

SALAM INTERNATIONAL TRANSPORT
AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA – THE HASHEMITE KINGDOM OF JORDAN

CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION
FOR THE THREE MONTHS ENDED
MARCH 31, 2022 TOGETHER
WITH THE REVIEW REPORT

SALAM INTERNATIONAL TRANSPORT
AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA – THE HASHEMITE KINGDOM OF JORDAN
MARCH 31, 2022

TABLE OF CONTENTS

	<u>Page</u>
Review Report	1 - 2
Condensed Consolidated Interim Statement of Financial Position	3
Condensed Consolidated Interim Statement of Profit or Loss	4
Condensed Consolidated Interim Statement of Comprehensive Income	5
Condensed Consolidated Interim Statement of Changes in Owners' Equity	6
Condensed Consolidated Interim Statement of Cash Flows	7
Notes to the Condensed Consolidated Interim Financial Information	8 - 27

INDEPENDENT AUDITOR'S REVIEW REPORT

AM \ 000744

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

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Salam International Transport and Trading Company (a Public Shareholding Limited Company) (The "Company") and its subsidiaries (The "Group") as of March 31, 2022, and the related consolidated condensed interim statements of profit or loss, changes in equity and cash flows for the three-month period then ended, and a summary of significant accounting policies and other explanatory information. Management is responsible for the preparation and fair presentation of this consolidated condensed interim financial information in accordance with International Accounting Standard (34) "Interim Financial Reporting". Our responsibility is to express a conclusion 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 condensed 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 consolidated 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:

- a. Note (9) of the condensed consolidated interim financial information, which describes projects under construction that are not yet completed.
- b. Note (10) of the condensed consolidated interim financial information, which describes details about advance payments to acquire land for which the ownership has not yet transferred to the Company.

Our conclusion is not modified in respect of these matters.

Other Matter

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

Amman – Jordan
April 28, 2022


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

	Note	March 31, 2022 (Reviewed) JD	December 31, 2021 (Audited) JD
ASSETS			
<u>Current Assets:</u>			
Cash and balances at banks	4	1,054,204	844,365
Financial assets at amortized cost	5	-	353,649
Accounts receivable-net	6	706,350	456,560
Due from related parties	11/a	1,379,906	777,427
Accounts receivable - Decent Housing for Decent Living project		2,400	2,400
Residential units available for sale		162,705	201,018
Checks under collection and notes receivable maturing during one year		152,991	178,795
Financial assets at fair value through statement of profit or loss	20/a	11,046	10,702
Inventory - net		83,678	60,655
Other debit balances	7	485,458	312,024
Total Current Assets		4,038,738	3,197,595
<u>Non-Current Assets:</u>			
Checks under collection and notes receivable - maturing in more than one year		106,763	103,448
Financial assets at fair value through comprehensive income	20/a	553,974	559,609
Investments in real estate - net	20/b	4,519,621	4,537,591
Investments in associate companies	8	14,536,648	14,584,042
Projects under construction	9	2,464,175	2,470,248
Advance payments for land acquisition	10	5,608,016	5,682,492
Property and equipment - net		616,393	640,887
Total Non-Current Assets		28,405,590	28,578,317
TOTAL ASSETS		32,444,328	31,775,912
LIABILITIES AND OWNERS' EQUITY			
<u>Current Liabilities:</u>			
Due to banks	12	5,525	109,408
Accounts payable		1,792,881	1,763,118
Due to related parties- short term	11/b	729,652	753,357
Loans - short term	14	213,676	240,000
Deferred checks and notes payable - short term		82,789	24,000
Income tax provision	15/a	67,399	64,459
Other credit balances	13	1,026,496	585,086
Total Current Liabilities		3,918,418	3,539,428
<u>Non-Current Liabilities:</u>			
Deferred cheques and notes payable - long term		72,244	78,244
Due to related parties - long term	11/b	3,971,445	3,971,445
Partner Current Account	11/b	363,085	570,935
Loans long-term	14	-	33,721
Total Non-Current Liabilities		4,406,774	4,654,345
Total Liabilities		8,325,192	8,193,773
OWNERS' EQUITY			
<u>SHAREHOLDERS' EQUITY</u>			
Authorized and Paid-up capital	1	18,000,000	18,000,000
Share discount		(1,349,998)	(1,349,998)
Statutory reserve		153,776	153,776
Fair value reserve for Financial assets at fair value		(330,863)	(326,297)
Retained earnings		3,475,144	3,475,144
Profit for the period		537,441	-
Total Shareholders Equity		20,485,500	19,952,625
Non-controlling interest		3,633,636	3,629,514
Total Owners' Equity		24,119,136	23,582,139
TOTAL LIABILITIES AND NET OWNERS' EQUITY		32,444,328	31,775,912

