

Blue Stone Investments JORDAN
Public shareholding company
Amman - The Hashemite Kingdom of Jordan

Financial statements
As of December 31, 2020

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Independent Auditors' Report

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To the Shareholder of

Blue Stone Jordan Investments Company

Public Shareholding Company

Amman- The Hashemite Kingdom of Jordan

Report on the Audit of the Financial Statements

Opinion

We have audited the Accompanying financial statements of **Blue Stone Jordan Investments Company (PSC)**, which comprise the statement of financial position as at December 31, 2020, and the statements of comprehensive income, changes in owner's equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS)

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

There are no key audit matters possible to refer in our report on financial statements for this year.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon. We expected that we will give the annual report after our report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information when its available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The Company has proper accounting records which are, in all material respects, consistent with the accompanying financial statements, accordingly, we recommend approving these financial statements by the general assembly.

Al- Abbasi & Partners Co.

Nabil M. Obeidat
License 877



Amman in
March 30, 2021

Blue Stone Investments JORDAN
Public shareholding company
Amman - The Hashemite Kingdom of Jordan

Financial position
as of December 31, 2020

	Note	2020 JD	2019 JD
<u>Assets</u>			
<u>Non-current assets</u>			
Deffered receipt cheques - long term income st.	5	18,023,689	20,753,627
Property, plant & equipments - net	6	-	3,307,498
	7	21,572	27,300
Total non-current assets		18,045,261	24,088,425
<u>Current assets</u>			
Cash & cash equivalents	8	19,570	198,402
Accounts receivable	9	3,927,199	-
Deffered receipt cheques - accrued	5	4,997,454	-
Deffered receipt cheques - short term	5	2,890,806	4,997,454
Financial assets at fair value through income st.	10	-	499,687
Other debit balances - net	11	3,668	15,324
Total current assets		11,838,697	5,710,867
Total assets		29,883,958	29,799,292
<u>Owners' equity liabilities</u>			
<u>Owners' equity</u>			
Capital	12 & 1	33,500,000	33,500,000
Statutory reserve	12	21,243	21,243
Accumulated (loss)	12	(3,695,301)	(3,771,986)
Net owners' equity		29,825,942	29,749,257
<u>Current liabilities</u>			
Income tax provision	16	19,309	-
Other credit balances	13	38,707	50,035
Total current liabilities		58,016	50,035
Total liabilities and owners' equity		29,883,958	29,799,292

The accompanying notes form from (1) To (22) an integral part of this statement .

Blue Stone Investments JORDAN
Public shareholding company
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Statement of comprehensive income
for the year ended December 31, 2020

	<u>Note</u>	<u>2020</u> <u>JD</u>	<u>2019</u> <u>JD</u>
Realized profit (Loss) from selling financial assets through income		5,394	(9,960)
Unearned (losses) from financial assets through income		-	(262,104)
Bank interests revenue		2,212	7,330
Deffered interest revenues		160,868	-
General & administrative expenses	14	<u>(187,100)</u>	<u>(190,604)</u>
(Loss) for the year before tax		(18,626)	(455,338)
Income tax	16	<u>(19,309)</u>	<u>-</u>
(Loss) for the year		<u>(37,935)</u>	<u>(455,338)</u>
<u>Add: other comprehensive income items</u>			
Gains from selling financial assets through comprehensive income		<u>114,620</u>	<u>-</u>
Comprehensive income (loss) for the year		<u><u>76,685</u></u>	<u><u>(455,338)</u></u>
		<u>Fils/Dinar</u>	<u>Fils/Dinar</u>
Basic and diluted (lossing) per share	15	<u><u>(0.001)</u></u>	<u><u>(0.014)</u></u>

The accompanying notes form from (1) To (22) an integral part of this statement .

