

Annual Report 2023

68th Board of Directors Annual Report
And Consolidated Financial Statements
For the Year Ended 31st December, 2023



His Majesty
King Abdullah II Bin Al Hussein



His Royal Highness The Crown Prince
Al Hussein bin Abdullah II



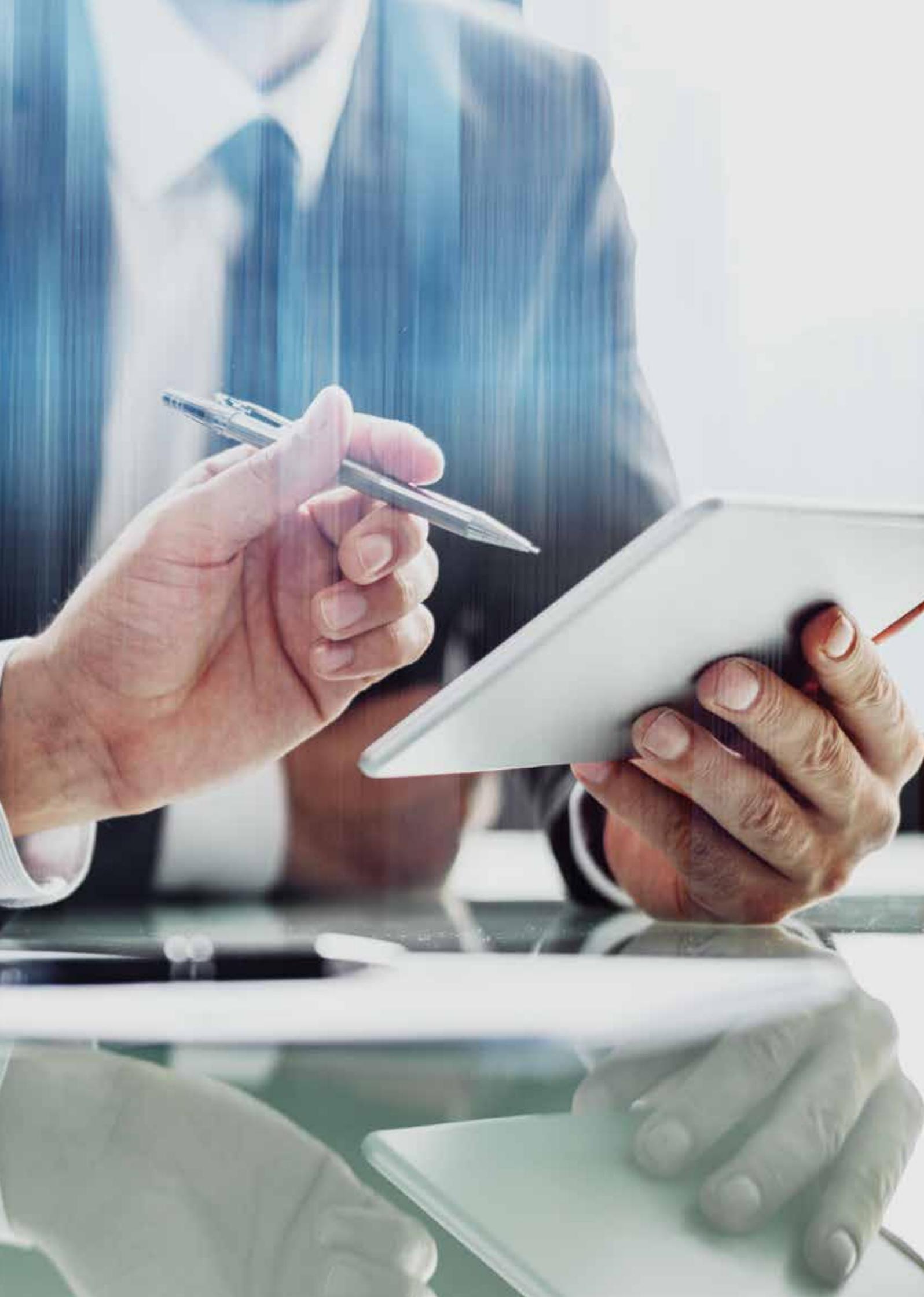
وتستمر المسيرة



**Focusing on the constant innovation,
adopting advanced technology to
enhance productivity and maximizing
profitability.**

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Our vision

To be a leading and diversified company in the field of energy at the regional level, vibrant, admired by its competitive performance and the quality of its products and services.

