

MEDITERRANEAN TOURISM INVESTMENT COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - JORDAN

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED
MARCH 31, 2022
TOGETHER WITH REVIEW REPORT

MEDITERRANEAN TOURISM INVESTMENT COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - JORDAN
MARCH 31, 2022

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Review Report

AM/ 007833

To the Chairman and Members of the Board of Directors
Mediterranean Tourism Investment Company
(A Public Shareholding Limited Company)
Amman – Jordan

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Mediterranean Tourism Investment Company (A Public Shareholding Limited Company), as of March 31, 2022 and the related condensed interim statement of profit or loss and comprehensive income, changes in shareholders' equity, and statement of 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 these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed consolidated interim financial statements 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 Company". A review of 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 the accompanying condensed interim financial statements for Mediterranean Tourism Investment Company (A Public Shareholding Limited Company) are not prepared in accordance with International Accounting Standard No. (34) related to Interim Financial Reporting.

Other Matter

The accompanying condensed interim financial information are a translation of the condensed consolidated interim financial information in the Arabic language to which reference is to 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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MEDITERRANEAN TOURISM INVESTMENT COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - JORDAN
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	March 31, 2022 (Reviewed not Audited) JD	December 31, 2021 (Audited) JD
<u>ASSETS</u>			
Non-Current Assets:			
Property and equipment - net	4	59,981,653	60,307,999
Financial assets at fair value through other comprehensive income	5	341,569	416,040
Total Non-Current Assets		60,323,222	60,724,039
Current Assets:			
Inventory		201,445	209,253
Other debit balances		298,866	169,529
Accounts receivables - net		581,061	457,871
Cash on hand and at bank	6	1,353,777	1,579,706
Total Current Assets		2,435,149	2,416,359
Total Assets		62,758,371	63,140,398
<u>SHAREHOLDERS' EQUITY AND LIABILITIES</u>			
Shareholders' Equity:			
Paid-up capital	7.a	45,000,000	45,000,000
Share premium	7.b	63,624	63,624
Statutory reserve		4,527,346	4,527,346
Fair value reserve		(74,764)	(293)
Accumulated losses		(3,353,283)	(3,353,283)
Profit for the period		79,710	-
Shareholders' Equity - net		46,242,633	46,237,394
Current Liabilities:			
Accounts payable		719,784	798,285
Due to a related party	13	196,552	248,495
Other credit balances	8	1,008,568	882,478
Loans - short term	9	1,698,216	1,698,216
Income tax provision	10	55,286	55,286
Total Current Liabilities		3,678,406	3,682,760
Non Current Liabilities:			
Loans - Long term	9	12,837,332	13,220,244
Total Non current Liabilities		12,837,332	13,220,244
Total Liabilities		16,515,738	16,903,004
Total Shareholders' Equity and Total Liabilities		62,758,371	63,140,398

Board of Directors Chairman

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED INTERIM
FINANCIAL STATEMENTS AND SHOULD BE READ WITH THE ACCOMPANYING REVIEW REPORT.

MEDITERRANEAN TOURISM INVESTMENT COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - JORDAN
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
(REVIEWED NOT AUDITED)

	Note	For the Three-Month Period	
		Ended on March 31,	
		2022	2021
		JD	JD
Four Seasons Hotel operating revenue	11	3,381,170	609,743
<u>Less:</u> Operating expenses - Four Seasons Hotel		(603,026)	(187,449)
General and administrative expenses-Four Seasons Hotel		<u>(1,835,895)</u>	<u>(807,194)</u>
Hotel Gross Operating Profit (Loss)		942,249	(384,900)
Other revenue		22,769	19,427
General and administrative expenses - Owing Company		(22,804)	(27,815)
Depreciation of property and equipment		(580,555)	(435,877)
Bank interest expense		(107,650)	(49,867)
Management fees		<u>(174,299)</u>	<u>(15,395)</u>
Profit (Loss) for the period before tax		79,710	(894,427)
Income tax for the period	10	<u>-</u>	<u>-</u>
Profit (Loss) for the Period		<u>79,710</u>	<u>(894,427)</u>
		JD/Share	JD/Share
Earning (Loss) per Share for the Period - (Basic and Diluted)	12	<u>0.0018</u>	<u>(0.0199)</u>

Board of Directors Chairman

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MEDITERRANEAN TOURISM INVESTMENT COMPANY

(A PUBLIC SHAREHOLDING LIMITED COMPANY)

AMMAN - JORDAN

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

(REVIEWED NOT AUDITED)

