

Jordanian Real Estate Company for Development
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Consolidated interim Condensed Financial Statements
and Review Report
for the six months ended June 30, 2025

Jordanian Real Estate Company for Development
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

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Report on Review of Consolidated Interim Condensed Financial Information

To Messrs. Shareholders
Jordanian Real Estate Company for Development
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Introduction

We have reviewed the consolidated interim condensed statement of financial position of Jordanian Real Estate Company for Development (Public Shareholding Company), as at June 30, 2025, and the related consolidated interim condensed statements of comprehensive income, changes in equity and cash flows for the six months period then ended. Management is responsible for the preparation and fair presentation of this consolidated interim financial information in accordance with International Financial Reporting Standard no. (34) "Consolidated interim Financial Reporting". Our responsibility is to express a conclusion about this consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagement no. (2410) "Review of consolidated interim financial information performed by the independent auditor of the entity". A review of consolidated interim condensed 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 interim condensed financial information is not prepared, in all material respects, in accordance with International Financial Reporting Standard no. (34) "Consolidated interim Financial Reporting".

Emphasis paragraph

As stated in note No (5) available for sale lands ,net, some of these lands with a cost of JD 3,692,300 as at June 30,2025 are not registered in the name of the company, but it is registered in the name of the previous owners of those properties the company's ownership of real estate is proven through irrevocable agreements, contracts, mortgage bonds, and agencies signed with those parties.



Talal Abu-Ghazaleh & Co. International

Mohammad Al-Azraq

(License # 1000)

Amman on July 13, 2025

الاتحاد الدولي للمحاسبين (نيويورك)



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Jordanian Real Estate Company for Development
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Consolidated interim condensed statement of financial position as at June 30, 2025 – (reviewed and unaudited)

		June 30, 2025	December 31, 2024
	Notes	(reviewed and unaudited)	(audited)
ASSETS			
Current Assets		JD	JD
Cash and cash equivalents	3	504,250	473,141
Deposits at banks	4	3,056,804	3,256,804
Accounts receivable		1,027,070	726,765
Due from related parties		9,757	24,288
Available for sale land - net	5	14,047,387	14,560,870
Other debit balances		345,241	312,084
Goods on consignment		1,518,607	1,518,607
Total Current Assets		20,509,116	20,872,559
Non-current Assets			
Financial assets at fair value through other comprehensive income	6	12,385,814	11,184,222
Investments in associates		1	1
Investments property	7	4,410,552	4,457,423
Property and equipment		190,740	208,327
Total Non-Current Assets		16,987,107	15,849,973
Total Assets		37,496,223	36,722,532
LIABILITIES AND EQUITY			
Current Liabilities			
Trade payables		52,057	77,315
Due from related parties		493,012	6,466
Other credit balances		1,835,493	2,058,420
Total Liabilities		2,380,562	2,142,201
Equity			
Capital		34,500,000	34,500,000
Issuance premium		36,479	36,479
Statutory reserve		2,226,114	2,226,114
Accumulated change in value of investments in financial assets at fair value through other comprehensive income		(2,691,924)	(2,851,058)
Retained earnings		1,044,992	668,796
Net equity		35,115,661	34,580,331
Total Liabilities and Equity		37,496,223	36,722,532

The accompanying notes form part of these Consolidated interim condensed financial statements

Jordanian Real Estate Company for Development
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Consolidated interim condensed statement of comprehensive income for the six months ended June 30,
2025
- (reviewed and unaudited)

	For the six months ended on June 30		For the three months ended on June 30	
	2025	2024	2025	2024
Revenues	JD	JD		
Net profits from selling lands	194,807	121,955	3,422	33,240
Dividends	360,822	223,265	360,822	223,265
Bank murabaha revenue	73,295	146,232	32,576	76,156
Rent revenue	195,634	196,787	103,769	100,356
Other revenue	3,057	180,893	372	178,693
Total Revenues	827,615	869,132	500,961	611,710
Expenses				
Impairment of land held for sale	(100,000)	-	-	-
Losses from government expropriation of land	(36,013)	-	(36,013)	-
Administrative expenses	(303,123)	(264,243)	(146,604)	(116,408)
Total Expenses	(439,136)	(264,243)	(182,617)	(116,408)
Profit before tax and national contribution	388,479	604,889	318,344	495,302
Income tax	(23,436.00)	(37,872)	(23,436)	(24,512)
National contribution	(1,172.00)	(1,893)	(1,172)	(797)
Income tax - prior years	(4,552)	-	-	-
Profit	359,319	565,124	293,736	469,993
Add: other comprehensive income items				
Changes in fair value of investments in financial assets at fair value through other comprehensive income	159,134	(126,125)	434,165	619,340
Gains from selling of investments in financial assets through other comprehensive income	16,877	1,855	11,211	146
Comprehensive income	535,330	440,854	739,112	1,089,479
Basic and diluted share of profit for the period	JD _/010	JD _/016		