Our Mission

- Meeting the local community's needs of the company's products while preserving the environment and public safety in all its work facilities.
- Focusing on the constant innovation, adopting advanced technology to enhance productivity and maximizing profitability.
- Expanding the Company operations and diversifying its range of activities through different partnerships with qualified entities to increase marketing capacity of its products locally and regionally.
- Developing the scientific and technical capabilities of the Company personnel, providing them with specialized training as well as incentives and rewards in order to realize optimum results and achievements.
- Developing shareholders' investments by achieving higher returns and better levels of profitability.



Board of Directors as from, 5th April 2023*

Chairman:	
Eng. Alaa Arif Saad Batayneh **	A representative of Al-Arif Energy and Transport Consulting Company
Vice Chairman:	
Eng. Abed AlRahim Fathi Salim Boucai ***	A representative of Abdel AlRahim Al Boucai & Partners Co.
Board of Directors Members:	
Eng. Khair Abdullah Ayad Abu Saalik	
Mr. Bassam Rashad Rashid Sinokrot	
Mr. Ahmad Adnan Saleh Alkhudari	
Mr. Walid Yacoub Mahmoud Al Najjar	
Mr. Jamal M. F. Fariz	
Mr. Ibrahim A. A. AbuDayyeh	
Ms. Reem Yahya Hamto Abzakh ****	Representative of the Social Security Corporation
Mr. Ali Mohammad Mahmoud Al Balawneh ****	Representative of the Social Security Corporation
Dr. Mohammad Moh'd K. Thneibat	
Eng. Ahmad Qasem Mohammad Al Sammarah *****	Representative of the Pension Fund of the Jordanian Engineers Association
Mrs. Zain Iyad M Alemam *****	Representative of the Islamic Development Bank- Jeddah
Chief Executive Officer:	
Eng. Abdel Karim Hussein Abdallah Alawin	
Financial Auditors:	
Deloitte & Touch Company -Middle East /Jordan	

* Pursuant to the General Assembly meeting held on 5/4/2023, ten new members were elected to the Board of Directors, in addition to three members representing legal entities that have the right to membership in accordance with the Companies Law and the Company's By-Laws.

** Eng. Alaa Arif Saad Batayneh was named as a representative of Al-Arif Energy and Transport Consulting Company according to its letter dated 5/4/2023. He was also elected Chairman of the Board of Directors according to Board of Directors Resolution No.(25) taken at its meeting held on 5/4/2023.

*** Eng. Abed AlRahim Fathi Salim Boucai was named as a representative of Abdel AlRahim Al Boucai & Partners Co. according to its letter dated 5/4/2023. He was also elected as Vice-Chairman of the Board of Directors according to Board of Directors Resolution No.(25) taken at its meeting held on 5/4/2023.

**** Ms. Reem Yahya Hamto Abzakh and Mr. Ali Mohammad Mahmoud Al Balawneh were continued to be named as representatives of the Social Security Corporation, according to their letter No. (1573/DD) dated 5/4/2023.

***** Eng. Ahmad Qasem Mohammad Al Sammarah was named as a representative of the Pension Fund of the Jordanian Engineers Association according to its letter No. (230105/7401) dated 5/4/2023.

***** Mrs. Zain Iyad M Alemam was named as the representative of the Islamic Development Bank- Jeddah instead of Mr. Jamil Ali Ismail Darras according to their letter No. (INV-8190).