	For the Three-Month	
	Period Ended March 31,	
	2022	2021
	JD	JD
Profit (Loss) for the period	79,710	(894,427)
Other comprehensive income items which will not be reclassified to condensed interim statement of income in subsequent period		
Net change in fair value reserve	(74,471)	(10,844)
Total Comprehensive Income (Comprehensive loss) for the Period	5,239	(905,271)

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MEDITERRANEAN TOURISM INVESTMENT COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)

AMMAN - JORDAN

CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(REVIEWED NOT AUDITED)

	Paid-up Capital	Share Premium	Statutory Reserve	Fair Value Reserve	Retained Earnings/ (losses)	Profit (Loss) for the Period	Total
	JD	JD	JD	JD	JD	JD	JD
<u>For the Three-Month Period Ended on March 31, 2022</u>							
Balance - beginning of the period (Audited)	45,000,000	63,624	4,527,346	(293)	(3,353,283)	-	46,237,394
Profit for the period	-	-	-	-	-	79,710	79,710
Changes in fair value reserve	-	-	-	(74,471)	-	-	(74,471)
Total Comprehensive Income for the Period	-	-	-	(74,471)	-	79,710	5,239
Balance - Ending of the Period (Reviewed)	45,000,000	63,624	4,527,346	(74,764)	(3,353,283)	79,710	46,242,633
<u>For the Three-Month Period Ended on March 31, 2021</u>							
Balance - beginning of the period (Audited)	45,000,000	63,624	4,527,346	(48,653)	(2,037,075)	-	47,505,242
(Loss) for the period	-	-	-	-	-	(894,427)	(894,427)
Changes in fair value reserve	-	-	-	(10,844)	-	-	(10,844)
Total Comprehensive loss for the Period	-	-	-	(10,844)	-	(894,427)	(905,271)
Balance - Ending of the Period (Reviewed)	45,000,000	63,624	4,527,346	(59,497)	(2,037,075)	(894,427)	46,599,971

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MEDITERRANEAN TOURISM INVESTMENT COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - JORDAN
CONDENSED INTERIM STATEMENT OF CASH FLOWS
(REVIEWED NOT AUDITED)

	Note	For the Three-Month Period	
		Ended on March 31,	
		2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		JD	JD
Profit (Loss) for the period before tax		79,710	(894,427)
Adjustments :			
Depreciation of property and equipment		580,555	435,877
Interest expenses paid		107,650	49,867
(Gain) from sale of property and equipment		-	(1,650)
Bank interest income		(622)	(484)
Expected credit loss provision		7,308	7,308
Cash Flows from (used in) operating activities before change in working capital		774,601	(403,509)
(Increase) in accounts receivables		(130,498)	(6,153)
Decrease in inventory		7,808	9,167
(Increase) in other debit balances		(175,285)	(41,976)
(Decrease) in accounts payable		(78,501)	(88,040)
(Decrease) in due to a related party		(51,943)	(45,002)
Increase (Decrease) in other credit balances		126,090	(61,804)
Cash flows from (used in) Operating activities before Income Tax Paid		472,272	(637,317)
Income tax paid	10	-	-
Net Cash Flows from (used in) Operating Activities		472,272	(637,317)
CASH FLOWS FROM INVESTING ACTIVITIES:			
(Purchases) of property and equipment	4	(254,209)	(1,400,356)
Proceeds from sale of property and equipment		-	1,650
Bank interest received		622	484
Net Cash Flows (used in) Investing Activities		(253,587)	(1,398,222)
CASH FLOWS FROM FINANCING ACTIVITIES:			
(Decrease) Increase in Loans		(382,912)	2,429,376
Interest expenses paid		(61,702)	(91,576)
Net Cash Flows (used in) from Financing Activities		(444,614)	2,337,800
(Decrease) Increase in Cash		(225,929)	302,261
Cash on hand and at bank - beginning of the year		1,579,706	488,999
Cash on Hand and at Bank - End of the Period	6	1,353,777	791,260

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MEDITERRANEAN TOURISM INVESTMENT COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - JORDAN
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
(REVIEWED NOT AUDITED)

1. General

- Mediterranean Tourism Investment Company is a Public Shareholding Limited Company that was established on November 20, 1996 in Amman – Hashemite kingdom of Jordan with an authorized capital of JD 15 Million represented by 15,000,000 shares at a par value of one Jordanian Dinar per share. This capital has been increased several times, and the last of which was in 2003 to become JD 45 Million.
- The Company's main objectives are establishment and management of hotels, resorts and hotel facilities as well as the building of hotels, restaurants and swimming pools, including establishment and operating Four Seasons Hotel in Amman.
- The Company and Four Seasons Hotels and Resorts Corporation signed an agreement for managing the Four Seasons Hotel in Amman on January 27, 1997, the agreement is valid for 15 years effective from the actual commencement of the Hotel's operations which started during 2003, and it was automatically renewed for 15 years and valid till the 27th of January 2033. The Hotel consists of 193 rooms, and according to this agreement the agreed fees should be paid for the management of the Four Seasons Hotels International.
- During the years 2020 and 2021, the Four Seasons Hotel in Amman was re-modernized, and the renovation work was completed during the year 2021.

