows for the nine months period then ended, and a summary of significant accounting policies and other explanatory information. Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard (34) Interim Financial Reporting. Our responsibility is to express an opinion on these consolidated condensed interim 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 consolidated 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 consolidated condensed interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard (34) interim financial reporting.

Emphasis of Matters

We draw attention to:

1. Note (10) of the consolidated condensed interim financial information, which discloses projects under construction that are not yet completed.
2. Note (11) of the consolidated condensed interim financial information, which discloses that advance payment to acquire land in which its ownership is not transferred to the Company yet.
3. Note (26) of the consolidated condensed interim financial information, which states that the corresponding figures included in the consolidated condensed interim statement of changes in equity, statement of profit or losses, statement of comprehensive income and cash flows have been restated to comply with a new International Financial Reporting Standards and to rectify the qualifications included in our report in the consolidated condensed interim financial information for the third quarter of the year 2018.

Our conclusion is not modified in respect of these matters.

Other Matters

The consolidated condensed interim financial information are a translation of the statutory consolidated condensed interim financial information which are in the Arabic language and to which reference should be made.

Amman – Jordan
October 31, 2019


~~Deloitte & Touche (M.E.) – Jordan~~
Deloitte & Touche (M.E.)
ديلويت آند توش (الشرق الأوسط)
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SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA - THE HASHEMITE KINGDOM OF JORDAN
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

		September 30, 2019 (Reviewed not Audited)	December 31, 2018 (Audited)
	Note	JD	JD
ASSETS			
Current Assets:			
Cash and balances at banks	4	156,664	646,463
Accounts receivable-net	5	788,055	734,104
Due from related parties	12/A	1,477,490	1,473,892
Accounts receivable - Decent Housing for Decent Living project	7	368,000	614,625
Residential units available for sale	6	325,503	519,974
Checks under collection and notes receivable maturing during the year		415,423	401,741
Financial assets at fair value through profit or loss		8,774	10,004
Inventory - net		254,002	243,604
Other debit balances		468,214	422,088
Total Current Assets		4,262,125	5,066,495
Non-Current Assets:			
Checks under collection and notes receivable maturing in more than a year		172,441	99,536
Financial assets at fair value through other comprehensive income		621,510	613,190
Properties investment - net	9	4,699,575	4,753,573
Investments in associates	8	13,792,659	13,541,063
Projects under construction	10	3,108,838	2,373,881
Advance payments for land acquisition	11	6,431,223	3,146,817
Advance payments for acquiring Investment in companies	13	150,494	150,494
Property and equipment - net		761,596	873,472
Total Non-Current Assets		29,738,336	25,552,026
TOTAL ASSETS		34,000,461	30,618,521
LIABILITIES AND OWNERS' EQUITY			
Current Liabilities:			
Due to banks	14	568,413	666,939
Accounts payable		1,797,887	1,844,289
Due to related parties	12/B	5,381,519	1,603,393
Loans - short term	15	954,559	950,257
Deferred checks and notes payable - short term		526,074	717,006
Income tax provision	16	50,328	70,369
Other credit balances		570,406	524,511
Total Current Liabilities		9,849,186	6,376,764
Non-Current Liabilities:			
Shareholder current account	12/B	819,757	1,015,950
Long-term Loans	15	476,140	1,133,135
Total Non-Current Liabilities		1,295,897	2,149,085
Total Liabilities		11,145,083	8,525,849
OWNERS' EQUITY			
SHAREHOLDERS' EQUITY			
Authorized and Paid-up capital	1, 18	18,000,000	18,000,000
Share discount	18	(1,349,998)	(1,349,998)
Statutory reserve		2,059,079	2,059,079
Voluntary reserve		48,024	48,024
Financial assets at fair value revaluation reserve		(207,650)	(212,192)
Accumulated (losses)		(1,204,653)	(1,162,955)
Profit for the period		948,465	-
Net Shareholders' Equity		18,293,267	17,381,958
Non-controlling interests		4,562,111	4,710,714
Net Owners' Equity		22,855,378	22,092,672
TOTAL LIABILITIES AND NET OWNERS' EQUITY		34,000,461	30,618,521

H.E. Chairman of the Board of Directors

General Manager

THE ACCOMPANYING NOTES FROM (1) to (27) ARE AN INTEGRAL PART OF THESE
CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION AND SHOULD BE
READ WITH THEM AND WITH THE ACCOMPANYING REVIEW REPORT.

SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)

AQABA - JORDAN

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE THREE MONTHS AND THE NINE MONTHS ENDED SEPTEMBER 30, 2012

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2012	2012	2012	2012
	(Reviewed)	(Restated)	(Reviewed)	(Restated)
Note	JD	JD	JD	JD
Revenue	1,202,224	1,101,424	3,504,605	3,507,504
Less: Cost of revenue	936,076	900,929	2,561,291	2,978,722
Gross Profit	266,148	200,495	943,314	528,782
Less: General and administrative expenses	(184,863)	(54,167)	(631,567)	(731,993)
Marketing expenses	(3,437)	(12,556)	(18,127)	(36,338)
Borrowing costs	(50,392)	(125,591)	(184,586)	(372,748)
Expected credit loss provision	(61,708)	-	(186,708)	-
Company's share of associate companies profits	328,404	283,004	852,134	819,147
(Losses) from valuation of financial assets at fair value through profit or loss	(231)	(141)	(1,230)	(462)
Other income / (expenses) - net	(12,546)	(29,446)	(42,106)	(32,218)
Income / (Loss) for the Period before Income Tax	281,375	261,598	815,336	174,170
Less: Income tax for the period	(3,015)	5,586	(15,474)	(84,903)
Profit for the Period	278,360	267,184	799,862	89,267
Attributable to:				
The Company's shareholders	332,599	302,574	948,465	536,829
Non-controlling interest	(54,239)	(35,390)	(148,603)	(447,562)
Total	278,360	267,184	799,862	89,267
Earnings per Share for the Period Attributable to the Company's Shareholders (Basic & Diluted)	22	0.018	0.017	0.03

H.E. Chairman of the Board of Directors

General Manager

THE ACCOMPANYING NOTES FROM (1) TO (27) ARE AN INTEGRAL PART OF THESE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING REVIEW REPORT.

SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY

(A PUBLIC SHAREHOLDING LIMITED COMPANY)

AQABA - JORDAN

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE THREE MONTHS AND THE NINE MONTHS ENDED SEPTEMBER 30, 2019

	<u>For the Three Months</u>		<u>For the Nine Months</u>	
	<u>Ended September 30,</u>		<u>Ended September 30,</u>	
	<u>2019 (Reviewed)</u>	<u>2018 (Restated)</u>	<u>2019 (Reviewed)</u>	<u>2018 (Restated)</u>
	JD	JD	JD	JD
Income for the period	278,360	267,184	799,862	89,267
<u>Comprehensive Income Items:</u>				
<u>Items not to be subsequently transferred to consolidated condensed interim statement of profit or loss:</u>				
Change in fair value of financial assets at fair value through other Comprehensive Income	26,249	(15,185)	4,542	(66,199)
Total Comprehensive Income for the Period	<u>304,609</u>	<u>251,999</u>	<u>804,404</u>	<u>23,068</u>
<u>Total Comprehensive Income for the Period Attributable to:</u>				
Company's shareholders	358,848	287,389	953,007	470,630
Non- controlling interest	(54,239)	(35,390)	(148,603)	(447,562)
Total	<u>304,609</u>	<u>251,999</u>	<u>804,404</u>	<u>23,068</u>

THE ACCOMPANYING NOTES FROM (1) to (27) ARE AN INTEGRAL PART OF THESE CONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING REVIEW REPORT.

SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AOABA - JORDAN
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019

Note	Company's Shareholders' Equity											
	Financial Assets											
	Paid-up Capital	Share Discount	Statutory Reserve	Voluntary Reserve	at Fair Value Revaluation Reserve	Realized	Unrealized	Accumulated (Losses)		Income for the Period	Total	Non-Controlling Interest
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
25												
For the Nine Months Ended September 30, 2019												
Balance - beginning of the year 2019 (Audited)	18,000,000	(1,349,998)	2,059,079	48,024	(212,192)	(3,079,564)	1,916,609	(1,162,955)	-	-	17,381,958	4,710,714
Prior years' adjustment	-	-	-	-	-	(41,698)	-	(41,698)	-	-	(41,698)	-
Adjusted balance - beginning of the year	18,000,000	(1,349,998)	2,059,079	48,024	(212,192)	(3,121,262)	1,916,609	(1,204,653)	-	-	17,340,260	4,710,714
Profit for the period	-	-	-	-	-	-	-	-	948,465	948,465	948,465	(148,503)
Change in fair value of financial assets at fair value	-	-	-	-	4,542	-	-	-	-	-	4,542	-
Total Comprehensive Income For the Period	-	-	-	-	4,542	-	-	-	948,465	948,465	953,007	(148,503)
Balance - End of the Period (Reviewed)	18,000,000	(1,349,998)	2,059,079	48,024	(207,650)	(3,121,262)	1,916,609	(1,204,653)	948,465	18,293,267	4,562,111	22,855,378
26												
For the Nine Months Ended September 30, 2018 (Restated)												
Balance - beginning of the year 2018 (Audited)	18,000,000	(1,349,998)	1,970,514	48,024	(151,214)	(3,311,405)	1,916,609	(1,394,796)	-	-	17,122,530	5,103,933
Impact of IFRS 9 Implementation (Restated)	-	-	-	-	-	(438,325)	-	(438,325)	-	-	(438,325)	(125,000)
Prior years' adjustment	-	-	-	-	-	(26,254)	-	(26,254)	-	-	(26,254)	-
Adjusted balance - beginning of the year	18,000,000	(1,349,998)	1,970,514	48,024	(151,214)	(3,775,964)	1,916,609	(1,859,375)	-	-	16,657,951	4,980,203
Profit for the period	-	-	-	-	-	-	-	-	536,829	536,829	536,829	(447,562)
Change in fair value of financial assets at fair value	-	-	-	-	(66,199)	-	-	-	-	-	(66,199)	-
Total Comprehensive Income For the Period	-	-	-	-	(66,199)	-	-	-	536,829	536,829	470,630	(447,562)
Balance - End of the Period (Reviewed) - Restated	18,000,000	(1,349,998)	1,970,514	48,024	(217,413)	(3,775,964)	1,916,609	(1,859,375)	536,829	17,128,581	4,532,641	21,661,222

- An amount equivalent to the negative balance of financial assets revaluation reserve is restricted from retained earnings according to the Jordanian Securities Exchange Commission's instructions.

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SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AOABA - JORDAN
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS

		For the Nine Months Ended September 30,	
	Note	2019 (Reviewed)	2018 (Restated)
		JD	JD
CASH FLOWS FROM OPERATING ACTIVITIES:			
Income for the period before Income tax		815,336	174,170
Adjustments:			
Property and equipment and Investment properties depreciation		61,164	80,433
(Revenue) from transfer of contracts		-	(372,000)
Impairments of investment in associate company		-	17,691
Company's share of associate companies (profits)		(852,134)	(819,147)
Loss from valuation of financial assets at fair value through profit or loss		1,230	462
Borrowing costs		184,586	372,748
Expected credit losses provision	4,5 and 7	186,625	-
Net Cash flow from (used in) Operating Activities before Changes in Working Capital		396,807	(545,643)
Decrease in accounts receivable		6,049	156,187
(Increase) decrease in checks under collection and notes receivable		(86,587)	93,354
(Increase) decrease in inventory		(10,398)	32,352
(Increase) in other debit balances		(49,904)	(2,599)
(Decrease) in accounts payable		(46,402)	(178,345)
Increase in other credit balances		4,197	985,230
Net Cash Flows from Operating Activities before Income Tax Paid		213,762	540,536
Income tax paid	16/A	(35,515)	(104,582)
Net Cash Flows from Operating Activities		178,247	435,954
CASH FLOWS FROM INVESTING ACTIVITIES:			
Sale of residential units available for sale	6	194,471	-
Decrease in investments in associates		600,538	1,030,095
Net change in property and equipment		104,710	79,836
Net Cash Flows from Investing Activities		899,719	1,109,931
CASH FLOWS FROM FINANCING ACTIVITIES:			
Borrowing cost settlements		(184,586)	(372,748)
(Decrease) Increase in deferred checks and notes payable		(190,932)	119,360
(Increase) decrease in due from/to related parties		(441,028)	52,400
(Decrease) in due to banks		(98,526)	(116,124)
(Loans paid)	15	(652,693)	(1,423,286)
Loans received	15	-	137,000
Net Cash flows (used in) Financing Activities		(1,567,765)	(1,603,398)
Net (Decrease) in Cash		(489,799)	(57,513)
Cash on hand and at banks - beginning of the year		646,463	278,463
Cash on Hand and at Banks - End of the Period	4	156,664	220,950
Non-Cash Transactions			
Increase (decrease) in due from related parties		4,215,556	(1,422,547)
(Decrease) in shareholder's current account from related parties		(196,193)	1,422,547
(Increase) in projects under constructions		(734,957)	(3,967)
(Increase) in advance payment for land acquisition		(3,284,406)	-
Increase in account payable		-	3,967
Proceeds from transfer of contracts		-	150,000
(Increase) in investments in associates		-	(388,000)
Decrease in investments in associates		-	336,850

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**SALAM INTERNATIONAL TRANSPORT AND
TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION**

1. Incorporation and Activities

- a. Salam International Transport and Trading Company was established and registered as a Public Shareholding Limited Company on January 30, 1997 under registration no. (326), with a paid-up capital of JD 1,200,000. The Company's paid-up capital was gradually increased to JD 15,000,000, distributed over 15 million shares at JD 1 par value per share. In its extraordinary meeting held on April 22, 2014, the Company's General Assembly approved increasing the Company's capital of JD 15 million so that authorized and paid-up capital would become JD 18 million through public underwriting to the Company's shareholders.
- On September 13, 2011, the Company was registered at the Aqaba Special Economic Zone according to Law No. (32) For the Year 2000.
- The Company's Head Office is located in Aqaba – Jordan.
- b. The Parent Company's and its Subsidiaries' main objectives include the following:
- Conducting all types of marine activity (transporting passengers and various types of goods, in addition to touristic marine transportation).
 - Possessing, managing, operating and leasing ships of all kinds.
 - Obtaining maritime agencies, brokering, and representing international rating agencies.
 - Obtaining commercial agencies and tendering.
 - Renting marine maintenance workshops of all kinds, including repairing ships.
 - Conducting land transport, business and related tendering.
 - Conducting real estate activities (buying and selling real estates and other real estate-related activities).
 - Providing services, operating touristic restaurants, and supplying hotels with food.
 - Guaranteeing others while benefiting the Company.
 - Transporting crude oil.
 - Investing in other companies.
 - Borrowing funds from banks to finance its activities.