The accompanying notes form part of these Consolidated interim condensed financial statements

Jordanian Real Estate Company for Development
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Consolidated interim condensed statement of changes in equity for the six months ended June 30, 2025
- (reviewed and unaudited)

	Capital	Issuance premium	Statutory reserve	Accumulated change in value of investments in financial assets at fair value through other comprehensive income	Retained earnings	Net
For the six months ended June 30, 2025	JD		JD	JD	JD	JD
Balance as at January 1, 2025	34,500,000	36,479	2,226,114	(2,851,058)	668,796	34,580,331
Profit	-	-	-	-	359,319	359,319
Changes in fair value of investments in financial assets at fair value through other comprehensive income	-	-	-	159,134	-	159,134
Gains from selling of investments in financial assets through other comprehensive income	-	-	-	-	16,877	16,877
Balance as at June 30, 2025	<u>34,500,000</u>	<u>36,479</u>	<u>2,226,114</u>	<u>(2,691,924)</u>	<u>1,044,992</u>	<u>35,115,661</u>
For the six months ended June 30, 2024						
Balance as at January 1, 2024	34,500,000	36,479	2,215,625	(2,357,141)	166,030	34,560,993
Profit	-	-	-	-	565,124	565,124
Changes in fair value of investments in financial assets at fair value through other comprehensive income	-	-	-	(126,125)	-	(126,125)
Gains from selling of investments in financial assets through other comprehensive income	-	-	-	-	1,855	1,855
Balance as at June 30, 2024	<u>34,500,000</u>	<u>36,479</u>	<u>2,215,625</u>	<u>(2,483,266)</u>	<u>733,009</u>	<u>35,001,847</u>

The accompanying notes form part of these Consolidated interim condensed financial statements

Jordanian Real Estate Company for Development
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Consolidated interim condensed statement of cash flows for the six months ended June 30, 2025
- (reviewed and unaudited)

	for the six months ended June 30	
	2025	2024
	JD	JD
Cash flows from operating activities		
Profit before tax and national contribution	388,479	604,889
Adjustments for:		
Depreciation and amortization	84,847	59,362
Gains from selling property and equipment	-	(1,293)
Changes in operating assets and liabilities:		
Accounts receivable	(300,305)	(485,841)
Due from related parties	501,077	(94,822)
Available for sale land - net	513,483	308,067
Other debit balances	(33,157)	(121,087)
Goods on consignment	-	759,839
Trade payables	(25,258)	7,408
Other credit balances	(252,087)	15,060
	877,079	1,051,582
Income tax paid	-	(25,203)
Net cash from operating activities	877,079	1,026,379
CASH FLOWS FROM INVESTING ACTIVITIES		
Deposits at banks	200,000	973,197
Financial assets at fair value through OCI	(1,025,581)	(1,553,906)
Addition to property and equipment	(9,500)	(157,232)
Proceeds from the sale of property and equipment	-	8,200
Paid on investments property	(10,889)	(20,643)
Net cash from investing activities	(845,970)	(750,384)
Net change in cash and cash equivalents	31,109	275,995
Cash and cash equivalents- beginning of period	473,141	105,746
Cash and cash equivalents- end of period	504,250	381,741

The accompanying notes form part of these Consolidated interim condensed financial statements

Jordanian Real Estate Company for Development
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Notes to the consolidated interim condensed financial statements

1. General

- Jordanian Real Estate Company was established on April 4, 2005 and registered as a public shareholding company in the companies control department at the Ministry of Industry and Trade under the number (361).
- The main activities of the Company are:
 - Purchase and sale lands after develop, improve, divide, sort and delivery all necessary services to it, according to applicable laws.
 - Investments in other companies to achieve company's objectives.
 - Buying lands and building apartments on them and selling them without interests.
 - Investment company's funds in stocks and bonds for the purposes of the company.
 - Finance leasing.

2. Material accounting policies

- The consolidated interim condensed financial information for the Company were prepared according to International Accounting Standard (34) "Consolidated interim Financial Reporting".
- Accounting policies used in preparing the consolidated Consolidated interim condensed financial statement are consistent with those policies used in preparing the financial statements for the year ended December 31, 2024.
- The financial statement have been approved by board of directors on July 13, 2025.

3. Cash and cash equivalents

	June 30, 2025 (reviewed and unaudited)	December 31, 2024 (audited)
	JD	JD
Current accounts with bank -JD	479,860	464,262
Cash in hand and visa	20,850	6,699
Current accounts with bank -USD	3,540	2,180
Total	504,250	473,141

4. Deposits with banks

Deposits are tied annually and the company receives a 4-4,5 %profit from it.

