

***Al-Sharq Investment Projects Co.
Public Shareholding Co.
Amman – Jordan
Interim Financial Statements For the period
from 1/1/2024 to 30/9/2024
Report on the review of the interim financial
information (Unaudited)***

Al-Sharq Investment Projects Co.
Public Shareholding Co.
Amman – Jordan

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Report on the review of the interim financial information (Unaudited)

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Report on the review of the interim financial information (Unaudited)

**To the Board of Directors,
Al-Sharq Investment Projects Co.
Public Shareholding Co.
Amman – Jordan**

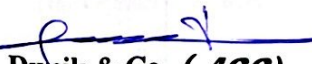
We have reviewed the accompanying interim financial statements of **Al-Sharq Investment Projects Co. (PLC)** and the related Interim Statement of Comprehensive Income, Interim Changes in Equity and Interim Cash Flow for the nine months period ended on September 30th, 2024, and a summary of significant accounting policies and other explanatory notes from (1-7). Management is responsible for the preparation and fair presentation of this interim financial information in accordance with the International Standard 34 (Interim Financial Reports). Our responsibility is to express a conclusion on this 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 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 interim financial information does not give a true and fair view of the **Al-Sharq Investment Projects Co. (PLC)** financial position as at September 30th, 2024, and of its financial performance and its cash flows for the nine months period then ended in accordance International Standard 34 (Interim Financial Reports).


Dweik & Co. (ACC)
Audit & Consult Consortium
Rafiq T. Dweik (PHD)
Audit license No (386)



**24/October /2024
Amman - Jordan**

Statement (A)

Al-Sharq Investment Projects Co. (PLC)Amman – JordanStatement of Interim Financial Position as of September 30th, 2024

Assets	<u>30/9/2024/JD</u>	<u>31/12/2023/JD</u>
<u>Current Assets</u>		
Cash and cash equivalents	2324808	2425337
Checks under collection	21199	9486
Accounts' receivable - Net	199560	152270
Inventory	77606	64567
Refundable deposits	102316	102316
Other current assets	656988	167349
Total Current Assets	<u>3382477</u>	<u>2921325</u>
<u>Non Current Assets</u>		
Operational assets	2	2
Financial assets at fair value through other comprehensive income	667247	745742
Intangible assets	1	1
Property, plant & equipment	17560380	18298360
Investment in bonds	400000	400000
Total Non Current Assets	<u>18627630</u>	<u>19444105</u>
Total Assets	<u><u>22010107</u></u>	<u><u>22365430</u></u>
<u>Liabilities & Owners' Equity</u>		
<u>Current Liabilities</u>		
Accounts' payable	329412	291213
Other current liabilities	798349	914192
Short term loan	88400	177780
Total Current Liabilities	<u>1216161</u>	<u>1383185</u>
<u>None Current liabilities</u>		
Long term loan	000	43955
<u>Owners' Equity</u>		
Capital	16000000	16000000
Statutory reserve	3900839	3900839
Voluntary reserve	20692	20692
Fair value adjustments through other comprehensive income	(95517)	(17022)
Retained earnings	967932	1033781
Net Owners' Equity	<u>20793946</u>	<u>20938290</u>
Total Liabilities & Owners' Equity	<u><u>22010107</u></u>	<u><u>22365430</u></u>

“ The accompanying notes are an integral part of these statements ”

Al-Sharq Investment Projects Co. (PLC)
Amman – Jordan
Statement of Interim Comprehensive Income
for the Period Ended September 30th, 2024, 2023

<u>Comprehensive income</u>	<u>30/9/2024</u> <u>JD</u>	<u>30/9/2023</u> <u>JD</u>
Operation's revenues	5708516	5955212
Operation's cost	(1930581)	(1940785)
Gross operating income	3777935	4014427
Overhead expenses	(880570)	(946031)
Maintenance & energy expenses	(716672)	(729430)
Marketing & advertizing expenses	(218586)	(206555)
Depreciation	(737980)	(737899)
Management fees	(229167)	(244640)
Other revenue	87800	81496
Received dividends	45186	29186
Income for the period before tax / Comprehensive income	1127946	1260554
Provision for income tax	(222662)	(251583)
National contribution for public debt payment	(11133)	(12579)
Income for the period after tax / Comprehensive income	894151	996392
<u>Other Comprehensive income</u>		
Fair value adjustments through other comprehensive income	(78495)	(8230)
Total other comprehensive income	(78495)	(8230)
Total comprehensive income for the period	815656	988162
Earnings per share from comprehensive income for the period	5,10%	6,176%
Weighted Average Shares	16000000	16000000

“ The accompanying notes are an integral part of these statements ”

Statement (C)

Al-Sharq Investment Projects Co. (PLC)

Amman – Jordan

Statement of Interim Changes in Equity
for the Period Ended September 30th, 2024, 2023