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Statement of owners' equity
for the year ended December 31, 2020

Description	Capital JD	Statutory reserve JD	Accumulated (loss) JD	Net JD
<u>For the year ended December 31, 2020</u>				
Balance as of January 1, 2020	33,500,000	21,243	(3,771,986)	29,749,257
(Loss) for the year	-	-	(37,935)	(37,935)
Gains from selling financial assets through comprehensive income	-	-	114,620	114,620
Total comprehensive income for the year	-	-	76,685	76,685
Balance as of December 31, 2020	33,500,000	21,243	(3,695,301)	29,825,942
<u>For the year ended December 31, 2019</u>				
Balance as of January 1, 2019	33,500,000	21,243	(3,316,648)	30,204,595
(Loss) for the year	-	-	(455,338)	(455,338)
Total comprehensive (loss) for the year	-	-	(455,338)	(455,338)
Balance as of December 31, 2019	33,500,000	21,243	(3,771,986)	29,749,257

The accompanying notes form from (1) To (22) an integral part of this statement .

Blue Stone Investments JORDAN
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Statement of cash flows
for the year ended December 31, 2020

	Note	2020 JD	2019 JD
<u>Cash flows from operating activities</u>			
(Loss) of the year		(18,626)	(455,338)
Depreciations	7	6,163	6,172
Deffered interest revenues		(160,868)	-
Realized profit (Losses) from selling financial assets		(5,394)	9,960
Unearned (losses) from financial assets through income	10	-	262,104
Capital loss		-	1,038
Operating (loss) before changes in working capital		(178,725)	(176,064)
<u>(Increase) decrease in current assets</u>			
Accounts receivable		(3,927,199)	-
Other debit balances		11,656	(6,189)
<u>Increase (decrease) in current liabilities</u>			
Other credit balances		(11,328)	4,856
Net cash flows (used in) operating activities		(4,105,596)	(177,397)
<u>Cash flows from investing Activities</u>			
Acquisitions of property , plant & equipments	7	(435)	(365)
Acquisitions of financial assets through income	10	-	(1,001,428)
Proceeds from selling financial assets at fair value through income		505,081	229,677
Proceeds from selling financial assets at fair value through comprehensive income		3,422,118	229,677
Net cash flows provided from (used in) investing activities		3,926,764	(772,116)
Net (decrease) in cash		(178,832)	(949,513)
Cash & cash equivalents at beginning of year		198,402	1,147,915
Cash and cash equivalents at ending of year		19,570	198,402

The accompanying notes form from (1) To (22) an integral part of this statement .

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Notes to the financial statements

1- Registration and activities of the company

Blue Stone Investments JORDAN Co. P.S.C. was established in accordance of instructions of jordanian companies temporary law number **(1)** for the year **1989** of capital amounted of JD **500,000** distributed on **4,000,000** shares of Nominal value JD **1** per share.

The company registered in public shareholding company record at ministry of industry & trade in **JORDAN** under number **(389)** dated of **March 2, 2006**, it obtained the right of commence work at **August 28, 2006**.

The company purposes of financial & real-estate investments.

The general assembly in its extraordinary meeting held on **November 18, 2017** decided to change company's name from Zahrat Alurdon Real-estate & Hotel Investments to Blue Stone Investments JORDAN , legal pcedures were completed on **November 29, 2017**.

The Extraordinary General Assembly meeting held on **20 January 2018** approved the increase of the Company's capital from **500,000** shares / JD to **33,500,000** shares / JD through a public letter, a private letter and / or a strategic partner . The Extraordinary General Meeting held on **March 29, 2018** approved the increase of the company's capital through capitalizing the debt which resulted from the purchase of all the shares of the subsidiary. The legal procedures were completed at the Ministry of Industry and Trade on **16 April 2018**.

The financial statements were approved by the board of directors at its meeting held on **March 30, 2021** , these financial statements needs subject to the approval of the general assembly of shareholders .

2- Basis of preparation of financial statements

The financial statements of the company have been prepared in accordance to International Financial Reporting Standards .