2. Basis of Preparation

- The accompanying consolidated condensed interim financial information have been prepared in accordance with International Accounting Standard (IAS) 34 " Condensed Interim Financial Reporting".
- The consolidated condensed interim financial information are prepared in accordance with the historical cost principle, except for certain financial assets which are stated at fair value through profit or loss and financial assets stated at fair value through other comprehensive income as of the date of the consolidated condensed interim financial information. Furthermore, hedged financial assets and financial liabilities are also stated at fair value.

- The reporting currency of the consolidated condensed interim financial information is the Jordanian Dinar, which is the functional currency of the Company.
- The accompanying consolidated condensed interim financial information do not include all the information and disclosures required for the annual financial statements, which are prepared in accordance with International Financial Reporting Standards and should be read with the annual report of the Company as of December 31, 2018. In addition, the results of the Company's operations for the nine month ended September 30, 2019 do not necessarily represent indications of the expected results for the year ending December 31, 2019, and do not contain the appropriation of the profit of the nine months period ended September 30, 2019, which is usually performed at the financial year-end.

Judgments, estimates and risk management

The preparation of consolidated condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments adopted by management in applying the Company's accounting policies and the main sources of uncertainty in the estimation are the same as those applied to the Company's annual financial statements for the year ended December 31, 2018, except as noted in note (3).

Basis of Consolidated Financial Information

- The consolidated condensed interim financial information of the Company and its subsidiaries under its control, the control exists when the Company controls the subsidiaries significant and relevant activities and is exposed, or has rights, to variable returns from its involvement with the subsidiaries and has the ability to affect those returns through its power over the subsidiaries.
- The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.
- All balances, transactions, income, and expenses between the Company and its subsidiaries are eliminated.
- The subsidiaries financial information are prepared under the same accounting policies adopted by the Company. If the subsidiaries apply different accounting policies than those used by the company, the necessary modifications shall be made to the subsidiaries' financial statements to make them comply with the accounting policies used by the Company.
- The results of the subsidiaries' operations are consolidated in the consolidated statement of income effective their acquisition date, which is the date on which control over subsidiaries is effectively transferred to the Company. Furthermore, the results of the disposed of subsidiaries are consolidated in the consolidated statement of income up to the date of their disposal, which is the date on which the Company loses control over the subsidiaries.

- The non-controlling interests represents the portion not owned by the company on the subsidiaries. Non-controlling interests are shown in the subsidiaries net assets as a separate line item within the Company's statement of shareholders equity.

Control is achieved when the Company:

- Has the power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect investee's returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.

When the Company has less than the majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. In this regard, the Company considers all relevant facts and circumstances in assessing whether or not the Company voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

When the Company loses control of a subsidiary, the Company performs the following:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary.
- Derecognizes the book value of any non-controlling interests.
- Derecognizes transfer difference accumulated in Owners Equity.
- Derecognizes the fair value to the next controlling party.
- Derecognizes the fair value of any investment retained.
- Derecognizes any gain or loss in income statement.
- Reclassifies owners equity already booked in other comprehensive income to the profit or loss statement as appropriate.

The non-controlling interests represents the portion not owned by the Company relating to ownership of the subsidiaries.

- The Company owns the following subsidiary companies as of September 30, 2019:

Company's Name	Paid-up Capital JD	Ownership Percentage %	Nature of Activity	Place of Work	Date of Ownership	Total Assets JD	Total Liabilities JD	Total Revenue JD	Total Expenses JD
Farah International Catering Service Company	1,000,000	100	Trading	Jordan	September 21, 1992	2,322,221	434,823	2,462,193	2,261,697
Golden State For Commercial Services Company	204,874	100	Trading	Jordan	September 4, 2005	10,117	450	-	1,550
Mada'en Al - Noor Investment and Real Estate Development	6,000,000	75	Real estate	Jordan	September 3, 2004	9,894,977	3,626,728	376,497	549,120
Al - Ibtikar Land Transportation	2,600,000	70	Transportation	Jordan	March 9, 2005	450,856	619,248	-	121,208
Afaq Supply and Storage Company	500,000	90	Supply & storage	Jordan	February 18, 2008	1,189,640	827,610	97,977	9,423
Amman River Transport and Supply Company	1,000	100	Trading	Jordan	August 31, 2008	2,843	3,230	-	-
Mada'en Al - Bahr Investment and Real Estate Development	1,000,000	100	Trading	Jordan	September 5, 2010	1,883,677	1,348,195	-	31,907
Technical for Construction and Real Estate Services	1,000,000	98.75	Real estate	Jordan	September 1, 1992	3,964,882	612,992	241,447	115,916
Mada'en Al - Shorouq Investment Real Estate Company	6,660,000	69.99	Real estate	Jordan	November 20, 2006	8,442,425	1,022,886	158,500	285,543
Mada'en Al - Aqaba Investment Real Estate Company	2,500,000	60	Real estate	Jordan	September 6, 2007	1,696,762	4,550	-	2,877
Mada'en Al - Salam Construction Company	250,000	80	Real estate	Jordan	May 15, 2006	311,728	25	-	932
Zain AL Maha Al Ordouni Real Estate Development Company *	544,192	100	Real estate	Jordan	January 30, 2019	544,192	-	-	-
Maha Al Sharq Real Estate Investment & Development Company *	1,709,608	100	Real estate	Jordan	January 30, 2019	1,709,608	-	-	-
Al Maha Al Arabi Real Estate Investment & Development Company *	715,150	100	Real estate	Jordan	January 30, 2019	715,150	-	-	-
Ard Al Maha Al Arabi Real Estate Development Company *	1,050,413	100	Real estate	Jordan	January 30, 2019	1,050,413	-	-	-

* Based on the Board of Directors' decision of Madaen Al Shorouk Investment & Real Estate Development Company dated December 16, 2018 an approval to purchase and own the whole shares of the subsidiaries companies of the associate company "Al Maha Real Estate Development Company", and as follows:

1. Zain AL Maha Al Ordouni Real Estate Development Company with a capital after the addition of JD 544,192 / share.
2. Maha Al Sharq Real Estate Investment & Development Company with a capital after the addition of JD 1,709,608 / share.
3. Al Maha Al Arabi Real Estate Investment & Development Company with a capital after the addition of JD 715,150 / share.
4. Ard Al Maha Al Arabi Real Estate Development Company with a capital after the addition of JD 1,050,413 / share.

During the second quarter of the year 2019, the company completed the procedures to transfer the ownerships and capital increase of the above mentioned companies.

Investments in Associates and Companies Subject to Joint Control

Associated companies are those companies whereby the Company exercises significant influence over their financial and operating policies but does not control them, and whereby the Company owns between 20% to 50% of the voting rights. Moreover, associates are established through contractual agreements and their operating and financial decisions require unanimous approval. Investments in associated companies are accounted for according to the equity method, and initially recognized at cost which includes all acquisition costs.

The consolidated condensed interim financial information include the Company's share of the profit and loss from the investment in associated companies, according to the equity method, after the required necessary adjustments are made to comply with the accounting policies adopted by the parent company.