Deficit of working capital and the company as going concern

The deficit in the working capital of the company, as of March 31, 2022, amounted to about JD 1.24 million (December 31, 2021: about JD 1.27 million) resulting from obtaining loans that are due within a year and suspension of hotel operations as a result of the COVID-19 pandemic, which was utilized by facilities renovation. During the month of July of the prior year, the Hotel completed its renovation work and resumed its operational activities, which contributed to the generation of operational profits and reduction in the working capital deficit, where the Company was able to pay the due installments during the years 2021 and 2022. As the hotel generated operational profits during the first quarter of 2022 of an amount of JD 942,249 .

2. Significant Accounting Policies

a. Basis of preparation of the Condensed Interim Financial Statements

- The accompanying condensed interim financial statements of the Company for the three months ended March 31, 2022 have been prepared in accordance with International Accounting Standard (IAS) 34 relating to Interim Financial Reporting.
- The condensed interim financial statements are prepared on the historical cost basis except for the financial assets and financial liabilities, which are presented at their fair value as of the condensed interim financial statements date.
- The condensed interim financial statements are stated in Jordanian Dinar, which represents the functional currency for the Company.
- The condensed interim financial statements do not include all information and disclosures required for the annual financial statements prepared in accordance with International Financial Reporting Standards. Moreover, the results of operations for the three-month period ended March 31, 2022 do not necessarily provide an indication of the expected results of operations for the year ending December 31, 2022 and should be read with the annual report as of December 31, 2021.

- The Company has not booked statutory reserve amounts for profits of the three-month period ended March 31, 2022 as required by the Jordanian companies' law and issued regulations, as these are interim financial results, and deductions are booked at the end of the entity's fiscal period.

- Significant Accounting Policies

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 following revised IFRS standards, which became effective for financial periods beginning on or after January 1, 2021, were followed in preparing the Group's condensed consolidated interim financial information, which did not materially affect the amounts and disclosures contained in the condensed consolidated interim financial information for the previous period and years, noting that it 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. Judgements, Estimates, & risk management

Preparation of the condensed interim financial statements and the application of the Company's accounting policies require the Company's management to make judgments and estimates that affect the financial assets and financial liabilities balances and disclosure of contingent liabilities. They also affect revenue, expenses, provisions, expected credit loss and changes in the investment valuation reserve that appear in the condensed interim statement of comprehensive income and within shareholders' equity. In particular, this requires the Company's management to make significant judgments to estimate future cash flows and their timing. The mentioned estimates are necessarily based on different assumptions and factors that have varying amounts of estimation and uncertainty, and the actual results may differ from estimates due to changes stemming from those estimates future circumstances.

We believe that the estimates and assumptions adopted in preparing these condensed interim financial statements are reasonable and consistent with those used in the year ended 2021.

4. Property and Equipment - Net

Additions to property and equipment amounted to JD 254,209 during the three months of 2022 mainly representing the renovation of hotel floors and others facilities (JD 1.4 million for the same period of the year 2021).

5. Financial Assets at Fair Value through Other Comprehensive Income

This item consists of the following:

	March 31, 2022	December 31, 2021
	JD	JD
Quoted shares in Amman Stock Exchange	335,049	400,760
Un-quoted shares in Amman Stock Exchange*	6,520	15,280
	<u>341,569</u>	<u>416,040</u>

* The fair value for this investment is calculated using the latest available audited financial statements.

6. Cash on Hand and at Bank

This item consists of the following:

	March 31, 2022	December 31, 2021
	JD	JD
Cash on hand	13,000	12,000
Current accounts at bank	556,083	837,847
Deposits at bank *	784,694	729,859
	<u>1,353,777</u>	<u>1,579,706</u>

* This item represents deposits in Jordanian Dinar and US Dollars with an annual interest rate between 1.25% and 2.25%.

Balances with bank are assessed to have low credit risk of default since this bank are highly regulated by the Central Bank of Jordan. Accordingly, the Company's management estimates the provision of loss on balances with bank at the end of the reporting period at an amount equal to 12 month expected credit loss. Taking into account the historical default experience and the current credit ratings of the bank, the Company's management have assessed that there is no impairment, hence no provision was recorded on these balances.