5. Available for sale land – net

	June 30, 2025	December 31, 2024
	(reviewed and unaudited)	(audited)
	JD	JD
Available for sale lands under development	7,408,286	7,184,565
Available for sale lands (sorted plots)	6,927,886	7,565,090
Total	14,336,172	14,749,655
Less: Impairment loss for available for sale lands (*)	(288,785)	(188,785)
Net	14,047,387	14,560,870

(*) The following is a statement of the movement in impairment losses on land held for sale during the period/year, as follows:

	June 30, 2025	December 31, 2024
	(reviewed and unaudited)	(audited)
	JD	JD
Balance - beginning of period /year	188,785	75,319
Provided during the period/year	100,000	113,466
Balance end of period / year	288,785	188,785

- The Available for sale land include sorted plots with a value of 588,584 Jordanian dinars and unsorted lands with a value of 3,103,716 Jordanian dinars. They are not registered in the name of the company, but are registered in the name of the previous owners of those properties. The company's ownership of real estate is proven through irrevocable agreements, contracts, mortgage bonds, and agencies signed with those parties.
- The fair value of real estate investments, based on the evaluation of an independent real estate valuer on September 16, 2024, amounted to 17,866,125 Jordanian dinars.

6. Financial assets at fair value through other comprehensive income

	June 30, 2025	December 31, 2024
	(reviewed and unaudited)	(audited)
	JD	JD
Inside Jordan		
Financial assets portfolio (listed)	13,119,458	12,233,537
Financial assets portfolio (unlisted) (*)	305,846	305,846
Outside Jordan		
Financial assets portfolio (listed)	1,652,434	1,495,897
Total	15,077,738	14,035,280
Less: Accumulated change in Fair value (**)	(2,691,924)	(2,851,058)
Net	12,385,814	11,184,222

(*) Financial assets at fair value through other comprehensive income, for which fair value cannot be reliably measured, are presented at cost due to the absence of an active market. The Company has performed an impairment test for these investments based on the book value of the net assets of the investee companies. Below are the details of the financial assets portfolio within Jordan – unlisted:

	June 30, 2025	December 31, 2024
	(reviewed and unaudited)	(audited)
	JD	JD
Al-ittihad schools company	292,524	292,524
International medical investments company	13,322	13,322
Total	305,846	305,846

(**) The following is a statement of the movement in the accumulated change in fair value during the year, as follows:

	June 30, 2025	December 31, 2024
	(reviewed and unaudited)	(audited)
	JD	JD
Balance - beginning of period /year	(2,851,058)	(2,357,141)
Change during the period/year	159,134	(493,917)
Balance end of period / year	(2,691,924)	(2,851,058)

– Within financial assets at fair value through other comprehensive income there are 80,000 shares reserved for board of directors membership.

7. Investments property

	Lands	Building	Furniture, furnishings and decorations	Electrical equipment	Projects under costructions	Total
June 30, 2025 (reviewed and unaudited)	JD	JD	JD	JD	JD	JD
Cost						
Beginning of period balance	1,467,218	3,296,710	168,209	126,675	9,640	5,068,452
Addition	-	-	-	6,200	4,689	10,889
Transferred	-	6,182	-	-	(6,182)	-
Balance as at June 30, 2025	1,467,218	3,302,892	168,209	132,875	8,147	5,079,341
Accumulated depreciation						
Beginning of period balance	-	389,611	123,480	97,938	-	611,029
Depreciation	-	34,887	12,610	10,263	-	57,760
Balance as at June 30, 2025	-	424,498	136,090	108,201	-	668,789
Net	1,467,218	2,878,394	32,119	24,674	8,147	4,410,552
December 31, 2024 (audited)						
Cost						
Beginning of year balance	1,467,218	3,275,759	166,312	125,484	5,490	5,040,263
Addition	-	20,951	1,897	2,049	4,150	29,047
Disposals	-	-	-	(858)	-	(858)
End of year balance	1,467,218	3,296,710	168,209	126,675	9,640	5,068,452
Accumulated depreciation						
Balance - beginning of year	-	320,064	98,498	79,270	-	497,832
Depreciation	-	69,547	24,982	19,419	-	113,948
Disposals	-	-	-	(751)	-	(751)
Balance - end of year	-	389,611	123,480	97,938	-	611,029
Net	1,467,218	2,907,099	44,729	28,737	9,640	4,457,423

- The fair value of real estate investments, based on the evaluation of an independent real estate valuer on January 2, 2025, amounted to 4,530,250 Jordanian dinars.

8. Legal situation

- There are cases filed by parent and subsidiary companies against others amounted to 155,262 Jordanian dinars, and are still pending before the court, and one case has an undetermined value.

9. The potential effects of economic fluctuations

As a result of the current global conflict, where the entity has taken into account any possible impact of current economic fluctuations in the inputs of future macroeconomic factors when determining the severity and probability of economic scenarios to determine expected credit losses.