As of September 30, 2019, the details of investments in associates are as follows:

<u>Company's Name</u>	<u>Percentage of Ownership %</u>	<u>Business Location</u>
Jordanian Marine Real Estate Investment Complex Company	26	Jordan
Jordan National Shipping Lines Company *****	22.64	Jordan
Jordanian Academy for Marine Studies	25	Jordan
Jordanian National Line for Ships Operation Company ***	50	Jordan
Maset Al Aqaba for Ships Building Company ***	50	Jordan
Aqaba Storing Chemicals Company *	15	Jordan
Al Maha Real Estate Development Company	33.33	Jordan
Marine Lines for Storage and Port Services Company ***	50	Jordan
Arabian Ships Management Company	20	Jordan
Maset Al Salam Company – Sudan	46	Sudan
Al Shams Economics Company	30	Jordan
Sea Star for Shipping and Logistics Company ***	50	Jordan
Haqel al Aqaba for Investment **	33.33	Jordan
Ayyam Amman Company for real estate improvement *****	40	Jordan

* The Company has a significant influence on the operational and administrative decisions of the associate company.

** Haqel al Aqaba for investment Company was established by a group of Aqaba Storing Chemicals Company partners, and will have significant influence over the financial and operating policies of the Aqaba Storing Chemicals Company.

*** The Company does not have control over their financial and operating policies of these companies.

***** According to the Board Of Directors meeting of Salam Transport and Trading Company (Parent Company) held on January 8, 2018, it was agreed to accept the partnership of AL-Salam International Transport And Trading Company (Parent) as a partner in Ayyam Amman For State Development Company an associate with 40% in exchange of transferring Farah International Catering Service Company project contracts (a subsidiary) to Ayyam Amman For Real Estate Development Company (an associate) in a condition that Salam International Transport And Trading Company (Parent Company) will pay an amount of JD 150 thousand for Farah International Catering Service Company a (subsidiary) as compensation for waving their interests in those projects noting that their fair value for the project amounted to JD 388 thousand.

***** During the second quarter of the year 2018, and first quarter of 2019, Salam International Transport and Trading (the Holding Company) sold part of its shares in Jordan National Shipping Line (associate company) to related parties.

3. Significant Accounting Policies

The accounting policies used in the preparation of this consolidated condensed interim financial information are consistent with those used in the preparation of the Company's annual financial statements for the year ended December 31, 2018, and the notes attached thereto, except for the adoption of certain new and revised standards, that became effective after January 1st, 2019 as set out below.

a. New and amended standards adopted by the Company

Annual improvements to IFRSs issued between 2015 and 2017

Improvements include amendments to IFRS (3) Business Combinations, (11) Joint Arrangements, International Accounting Standards (12), Income Taxes and (23) Borrowing Costs.

IFRIC (23) Uncertainty on the Treatment of Income Tax

The interpretation clarifies the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax benefits and tax rates when there is uncertainty about the treatment of income tax under IAS (12) and specifically addresses:

- Whether the tax treatment should be considered in aggregate;
- Assumptions regarding the procedures for the examination of tax authorities;
- Determination of taxable profit (tax loss), tax basis, unused tax losses, unused tax breaks, and tax rates;
- The impact of changes in facts and circumstances.

Amendments to IFRS 9 Financial Instruments.

These amendments relate to the advantages of prepayment with negative compensation, where the current requirements of IFRS (9) regarding termination rights have been amended to allow for the measurement at amortized cost (or on the business model at fair value through other comprehensive income) status of negative compensation payments.

Amendments to IAS (28) "Investment in Associates and Joint Ventures".

These amendments relate to long-term shares in allied enterprises and joint ventures. These amendments clarify that an entity applies IFRS (9) "*Financial Instruments*" to long-term interests in an associate or joint venture that forms part of the net investment in an associate or joint venture if the equity method has not been applied to it.

Amendments to IAS 19 Employee Benefits.

These amendments relate to adjustments to plans, reductions, or settlements.

Effect of Application of IFRS (16) "Leases"

The Company has adopted IFRS (16), "Leases", which replace the existing guidelines on leases, including IAS (17) "Leases", IFRIC (4) "Determining whether an arrangement contains a lease" and the interpretation of the previous Interpretations Committee (15) "Operational leases - incentives" and SIC 27 "Evaluating the Substance of Transactions in the Legal Form of a Lease".

IFRS (16) was issued in January 2016 and is effective for annual periods commencing on or after 1 January 2019. IFRS (16) stipulates that all leases and the associated contractual rights and obligations should generally be recognize in the Company's financial Position, unless the term is 12 months or less or the lease for low value asset. Thus, the classification required under IAS (17) "Leases" into operating or finance leases is eliminated for Lessees. For each lease, the lessee recognizes a liability for the lease obligations incurred in the future. Correspondingly, a right to use the leased asset is capitalized, which is generally equivalent to the present value of the future lease payments plus directly attributable costs and which is amortized over the useful life.

The Company has opted for the modified retrospective application permitted by IFRS (16) upon adoption of the new standard. During the first time application of IFRS (16) to operating leases, the right to use the leased assets was generally measured at the amount of lease liability, using the interest rate at the initial application. The Company adoption had not affected the amounts or disclosures in the interim condensed financial information.

b. New and revised standards and interpretations but not yet effective:

Effective for annual periods beginning after January 1, 2020

- Amendments regarding the definition of material.
- Amendments to clarify the definition of a business under IFRS (3).
- IFRS 17: Insurance Contracts.
- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) relating to the treatment of the sale or contribution of assets from and investor to its associate or joint venture.
- Amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32 to update those pronouncements with regard to references to and quotes from the framework or to indicate where they refer to a different version of the Conceptual Framework.

4. Cash on Hand and at Banks

This item consists of the following:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Cash on hand	47,724	50,395
Current accounts at banks	110,893	600,379
Total	158,617	650,774
<u>Less: provision for expected credit loss *</u>	<u>(1,953)</u>	<u>(4,311)</u>
Cash on hand and banks - Net	<u>156,664</u>	<u>646,463</u>

- * The movement on provision for expected credit loss during the period / year is as follows:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Balance - beginning of the period / year	4,311	-
IFRS (9) implementation effect	-	4,311
Adjusted beginning balance year	4,311	4,311
(Surplus) expected credit loss provision	(2,358)	-
Balance - End of Period / Year	<u>1,953</u>	<u>4,311</u>

5. Accounts Receivable - Net

This item consists of the following:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Trade receivables	1,025,038	966,420
Employees' receivables	13,640	15,866
Total	1,038,678	982,286
<u>Less: provision for expected credit loss *</u>	<u>(250,623)</u>	<u>(248,182)</u>
Accounts Receivable - Net	<u>788,055</u>	<u>734,104</u>

- * The movement on provision for expected credit loss during the period / year is as follows:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Balance - beginning of the period / year	248,182	271,515
Add: Added during the period / year	2,441	2,500
Less: Written off debts	-	(25,833)
Balance - End of Period / Year	250,623	248,182

6. Residential Units Available for Sale

This item represents residential units available for sale in ZARQA and Abu-NSAIR as of September 30, 2019 and December 31, 2018.