Chairman of the Board of Directors

General Manager

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE
CONDENSED CONSOLIDATED 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 - THE HASHEMITE KINGDOM OF JORDAN

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS

		For the Three Months Ended March 31,	
	Note	2022 (Reviewed)	2021 (Reviewed)
		JD	JD
Revenue		992,136	765,125
<u>Less: Cost of revenue</u>		<u>(536,177)</u>	<u>(529,624)</u>
Gross Profit		455,959	235,501
<u>Less: General and administrative expenses</u>		<u>(209,987)</u>	<u>(212,853)</u>
Marketing expenses		(6,335)	(665)
Borrowing costs		(6,435)	(42,239)
Company's net share of associate companies profits	8	277,606	177,245
Gains from valuation of financial assets at fair value through statement of profit or loss		344	1,046
Other income- net		<u>33,351</u>	<u>27,000</u>
Profit for the period before income tax expense		544,503	185,035
Income tax	15	<u>(2,940)</u>	<u>-</u>
Profit for the Period		<u><u>541,563</u></u>	<u><u>185,035</u></u>
<u>Attributable to:</u>			
The Company's shareholders		537,441	211,802
Non-controlling interest		<u>4,122</u>	<u>(26,767)</u>
Total		<u><u>541,563</u></u>	<u><u>185,035</u></u>
Earnings per Share for the Period Attributable to the Company's Shareholders	18	0.030	0.012

Chairman of the Board of Directors

General Manager

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SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY

(A PUBLIC SHAREHOLDING LIMITED COMPANY)

AQABA - THE HASHEMITE KINGDOM OF JORDAN

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	For the Three Months	
	Ended March 31,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Profit for the period	541,563	185,035
<u>Other Comprehensive Income Items:</u>		
<u>Items not to be subsequently transferred to condensed consolidated interim statement of profit or loss:</u>		
Change in fair value of financial assets at fair value through comprehensive income	(4,566)	15,317
Total Comprehensive Income for the Period	<u>536,997</u>	<u>200,352</u>
<u>Total Comprehensive Income for the Period Attributable to:</u>		
Company's shareholders	532,875	227,119
Non- controlling interest	<u>4,122</u>	<u>(26,767)</u>
Total	<u>536,997</u>	<u>200,352</u>

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SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY

(A PUBLIC SHAREHOLDING LIMITED COMPANY)

AQABA - THE HASHEMITE KINGDOM OF JORDAN

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Description	Company's Shareholders' Equity										
	Authorized and Paid-up Capital	Share Discount	Statutory Reserve	Fair Value Reserve for Financial Assets at Fair Value	Retained Earnings		Income for the Period	Total	Non-Controlling Interest	Total	
					Realized	Unrealized					
JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
For the Three Months Ended March 31, 2022											
Balance - as of January 1st 2022 (Audited)	18,000,000	(1,349,998)	153,776	(326,297)	1,558,535	1,916,609	3,475,144	-	19,952,625	3,629,514	23,582,139
Total comprehensive income for the period	-	-	-	(4,566)	-	-	-	537,441	532,875	4,122	536,997
Balance - End of the Period (Reviewed)	18,000,000	(1,349,998)	153,776	(330,863)	1,558,535	1,916,609	3,475,144	537,441	20,485,500	3,633,636	24,119,136
For the Three Months Ended March 31, 2021											
Balance - as of January 1st 2021 (Audited)	18,000,000	(1,349,998)	103,800	(433,261)	281,727	1,916,609	2,198,336	-	18,518,877	3,603,224	22,122,101
Total comprehensive income for the period	-	-	-	15,317	-	-	-	211,802	227,119	(26,767)	200,352
Balance - End of the Period (Reviewed)	18,000,000	(1,349,998)	103,800	(417,944)	281,727	1,916,609	2,198,336	211,802	18,745,996	3,576,457	22,322,453