The financial statements have been prepared on historical cost except financial assets and liabilities which appears on fair value (if exist).

The financial statements are presented in Jordanian Dinars (JD) which is the company's functional and presentation currency .

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Notes to the financial statements

3- Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities . These estimates and assumptions also affect the revenues and expenses and the resultant provisions and particular , considerable judgement by management is required in the estimation of the amount and timing of future cash flows . Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ, resulting in future change in such provisions .

Management believe that the estimates are reasonable and are as follows :

- Management evaluates its investments for impairment on a regular basis where there is a prolonged decline , Management estimates the value of impairment and the same is charged in the statement of comprehensive income - An estimate of the collectible amount of trade accounts receivables is made when collection of the full amount is no longer probable . For individually significant amounts , this estimation is performed on an individual basis . Amounts which are not individually significant , but which are past due , are assessed collectively and a provision applied according to the length of time past due , based on historical recovery rates .
- Inventories are held at the lower of either cost or net realizable value . When inventories become old or obsolete , an estimate is made of their realizable value . For individually significant amounts this estimation is performed on an individual basis . Amounts which are not individually significant , but which are old or obsolete , are assessed collectively and a provision applied according to the inventory type and the degree of aging or obsolescence , based on historical selling prices.
- Management reviews periodically the tangible and intangible assets in order to assess the amortization and depreciation for the year based on the useful life and future economic benefits . Any impairment is taken to the statement of comprehensive income.

4- Significant accounting policies

Below used accounting policies in preparation of financial statements, these policies is applying in the years appear in financial statements.

Changes in accounting policies

Accounting policies followed in condensed interim financial statements' preparation for this period are consistent with the policies followed the last year, Except for the Company's application of the following Standards effective for annual periods beginning on 1 January 2020:

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Notes to the financial statements

- Amendments to IFRS 3: Definition of "Business"
- Amendments to International Accounting Standard No. (1) and International Accounting Standard No. (8): Defining "substantial"
- Amending the interest rates according to International Financial Reporting Standard No. (9) and International Financial Reporting Standard No. (7)
- Amendments to IFRS 16 "Rentals" - Rental concessions related to the COVID-19 pandemic

No impact resulted from the application of these above amendments on the company's financial statements.

Financial assets at fair value through income

Variation of changes in fair value for financial assets is recording through income statements. Financial assets at fair value through income statement appear in fair value which had market prices in active markets.

Financial assets at fair value through comprehensive income

Financial assets at fair value through comprehensive income are non derivative financial assets, the purpose of the acquisition is to keep them available for sale and not to trade or keep them until maturity.

The differences in the change in fair value of financial assets carried at fair value are recorded through the statement of comprehensive income.

Financial assets at fair value through comprehensive income that is available to quoted market prices in active markets at fair value, net of accumulated impairment losses in the fair value appear.

Gains and losses arising from differences foreign currency debt instruments that bear interest within the specified financial assets at fair value through comprehensive income transfer register, while the registration of foreign exchange rate changes ownership of the tools included in the cumulative change in fair value in equity.

If the company did not adopt the recognition of the fair value changes of financial assets in equity instruments in the list of other comprehensive income must be an option then these assets are measured at fair value and recognize changes in fair value in the statement of comprehensive income.

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Notes to the financial statements

Accounts receivable

Accounts receivable are stated at their net realizable value net of a provision for impairment debts, Accounts receivable are written off if no possibility to collect by deduction from taken provision and add Proceeds from receivable that were written off to income.