7. Paid-up Capital and Share Premium

a. Paid-up capital:

The paid-up capital amounted to JD 45 million divided into 45 million shares and each share amounted to one Jordanian Dinar as of March 31, 2022 and December 31, 2021, moreover, there were no changes over the paid-up capital during the current and previous period.

b. Share premium:

The share premium amounted to JD 63,624 as of March 31, 2022 and December 31, 2021.

8. Other Credit Balances

This item consists of the following:

	March 31, 2022	December 31, 2021
	JD	JD
Accrual expenses	336,403	263,037
Advance payments from customers	281,027	209,728
Advance rent payments	27,492	33,464
Income tax withholdings	34,169	19,723
Sales tax withholdings	80,089	-
Increments for Hotel's employees	49,281	184,927
Shareholders' withholdings	58,642	58,642
Employees vacation provision	79,092	56,926
Other credit balances	62,373	56,031
	<u>1,008,568</u>	<u>882,478</u>

9. Loans

This item consists of the following:

	March 31, 2022 (Reviewed)		December 31, 2021 (Audited)	
	Short Term	Long Term	Short Term	Long Term
	JD	JD	JD	JD
Loan (1) *	500,000	3,165,530	500,000	3,248,888
Loan (2) **	-	6,683,376	-	6,683,376
Loan (3) ***	1,198,216	2,988,426	1,198,216	3,287,980
	<u>1,698,216</u>	<u>12,837,332</u>	<u>1,698,216</u>	<u>13,220,244</u>

* The company has been granted a loan with a limit of JD 2 million from the Arab Jordan Investment Bank (related party) within the Central Bank's program to support the tourism economic sectors during the year 2019, the limit was increased during the year 2020 by JD 1 million and during 2021 by JD 1 million to become JD 4 million with an interest rate of 2.75%, and it was fully utilized during the three months ended March 31, 2022, and an amount of JD 333 thousand was settled out of the loan's amount till the end of March 2022 to be settled over equal and consecutive monthly installments, so the last installment is due on July 31, 2029. The purpose of obtaining the loan is to renovate and modernize the hotel floors and other facilities, pay the salaries of employees and support working capital, including bills and benefits for suppliers.

** The company has been granted a loan limit of USD 14 million from the Arab Jordan Investment Bank during the year 2021 (related party), then the loan limit was reduced to USD 12.5 million during the third quarter of the year 2021 at an interest rate of 1% in addition to the LIBOR rate for every three months with an minimum rate of 2.75% and utilized around USD 9.427 million of the loan granted to be settled over equal quarterly installments, including a two-year grace period, with the first installment due on April 30, 2023 and the last installment on January 30, 2031. The purpose of granting the loan is to modernize the hotel floors and other facilities.

*** The Company has been granted a loan with a limit of USD 8.45 million from Cairo Amman Bank with a variable interest of 3.65%, an amount of USD 6.748 million was utilized from granted loan, and an amount of USD 845 thousand was settled out of the loan's amount till the end of March 2022 to be settled over 60 installments within 72 months with grace period of 12 months, with the first installment due on October 31, 2021. The purpose of this loan is to renovate the hotel rooms and other facilities.

10. Income Tax provision

a. Income Tax provision

The movement of the income tax provision is as the following:

	March 31, 2022	December 31, 2021
	JD	JD
Beginning balance for the period/year	55,286	55,286
Ending Balance for the Period/year	<u>55,286</u>	<u>55,286</u>

- The Company did not book deferred tax assets and liabilities in the current period and will be booked before the end of the year.
- The Company has reached a final settlement with Income Tax Department up to the year 2018. Noting that income tax returns for the years 2019, 2020 and 2021 has been submitted but not reviewed by Income Tax Department yet. In the opinion of the Management and its tax advisor, the booked provisions are sufficient to meet the tax obligations.
- Management did not record any income tax expense during the three-month period ended March 31, 2021, as the Company incurred accumulated losses for the year.
- Mediterranean Tourism Investment Company (Four Seasons Hotel) has been granted exemptions from taxes and customs fees related to capital expenditures (for the purpose of the renovation), in accordance to article (3.C) of the Investment Incentives law No. 33 for the year 2015 issued under article (4) of the Investment law No. 30 for the year 2014, this exemption will expire on July 11, 2022.