- 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
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AQABA - THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	Note	For the Three Months Ended	
		March 31,	
		2022 (Reviewed)	2021 (Reviewed)
		JD	JD
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit for the period before income tax		544,503	185,035
Adjustments:			
Property and equipment and investment in real estate depreciation		36,810	36,810
Company's share of (profits) from investing in associate companies'	8	(277,606)	(177,245)
(Gain) from revaluation of financial assets at fair value through profit or loss statement		(344)	(1,046)
Borrowing costs		6,435	42,239
Net Cash flows from Operating Activities before Changes in Working Capital		309,798	85,793
(Increase) decrease in accounts receivable		(249,790)	84,445
Decrease (increase) in cheques under collection and notes receivable		22,489	(123,674)
(Increase) decrease in inventory		(23,023)	39,853
(Increase) in other debit balances		(173,434)	(97,904)
Increase in accounts payable		29,763	80,397
Increase in other credit balances		441,410	699,236
Net Cash Flows from Operating Activities		357,213	768,146
CASH FLOWS FROM INVESTING ACTIVITIES:			
Dividends from associate companies	8	325,000	162,500
Selling residential units available for sale		38,313	-
Proceeds from sale projects under construction		6,073	-
Proceeds from advance payments for land acquisition		74,476	-
Net change in property and equipment		5,654	18,840
Decrease (Increase) in financial assets at fair value through comprehensive income		5,635	(7,966)
Proceeds from matured financial assets at amortized cost		353,649	-
Net Cash Flows from Investing Activities		808,800	173,374
CASH FLOWS FROM FINANCING ACTIVITIES:			
Borrowing costs - (paid)		(6,435)	(42,239)
Increase in deferred checks and notes payable		52,789	9,672
(Decrease) in due from / to related parties		(626,184)	(218,817)
(Decrease) in due to related parties - long term		(210,467)	(90)
(Decrease) increase in due to banks		(103,883)	10,106
(Paid) from loans	14	(60,045)	(297,854)
Net cash flows (used in) Financing Activities		(954,225)	(539,222)
Net Increase in Cash		211,788	402,298
Cash on hand and at banks - beginning of the year		844,365	701,337
Cash on Hand and at Banks - End of the Period before provision	4	1,056,153	1,103,635

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

1. General

- 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, specialized for Aqaba's special economic zone.
 - 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 condensed consolidated interim financial information have been prepared in accordance with International Accounting Standard (IAS) 34 "Condensed Interim Financial Reporting".
- The condensed consolidated interim financial information are prepared in accordance with the historical cost principle, except for certain financial assets which are stated at fair value through statement of profit or loss and financial assets stated at fair value through comprehensive income as of the date of the condensed consolidated interim financial information, Furthermore, financial assets and financial liabilities which been hedged from the risk from the changes in its fair value 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 condensed consolidated interim financial information do not include all the information and notes 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, 2021, In addition, the results of the Company's operations for the three months ended March 31, 2022 do not necessarily represent indications of the expected results for the year ending December 31, 2022, and do not contain the appropriation of the profit of the three months ended March 31, 2022, which will be performed at the end of the fiscal year.

Basis of Consolidated Financial Information

- The condensed consolidated 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 profit or loss from the 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 profit or loss 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's 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's 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 with respect to 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 subsidiaries.
- Derecognizes the book value of any non-controlling interests.
- Derecognizes transfer accumulated difference in Owners' Equity.
- Derecognizes the fair value to the next controlling party.
- Derecognizes the fair value of any retained investment.
- Derecognizes any gain or loss in income statement.
- Reclassifies owners' equity already booked in other comprehensive income to the income statement or Retained earnings 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 March 31, 2022:

Company's Name	Paid-up Capital JD	Ownership Percentage %	Nature of Activity	Place of Work	Date of Ownership	For the Three Months Ended March 31, 2022 (Not Audited)			For the Three Months Ended March 31, 2022 (Not Audited)		
						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	2,016,309	393,376	342,705	357,319		
Golden State For Commercial Services Company	204,874	100	Trading	Jordan	September 4, 2005	213,281	820	-	-		
Mada'en Al – Noor Investment and Real Estate Development	6,000,000	75	Real estate	Jordan	June 3, 2004	7,191,371	1,994,115	9,000	46,087		
Al - Ibtikar Land Transportation	2,600,000	70	Transportation	Jordan	March 9, 2005	339,715	891,021	-	38,022		
Afaq Supply and Storage Company	500,000	90	Supply & storage	Jordan	February 18, 2008	1,269,538	756,854	20,509	1,730		
Mada'en Al – Bahr Investment and Real Estate Development	1,000,000	100	Trading	Jordan	September 5, 2010	1,407,761	1,315,909	-	19,073		
Technical for Construction and Real Estate Services	1,000,000	98.75	Real estate	Jordan	September 1, 1992	3,429,620	263,717	77,918	63,106		
Mada'en Al – Shorouq Investment Real Estate Company	6,660,000	69.99	Real estate	Jordan	November 20, 2006	11,917,124	4,432,102	198,000	157,808		
Mada'en Al – Salam Construction Company *	250,000	80	Real estate	Jordan	May 15, 2006	297,084	750	-	28		
Maha Al Sharq Real Estate Investment & Development Company	1,709,608	100	Real estate	Jordan	January 30, 2019	1,709,608	2,703	-	475		
Al Maha Al Arabi Real Estate Investment & Development Company	715,150	100	Real estate	Jordan	January 30, 2019	715,150	2,744	-	435		
Ar'd Al Maha Al Arabi Real Estate Development Company	1,050,413	100	Real estate	Jordan	January 30, 2019	1,050,413	2,383	-	525		

- Subsidiaries' results of operations are included in the consolidated statement of profit or losses effective from the acquisition date, which is the date of the actual transfer of the control over the subsidiary by the Group. The results of operations of subsidiaries disposed of during the year were included in the consolidated statement of profit or losses up to the effective date of disposal, which is the date of losing control over the subsidiary.

