

Jordanian Expatriates Investment Holding Company
Public Shareholding Company

Condensed Interim Consolidated Financial Statements (Unaudited)

30 June 2024

Jordanian Expatriates Investment Holding Company
Public Shareholding Company

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Report on Review of Condensed Interim Consolidated Financial Statements

To The Board of Directors
Jordanian Expatriates Investment Holding Company
Public Shareholding Company
Amman - Jordan

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of Jordanian Expatriates Investment Holding Company (PLC), comprising the interim consolidated statement of financial position as at 30 June 2024 and the related interim consolidated statement of comprehensive income, interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the six-months period then ended and the notes about condensed interim consolidated financial statements. Management is responsible for the preparation and presentation of this condensed interim consolidated financial statement in accordance with International Accounting Standard number (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed interim consolidated financial statements based on our review.

Scope of Review


We conducted our review in accordance with the International Standard on Review Engagements number (2410) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim consolidated financial statement consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard number (34) "Interim Financial Reporting".

21 July 2024
Amman - Jordan




Arab Professionals
Ibrahim Hammoudeh
License No. (606)

Jordanian Expatriates Investment Holding Company
Public Shareholding Company
Interim Consolidated Statement of Financial Position as at 30 June 2024

(In Jordanian Dinar)

	Note	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Assets			
Cash and cash equivalents		4,854,252	5,352,857
Financial assets at fair value through profit or loss		3,170,292	4,044,382
Brokerage receivables		12,128	21,853
Margin financing receivables		727,705	882,158
Brokers receivables		25,070	60,163
Settlement guarantee fund		89,000	89,000
Other current assets		279,131	170,337
Financial assets at fair value through other comprehensive income		3,933,732	3,933,732
Financial assets at amortized cost		1,224,209	1,228,127
Investment property		1,963,552	1,963,552
Property and equipment		13,665	17,624
Projects under construction		1,097,650	933,982
Brokerage license		200,000	200,000
Total assets		17,590,386	18,897,767
Liabilities and Equity			
Liabilities			
Brokerage payables		186,425	216,734
Amounts due to related parties		-	25,213
Other current liabilities		326,987	345,440
Total liabilities		513,412	587,387
Equity	4		
Paid in capital		14,512,500	14,512,500
Additional paid in capital		105,986	105,986
Statutory reserve		2,542,950	2,542,950
Voluntary reserve		11,448	11,448
(Accumulated losses) Retained earnings		(740,591)	488,535
Total shareholders' equity		16,432,293	17,661,419
Non-controlling interests		644,681	648,961
Total equity		17,076,974	18,310,380
Total liabilities and equity		17,590,386	18,897,767

"The accompanying notes from (1) to (7) are an integral part of these condensed interim consolidated financial statements and read with review report"

Jordanian Expatriates Investment Holding Company
Public Shareholding Company
Interim Consolidated Statement of Comprehensive Income
For the Six Months Ended at 30 June 2024

(In Jordanian Dinar)

	For the three months ended		For the six months ended	
	30 June 2024 (Unaudited)	30 June 2023 (Unaudited)	30 June 2024 (Unaudited)	30 June 2023 (Unaudited)
Dividends income	32,275	124,381	121,215	149,455
Gain from sale of financial assets at fair value through profit or loss	-	-	-	18,395
Changes in fair value of financial assets at fair value through profit or loss	(211,239)	230,770	(830,612)	(145,725)
Brokerage commissions	36,676	86,758	98,110	198,707
Interest income on margin financing accounts	18,518	6,344	23,150	10,400
Interest income from bank deposits	62,245	51,187	134,680	88,630
Interest income from financial assets at amortized cost	23,817	22,462	47,667	44,870
Administrative expenses	(136,887)	(128,254)	(247,486)	(232,794)
Marketing expenses	(6,344)	(25,605)	(23,586)	(55,970)
Provision for expected credit loss for financial assets at amortized cost	-	(40,000)	-	(65,000)
Provision for expected credit loss for brokerage receivables	-	(22,369)	(19,470)	(43,928)
Depreciation	(2,249)	(2,129)	(4,491)	(4,253)
Legal expenses	(725)	-	(12,428)	-
Other expenses and revenues, net	(46,539)	7,263	(56,101)	(14,304)
(Loss) profit for the period before income tax	(230,452)	310,808	(769,352)	(51,517)
Prior years income tax	(583)	-	(13,426)	-
Income tax for the period	7,765	(17,110)	(13,752)	(31,187)
National contribution tax for the period	662	(2,054)	(1,501)	(4,066)
Total comprehensive (loss) income for the period	(222,608)	291,644	(798,031)	(86,770)
Attributable to:				
Shareholders of the company	(223,069)	292,861	(793,751)	(86,968)
Non-controlling interests	461	(1,217)	(4,280)	198
	(222,608)	291,644	(798,031)	(86,770)
 Basic and diluted (loss) earnings per share	 (0.015)	 0.020	 (0.055)	 (0.006)