Former Board of Directors of the Company *

Chairman:	
Eng. Alaa Arif Saad Batayneh	
Vice Chairman:	
Eng. Abed AlRahim Fathi Salim Boucai	A representative of Abdel AlRahim Al Boucai & Partners Co.
Members:	
Eng. Khair Abdullah Ayad Abu Saalik	
Mr. Bassam Rashad Rashid Sinokrot	
Mr. Ahmad Adnan Saleh Alkhudari	
Eng. Shakib Abdel-Latif Said Odetallah	Representative of the Social Security Fund of the Jordanian Engineers Association
Mr. Jamil Ali Ismail Darras	Representative of the Islamic Development Bank- Jeddah
Mr. Walid Yacoub Mahmoud Al Najjar	
Mr. Jamal M. F. Fariz	
Mr. Ibrahim A. A. AbuDayyeh	
Ms. Reem Yahya Hamto Abzakh	Representative of the Social Security Corporation
Mr. Ali Mohammad Mahmoud Al Balawneh	Representative of the Social Security Corporation
Dr. Mohammad Moh'd K. Thneibat	
Chief Executive Officer:	
Eng. Abdel Karim Hussein Abdallah Alawin	
Financial Auditors:	
Deloitte & Touch Company -Middle East /Jordan	

* The legal term of the Board of Directors has ended as of the Regular General Assembly meeting on 4/5/2023 in accordance with the companies law and the Company's by laws, and a new Board of Directors was elected at the same meeting.

Chairman's Statement

شركة مصفاة البترول الأردنية المساهمة المحدودة



Dear Honored Shareholders,,,

On behalf of my colleagues, members of the board of directors, and myself, I am pleased to welcome you and to present to you the sixty-eighth annual report of the Jordan Petroleum Refinery Company, including a brief of the most important performance indicators of the company's activities, business and projects during the year 2023 and the consolidated financial statements for the financial year ended December 31st, 2023 and the company's future plan.

Dear Shareholders,,,

Being a leading company in the energy sector, the company continued its successful course in supporting the national economy through serving the productive, economic and social aspects of the kingdom. Since its establishment, the company has striven to ensure energy security in the Kingdom and achieve benefits for all its stakeholders through diversification and development of its various activities and strengthening its financial position, which has led to continuing to achieve returns. Higher and better levels of profitability for its shareholders despite the serious challenges it faced and the critical circumstances that the region has been going through, which led to fluctuations in the prices of crude oil, finished petroleum products, and liquefied petroleum gas, as well as the negative effects that were reflected on the various economic sectors in the Kingdom resulting from the Israeli aggression on the Gaza Strip.

However, during the year 2023, the company and its subsidiaries were able to continue to achieve outstanding results and profits, amounting to about JD (106) million before tax and about JD (83) million after tax, as a result of the strategic plans that the company pursued efficiently to achieve its vision and goals emanating from its belief in meeting the Kingdom's needs for finished petroleum products, liquefied petroleum gas, and various types of lube oils in a safe and sustainable manner, in order to maintain the Kingdom's energy security at low costs, being the only company in the Kingdom that refines crude oil and produces finished petroleum products, in addition to being the only company that fills liquefied gas cylinders and it is also the only one that meets the entire needs of the local market for heavy petroleum products (fuel oil and asphalt).

The achievements and profits realized during the last years of the company were a proof of the success of the strategic plans pursued by the company's management to develop its various activities and improve the efficiency of its performance to achieve integration in the refining, transportation, distribution, marketing, storage, import and export activities, develop its products, improve their quality, and reduce the risks that may the company be exposed to all levels and to enhance its growth and develop opportunities to ensure its sustainability and achieve the desired goals, we will continue, to take confident and firm steps to continue the series of successes, development and growth that we aspire to through diligent work and giving.

Dear Honored Shareholders,,,

The company seeks to implement the fourth expansion project, which will lead to increasing its production, developing and improving products quality. The project is based on adopting the latest technology available in the field of refineries for the project, which will enable it to reduce the environmental impacts associated with its various activities, maximize the company's profitability and minimize costs through the conversion of low-value heavy fractions into light, high-value products.