* Under liquidation.

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 associate companies are recorded in the condensed consolidated interim financial statements according to the equity method and initially recognition at cost which includes all acquisition costs.

The condensed consolidated interim financial information includes the Company's share of the profit and loss from the investment in associate 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 March 31, 2022, 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	20.64	Jordan
Jordanian Academy for Marine Studies	25	Jordan
Jordanian National Line for Ships Operation Company **	50	Jordan
Aqaba Storing Chemicals Company	15	Jordan
Al Maha Real Estate Development Company	33.33	Jordan
Arabian Ships Management Company	20	Jordan
Al Shams Economics Company	24	Jordan
Sea Star for Shipping and Logistics Company **	50	Jordan
Haqel al Aqaba (1) for Investment *	33.33	Jordan
Ayyam Amman Company for real estate improvement	40	Jordan

* Haqel al Aqaba One 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 (associate company).

** The Company does not have control over these companies, but it does exercise significant influence over the financial and operating policies of these companies.

The accounting policies used in the preparation of the condensed consolidated interim financial information for the period ended on March 31, 2022 are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2021. However, the Group has adopted the following amendments and interpretations that apply for the first time in 2022 and have not materially affected the amounts and disclosures in the condensed consolidated interim financial information for the period and prior years, which may have an impact on the accounting treatment of future transactions and arrangements:

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

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or noncurrent is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services

Amendments to IFRS 3 – Reference to the Conceptual Framework

The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

Amendments to IAS 37 – Onerous Contracts—Cost of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

Amendments to IAS 16 – Property, Plant and Equipment—Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

IFRS Financial Enhancements 2018-2020

IFRS 1 First-time Adoption of International Financial Reporting Standards

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16 (a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16 (a).

IFRS 9 Financial Instruments

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

IAS 41 Agriculture

The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.

3. Judgments, estimates and risk management

The preparation of condensed consolidated 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, 2021.

We believe that our used estimates for the preparation of the condensed consolidated interim financial information are reasonable and consistent with the estimates approved for the preparation of the consolidated financial statements for the year 2021.

4. Cash on Hand and at Banks

This item consists of the following:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Cash on hand	6,026	4,751
Current accounts at banks	1,050,127	841,563
Total	1,056,153	846,314
<u>Less:</u> provision for expected credit loss *	(1,949)	(1,949)
Net Cash on Hand and Banks	1,054,204	844,365

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

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Balance - beginning of the period/year	1,949	1,949
Balance - End of Period / Year	1,949	1,949

5. Financial Assets at amortized cost

This item consists of the following:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Financial Bonds *	-	353,649
	-	353,649

* All financial bonds are matured during March 2022.

6. Accounts Receivable – Net

This item consists of the following:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Trade receivables	786,292	564,798
Employees' receivables	46,486	18,190
Total	832,778	582,988
<u>Less: provision for expected credit loss *</u>	<u>(126,428)</u>	<u>(126,428)</u>
Accounts Receivable – Net	<u>706,350</u>	<u>456,560</u>

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

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Balance - beginning of the period/year	126,428	126,428
Balance – End of Period / Year	<u>126,428</u>	<u>126,428</u>

7. Other Debit Balances

The item consists of the following:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Prepaid expenses	179,476	23,779
Refundable deposits	39,615	31,818
Guarantees	213,276	213,276
Income and Sales tax deposit	52,449	43,151
Other	642	-
	<u>485,458</u>	<u>312,024</u>

8. Investment in Associate Companies

This item represents the investment in associate companies, which is accounted for in the equity method:

Company	Nature of Business	Location	Paid-up Capital JD	Dividends		Associate Companies Profit		Ownership Percentage		Cumulative change in fair value	March 31, 2022 (Reviewed) JD	December 31, 2021 (Audited) JD
				March 31, 2022 (Reviewed) JD	March 31, 2021 (Reviewed) JD	March 31, 2022 (Reviewed) JD	March 31, 2021 (Reviewed) JD	March 31, 2022 %	December 31, 2021 %			
Jordan National Shipping Lines Company	Marine	Amman	15,000,000	-	-	179,155	160,993	20.64	20.64	-	5,535,300	5,356,145
Jordanian Marine Real Estate Investment Complex Company	Real Estate investment	Aqaba	15,600,000	-	-	(45,890)	(81,147)	26	26	-	1,214,410	1,260,300
Jordanian Academy for Marine Studies	Education	Amman	2,000,000	325,000	162,500	74,255	50,130	25	25	-	1,013,324	1,264,069
Jordan National Line for Ships Operation Company	Marine	Aqaba	700,000	-	-	14,068	2,138	50	50	-	951,903	937,835
Aqaba storing Chemicals Company*	Chemical Storage	Amman	4,000,000	-	-	14,358	6,067	15	15	-	736,978	722,620
Al Maha Real Estate Development Company	Real Estate investment	Amman	12,000,000	-	-	(425)	(30)	33.33	33.33	-	3,973,536	3,973,961
Arabian Ships Management Company	Ships Management	Aqaba	149,000	-	-	10,600	10,550	20	20	-	149,922	139,322
Sea Star for Shipping and Logistics Company	Marine Services	Aqaba	200,000	-	-	(4,637)	(2,944)	50	50	-	97,273	101,910
Haqel Al Aqaba (1) for Investment	Real Estate investment	Aqaba	50,000	-	-	-	-	33.33	33.33	-	16,667	16,667
Investment in Shams Economics Company	Commercial Agencies	Amman	30,000	-	-	-	-	30	30	-	7,200	7,200
Ayyam Amman Company for Real Estate improvement	Real Estate investment	Amman	750,000	-	-	36,122	31,488	40	40	-	840,135	804,013
Total Investment in Associate Companies				325,000	162,500	277,606	177,245			-	14,536,648	14,584,042

* The Company has significant influence over the management and operating decisions of the associate company.

9. Projects under Construction

This item consists of the following:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Al Shouroq City Project *	1,041,548	1,062,486
Dead Sea project	1,657,762	1,657,762
Other	14,865	-
Total	2,714,175	2,720,248
Less: impairment	(250,000)	(250,000)
	2,464,175	2,470,248

- Projects under construction represent a total value of JD 2,714,175 as of March 31, 2022 and 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 is based on the price of the plot, of land on which Al Shorouq City Project is erected including the value of the land on which the project is built exceeds their book value as of March 31, 2022.

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Balance at the beginning of the year	1,062,486	1,109,675
Disposal of projects in progress balances related to sold land for Mada'en Al Shorouq - Note (10)	(20,938)	(47,189)
Balance at the end of the year	1,041,548	1,062,486

10. Advance Payments for Land Acquisition

This item consists of the following:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Advance payments related to contracts for Mada'en Al - Shorouq *	5,608,016	5,682,492
	5,608,016	5,682,492

- * Movement on advance payment for lands acquisition as follows: -

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Balance at the beginning of the year	5,682,492	6,002,517
Sales of lands by waiver contracts **	(74,476)	(320,025)
Balance at the end of the year	5,608,016	5,682,492

* This item represents advance payments related to contracts with Mada'en Al Shorouq Real Estate Investment and Development Company (subsidiary company) and its subsidiaries to purchase land from the National Resources Investment and Development Institute, for development and construction purposes. According to the latest real estate valuation from three appraisers, the fair value for these lands exceeds their costs, in addition to the capitalised expenses; accordingly, there is no need to book any impairments. During the period some of the lands were sold by waiver of the contracts with approval from the National Resources Investment and Development Institute.

** During the period some of Mada'en Al Shorouq lands were sold by contracting an assignment with the approval from the National Resources Investment and Development Institute, the cost of the sold lands were JD 95,414 representing JD 20,938 project under construction for these lands and JD 74,476 represent the cost for this land and the sales resulted in profit by JD 67,585. (In 2021 some lands in Al Shorouq city were sold by JD 367,214 representing JD 47,189 projects under construction related to these lands and JD 320,025 costs of these lands, the sale also resulted in profit amounted to JD 256,287).

11. Balances and Transactions with Related Parties

a. Due from related parties during the period / year

Company Name	Nature of Relationship	Nature of Transaction	March 31, 2022 (Reviewed) JD	December 31, 2021 (Audited) JD
Jordanian Marine Real Estate Investment Complex Company	Associate Company	Financing	528,844	18,798
Aqaba Company for Chemical Storage	Associate Company	Financing	519,469	604,844
Ayyam Amman for investment development	Associate Company	Financing	100,000	100,000
Al Shams Tourism Office Company	Company Owned by a Shareholder	Expenses	21,138	-
Peace Pioneers Company for Agencies and General Trade	Sister Companies within the Group	Expenses	13,966	13,966
Armouh Tourism Investments Company	Company Owned by a Shareholder	Expenses	664	681
Sea Star for Shipping and Logistics Company	Associate Company	Expenses	49,378	46,633
CMA CGM Company	Company Owned by a Shareholder	Expenses	57,814	27,848
Al Shams for General Investment	Company Owned by a Shareholder	Expenses	22,469	-
Decapolis	Partner in a subsidiary company	Expenses	90,090	-
Others	Sister Companies within the Group	Expenses	14,734	3,317
Total			1,418,566	816,087
Less: Provision for expected credit loss *			(38,660)	(38,660)
Due from Related Parties - Net			1,379,906	777,427