The accompanying notes from (1) to (7) are an integral part of these condensed interim consolidated financial statements and read with review report"

Jordanian Expatriates Investment Holding Company
Public Shareholding Company
Interim Consolidated Statement of Changes in Equity For the Six Months Ended at 30 June 2024 (Unaudited)
(In Jordanian Dinar)

	Paid in capital	Additional paid in capital	Reserves		Accumulated losses	Total shareholders' equity	Non- controlling interests	Total equity
			Statutory	Voluntary				
Balance at 1 January 2024	14,512,500	105,986	2,542,950	11,448	488,535	17,661,419	648,961	18,310,380
Paid dividends (Note 4)	-	-	-	-	(435,375)	(435,375)	-	(435,375)
Total comprehensive income for the period	-	-	-	-	(793,751)	(793,751)	(4,280)	(798,031)
Balance at 30 June 2024	14,512,500	105,986	2,542,950	11,448	(740,591)	16,432,293	644,681	17,076,974
Balance at 1 January 2023	14,512,500	105,986	2,401,062	11,448	(697,602)	16,333,394	644,370	16,977,764
Total comprehensive income for the period	-	-	-	-	(86,968)	(86,968)	198	(86,770)
Balance at 30 June 2023	14,512,500	105,986	2,401,062	11,448	(784,570)	16,246,426	644,568	16,890,994

"The accompanying notes from (1) to (7) are an integral part of these condensed interim consolidated financial statements and read with review report"

Jordanian Expatriates Investment Holding Company
Public Shareholding Company
Interim Consolidated Statement of Cash Flows
For the Six Months Ended at 30 June 2024

(In Jordanian Dinar)

	30 June 2024 (Unaudited)	30 June 2023 (Unaudited)
Operating activities		
Loss before tax for the period	(769,352)	(51,517)
Depreciation	4,491	4,253
Changes in fair value of financial assets at fair value through profit or loss	830,612	145,725
Provision for expected credit loss for brokerage receivables	19,470	43,928
Provision for expected credit loss for financial assets at amortized cost	-	65,000
Amortization of bonds discount	(5,282)	(5,149)
Changes in working capital		
Financial assets at fair value through profit or loss	43,478	31,093
Brokerage receivables	(33,161)	164,701
Margin financing receivables	147,560	(131,653)
Brokers receivables	35,093	(17,380)
Amounts due to related parties	(25,213)	(20,245)
Other current assets	(98,563)	(48,035)
Other current liabilities	(13,786)	(38,081)
Paid income tax	(43,577)	-
Net cash flows from operating activities	<u>91,770</u>	<u>142,640</u>
Investing activities		
Property and equipment	(532)	(418)
Projects under construction	(163,668)	-
Financial assets at amortized cost	9,200	(6,121)
Investment property	-	(42,797)
Net cash flows used in investing activities	<u>(155,000)</u>	<u>(49,336)</u>
Financing activities		
Paid dividends	(435,375)	-
Changes in cash and cash equivalents	(498,605)	93,304
Cash and cash equivalents, beginning of year	5,352,857	4,099,214
Cash and cash equivalents, end of period	<u><u>4,854,252</u></u>	<u><u>4,192,518</u></u>

“The accompanying notes from (1) to (7) are an integral part of these condensed interim consolidated financial statements and read with review report”

Jordanian Expatriates Investment Holding Company
Public Shareholding Company
Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)
30 June 2024

(In Jordanian Dinar)

1 . General

Jordanian Expatriates Investment Holding Company was established on 2 July 1988 and registered in accordance with Jordanian Companies Law under No. (202) as Public Shareholding Company. The Company's head office is in the Hashemite Kingdom of Jordan. Company's main objectives are to invest in industrial, commercial, agricultural, tourism and other economic fields.

The Company's shares are listed in Amman Stock Exchange.

The accompanying condensed interim consolidated financial statements have been approved for issue by the Company's Board of Directors on 18 July 2024.

2 . Summary of Significant Accounting Policies

Basis of Preparation

The condensed interim consolidated financial statements of the Company have been prepared in accordance with International Accounting Standard number (34) "Interim Financial Reporting". They do not include all of the information required in annual consolidated financial statements in accordance with IFRSs, and should be read in conjunction with the consolidated financial statements of the Company for the year ended 31 December 2023.

The condensed interim consolidated financial statements have been prepared on a historical cost basis except for investment securities, which have been measured at fair value.

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

The accounting policies are consistent with those used in the previous period, except for the adoption of new and amended standards effective as at the beginning of the period.

Basis of Consolidation

The condensed interim consolidated financial statements comprise of the financial statements of the parent and its subsidiaries where the Company has the power to govern the financial and operating policies of the subsidiaries so as to obtain benefits from their activities. The financial statements of the subsidiaries are prepared for the same reporting year as the Company using consistent accounting policies. All balances, transactions, income, and expenses between the Company and its subsidiaries are eliminated.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases.