Movement on the residential units available for sale during the period / year is as follows:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Balance - beginning of period / year	519,974	519,974
Less: Cost of department sold	(194,471)	-
Balance - End of Period / Year	325,503	519,974

7. Accounts Receivable A Decent Housing for a Decent Living Project

This item represents a receivable due from the Public Corporation for Housing and Urban Development for a decent housing for a decent living project after recording the expected credit losses in the third quarter of 2018, the arbitral tribunal's decision was issued in a lower amount than the claimed. Related to the project amounting to about JD 2.2 million in addition to payables to the developers of the project amounting to about JD 2.5 million depending on the clearances reached with them. The decision of the Court of Appeal was issued, which included the dismissal of the invalidity of the arbitration and the confirmation of the arbitrators' decision. Accordingly the management of the Company has filed a cassation case and is still pending. The management believes that the possibility of revoking the decision is strong.

This item consists of the following:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Accounts Receivable - A Decent Housing for a Decent Living Project	1,054,625	1,114,625
Total		
Less: provision for expected credit loss *	(686,625)	(500,000)
Accounts Receivable A Decent Housing for a Decent Living Project - Net	368,000	614,625

- * The movement on provision for expected credit loss during the period / year is as follows:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Balance - beginning of the period / year	500,000	-
IFRS (9) implementation effect	-	500,000
Adjusted beginning balance year	500,000	500,000
Provision for the period	186,625	-
Balance - End of Period / Year	686,625	500,000

8. Investment in Associate Companies

This item represents the investment in associate companies, which is stated according to the equity method:

Company	Nature of Business	Location	Paid-up Capital JD	Profit for the Period JD	Ownership Percentage		September 30, 2019 JD	December 31, 2018 JD
					September 30, 2019 %	December 31, 2018 %		
Maset Al Aqaba for ships building Company	Navigation	Aqaba	500,000	-	50	50	204,701	205,615
Arabian Ships Management Company	Ships Management	Aqaba	149,000	40,000	20	20	149,746	144,746
Marine Lines for Storage and port Services Company	Navigation	Aqaba	3,500,000	-	50	50	315,397	316,320
Jordan National Line for Ships Operation Company	Marine	Aqaba	700,000	-	50	50	594,369	559,638
Jordanian Marine Real Estate Investment Complex Company	Real Estate Properties	Aqaba	15,600,000	-	26	26	1,009,028	1,130,006
Jordan National Shipping Lines Company **	Marine	Amman	15,000,000	371,529	20.91	20.64	5,169,371	5,018,466
Jordanian Academy for Marine Studies	Education	Amman	2,000,000	125,000	25	25	900,440	904,376
Aqaba storing Chemicals Company*	Chemical Storage	Amman	4,000,000	-	15	15	569,107	471,130
Al Maha Real Estate Development Company	Real Estate Properties	Amman	12,000,000	-	33.33	33.33	3,980,900	3,984,409
Maset Al Salam Company - Sudan	Transportation	Sudan	71,000	-	46	46	140,184	140,184
Al Shams Economics Company	Commercial Agencies	Amman	30,000	-	30	30	7,200	7,200
Sea Star for Shipping and logistics Company	Marine Services	Aqaba	200,000	-	50	50	172,393	203,819
Haqel Al Aqaba for Investment	Real Estate Properties	Aqaba	50,000	-	33.33	33.33	16,667	16,667
Ayyam Amman Company For Real Estate improvement	Real Estate Properties	Amman	750,000	-	40	40	563,156	438,487
Total				536,529			13,792,569	13,541,063

* The Company has a significant influence on the operational and administrative decisions of the company.

** During the nine months ended September 30, 2019, the Company sold out shares in the amount of JD 64,009, which resulted in again of JD 2,376.

- The Company's share of associate companies' profits amounted JD 852,134 for the first half of the year 2019 (JD 819,147 for first half of the year 2018)

9. Investment Properties - Net

The movement on the investment properties during the period/year:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
<u>Cost</u>		
Balance at the beginning of the period / year	3,599,696	3,599,696
Balance at the End of the Period / Year	3,599,696	3,599,696
<u>Accumulated depreciation</u>		
Balance at the beginning of the period / year	747,827	675,754
Depreciation for the period/ year	53,998	72,073
Balance at the End of the Period / Year	801,825	747,827
Net Book Value	2,797,871	2,851,869
<u>Add: Land</u>		
Balance at the beginning of the period / year	1,901,704	1,901,704
Balance at the End of the Period / Year	1,901,704	1,901,704
	4,699,575	4,753,573

- According to the latest real estate appraiser the fair value of the investment properties amounted to JD 7.7 million as of December 31, 2018.

10. Projects under Construction

This item consists of the following:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Al Shouroq City Project *	1,225,162	490,204
Dead Sea project	1,883,677	1,883,677
	3,108,838	2,373,881

- Projects under construction represent total value JD 3,108,838 as of September 30, 2019 are not completed yet. However, the recovery of these amounts depends on executing the future plans of the subsidiaries to complete the projects and obtain the necessary funding.

According to the Department of Land and Survey, the market value based on the price of the plot, of land on which Al Shorouq City Project and Dead Sea Project are erected, for these projects under construction, including the value of the land on which the projects are built exceeds their book value as of September 30, 2019.

- * Madaen Al-Shorouq Investment Real Estate Development Company acquired the shares of some of the subsidiaries of Al Maha Real Estate Development Company in the amount of JD 4,019,363, the financial statements of these subsidiaries included projects under construction in the amount of JD 735K.

11. Advance Payments for Land Acquisition

This item consists of the following:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Advance payments on Mada'en Al – Shorouq Investment Real Estate Company contracts*	<u>6,431,223</u>	<u>3,146,817</u>
	<u>6,431,223</u>	<u>3,146,817</u>

- * This item represents advance payments related to contracts with Madaen Al Shorouq Real Estate Investment and Development Company (subsidiary company) and its subsidiaries to purchase land from the National Resources Investment and Development Corporation, for development and construction purposes.

Madaen Al Shorouq Investment and Real Estate Development Company acquired all the shares of some of the subsidiaries companies of the associate company "Al Maha Real Estate Development Company" and as follows:

- Zain AL Maha Al Ordouni Real Estate Development Company with a capital after the addition of JD 544,192 / share.
- Maha Al Sharq Real Estate Investment & Development Company with a capital after the addition of JD 1,709,608 / share.
- Al Maha Al Arabi Real Estate Investment & Development Company with a capital after the addition of JD 715,150 / share.
- Ard Al Maha Al Arabi Real Estate Development Company with a capital after the addition of JD 1,050,413 / share.

During the second quarter 2019, the above companies completed the procedures to transfer the ownerships and capital increase.