Provision for impairment debts

On 1 January 2018 IFRS 9 "Financial Instruments" replaced the 'incurred loss' impairment model in IAS 39 "Financial Instruments: Recognition and Measurement" with an 'expected credit loss' (ECL) impairment model. The new impairment model requires forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. It also requires management to assign probability of default to various categories of receivables. Probability of default constitutes a key input in measuring an ECL and entails considerable judgement; it is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. In the previous year, the impairment review on trade receivables was performed only for receivables for which management had an indication for impairment. That also entailed significant judgement. It was determined by reference to past default experience of a counterparty and an analysis of the counterparty's financial situation, but the "incurred loss" model disregarded entirely the current and expected future conditions. As a result, it is expected that under the new impairment model credit losses will be recognised earlier

Cash and cash equivalents

Cash and cash equivalents include cash in hand , deposits held at call with banks , other short - term highly liquid investments with original maturities of three months or less .

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Notes to the financial statements

Property, plant & equipments

Property, plant & equipments are recorded at cost and depreciated (except lands) over its estimated useful lives under the **straight line** method by using annual depreciation rates as follows:

Furnitures & fixtures	10%	Vehicles	15
Office equipments	12%	Computers	25%

An assets carrying amounts is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount , the impairment record in statement of comprehensive income .

The expected production life for assets is reviewed at end of the year , whenever ther are changes between the expected life and the estimated , the depreciation method is changed to depreciate on net book value based on the remaining production life after re-estimation from the year re-estimated on .

When there are no expected economic benifits from usage , that item will be written down immediately .

Fair value

The close price at the financial statements date represent the fair value for current financial statement in international markets , in case if the prices are not available for some financial investments the fair value evalued through the comparative with market current value to similar financial instrument .

In case if there is a financial assets to be unfesible measuring its fair value completely the cost & the amortizing cost shown , in case if there is alower in its fair value the lower value recording in statements of income.

The evaluations types aim to measure a fair value reflect market expectation , it take market positions and also any risks or expected benefits when reevaluated the financial instruments , when the fair value of financial instruments is not measured reliably it will record at cost after deducting any impairemnet of its value .

Impairment of financial assets

The company reviewed recorded amounts for the financial assets at the date of financila position to determine if there is any indicators for impairment in its individual amount or collective amounts , in case of existence of these indicators the company estimate refundable value for indicating iparement loss.

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Date of financial assets recognized

Purchases and sales financial assets are recognized on the trade date (the date on which the company commits its self to purchase or sell the assets) .

Other revenues recognition

Other revenues are recognized upon accrual basis .

Offsetting

Offsetting of financial assets and financial liabilities is occurred and the net amount reported in the financial statements when the rights and legally enforceable right to offset the recognized amounts and the bank intends to either settle them on a net basis , or to realize the assets and settle the liability simultaneously

Provisions

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events , it is probable that an outflow or resource will be required to settle the obligation , and a reliable estimate of the amount can be made . Where the company expect a provision to be reimbursed , for example under an insurance contract , the reimbursed is recognized as a separate asset but only when the reimbursement is virtually certain .

Income tax

Accrued taxes expenses are calculated according to taxable gains in accordance to law (38) for the year 2018, taxable gains are different from declared gains in income statement because declared gains include non-taxable revenues or non-reduction expenses at the current year but in coming years , or acceptable taxable accumulated loss , or non-taxable items or reducing for tax purposes .

Taxes are calculated according to decision tax rate in accordance with laws , systems and instructions .

Foreign currency translation

Foreign currency transactions are translated into Jordanian Dinars at the exchange rates prevailing at the date of transaction . Assets and liabilities expressed in foreign currencies are translated into Jordanian Dinars at the exchange rates prevailing as at the balance sheet date . Exchange differences arising from these translations are included in the statement of income .

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Notes to the financial statements

5- Deffered receipt cheques

A. Deferred receipt checks comprise part of the proceeds of the sale of a portion of the Company's share in the subsidiary's capital (**OBN Energie FZA - UAE Company**) amounting to **9** annual checks, the first of which is due on **15 December 2020** amounted of **AED 26,727,056** and its equivalent in Jordanian dinars is **JD 5,158,322**. The value of each of the remaining eight checks is **AED 15,958,095** and its equivalent in Jordanian Dinars is **JD 3,079,912**. The maturity of the checks is deferred until **December 15, 2028**.

