JORDAN INTERNATIONAL TRADING CENTER
PUBLIC SHAREHOLDING COMPANY
CONDENSED INTERIM FINANCIAL STATEMENTS
(UNAUDITED)
31 MARCH 2021

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REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS

TO THE CHAIRMAN AND MEMBERS OF THE BOARD OF DIRECTORS
JORDAN INTERNATIONAL TRADING CENTER
PUBLIC SHAREHOLDING COMPANY
AMMAN - JORDAN

We have reviewed the accompanying condensed interim statement of financial position of Jordan International Trading Center as at 31 March 2021, and the related condensed interim statements of comprehensive income, changes in equity and cash flows for the period ended, board of directors is responsible for the preparation and fair presentation of this condensed interim financial statements in accordance with International Accounting Standard IAS (34) relating to Interim Financial Reporting. Our responsibility is to express a conclusion on this condensed interim financial statement based on our review.

Scope of review
We conducted our review in accordance with International Standard on Review Engagement 2410 "Review of Interim Financial statements 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 condensed interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard (34) relating to interim financial reporting.

Amman – Jordan
27 April 2021

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	Notes	31 MARCH 2021 JD	31 DECEMBER 2020 JD
			AUDITED
Assets			
Cash and cash equivalents		323 290	194 678
Checks under collection		205 388	245 990
Financial assets at amortized cost		300 000	300 000
Accounts receivable and installments		5 012 331	5 242 300
Due from related parties		35 581	36 133
Inventory	3	590 044	669 063
Other debit balances	4	516 188	417 046
Financial assets at fair value through other comprehensive income		322 312	314 028
Investment’s properties		179 331	179 331
Property, plant and equipment		364 828	389 875
Total Assets		**7 849 293**	**7 988 444**
Liabilities and Equity			
Liabilities			
Accounts payable		1 216 627	1 415 345
Other credit balances	5	1 227 286	1 210 575
Income tax provision		87 192	120 406
Total liabilities		**2 531 105**	**2 746 326**
Equity			
Share Capital		3 400 000	3 400 000
Statutory reserve		850 000	850 000
Voluntary reserve		300 000	300 000
Fair value reserve		(238 825)	(247 109)
Retained earnings		1 007 013	939 227
Total Equity		**5 318 188**	**5 242 118**
Total Liabilities and Equity		**7 849 293**	**7 988 444**

The accompanying notes are an integral part of these condensed interim financial statements (unaudited)

JORDAN INTERNATIONAL TRADING CENTER
PUBLIC SHAREHOLDING COMPANY
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
31 MARCH 2021 (UNAUDITED)

	31 MARCH 2021 JD	31 MARCH 2020 JD
Sales	1 886 679	1 735 952
Paper and devices cost	(1 476 681)	(1 306 700)
Operating expenses	(250 889)	(258 312)
Gross profit	**159 109**	**170 940**
Administrative expenses	(99 679)	(107 291)
Financing expenses	-	(20 842)
Advertising expenses	(740)	(8 100)
Expected credit loss provision	(25 000)	-
Other revenues	58 314	54 774
Profit for the period before income tax	**92 004**	**89 481**
Income tax and national contribution	(24 218)	(2 076)
Profit for the period	**67 786**	**87 405**
Other comprehensive income items:		
Change in fair value of financial assets	8 284	(19 264)
Profit and Comprehensive Income for the period	**76 070**	**68 141**
Basic and diluted earnings per share for the period	**0.020 JD**	**0.026 JD**

The accompanying notes are an integral part of these condensed interim financial statements (unaudited)

JORDAN INTERNATIONAL TRADING CENTER
PUBLIC SHAREHOLDING COMPANY
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
31 MARCH 2021 (UNAUDITED)