The results of operations of the subsidiaries are consolidated in the consolidated interim statement of profit or loss from the acquisition date which is the date on which control over subsidiaries is transferred to the Company. The results of operation of the disposed subsidiaries are consolidated in the consolidated statement of profit or loss to the disposal date which is the date on which the Company loses control over the subsidiaries.

Non - controlling interest represent the subsidiary equity not owned by the parent shareholders.

The following subsidiaries have been consolidated:

Company	Paid in capital	Ownership	Activity
Jordanian Expatriates for Financial Brokerage LLC	2,250,000	75%	Brokerage services
Jordanian Expatriates for Real Estate and Development LLC	1,600,000	100%	Real estate investment

Use of Estimates

The preparation of the condensed interim consolidated 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, expenses and the provisions. 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 changes in such provisions.

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

- Management reviews periodically the tangible and intangible assets in order to assess the depreciation and amortization for the year based on the useful life and future economic benefits. Any impairment is taken to the interim consolidated statement of profit or loss.
- The measurement of impairment losses under IFRS 9 requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. Elements of the expected credit loss model that are considered accounting judgments and estimates include Probability of default (PD), Loss given default (LGD) and Exposure at default (EAD).
- The Company uses licensed real estate appraiser to measure the fair value of the Investment properties.

3 . Income tax

- The Company has settled its tax liability with Income Tax Department up to the year ended 2021.
- The income tax returns for the years 2022 and 2023 have been filed with the Income Tax Department but the Department has not reviewed the Company's records till the date of this report.
- The Income and National Contribution tax provision for the six months ended 30 June 2024 was calculated in accordance with the Income Tax Law.

4 . Paid dividends

The General Assembly has resolved in its meeting held during 2024 to distribute 3% cash dividends of the paid in capital amounted to JOD (14,512,500) to the shareholders'.

5 . Contingent liabilities

The Company is contingently liable with respect to bank letters of guarantee for JOD (450,000) against cash margin of JOD (47,500).

6 . Analysis of the Maturities of Assets and Liabilities

The following table illustrates the analysis of assets and liabilities according to the expected period of their recoverability or settlement.

30 June 2024	Less than one year	More than one year	Total
Assets			
Cash and cash equivalents	4,854,252	-	4,854,252
Financial assets at fair value through profit or loss	3,170,292	-	3,170,292
Brokerage receivables	12,128	-	12,128
Margin financing receivables	727,705	-	727,705
Brokers receivables	25,070	-	25,070
Settlement guarantee fund	89,000	-	89,000
Other currents assets	279,131	-	279,131
Financial assets at fair value through other comprehensive income	-	3,933,732	3,933,732
Financial assets at amortized cost	-	1,224,209	1,224,209
Investment property	-	1,963,552	1,963,552
Property and equipment	-	13,665	13,665
Projects under construction	-	1,097,650	1,097,650
Brokerage license	-	200,000	200,000
Total assets	9,157,578	8,432,808	17,590,386
Liabilities			
Brokerage payables	186,425	-	186,425
Other current liabilities	326,987	-	326,987
Total liabilities	513,412	-	513,412

31 December 2023	Less than one year	More than one year	Total
Assets			
Cash and cash equivalents	5,352,857	-	5,352,857
Financial assets at fair value through profit or loss	4,044,382	-	4,044,382
Brokerage receivables	21,853	-	21,853
Margin financing receivables	882,158	-	882,158
Brokers receivables	60,163	-	60,163
Settlement guarantee fund	89,000	-	89,000
Other currents assets	170,337	-	170,337
Financial assets at fair value through other comprehensive income	-	3,933,732	3,933,732
Financial assets at amortized cost	-	1,228,127	1,228,127
Investment property	-	1,963,552	1,963,552
Property and equipment	-	17,624	17,624
Projects under construction	-	933,982	933,982
Brokerage license	-	200,000	200,000
Total assets	10,620,750	8,277,017	18,897,767
Liabilities			
Brokerage payables	216,734	-	216,734
Amount due to related parties	25,213	-	25,213
Other current liabilities	345,440	-	345,440
Total liabilities	587,387	-	587,387

7 . Fair Value of Financial instruments

The fair values of the financial assets and liabilities are not materially different from their carrying values as most of these items are either short-term in nature or re-priced frequently.

Financial assets and financial liabilities measured at fair value in the consolidated statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

30 June 2024	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	3,069,732	100,560	-	3,170,292
Financial assets at fair value through other comprehensive income	-	-	3,933,732	3,933,732
	3,069,732	100,560	3,933,732	7,104,024
31 December 2023	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	3,950,688	93,694	-	4,044,382
Financial assets at fair value through other comprehensive income	-	-	3,933,732	3,933,732
	3,950,688	93,694	3,933,732	7,978,114

Financial assets included in level 3 are stated at cost less impairment charges, as the fair value of these assets cannot be measured reliably due to the lack of available active markets for identical assets.