12. Balances and Transactions with Related Parties

a. Due from related parties during the period / year

Company Name:	Nature of Relationship	Nature of Transaction	September 30, 2019 JD	December 31, 2018 JD
Jordanian Marine Real Estate Investment Complex Company	Associate Company	Financing	716,276	516,357
Al Maha Real Estate Development Company	Associate Company	Financing	-	74,656
Zahret AL Ordoon Clearance Company	Sister Company	Financing	-	26,360
Armouh Tourist Investment	Sister Company	Financing	1,155	-
Aqaba for Storing Chemical	Associate Company	Financing	575,709	667,546
Sun General Investments Company	Sister Company	Financing	112,870	140,969
CMA CGM Company	Sister Company	Expenses	7,667	5,250
Others	Sister company	Expenses	102,473	79,414
Total			1,516,150	1,512,552
Less: Provision for expected credit loss *			(38,660)	(38,660)
Due from related parties - net			1,477,490	1,473,892

* The movement on provision expected credit loss during the period / year is as follows:

	September 30, 2019 JD	December 31, 2018 JD
Balance - beginning of the period / year	38,660	-
The impact of IFRS (9) Implementation	-	38,660
Adjusted balance -Beginning of the period / year	38,660	38,660
Balance - End of the Period / Year	38,660	38,660

- Due from related party with maturity exceeding 360 days amounted to JD 1,123,903 as of September 30, 2019 (JD 1,001,376 as of December 31, 2018) representing payments to related parties associates as of the same date. Moreover, no decision has been made to pay it, or capitalize it in part or in whole, and no provision is needed thereon.

b. Due to related parties during the period / year

Company Name:	Nature of Relationship	Nature of Transaction	September 30, 2019 JD	December 31, 2018 JD
Partner Current Account -Ahmad Armouh	Shareholder	Financing	819,757	1,015,950
Jordanian Academy for Marine Studies	Associate Company	Expenses	284	1,692
Jordanian National Line for Ships Operating Company	Associate Company	Financing	375,094	389,705
Marine Lines for Storage and Port Services Company	Associate Company	Financing	294,023	298,497
Jordan National Shipping Lines Company	Associate Company	Financing	3,593	7,482
CMA CGM Company	Sister Company	Expenses	-	45,336
Maset Al Aqaba Ships for Bulding Company	Associate Company	Financing	195,315	199,789
Jordan - Dubai for Properties Company	Associate Company	Financing	472,000	472,000
Petra Company	Sister company	Expenses	-	72,878
Armouh Tourist Investment	Sister company	Expenses	2,939	26,998
Al Maha Real Estate Development Company **	Associate Company	Financing	3,944,707	10,459
Sea Star for Shipping and Logistics Company	Associate Company	Financing	4,836	12,628
Others	Sister company	Expenses	68,728	65,928
Total *			5,381,519	1,603,393

* The above accounts are non - interest bearing and have no repayment schedule.

** A purchase and an ownership of the full shares of four subsidiaries companies from the associate company "Al Maha Real Estate Development Company", amounting to JD 4,019,363.

- According to the Board Of Directors meeting of Salam Transport and Trading Company (Parent Company) held on January 8, 2018, It was agreed to accept the partnership of AL-Salam International Transport And Trading Company (Parent) as a partner in Ayyam Amman For State Development Company an associate with 40% in exchange of transferring Farah International Catering Service Company project contracts (a subsidiary) to Ayyam Amman For Real Estate DevelopmentCompany (an associate) In a condition that Salam International Transport And Treeding Company (Parent Company) will pay an amount of JD 150 thousand for Farah International Catering Service Company a (subsidiary) as compensation for waving their interests In those projects noting that their fair value for the project amounted to JD 388 thousand Note (19).

- The total earnings for Transportation for CMA CGM Company (Sister Company) amounted to JD 151,656 for the Nine months ended September 30, 2019 (JD 183,486 for the Nine months ended September 30, 2018).

- The total earnings of management and supervision from Sea Star for Shipping and Logistics' Company (Associate Company) Is JD 33,000 for the Nine months ended September 30, 2019 (JD 45,000 for the Nine months ended September 30, 2018).

Executive management salaries and remunerations

Executive management salaries amounted to JD 66,780 for Nine months ended September 30, 2019 (JD 90,300 for Nine months ended September 30, 2018).

13. Advance Payments for Acquiring Investment in Companies

This item represents advance payments against investing in Maset Al - Salam Company-Sudan (Private Shareholding Company) as of September 30, 2019 and December 31, 2018, note that the fair value of the company's assets is equal to its par value.

14. Due to Banks

This item consists of the following:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Overdraft *	568,413	666,939
	568,413	666,939

- * This item represents direct credit facilities in the form of an overdraft account, granted by several local banks, with a ceiling of JD 710,000 and an interest rate ranging from 7.5 % to 9.5 %. The purpose of the facilities is to finance the normal activities of the Company, and they have been granted against the personal guarantee of Mr. Ahmed Helmi Armoush. And cash margin guarantees amounted to JD 110,000.

15. Bank Loans

This item consists of the following:

	Loan Principle	Remaining Installments	Interest Rate	September 30, 2019			December 31, 2018		
				Due during a Year	Due during More than a Year	JD	Due during a Year	Due during More than a Year	JD
	JD		%	JD	JD		JD	JD	
Housing Bank for Trade and Finance (1) *	2,650,000	95	8	623,355	-	-	160,000	540,000	
Ethad Bank *****	1,446,209	17	8.75	134,000	-	-	305,182	-	
Standard Chartered Bank **	3,566,192	12	6.5	-	-	-	82,908	-	
Arab Bank *****	137,000	12	9.6	-	-	-	228,770	-	
Housing Bank for Trade and Finance (2)****	400,000	27	8.5	72,000	25,729	-	60,000	81,364	
Housing Bank for Trade and Finance (3)***	250,000	32	8	70,204	25,000	-	58,397	70,000	
Housing Bank for Trade and Finance (4)*****	501,154	43	7.75	55,000	425,411	-	55,000	441,771	
				954,559	476,140	-	950,257	1,133,135	

* During the third quarter of the year 2013, the Company has changed the due bill into a loan, the first installment of which matures on January 1, 2014 to puting in order the liquidity position of the Company. Moreover, during the year 2015, the Company signed an agreement with the Housing Bank for Trade and Finance to defer settlement during 2015 to February 1, 2016 until February 1, 2027. of the installments that mature.

- ** During the first half of the year 2015, the loan has been rescheduled and merged with the overdraft account, and the agreement was signed on April 23, 2015, the last installment was paid in the nine months ended September 30, 2019.
- *** At the beginning of 2017, the Company was granted a discounted loan from Housing Bank for Trade and Finance with an amount of JD 250,000 with annual interest rate 8%, the loan shall be repaid over 50 installments where the first is due on January 1, 2017 and the other installments are due at the beginning of each month
- **** At the beginning of 2017 the company was granted a decreasing loan from the Housing Bank for Trade and Finance with an amount of JD 400,000 at an annual interest rate of 8.5% to be repaid in 30 installments where the first installment is due on August 1st, 2017 and the rest installments are due at the beginning of each month.
- ***** During the year 2017, the overdraft account was rescheduled and converted to a loan to be repaid in 48 equal monthly installments and the remaining balance will be repaid in one payment in five years, including a grace period, in which the first installment will be on August 1, 2018.
- ***** The Company was granted discounted a loan from Bank AL-Etihad with an amount of JD 1,446,209 ,to be repaid in a monthly basis installment with an amount 25K and the interest rate 8,75%.
- ***** During the second quarter of the year 2018, the Company has a loan from Arab Bank an amount of JD 137 thousand, representing part of the guarantee balance paid to Jordan free and development Zone Company for a contribution of 220 thousand dinars. The loan is repayable under 12 equal monthly installments including interest each worth JD 11,400 except for the last installment which worth JD 11,600, the last installment was paid in the nine months ended September 30, 2019.
- The guarantees against the direct credit facilities above represent personal guarantee of Mr. Ahmed Helmi Armoush (major shareholder) and mortgages of listed shares at fair value amounted to JD 1,435,000 as of September 30, 2019.