	Share Capital JD	Statutory reserve JD	Voluntary reserve JD	Fair value reserve JD	Retained earnings JD	Total JD
31 December 2019	3 400 000	850 000	300 000	(324 537)	1 013 664	5 239 127
Loss from sale of financial assets	-	-	-	59 243	(59 243)	-
Profit and comprehensive Income for the period	-	-	-	(19 264)	87 405	68 141
31 March 2020	**3 400 000**	**850 000**	**300 000**	**(284 558)**	**1 041 826**	**5 307 268**
31 December 2020	3 400 000	850 000	300 000	(247 109)	939 227	5 242 118
Profit and comprehensive Income for the period	-	-	-	8 284	67 786	76 070
31 March 2021	**3 400 000**	**850 000**	**300 000**	**(238 825)**	**1 007 013**	**5 318 188**

The accompanying notes are an integral part of these condensed interim financial statements (unaudited)

	31 March 2021 JD	31 March 2020 JD
Operating Activities		
Profit for the period before income tax	92 004	89 481
Adjustments for		
Depreciation	28 556	29 050
Change in operating assets and liabilities		
Checks under collection	40 602	31 582
Accounts receivables and installment	229 969	132 178
Due from related parties	552	(22 784)
Inventory	79 019	(80 007)
Other debit balances	(99 142)	(44 651)
Paid income tax	(57 432)	(38 012)
Accounts payable and other credit balances	(182 007)	(15 016)
Net cash from operating activities	**132 121**	**81 821**
Investing activities		
Purchases of property plant and equipment	(3 509)	(7 809)
Financial assets at fair value through other comprehensive income	-	45 000
Net Cash (used in) from investing activities	**(3 509)**	**37 191**
Financing activities		
Notes payable	-	(450 835)
Net Cash used in financing activities	**-**	**(450 835)**
Net change in cash and cash equivalents	**128 612**	**(331 823)**
Cash and cash equivalents at the beginning for the period	194 678	935 430
Cash and cash equivalents at the ending for the period	**323 290**	**603 607**

The accompanying notes are an integral part of these condensed interim financial statements (unaudited)

1) General

The Company was registered at the Ministry of Industry and Trade as a Jordanian public shareholding limited company under No. (177) on 4 December 1982, The Company General Assembly in its extraordinary meeting held on 27 February 1997 approved the balances of 31 December 1997 as opening balances of the Company

The Company's main activities are trading durable goods of machinery, equipment, and selling them for cash and / or installments through trading according to Sharia (Islamic Law).

The accompanying financial statements were approved by the Board of Directors in its meeting on 27 April 2021.

2) Significant Accounting Policies

The accompanying condensed interim financial statements has been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting".

The accompanying condensed interim financial information do not include all the information and disclosures required for the annual financial statements, which are prepared in accordance with the International Financial Reporting Standards and must be read with the financial statements of the Company as at 31 December 2020. In addition, the results of the Company's operations for the three months ended 31 March 2021 do not necessarily represent indications of the expected results for the year ending 31 December 2021, and do not contain the appropriation of the profit of the current period, which is usually performed at year end.

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

The accounting policies followed in these condensed interim financial statements are the same as those adopted for the year ended 31 December 2020 except for the following changes:

STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IFRS 17 Insurance Contracts

IFRS 17 provides a comprehensive model for insurance contracts covering the recognition and measurement and presentation and disclosure of insurance contracts and replaces IFRS 4 - Insurance Contracts. The standard applies to all types of insurance contracts (i.e. life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. The standard general model is supplemented by the variable fee approach and the premium allocation approach.

The new standard will be effective for annual periods beginning on or after 1 January 2023 with comparative figures required. Early application is permitted provided that the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17.

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

In January 2020, 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 are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively.

Reference to the Conceptual Framework - Amendments to IFRS 3
In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.
The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential `day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.
At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.
The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.
The amendments are not expected to have a material impact on the Company.

Property, Plant and Equipment: Proceeds before Intended Use Amendments to IAS 16
In May 2020, the IASB issued Property, Plant and Equipment Proceeds before Intended Use, which prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

The amendments are not expected to have a material impact on the Company.

Onerous Contracts Costs of Fulfilling a Contract Amendments to IAS 37
In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.
The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities.
General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.
The amendments are effective for annual reporting periods beginning on or after 1 January 2022. The Company will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments. The amendments are not expected to have a material impact on the Company.