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

	March 31, 2022 (Reviewed) JD	December 31, 2021 (Audited) JD
Balance - beginning of the period / year	38,600	38,600
Balance - End of the Period / Year	38,600	38,600

b. Due to related parties during the period / year

Company Name	Nature of Relationship	Nature of Transaction	March 31, 2022 (Reviewed) JD	December 31, 2021 (Audited) JD
Long term				
Al Maha Real Estate Development Company **	Associate company	Financing	3,971,445	3,971,445
Partner Current Account -Ahmad Helmi Armosh	Shareholder	Financing	363,085	570,935
Short term				
Jordanian Academy for Marine Studies Company	Associate Company	Expenses	-	750
Jordanian National Line for Ships Operating Company	Associate Company	Financing	305,917	318,824
Jordan National Shipping Lines Company	Associate Company	Expenses	10,961	9,707
Al Shams for General Investment	Company Owned by a Shareholder	Expenses	394,593	394,593
Petra Navigations and General Trading Company	Company Owned by a Shareholder	Expenses	7,942	20,968
Others	Shareholder	Expenses	10,239	8,515
Total			729,652	753,357

- 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", amounted to JD 4,019,364 . However, in the future the capital of associates will be decreased by the amount mentioned above.

- The total logistics' consultation to Petra Navigation and Trading company (Sister Company within the Group) amounted to JD 116,703 for the three months ended March 31, 2022 (JD 69,095 for the three months ended March 31, 2021).
- The total earnings for Transportation for CMA CGM Company (Sister Company) amounted to JD 70,696 for the three months ended March 31, 2022 (JD 58,359 for the three months ended March 31, 2021).
- The total earnings of management and supervision from Jordanian Sea Star for Shipping and Logistics Company (Associate Company) is JD 3,000 for the three months ended March 31, 2022 (JD 3,000 for the three months ended March 31, 2021).
- The rental earning from the Technical for Construction and Real Estate Services Company (Associate Company) amounted to JD 10,070 for the three months ended on March 31, 2022 (JD 10,070 for the three months ending on March 31, 2021).
- The total earnings of management and supervision from Jordanian National Line for Ships Operating Company (Associate Company) is JD 6,000 for the three months ended March 31, 2022 (JD 6,000 for the three months ended March 31, 2021).

Executive management salaries and remunerations

Executive management salaries amounted to JD 46,805 for three months ended March 31, 2022 (JD 42,500 for three months ended March 31, 2021).

12. Due to Banks

This item consists of the following:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Overdraft *	5,525	109,334
Overdraft for a subsidiary company**	-	74
	<u>5,525</u>	<u>109,408</u>

* This item represents direct credit facilities in the form of a debit current account granted by Arab Bank for the Salam International Transport and Trading Company, with a total limit of JD 600,000, with interest ranging from 7.5% to 9.5%. The objective of these facilities is to finance the Company's regular activities, which are guaranteed by shares mortgage.

** This item represents direct credit facilities in the form of a current debit account granted by several banks, the details of direct credit facilities are as follows:

- Direct credit facilities in the form of a current debit account granted by the Jordan Kuwait Bank to Farah International Food Services Company, with a ceiling total of JD 100,000 and an interest of 3.5%. The purpose of these facilities is to finance the normal activities of the company and it is guaranteed by personal guarantees for the partners of Farah Company (a subsidiary company) through solidarity and solidarity, and cash guarantees of JD 110,000.
- Direct credit facilities in form of overdraft granted by Arab bank to Farah International Catering Service company with a total limit of JD 200,000, With an interest of 7.5% and a commission of 0.5% annually, The objective of these facilities is to finance the company's regular activities, and they have been granted against the personal guarantee of one of the shareholders for Farah's company (a Subsidiary company), and a cash margin guarantees amounted to JD 100,000.

13. Other Credit Balances

This item consists of the following:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Shareholders deposits	29,335	29,335
Unpaid accrued expenses	140,227	230,848
Income tax deposits	17,627	13,518
Advance payments against selling plots of lands *	448,000	250,000
Social security deposits	10,122	7,668
Unrealized revenues	356,185	28,717
Lawsuits provision	25,000	25,000
	<u>1,026,496</u>	<u>585,086</u>

* This item represents a payment received in advance from clients for selling plots of land for Mada'en Al - Shorouq (subsidiary company), as the company did not assign the ownership of the plots of land in favor of the clients until the checks received are due and the necessary contracts are signed. (Notes 9 and 10).