Description	Capital	Statutory reserve	Voluntary reserve	Fair value adjustments through other comprehensive income	Retained earnings	Total
	JD	JD	JD	JD	JD	JD
Balance as of Dec.31st, 2023	16000000	3900839	20692	(17022)	1033781	20938290
Income for the period after tax / Comprehensive income	000	000	000	000	894151	894151
Dividends	000	000	000	000	(960000)	(960000)
Other Comprehensive income						
Fair value adjustments through other comprehensive income	000	000	000	(78495)	000	(78495)
Balance as of September 30th, 2024	<u>16000000</u>	<u>3900839</u>	<u>20692</u>	<u>(95517)</u>	<u>967932</u>	<u>20793946</u>
Balance as of Dec.31st, 2022	16000000	3758599	28056	(74798)	707410	20419267
Income for the period after tax / Comprehensive income	000	000	000	000	996392	996392
Dividends	000	000	(7364)	000	(632636)	(640000)
Other Comprehensive income						
Fair value adjustments through other comprehensive income	000	000	000	(8230)	000	(8230)
Balance as of September 30th, 2023	<u>16000000</u>	<u>3758599</u>	<u>20692</u>	<u>(83028)</u>	<u>1071166</u>	<u>20767429</u>

"The accompanying notes are an integral part of these statements"

Statement (D)

Al-Sharq Investment Projects Co. (PLC)
Amman – Jordan
Statement of Interim Cash Flows
for the Period Ended September 30th, 2024,2023

	<u>30/9/2024</u>	<u>30/9/2023</u>
	<u>JD</u>	<u>JD</u>
<u>Cash Flows From Operating Activities:</u>		
Total comprehensive income for the period	815656	988162
<u>Adjustments:</u>		
Depreciation	737980	737899
Adjustments on financial assets	78495	8230
	<hr/>	<hr/>
Operating income before working capital changes:	1632131	1734291
Accounts' receivable and other current assets	(561681)	(1071161)
Accounts' payable and other current liabilities	(77644)	98845
	<hr/>	<hr/>
Net cash flows from operating activities	992806	761975
<u>Cash Flows From Investing Activities:</u>		
Property, plant & equipment	000	(24276)
Financial assets of fair value through		
Other comprehensive income	000	(205286)
Bonds' investment	000	(400000)
	<hr/>	<hr/>
Net cash flows from investing activities	000	(629562)
<u>Cash Flows From Financing Activities:</u>		
Due to bank	000	139
Loan	(133335)	(133335)
Dividends	(960000)	(640000)
	<hr/>	<hr/>
Net cash flows from financing activities	(1093335)	(773196)
	<hr/>	<hr/>
Net change in cash and cash equivalents	(100529)	(640783)
Cash & cash equivalents at beginning of the period	2425337	2461479
	<hr/>	<hr/>
Cash & cash equivalents at end of the period	2324808	1820696
	<hr/> <hr/>	<hr/> <hr/>

“The accompanying notes are an integral part of these statements”

Al-Sharq Investment Projects Co. (PLC)
Amman – Jordan
Notes to Interim Financial Statements
September 30th, 2024

1- Constitution and objectives:

A- Al-Sharq Investment Projects Company is registered as a public shareholding company under the No. (258) with issued capital of JD (16000000) /share after the merger of al-Sharq Investment Projects Company with al-Sharq For Hotel & Tourism Company (LLC) on 1/10/2005, and the merger was approved by the Minister of Industry on 20/3/2006. The Company's opening balances resulting from the merger were recorded by the revaluated amounts.

B- The Company owns a hotel operating under the name “ Mövenpick Hotel-Amman” and agreed with Mövenpick Hotels & Resorts to manage and operate the Hotel for (15) years starting 15/7/2019.

C- The financial statements were approved by the broad of directors on 22/October /2024, and it is subject to be approved by the general assembly.

D- Objectives:

To establish and manage hotels and tourist resorts and managing of subsidiaries or participating in the management of other companies in which they contribute.

2- Significant accounting policies:

The interim financial statements are prepared under the International Standard 34 (Interim Financial Reports) and the related interpretations originated by the International financial Reporting Interpretations Committee.

The interim financial statements do not include all significant matters and explanatory notes that are required for the annual financial statements and are prepared in accordance with the International Financial Reporting Standards, in addition the interim financial performance is not necessarily represents an indicator of the annual financial performance.

Accounting policies are implemented on consistent bases in the financial statements as previously implemented.

3- Corporate Tax position:

- ◆ The tax position of the Company was finalized with Income and Sales Tax Department till end of the years 2019, and 2022.
- ◆ Tax declaration of the Company for the years 2020, 2021 and 2023 were submitted to Income and Sales Tax Department, and tax assessment still not made by the Department yet.

4- **Contingencies**

- a- There are labor lawsuits filed against the Company amounted JD (22000).
- b- There are contingent liabilities at the date of the financial statements have been arise as a result of L/G's for an amount of JD (3600) after deducting the counter deposits.

5- **Dividends:**

Dividends available for distribution, as of 30/9/2024, amounting JD (872 415), after the retention of part of the retained earnings to meet the negative values in the Statement of Changes in Equity pursuant to the instructions of Jordan Securities Commission amounting JD (95 517).

6- **Operating Segments:**

The Company carries out its activities through a major activity of establishing and managing of hotels. The financial statements include the financial performance of the company's hotel.

7- **General:**

- A- The General Assembly Meeting decided on its meeting held on 27/4/2024 to distribute a percentage of (6%) of the issued capital as cash dividends to shareholders out of retained earnings as of 31/12/2023 .
- B- Attention must be drawn to the effect of the Jordan Securities Commission regulations and Jordanian Companies Law on calculating statutory reserve only on the realized earnings bases, as well as presenting the unrealized earnings separately in the retained earnings item. Attention to be drawn to restrictions on the distributing dividends for unrealized earnings.