IFRS 9 Financial Instruments Fees in the '10 per cent' test for derecognition of financial liabilities
As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received by the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.
The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Company will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.
The amendments are not expected to have a material impact on the Company.

IBOR reform Phase 2
which will be effective on 1 January 2021, includes a number of reliefs and additional disclosures. The reliefs apply upon the transition of a financial instrument from an IBOR to a risk-free-rate (RFR).

Changes to the basis for determining contractual cash flows as a result of interest rate benchmark reform are required as a practical expedient to be treated as changes to a floating interest rate, provided that, for the financial instrument, the transition from the IBOR benchmark rate to RFR takes place on an economically equivalent basis.

IBOR reform Phase 2 provides temporary reliefs that allow the Company's hedging relationships to continue upon the replacement of an existing interest, rate benchmark with an RFR. The reliefs require the Company to amend hedge designations and hedge documentation. This includes redefining the hedged risk to reference an RFR, redefining the description of the hedging instrument and / or the hedged item to reference the RFR and amending the method for assessing hedge effectiveness. Updates to, the hedging documentation must be made by the end of the reporting period in which a replacement takes place. For the retrospective assessment of hedge effectiveness, the Company may elect on a hedge by hedge basis to reset the cumulative fair value change to zero. The Company may designate an interest rate as a non-contractually specified, hedged risk component of changes in the fair value or cash flows of a hedged item, provided the interest rate risk component is separately identifiable, e.g., it is an established benchmark that is widely used in the market to price loans and derivatives. For new RFRs that are not yet an established benchmark, relief is provided from this requirement provided the Company reasonably expects the RFR to become separately identifiable within 24 months. For hedges of groups of items, the Company is required to transfer to subgroups those instruments that reference RFRs. Any hedging relationships that prior to application of IBOR reform Phase 2, have been discontinued solely due to IBOR reform and meet the qualifying criteria for hedge accounting when IBOR reform Phase 2 is applied, must be reinstated upon initial application.

Accounting estimates
Preparation of the financial statements and the application of the accounting policies requires the management to perform assessments and assumptions that affect the amounts of financial assets, financial liabilities, and fair value reserve and to disclose contingent liabilities. Moreover, these assessments and assumptions affect revenues, expenses, provisions, and changes in the fair value shown in the statement of other comprehensive income and owners’ equity. In particular, this requires the company’s management to issue significant judgments and assumptions to assess future cash flow amounts and their timing. Moreover, the said assessments are necessarily based on assumptions and factors with varying degrees of consideration and uncertainty. In addition, actual results may differ from assessments due to the changes resulting from the conditions and circumstances of those assessments in the future.
The accounting estimates followed in these condensed interim financial statements are the same as those adopted for the year ended 31 December 2020.

Income tax and national contribution
The income tax was calculated in 31 March 2021 accordance with Jordanian Income Tax Law No. (38) of the year 2018.

3) Inventory

	31 March 2021 JD	31 December 2020 JD
Papers	370 548	451 734
Electrical devices	228 996	226 829
	599 544	**678 563**
Less: Provision for slow moving inventory	(9 500)	(9 500)
	590 044	**669 063**

4) Other debit balances

	31 March 2021 JD	31 December 2020 JD
Consignment inventory	377 501	371 968
Prepaid expenses	118 515	14 762
Income tax deposits	1 316	17 100
Refundable deposits	13 843	7 858
Share's obsolescence	4 956	5 058
others	57	300
	516 188	**417 046**

5) Other credit balances

	31 March 2021 JD	31 December 2020 JD
Inventories for sale deposit	377 501	371 968
Shareholders' deposit	321 892	328 844
Contingent liabilities	285 728	285 728
Provision for staff indemnity	81 733	81 733
Sales tax deposits	44 268	28 450
Provision for annual leave	41 291	41 291
Board of Directors Remunerations	25 681	25 681
General deposits	30 247	29 315
Social security payable	10 569	7 993
Accrued expenses	3 293	7 634
Income tax payable	5 083	1 938
	1 227 286	**1 210 575**

6) Comparative figures

Some of the comparative figures for the year 2020 have been reclassified to correspond with the period ended 31 March 2021 presentation and it did not result in any change to the last period's operating results.