The loans details as of the date of the condensed consolidated Interim financial information is as follows:

* During the third quarter of the year 2013, the Company has changed the due note into a loan, the first instalment of which matures on January 1, 2015 and in a monthly basis, where each instalment amounted to JD 20,000 and JD 440,000 for the last instalment on the loan full repayment, in order stabilize the liquidity position in the company as done during the year 2015; as an agreement was signed with the Housing Bank for Trade and Finance for which to postpone the due instalments during the year 2015, to February 1, 2016 till September 1, 2020. However, during the second quarter of 2020 the loan was re-scheduled to be paid starting from January 1st, 2021 until February 1st 2023 on a monthly basis, where the amount of each instalment will be JD 20,000 and the remaining amount will be the last instalment.

The movement of the loans as of March 31, 2022 and December 31, 2021 is as follows:

- 21 -

15. Income Tax

a. Income Tax Provision:

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

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Balance beginning of the period/year	64,459	69,376
Income tax for the period/year	2,940	37,413
Income tax paid during the period/year	-	(42,330)
Balance - End of the Period / Year	67,399	64,459

b. Income Tax status:

Salam International Transport and Trading Company (Parent Company):

a. Aqaba:

The discussion of the income tax for the year 2018 has been completed by the Income and Sales Tax Department Commission and submitted its tax returns for the years 2019 and 2020 according to the company's management and tax consultant, there are no outstanding balances on the Company.

b. Amman:

The Company has submitted its tax returns up to the year 2018 and reached a final settlement with the Income and Sales Tax Department up to the end of the years 2019 and 2020 and according to the Company's management and the tax consultants, there are no outstanding 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	2020	2018
Golden State for Commercial Services Company	2020	2020
Mada'en Al - Noor Investment and Real Estate Development Company	2020	2014
Al-Ibtikar Land Transportation Company	2020	2017
Afaq Supply and Storage Company	2020	2018
Mada'en Al - Bahr Investment and Real Estate Development Company	2020	2018
Technical for Construction and Real Estate Services Company	2020	2016
Mada'en Al - Shorouq Investment Real Estate Company	2020	2017
Mada'en Al-Salam Construction Company	2020	2015

- In the opinion of management and the Company's tax consultant of the Company and its subsidiaries, the income tax provision within the condensed consolidated interim financial statements is sufficient to settle any potential tax liabilities arising as of March 31, 2022.

16. Lawsuits against the Company

There are cases filed against the subsidiary company (Al Ibtikar for Land Transport company) for a total amount of JD 207,201 while the lawsuit's provision against it reached JD 25,000 as of March 31, 2022. One of these cases amounted to JD 179,581 based on the cassation list provided to the court of cassation by the company regarding the decision that was issued by the court of appeal, which was revoked by the court of cassation and the case was returned to the court of appeal, where the Court of Appeal decided to conduct technical expertise and appoint of an expert, who issued his report in the subsequent period of the financial statements, in which he concluded that the amount due from the Company does not exceed JD 7,000. The court decided to conduct a tripartite opinion of three experts appointed by the Court of Appeal, and the case is still pending in the Court of Appeal. Based on the Company's management and its legal advisor's opinion that in light of the experience report, the legal status of the Company is good. It is worth noting that the Company has filed an independent lawsuit against this same party in Amman court of the first instance for claim amounted to JD 352,828 noting that the court's decision was issued obligating the defendant to pay an amount of JD 182,829, the plaintiff submitted a list of distinctions against the decision of the Court of Appeal, and the company will provide an answer to the list of distinctions within the legal term, and according to the opinion of the company and the lawyer, the provision is sufficient to face the cases brought against the subsidiary company.

17. Contingent Liabilities

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

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Letter of guarantees	78,000	78,000

- Mada'in Al-Bahr Company (subsidiary company) had obligations at the date of the financial statements that could arise in the form of delay fines in paying the land lease fees and the lease agreement of the land of recession, which amounted to JD 432,063, according to the letter of the Jordanian Company for Free Zones and Development No. 8/9/4462 dated May 14, 2019. According to the same letter, a recommendation will be submitted to the Council of Ministers by the Group and the Investment Authority to exempt from the amounts of fines and the lease of the land receding, as they have become public funds requiring a decision by the Council of Ministers to issue an exemption after taking some agreed upon steps.