B. The present value of the deferred receipt cheques is calculated as follows:

	2020 JD	2019 JD
Cheques book value	29,797,620	29,797,620
Deffered revenues	(4,046,539)	(4,046,539)
Cheques present value	25,751,081	25,751,081

C. Classification of cheques

	2020 JD	2019 JD
Accrued (note 5 D)	4,989,672	-
Short term	2,884,193	4,989,672
Long trem	17,877,216	20,761,409
Total	25,751,081	25,751,081

D. The board of directors decided in its meeting held on June 21, 2020 to approve the request of the management of the first fund company, Ltd. postponing the maturity of the first check, amounting to 4,989,672 Jordanian dinars, to the end of the year 2021, without accounting for any interest or commission.

E. According to the purchase, sale and financial settlement agreement signed on **March 7, 2021** with the United Arab Emirates Oil Services Company, setteled the deferred checks with a total value of **150,689,000** UAE dirhams, which is equivalent in Jordanian dinars **29,082,977** Jordanian dinars (note 5 F), and as follows:

- The United Arab Emirates Oil Services Company pays its deffered checks within the next **8** years in advance through the transfer of financial assets (shares traded on the Dubai Financial Market) in favor of the Blue Stone Jordan Investments Company, as it was agreed to transfer **5,034,152** shares of the shares owned by The United Arab Emirates Oil Services Company in Gulfa Mineral Water and Transforming Industries Company (Gulfa General Investments Company) for the benefit of the Blue Stone Jordan Investments Company, with a market value of **22,152,282** Jordanian Dinars (note 5 F), and the ownership transfer process was implemented for the Blue Stone Jordan Investments Company on **March 15, 2021** According to legal principles, the purchase was disclosed on March 15, 2021, at the Dubai Financial Market.

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- The purchase of the remaining shares owned by the Blue Stone Jordan Investments Company in OBN Energy FZA, amounting to **18,413** shares, amounting to **3,422,118** Jordanian dinars (note 5 F , 9), based on the agreements previously signed between the two parties and proving them as a liability to the Emirates Oil Services Company covered by the settlement Above, the transfer of shares was duly carried out during the month of **December 2020** (note 6 B).

- The remaining amount of the agreement amounting to **3,508,577** Jordanian dinars (note 5 F) remains with the United Arab Emirates Oil Services Company as well.

This is in return for settling deferred checks, the value of which is **29,797,620** JD.

According to the agreement, the receivables owed by the United Arab Emirates Oil Services Company amounting to **6,930,695** Jordanian dinars (note 5 F) will be settled by being paid in cash or in the form of other shares that will be waived in favor of the Blue Stone Jordan Investments Company with its approval during 2021.

F. The following is a summary of the financial settlement:

	JD
The amount of the financial settlement	29,082,977
Deduct : The assigned shares of Gulfa Mineral Water Company	(22,152,282)
<u>The remaining amount was distributed as follows:</u>	6,930,695
The United Arab Emirates Oil Services Company was obligated to purchase the remaining shares of OBN Energy	(3,422,118)
A residual liability of the Emirates Oil Services Company	(3,508,577)
Total	-

6- Financial assets at fair value through comprehensive income st.

A. This item consists of the following :

	Ownerity rate %	2020 JD	2019 JD
<u>Outside JORDAN</u>			
<u>Limited liability companies (unlisted)</u>			
OBN Energy FZA (Emaratie company)	-	-	3,307,498
Total		-	3,307,498

B. The movement of financial assets at f.v through cpmprehensive income during the year as follow :

	2020 JD	2019 JD
Balance beginning of the year	3,307,498	3,307,498
Selling of owned shares (note 5 E)	(3,307,498)	-
Balance ending of the year	-	3,307,498

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7- Property, plant & equipments - net

This item consists of the following :