11. Four Seasons Hotel Operating Revenue

This item consists of the following:

	For the Three-Month Period Ended March 31,	
	2022	2021
	JD	JD
Rooms Revenue	1,435,473	153,940
Food Revenue	1,024,663	209,648
Beverage Revenue	262,275	88,731
Banqueting Revenue	177,312	41,585
Other	481,447	115,839
	<u>3,381,170</u>	<u>609,743</u>

12. Earnings (Losses) per Share for the Period

This item consists of the following:

	For the Three-Month Period Ended March 31,	
	2022	2021
	JD	JD
Profit (Loss) for the period	79,710	(894,427)
Weighted-average number of shares	45 Million	45 Million
	JD/Share	JD/Share
Earnings (Losses) per Share for the Period-Basic and Diluted	<u>0/0018</u>	<u>(0/0199)</u>

13. Related Parties Transactions and Balances

The details of balances and transactions with related parties are as follows:

	March 31, 2022	December 31, 2021
On-Financial Position Items		
Cash at Bank:		
Deposits and current accounts – AJIB *	784,694	1,567,706
Accounts Receivable:		
Board of Directors members	21,380	15,598
Due to a related party:		
Four Seasons Hotels and Resorts International **	196,552	248,495
Loan:		
Arab Jordan Investment Bank *	10,348,906	10,432,264
Investment:		
Investment in AJIB *	41,049	40,760
Off-Financial Position Items:		
Bank Guarantees - AJIB *	15,586	15,586
	For the Three-Month Period Ended on March 31,	
<u>Items in the condensed interim Income Statement:</u>	<u>2022</u>	<u>2021</u>
	JD	JD
Four Seasons Hotels and Resorts International management fees **	174,299	15,395
Bank interest income - AJIB *	622	484
Hotel executive management salaries and benefits	149,948	71,671
Bank interest expenses – AJIB*	67,625	49,867

* Arab Jordan Investment Bank (AJIB) is a shareholder and Board of Directors member with ownership of 9.63% of the Mediterranean Tourism Investment Company paid-up capital and also a member on the company's board of directors.

** The operator company of the hotel business.

14. Business Segments

a. Information about the Company's Business Segments

The Company mainly owns the Four Seasons Hotel noting that the Company's registration including building a residence and managing hotels and resorts, hotels preparations and constructing hotels, restaurants, and swimming pools. Note (11) illustrates the distribution of the Hotel's revenue.

b. Information about Geographical Distribution

Major Company's assets, liabilities, and operations are in the Hashemite Kingdom of Jordan.

15. Lawsuits

There are lawsuits raised against the Company amounting to JD around 200 thousand at the designated courts as of March 31, 2022. The Company has booked a provision of the amount of around JD 40 thousand as of March 31, 2022 as the Management and the legal consultant believe that the Company should not book any additional provision for these cases.

16. Contingent Liabilities

As of the date of the financial position, the Company had contingent liabilities represented in bank guarantees with an amount of JD 15,586 as of March 31, 2022 (bank guarantees of JD 26,586 as of March 31, 2021).

17. Fair Value Hierarchy

a. Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis:

Some of the financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair value of these financial assets and financial liabilities are determined (valuation techniques and key inputs).

Financial Assets/ Financial Liabilities	Fair Value		Fair Value Hierarchy	Valuation Techniques and Key Inputs	Significant Unobservable Inputs	Relationship of Significant Unobservable Inputs to Fair Value
	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)				
	JD	JD				
Financial assets at fair value through other comprehensive income						
Quoted shares	335,049	400,760	Level 1	Listed prices in the financial markets	Not Applicable	Not Applicable
Unquoted shares	6,520	15,280	Level 2	Through using the latest financial information available	Not Applicable	Not Applicable
Total	341,569	416,040				

There were no transfers between Level 1 and 2 during the period ended March 31, 2022.

b. Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis:

Except for what is set out in the table below, we believe that the carrying amount of financial assets and liabilities shown in the condensed interim financial statements approximates their fair value because the Company's management believes that the carrying value of the items is equivalent to their fair value. This is due to either maturity or short-term interest rates repriced during the period.

	March 31, 2022 (Reviewed)		December 31, 2021 (Audited)	
	Book Value	Fair Value	Book Value	Fair Value
Financial assets not calculated at fair value	JD	JD	JD	JD
Deposits at bank	784,694	784,694	729,859	729,859
Total financial assets not calculated at fair value	784,694	784,694	729,859	729,859

The fair values of the above financial assets and financial liabilities included in level 2 and 3 categories have been determined in accordance with the generally accepted pricing models, which reflects the credit risk of counterparties.

18. Approval of interim condensed financial information

These interim condensed financial information for the three months ended March 31, 2022, were approved by the Board of Directors on April 25, 2022.