The fourth expansion project is one of the largest investment projects in the Kingdom and will be an effective contributor to achieving the Kingdom's vision of sustainability, as it will contribute in reducing unemployment rate, raise standard of living for citizens. Many local contractors and companies will be involved in the project, which will contribute to accelerating the Kingdom's economic growth. The project will achieve national security for the energy sector, which is considered the main driver of sustainable economic and social growth. This project will enable the company to meet the needs of the local market of finished petroleum products with the highest specifications of international standards, at reasonable prices, leading to reduction in the import of finished petroleum products, thus benefitting the Kingdom's trade balance and achieving savings in foreign currency.

Regarding the latest developments related to this project, the company, in coordination with all project consultants, provided the consortium - that has the best offer which consisted of Italian, Chinese and Japanese companies (Tecnimont-Sinopec (GPEC) - Itochu) - with the necessary information to fill out the necessary financing application forms for submission to Export Credit Agencies (ECAs). The Italian company (one of the members of the consortium) asked for a significant increase in the price of the submitted offer, in violation of what had been agreed upon and the terms of the bid. After several meetings and communications with the Italian company to dissuade them since increasing the price after opening the bids

constitutes a violation of the company's regulations, and in light of the Italian company's insistence on its position on price increase, they were informed that the request for a price increase is not acceptable, and thus this company withdrew from the consortium. As for the other two members of the consortium, they have expressed their ongoing interest in continuing working to cover the gap resulting from the withdrawal of the Italian company.

Accordingly, Jordan petroleum refinery company informed the two members of the consortium of its acceptance to negotiate with them and to set the necessary conditions to be taken into consideration to continue, it is planned that a face-to-face meeting will be held during March 2024 with the two members of the consortium, in the presence of the company's advisors, to agree on a mechanism for completing all technical and financial matters to ensure the continuation of the project through the construction stage.

As for Japanese financing, the Japanese Export Credit Agency (NEXI) has obtained approval from the Japanese Ministry of Economy, Trade and Industry to finance the company's project, while financing through the Japanese Bank for International Cooperation (JBIC) is still under evaluation by the Japanese Ministry of Finance.

Dear Honored Shareholders,,,

The company activated the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company as of January 1, 2023, and accordingly it has annexed all the liquefied petroleum gas activities (except LPG production activity) to this company and annexed the three LPG filling stations (Amman, Irbid, Zarqa) and LPG Cylinders' repair and rehabilitation workshop to this company as operating facilities, work is currently underway to develop and improve the performance of this company's activities and reduce its costs to the minimum possible, as projects have been awarded to install solar energy systems in LPG stations, the implementation of these projects has begun during the year 2023, for the purpose of increasing the storage capacity for liquefied petroleum gas, reducing costs due to rental storage, and achieving additional revenue resulting from leasing storage activity to others. The company awarded a tender to construct storage capacities for liquefied petroleum gas by approximately (10) thousand tons at the company's site in Zarqa, and construction work for these tanks began in October 2023. The company is also in the process of constructing new storage capacities at its location in Aqaba. The company is also currently working on developing and practicing the activity of the central distribution process for liquefied gas directly through the company itself or through entering into strategic agreement with others to develop this activity.

Jordan Petroleum Products Marketing Company, after its petroleum products marketing license was renewed for an additional (10) years as of the beginning of May 2023, continues the path of development and expansion by opening and managing new stations, after passing the global external audit, this company also obtained international quality certificates in managing the quality of services and products, occupational health and safety systems, and environmental management systems (ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018).

The Jordan Lube Oil Manufacturing Company also continues the plan to modernize its lines to increase production, improve efficiency and diversify production by adding new products that meet the evolving needs of the local market. New lines will be added and existing ones will be modernized. It is planned to construct a project consisting of five tanks at the company's site in Aqaba, with a storage capacity estimated at approximately (5) thousand metric tons. The aim of increasing storage capacities is to reduce storage costs at others locations and to benefit from fluctuations in lube oil prices.

It should be noted that during the month of April 2023, the company purchased the government's share in its assets in Aqaba and airports, which represented (51%) of it, and thus owned the entire assets in its facilities in Aqaba and airports, in implementation of the Council of Ministers' Resolution No. (11147) taken in its session held on March 26, 2023. The company is currently seeking to develop these activities and increase the storage capacities in these facilities to achieve additional revenue from the storage process for others and reduce storage costs provided by others.