The movement on the loans as of September 30, 2019 and December 31, 2018 as follows:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Balance at the beginning of the period / year	2,083,392	5,030,463
Loans received	-	137,000
Loans paid	(652,693)	(3,084,071)
Balance at the End of the Period / Year	<u>1,430,699</u>	<u>2,083,392</u>

16. Income Tax**a. Income Tax Provision:**

The movement on the income tax provision during the period / year is as follows:

	September 30, 2019 (Reviewed) JD	December 31, 2018 (Audited) JD
Balance beginning of the period / year	70,369	71,557
Income tax expense for the period / year	9,908	72,217
Prior years income tax expense	5,566	55,151
Income tax paid during the period / year	(35,515)	(128,556)
Balance - End of the Period / Year	50,328	70,369

b. Income Tax Expense:

Income tax expense shown in the consolidated condensed interim statement of income represents the following:

	For the Nine Months Ended September 30, 2019 JD	2018 JD
Income tax expense for the period	9,908	84,903
Income tax expense for the prior year	5,566	-
Balance - End of the period	15,474	84,903

c. Income Tax status:

Salam International Transport and Trading Company (Parent):

a. Aqaba:

The Company has reached a final settlement with the Income and Sales Tax Department up to the year 2016. Furthermore, the Company has submitted its tax returns for the years 2017 and 2018 but did not reach to a settlement yet, according to the Company's management there are no due balances on the Company.

b. Amman:

The Company has reached a final settlement with the Income and Sales Tax Department up to the end of the year 2014 and submitted its tax returns for the years 2015 to 2018 but did not reach to a settlement yet, and according to the Company's management and the tax consultants there are no due balances on the Company.

Subsidiaries:

- The following schedule shows the tax situation of each subsidiary:

<u>Company</u>	<u>Tax Returns up to Year</u>	<u>Final Settlement up to Year</u>
Farah International Catering Service Company	2018	2014
Golden State for Commercial Services Company	2018	2014
Mada'en Al - Noor Investment and Real Estate Development Company	2018	2014
Al-Ibtikar Land Transportation Company	2018	2017
Afaq Supply and Storage Company	2018	2016
Mada'en Al - Bahr Investment and Real Estate Development Company	2018	2015
Technical for Construction and Real Estate Services Company	2018	2016
Mada'en Al - Shorouq Investment Real Estate Company	2018	2016
Mada'en Al - Aqaba Real Estate Investment and Development Company	2018	2016
Mada'en Al - Salam Construction Company	2018	2015

- In the opinion of management and the Company's tax consultant, the income tax provision for the Company and its subsidiaries is sufficient to settle any potential tax liability arising therefrom as of the date of the consolidated condensed interim financial information.

17. Lawsuits

Mada'en Al – Noor Investment and Real Estate Development Company (subsidiary company) has raised a claim of arbitration against the Housing and Urban Development Corporation – "Decent Housing for Decent Living" project, and arbitrators were designated to follow the arbitration procedures. The decision of the arbitration committee has been issued during the third quarter of the year the deferred revenues that are related to the project amounted around JD 2.2 million in addition to the accounts payable to the developers of the project amounted to about JD 2.5 million, where it was reached with them. The decision of the Court of Appeal was issued, which included the dismissal of the invalidity of the arbitration and the confirmation of the arbitrators' decision. Accordingly the management of the Company has filed a cassation case and is still pending. The management believes that the possibility of revoking the decision is strong.

There are an outstanding lawsuits filed against a subsidiary Al Ibtikar for Land Transport, and others. According to the letter of the company's legal advisor, the total number of cases amounted to JD 407,891 as of September 30, 2019.

18. Paid-up Capital and Shares Discount

The authorized and paid - up capital was amounted to JD 18 million, and the shares discount was amounted to JD 1,349,998 as of September 30, 2019 and December 31, 2018.

19. Other Income / (Expenses) – Net

This item consists of the following:

	For the Nine Months Ended September 30 ,	
	2019	2018
	(Reviewed)	(Restated)
	JD	JD
Gain from transfer contracts – note (12)	-	372,000
Cash dividends	16,278	-
Gain on sale of securities	2,376	-
Supervision revenues	18,000	18,000
Prior year adjustments	-	(432,870)
Others	5,452	10,652
	42,106	(32,218)

20 - Segmental Distribution

a. The following is information on the Company's business segments distributed according to activities:

	Projects and Investments	Real Estate and Construction	Services	Transportation	For the Nine Months Ended September 30,	
					2019	2018
	JD	JD	JD	JD	JD	JD
Gross revenue	498,611	408,162	2,446,176	151,656	3,504,605	3,507,504
Less: Cost of revenue	(73,483)	(297,095)	(2,131,718)	(58,995)	(2,561,291)	(2,978,722)
Gross Profit	425,128	111,067	314,458	92,661	943,314	528,782
Less: Expenses allocated to segments						
General and administrative expenses	(263,097)	(195,348)	(120,071)	(53,051)	(631,567)	(731,993)
Expected credit loss provision	-	(186,708)	-	-	(186,625)	-
Marketing expenses	-	(18,127)	-	-	(18,127)	(36,338)
Operating Profit	162,031	(289,116)	194,387	39,610	106,995	(239,549)
Profit (loss) from investments and other	876,020	2,120	16,100	-	894,157	786,929
Borrowing cost	(123,320)	(52,104)	-	(9,162)	(184,586)	(372,748)
Gains (loss) on revaluation of financial assets at fair value	(1,225)	(5)	(5)	-	(1,230)	(462)
Income before tax	913,506	(339,100)	210,482	30,448	815,336	174,170
Less: Income tax for the period and previous years	-	(5,566)	(9,908)	-	(15,474)	(84,903)
Income for the Period	913,506	(344,666)	200,574	30,448	799,862	89,267
Total Assets	14,049,308	17,481,229	2,322,221	147,703	34,000,461	30,618,521
Total Liabilities	2,922,668	7,335,165	268,002	619,248	11,145,083	8,525,849

b. The following is information on the Company's business segments based on geographical distribution :

All of the companies are based inside the kingdom except as shown in the table below:

Company's Name	Geographical Area	For the Nine Month Ended September 30, 2019		September 30, 2019	
		Revenue	Expenses	Assets	Liabilities
		JD	JD	JD	JD
Advance payments for acquiring investment in companies Investments in associates	Sudan	-	-	150,494	-
		-	-	140,184	-
Company's Name	Geographical Area	For the Nine Months Ended September 30, 2018		December 31, 2018	
		Revenue	Expenses	Assets	Liabilities
		JD	JD	JD	JD
Advance payments for acquiring investment in companies Investments in associates	Sudan	-	150,494	150,494	-
		-	140,184	140,184	-

21. Fair Value Hierarchy

a. The fair value of financial assets and financial liabilities of the Company specified at fair value on an ongoing basis:

Some financial assets and liabilities of the Company are evaluated at fair value at the end of each fiscal period. Moreover, the following table shows information on how the fair value

of these financial assets and liabilities is determined (evaluation methods and inputs used).