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

This item consists of the following:

	For the Three Months Ended March 31,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
<u>From Continued operation</u>		
Income for the period attributable to the shareholders of the Company	537,441	211,802
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 0.030%	Shares / JD 0.012%

19. 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 Three Months Ended March 31,	
					2022 (Reviewed)	2021 (Reviewed)
	JD	JD	JD	JD	JD	JD
Net revenue	457,044	192,387	342,705	-	992,136	765,125
Less: Cost of Revenue	(48,323)	(143,148)	(318,496)	(26,210)	(536,177)	(529,624)
Gross Profit	408,721	49,239	24,209	(26,210)	455,959	235,501
Less: Expenses allocated to segments:						
General and administrative expenses	(75,265)	(85,448)	(37,462)	(11,812)	(209,987)	(212,853)
Marketing expenses	-	(6,335)	-	-	(6,335)	(665)
Operational Profit	333,456	(42,544)	(13,253)	(38,022)	239,637	21,983
Company's share from associates' companies profit	277,606	-	-	-	277,606	177,245
Borrowing cost	-	(6,435)	-	-	(6,435)	(42,239)
Other (expenses) revenue - net	24,351	9,000	-	-	33,351	27,000
Gains from valuation of financial assets at fair value through statement of profit or loss	344	-	-	-	344	1,046
Profit for the period before tax	635,757	(39,979)	(13,253)	(38,022)	544,503	185,035
Less: Income tax for the period	-	(2,940)	-	-	(2,940)	-
Profit for the Period	635,757	(42,919)	(13,253)	(38,022)	541,563	185,035
Total Assets	13,689,938	16,398,366	2,016,309	339,715	32,444,328	31,775,912
Total Liabilities	1,274,107	5,766,688	393,376	891,021	8,325,192	8,193,773

20. 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).

Financial Assets	Fair Value		Level of Fair Value	Valuation Method and Inputs Used	Important Intangible Inputs	Relation between the Fair Value and the Important Intangible Inputs
	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)				
	JD	JD				
Financial assets at fair value						
Financial assets at fair value through statement of Profit or Loss						
Companies' shares	11,046	10,702	Level I	Quoted Shares	N/A	N/A
Total	11,046	10,702				
Financial assets at fair value through comprehensive income						
Quoted Shares	331,974	337,609	Level I	Quoted Shares	N/A	N/A
Unquoted Shares	222,000	222,000	Level II	Compared it with the market value of a similar instrument	N/A	N/A
Total	553,974	559,609				
Total Financial Assets at Fair Value	565,020	570,311				

There were no transfers between Level I and Level II during the ended period March 31, 2022 and the year 2021.

b. The fair value of 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 condensed consolidated interim financial information 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.

	<u>March 31, 2022 (Reviewed)</u>		<u>December 31, 2021 (Audited)</u>		The Level of
	<u>Book Value</u>	<u>Fair Value</u>	<u>Book Value</u>	<u>Fair Value</u>	<u>Fair Value</u>
	JD	JD	JD	JD	JD
Assets with no fair value					
Real estate investments	<u>4,519,621</u>	<u>7,683,200</u>	<u>4,537,591</u>	<u>7,683,200</u>	Level II
Total Assets with no Fair Value	<u>4,519,621</u>	<u>7,683,200</u>	<u>4,537,591</u>	<u>7,683,200</u>	
Financial Liabilities with no Fair Value					
Loans	<u>213,676</u>	<u>214,676</u>	<u>273,721</u>	<u>274,721</u>	Level II
Total Financial Liabilities with no Fair Value	<u>213,676</u>	<u>214,676</u>	<u>273,721</u>	<u>274,721</u>	

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.

21. 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 the forecast and actual cash flows, in addition to matching the maturities of financial assets with those of financial liabilities.

The Company's liquidity position at the date of the consolidated condensed interim financial statements is as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Current assets	4,038,738	3,197,595
<u>Less: Current liabilities</u>	<u>(3,918,418)</u>	<u>(3,539,428)</u>
Surplus (Deficit) in Working Capital	<u>120,320</u>	<u>(341,833)</u>

Management believes that the liquidity risk is not significant as of the date of the condensed consolidated interim of financial statements.

The Company estimates the liquidity risk on a monthly basis, based on long-term future projections. Moreover, the Company evaluates capital and financing requirements periodically, and the availability of liquidity depends on the support from the related parties in addition to the banking financings and selling the land through the waiver.

22. The Impact of Corona Virus

- There have been no material changes as a result of COVID-19 in the company's financial position and financial performance as of March 31, 2022, and there are no material changes in its main accounting judgments and estimates from those applied in the annual financial statements as of December 31, 2021.

23. Approval of Condensed Consolidated Interim Financial Information

The condensed consolidated interim financial information of the Company has been approved by the Company's Board of Directors on April 27, 2022.