	Furnitures & fixtures	Office equipments	Vehicles	Computers	Total
	JD	JD	JD	JD	JD
<u>Cost</u>					
Balance beginning of the year	2,565	1,284	35,220	1,463	40,532
Additions for the year	-	120	-	315	435
Balance ending of the year	2,565	1,404	35,220	1,778	40,967
<u>Accumulated depreciations</u>					
Balance beginning of the year	501	316	11,681	734	13,232
Depreciation for the year	258	167	5,297	441	6,163
Balance ending of the year	759	483	16,978	1,175	19,395
Book value as of December 31, 2020	1,806	921	18,242	603	21,572
Book value as of December 31, 2019	2,064	968	23,539	729	27,300

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8- Cash & cash equivalents

A. This item consists of the following :

	<u>2020</u> JD	<u>2019</u> JD
Cash on petty cash	2,325	1,336
Cash at bank - deposit account (note 8B)	<u>17,245</u>	<u>197,066</u>
Total	<u>19,570</u>	<u>198,402</u>

B. The interest rate on the bank deposit is 1.029% and it mature monthly.

9- Accounts receivable

A. This item consists of the following :

	<u>2020</u> JD	<u>2019</u> JD
United Arab Emirates Oil Services Company (UAE) (note 5 E)	3,422,118	-
Khaled Makhashin Advocates and Legal Consultants Office (UAE) (note 9 B)	<u>505,081</u>	<u>-</u>
Total	<u>3,927,199</u>	<u>-</u>

B. According to the agreement signed with Khaled Makhashin Law Firm (UAE), on December 16, 2020, the amount received from the sale of the shares of Union Real Estate Company (UAE) (note 10 b) amounting to 505,081 dinars was deposited with the office, in order to cover the costs of implementation The agreement signed between the Blue Stone Jordan Investment Company and the Emirates Oil Services Company, according to which the shares of Gulfa Mineral Water and Transformative Industries will be assigned to the company.

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10- Financial assets at fair value through income st.

A. This item consists of the following :

	<u>2020</u>	<u>2019</u>
	JD	JD
<u>Outside JORDAN</u>		
<u>Public shareholding companies (listed)</u>		
Union properties Co. (Emaratie company)	-	499,687
Fair value	<u>-</u>	<u>499,687</u>

B. The movement of financial assets at f.v through income during the year as follow :

	<u>2020</u>	<u>2019</u>
	JD	JD
Balance beginning of the year	499,687	-
Acquisitions of shares listed in global financial markets	-	1,001,428
Selling of shares listed in global financial markets (note 9 B)	(499,687)	(239,637)
Unearned (losses) from financial assets through income	-	(262,104)
Balance ending of the year	<u>-</u>	<u>499,687</u>

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11- Other debit balances

This item consists of the following :

	<u>2020</u> JD	<u>2019</u> JD
Prepaid expnses	1,568	3,614
Due to income tax - bank intrests	2,040	1,934
Refundable deposit	60	60
Employees receivable	-	5,800
Due from social security	-	3,916
Total	<u><u>3,668</u></u>	<u><u>15,324</u></u>

12- Owners' equity

A. Capital

Declared & Paid capital amounted of JD **33,500,000** distributed on **33,500,000** shares, of Nominal value for each share of one JD .

B. Statutory reserve

This item represents the accumulated amounts appropriated at a rate of **10%** of annual income and prior years, the appropriation will stop when the statutory reserve amount equals the capital , it is not available for distribution to the shareholders, provided that deductions for statutory reserve account do not exceed **25%** of the paid up capital, and it can be used for amortization accumulated loss in accordance with the companies law.