	Fair Value		Level of Fair Value	Valuation Method and Inputs Used	Important Intangible Inputs	Relation between the Fair Value and the Important Intangible Inputs
	September 30, 2019	December 31, 2018				
	JD	JD				
Financial Assets						
Financial assets at fair value						
Financial assets at fair value through profit or loss						
Companies' shares	8,774	10,004	Level I	Quoted Shares	N/A	N/A
Total	8,774	10,004				
Financial assets at fair value through other comprehensive income						
Shares that have market value	259,510	291,190	Level I	Quoted Shares Compared it with the market value of a similar instrument	N/A	N/A
Shares with no market value	362,000	322,000	Level II		N/A	N/A
Total	621,510	613,190				
Total Financial Assets at Fair Value	630,284	623,194				

There were no transfers between Level I and Level II during the ended period September 30, 2019 and 2018.

b. The fair value of financial assets and financial liabilities of the Company (non-specific fair value on an ongoing basis):

Except for what is mentioned in the table below, we believe that the carrying amount of the financial assets and liabilities shown in the consolidated condensed interim financial statements of the Company approximate their fair value. Moreover, the Company's management believes that the book value of the items is equivalent to their fair value. That is, they will be due on a short-term basis, and interest rates will be repriced during the year.

	September 30, 2019		December 31, 2018		The Level of
	Book Value	Fair Value	Book Value	Fair Value	
	JD	JD	JD	JD	JD
Financial Assets with no fair value					
Real estate Investments	4,699,575	7,772,550	4,753,573	7,772,550	Level II
Total Financial Assets with no Fair Value	4,699,575	7,772,550	4,753,573	7,772,550	
Financial Liabilities with no Fair Value					
Loans	1,430,699	1,615,285	2,083,392	2,562,614	Level II
Total Financial Liabilities with no Fair Value	1,430,699	1,615,285	2,083,392	2,562,614	

For the items mentioned above, the fair value of financial assets and financial liabilities was determined for the second level, in accordance with agreed-upon pricing forms, and reflects the credit risk of the parties that the Company deals with.

22. Earnings per Share for the Year Attributable to the Company's Shareholders

This item consists of the following:

	For the Nine Months Ended September 30,	
	2019 (Reviewed) JD	2018 (Restated) JD
<u>From continuing operations</u>		
Income for the period attributable to the shareholders of the Company	948,465	536,829
Weighted average number of shares	Shares 18,000,000	Shares 18,000,000
Profit per share for the period attributable to the Company's Shareholders	Shares / JD 0.05	Shares / JD 0.03

23. Liquidity Risk

Liquidity risk, also referred to as funding risk, is the risk that the Company will encounter difficulty in raising funds to meet commitments. Moreover, the Company manages liquidity risk through maintaining adequate reserves and continuously monitoring forecast and actual cash flows, in addition to matching the maturities of financial assets with those of financial liabilities.

The quick ratio comparing cash and cash at banks balances and accounts receivable, excluding Decent Housing for Decent Living Project balance as of September 30, 2019 and December 31, 2018 is as follows:

	September 30, 2019 (Reviewed) JD	December 31, 2018 (Audited) JD
Cash and balances at banks	156,664	646,463
Checks under collection and notes receivable - short term	415,423	401,741
Accounts receivable-net	788,055	734,104
Financial assets at fair value through profit or loss	8,774	10,004
Due from related parties	1,477,490	1,473,892
Total	2,846,406	3,266,204
Current Liabilities	(9,849,186)	(6,376,764)
(Deficit) in working capital	(7,002,780)	(3,110,560)

The Company's liquidity position as of September 30, 2019 and December 31, 2018 is as follows:

	September 30, 2019 (Reviewed) JD	December 31, 2018 (Audited) JD
Current assets	4,262,125	5,566,495
<u>Less: Current liabilities</u>	<u>(9,849,186)</u>	<u>(6,376,767)</u>
(Deficit) in Working Capital	(5,587,061)	(810,269)

Management believes that the liquidity risk is not significant as of the date of the consolidated condensed interim financial information, as current liabilities include JD 5,381,519 in the form of due to related parties as of September 30, 2019 (JD 1,603,393 as of December 31, 2018).

The Company estimates the liquidity risk monthly, based on long-term future projections. Moreover, the Company evaluates capital requirements and finance periodically, and the availability of liquidity depends on the support from the related parties plus banking finance.

24. Contingent Liabilities:

The Company has contingent liabilities as of the date of the consolidated condensed interim financial statements as follows:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Letter of guarantees	21,675	21,675

25. The Impact of Prior Years' Adjustments

The Company has corrected some accounting errors by adjusting the opening balances for some items of assets and equity as of January 1, 2019, representing mainly reclassification of non-controlling interests, prior years' expenses, and others. Moreover, the Company has adjusted the opening balance of accumulated losses as it is not practical to adjust previous years' figures.

The following table represent the prior year adjustments which were booked and adjusted in January 1st, 2019 as the following:

	As of January 1, 2019		
	Reported Balance	Adjustment Impact	Adjusted Balance
	JD	JD	JD
Assets			
Other debit balances	499,252	14,488	513,740
Account receivable - net	1,011,169	4,821	1,015,990
Liabilities			
Account payable	(1,994,906)	(23,100)	(2,018,006)
Other credit balances	(712,390)	(37,907)	(750,297)
Owner Equity			
Accumulated losses	(1,162,955)	(41,698)	(1,204,653)

26. Comparative Figures

During the nine month ended September 30, 2019, the Company's management adjusted the comparative figures for the nine months ended September 30, 2018 as per the requirements of IAS (8). The restatement impacted the statement of changes in equity and its related effect on the deferred tax if any, for the nine month ended September 30, 2018 as a result of errors in relation to calculation and the initial application of the expected credit loss to determine the value of the expected credit loss provision subjected to IFRS (9). In addition, to rectify the qualifications included in the reviewed report in the consolidated condensed interim for nine months ended September 30, 2018.

The effect of the adjustments in the calculation and initial application of the expected credit losses for the nine months ended September 30, 2018 is as follows:

**For the Nine Months Ended
September 30, 2018**

	Before Restatement	Adjustments Effect *	Restated Balance
	JD	JD	JD
<u>shareholder's Equity</u>			
Accumulated (losses)	(1,421,050)	(438,325)	(1,859,375)
Non-Controlling interest	4,938,398	(405,757)	4,532,641

**For the Nine Months Ended
September 30, 2018**

	Before Restatement	Adjustments Effect	Restated Balance
	JD	JD	JD
<u>Consolidated Condensed Interim statement of income</u>			
Cost of revenue	2,500,203	478,519	2,978,722
Other income (losses)	400,652	(432,870)	(32,218)
Profit for the period	1,000,656	(911,389)	89,267
Earnings (loss) per share attributable to Company's shareholder	0.06	(0.03)	0.03

**For the Nine Months Ended
September 30, 2018**

	Before Restatement	Adjustments Effect	Restated Balance
	JD	JD	JD
<u>Consolidated Condensed Interim statement of cash flow</u>			
Profit for the period before tax adjustment	1,085,559	(911,389)	174,170
Increase in other credit balances	73,841	911,389	985,230

* The effect of the adjustments for the period ended in September 30, 2018:

	JD
Adjustment to accumulated losses- expected credit losses	(438,325)
Adjustment to accumulated losses-prior qualifications treatment	-
Total	(438,325)

* The effect of the adjustments for the period ended in September 30, 2018:

	JD
Adjustment to non-controlling interest	(125,000)
Adjustment to accumulated losses-prior qualifications treatment	(280,757)
Total	(405,757)

27. Approval of consolidated condensed interim financial information

The consolidated condensed interim financial information of the Company has been approved by the Company's Board of Directors on October 28, 2019.