C. Accumulated (loss)

The movement of accumulated (loss) during the year as follow :

	<u>2020</u> JD	<u>2019</u> JD
Balance at beginning of the year	(3,771,986)	(3,316,648)
(Loss) for the year	(37,935)	(455,338)
Gains from selling financial assets through comprehensive income	114,620	-
Balance at ending of the year	<u><u>(3,695,301)</u></u>	<u><u>(3,771,986)</u></u>

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13- Other credit balances

This item consists of the following :

	2020 JD	2019 JD
Contengent liabilities provision	4,000	4,000
Accrued expenses	589	3,177
Due to shareholders	27,902	28,402
Due to income tax	-	14,456
Due to social security	516	-
Employees payable	5,700	-
Total	38,707	50,035

14- General & administrative expenses

This item consists of the following :

	2020 JD	2019 JD
Fees & licenses & subscriptions	13,099	12,952
Advertising	3,300	750
Professional fees & consulting	62,975	43,325
Postage & telephone & internet	2,454	2,827
Others	5,192	5,954
Wages & salaries	60,740	71,540
Company's share of social security	5,934	6,205
General assembly expenses	1,826	1,125
Translation expenses	2,102	-
Rents	4,000	4,000
Travel	2,054	10,588
Depreciations	6,163	6,172
Entertaimnet & cleaning	1,793	2,420
Stationary & printing	403	770
Vehicles & transportation	9,257	7,520
Income tax	3,834	14,456
Governmental fines	1,974	-
Total	187,100	190,604

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15- Basic and diluted (lossing) per share

This item consists of the following :

	2020 JD	2019 JD
(Loss) for the year (JD)	(37,935)	(455,338)
Weighted average shares (share)	33,500,000	33,500,000
Basic and diluted (lossing) per share	(0.001)	(0.014)

The diluted (lossing) per share is equal to the basic (lossing) per share .

16- Income tax

A. The movement of income tax provision during the period as follow :

	2020 JD	2019 JD
Balance beginning of the year	-	-
Tax of the year (note 16 C)	19,309	-
Balance ending of the year	19,309	-

B. Income tax was accepted for the end of **2018** within the sampling system, and for **2019**, a self-assessment statement was submitted for it and not yet reviewed.

C. Reconciliation of taxable income

	2020 JD	2019 JD
Recorded (loss)	(18,626)	(455,338)
Non-taxable income	(5,394)	-
Non-taxable expenses	115,969	-
Taxable income (loss)	91,949	(455,338)
Income tax rate	20%	20%
Income tax for the year	18,390	-
National contribution accountt (1% of taxable income)	919	-
Total income tax	19,309	-

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17- Sectors classification

Financial investents and real-estates are of the main company's objectives, the following informations about business sectors :

The company operated its activities inside of JORDAN.

2020				
	<u>Main activity</u> JD	<u>Investments</u> JD	<u>Others</u> JD	<u>Total</u> JD
Revenues	-	120,014	163,080	283,094
<u>Assets & liabilities</u>				
Assets	-	-	29,883,958	29,883,958
Liabilities	-	-	58,016	58,016
<u>Other sectors informations</u>				
Capital expenses	-	-	435	435
Depreciations	-	-	6,163	6,163

2019				
	<u>Main activity</u> JD	<u>Investments</u> JD	<u>Others</u> JD	<u>Total</u> JD
Revenues	-	-	7,330	7,330
<u>Assets & liabilities</u>				
Assets	-	3,807,185	25,992,107	29,799,292
Liabilities	-	-	50,035	50,035
<u>Other sectors informations</u>				
Capital expenses	-	-	365	365
Depreciations	-	-	6,172	6,172

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18- Assets & liabilities accrual analysis

This item consists of the following :

	2020		
	More than 1		Total
	Until 1 year	year	
	JD	JD	JD
<u>Assets</u>			
<u>Non-current assets</u>			
Deffered receipt cheques - long term	-	18,023,689	18,023,689
Property & equipments - net	-	21,572	21,572
Total non- current assets	-	18,045,261	18,045,261
<u>Current assets</u>			
Cash & cash equivalents	19,570	-	19,570
Accounts receivable	3,927,199	-	3,927,199
Deffered receipt cheques - accrued	4,997,454	-	4,997,454
Deffered receipt cheques - short term	2,890,806	-	2,890,806
Other debit balances - net	3,668	-	3,668
Total current assets	11,838,697	-	11,838,697
Total assets	11,838,697	18,045,261	29,883,958
<u>Current liabilities</u>			
Income tax provision	19,309	-	19,309
Other credit balances	38,707	-	38,707
Total current liabilities	58,016	-	58,016
Net	11,780,681	18,045,261	29,825,942

	2019		
	More than 1		Total
	Until 1 year	year	
	JD	JD	JD
<u>Assets</u>			
<u>Non-current assets</u>			
Deffered receipt cheques	-	20,581,501	20,581,501
Financial assets at fair value through comprehensive income st.	-	3,307,498	3,307,498
Property & equipments - net	-	27,300	27,300
Total non- current assets	-	23,916,299	23,916,299
<u>Current assets</u>			
Cash & cash equivalents	198,402	-	198,402
Deffered receipt cheques - short term	5,169,580	-	5,169,580
Financial assets at fair value through income st.	499,687	-	499,687
Other debit balances - net	15,324	-	15,324
Total current assets	5,882,993	-	5,882,993
Total assets	5,882,993	23,916,299	29,799,292
<u>Current liabilities</u>			
Other credit balances	50,035	-	50,035
Total current liabilities	50,035	-	50,035
Net	5,832,958	23,916,299	29,749,257

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19- Risk management

Company is facing interest price risks on its assets and liabilities because the company having deposits and facilities at banks .

Liquidity risks

Liquidity risks represents of inability making sure of facilities availability to performance its obligations in due dated , company doesn't face these risks .

The following schedule summarizes distribution of financial liabilities (non-discounted) as of **December 31, 2020** based on remaining period for contractual entitlement :

	2020				Total
	Less than 3 months	From 3 months to 1 year	From 1 to 5 years	More than 5 years	
	JD	JD	JD	JD	
Income tax provision	19,309	-	-	-	19,309
Other credit balances	38,707	-	-	-	38,707

	2019				Total
	Less than 3 months	From 3 months to 1 year	From 1 to 5 years	More than 5 years	
	JD	JD	JD	JD	
Other credit balances	50,035	-	-	-	50,035

Credit risks

These risks rise from receivables & others treatments which may cause defaults from parties to pay their commitments.

The management believes that there are no credit risk facing the company because there are no any receivables or material balances at banks .

Currencies risks

Most of company's transactions was in Jordanoan Dinars , so the effect of currencies risks is not material to financial statements .

20- Capital management

Main objective of capital management is to insure keeping capital ratio appropriate to support company's activity and maximizing Shareholders equity .

Company managing capital structure and making needs adjustments according to changes in work conditions ,the company structuring capital by decrease it because of no needs for this amount currently .

The items include in capital structure represents of paid capital & statutory reserve & accumulated loss totaling of JD **29,825,942** as of **December 31, 2020** opposite of JD **29,749,257** as of **December 31, 2019**.

21- The impact of the Corona virus (Covid-19) outbreak on the company

In light of the continuing impact of the Coronavirus (Covid-19) on the global economy and various business sectors, and the accompanying restrictions and measures imposed by the Jordanian government, the company's operational activities have been affected by these events.

The extent and duration of these effects are not defined and depend on future developments that cannot be accurately predicted at the present time, such as the rate of spread of the virus and the effectiveness of measures taken to contain it. In light of the current economic turmoil, it is not possible to make reliable estimates about the impact of the virus until the date of approval of the financial statements. Future developments may affect the company's future results, cash flows, and financial condition.

22- Comparative figures

Some of the comparative figures have been reclassified to suit the classification of the current fiscal year figures. The reclassification did not result in any impact on the profit or property rights of the previous year.