Dear Honored Shareholders,,,

The company's total assets for the year 2023 amounted to approximately JD (1.438) billion showing a decrease of (5%) compared to the year 2022. The main reason for this is the decrease in debtors and other debit balances resulting from conducting several set-offs with the government between part of the debit balances in favor of the company and part of the credit balances for the benefit of the government and collecting the debt of the National Electricity Company.

This was in accordance with the financial settlement that was concluded with this company. The decrease is also attributed to paying part of the government's debt through the company's withdrawal of an amount of JD (105) million from the banks in exchange for the government's pledge to pay this amount and the interest resulting from it to these banks, as well as to a decrease in the item of crude oil, finished petroleum derivatives, and supplies resulting from a decrease in the value of goods at the end of the year due to their evaluation at cost or market, whichever is lower, in accordance with international accounting standards.

The company's total liabilities for the year 2023 amounted to about JD (1.070) billion showing a decrease of (9%) from the year 2022, the main reason for this is the decrease in the creditor banks item resulting from the collection of part of the government's debt, the debt of the National Electricity Company, and part of the debt of government and security agencies, as well as due to the decrease in the item of creditors and other credit balances resulting from conducting several clearings with the Government between part of the debit balances in favor of the company and part of the credit balances in favor of the government, and the company paying part of the dues to suppliers of petroleum products on their due date, as the company obtains payment deadlines from suppliers ranging from 30 to 60 days from the date of supply.

The total equity of the company's shareholders for the year 2023 amounted to approximately JD (360) million showing an increase of (9%), and the main reason for this is due to the profits achieved by the company in the year 2023.

The value of the company's net sales during the year 2023 amounted to approximately JD (1.659) billion showing a decrease of (3%) compared to the year 2022, the main reason for this is due to the decrease in the selling prices of finished petroleum products and liquefied petroleum gas. The company's sales for the year 2023 resulted in supplying the state treasury with approximately JD (545) million in taxes and fees according to the price bulletin for the sale of finished petroleum products (IPP).

The total expenses (industrial, operational, selling, distribution and administrative) of the company during the year 2023 amounted to approximately JD (124.5) million showing a decrease of (5%) from the year 2022, the main reason for this is due to the company's continued implementation of the policies and strategic plans it has developed to reduce costs to the minimum possible.

Dear Honored Shareholders,,,

In conclusion, I would like to express my thanks and appreciation to the esteemed government for the support it has provided to the company since its establishment, which enabled it to perform its tasks and achieve its goals as a strategic national company in the energy sector, which is considered the main tributary of the national economy, thus contributing to accelerating the wheel of economic and social growth in the Kingdom. I also extend my special thanks and appreciation to all our esteemed shareholders for their trust, loyalty, and continued support to the company, which we are proud of and cherish as it motivates us to exert more effort, giving, and diligent work to serve their interests and develop their investments. Thanks are extended to the company's dear customers for their precious trust, which remains a source of pride, and motivation we need to do more to maintain and strengthen this trust.

I would like also to express my deepest appreciation to my colleague the members of the Board of directors for the efforts made to achieve positive results and achievements for the company. I also extend my thanks to the executive management, managers and employees, appreciating their continuous efforts to enhance and elevate the company's position so that it remains proud to achieve its vision and goals, hoping for more effort and giving from them to achieve more progress and prosperity.

May God grant us success in serving our dear country under the patronage of His Majesty King Abdullah II Bin Al Hussein may God bless him and keep him for our country and our nation.

Eng. Alaa Batayneh
Chairman of the Board of Directors

First: An overview

Jordan Petroleum Refinery Company was established as a public shareholding limited liability company during the year 1956, the refinery (site) is located in Zarqa Governorate and the company's main headquarters is in Amman. It was registered by the Companies Control Department and registered as a member of the Chambers of Industry and Commerce, with a capital of JD (4) million which increased by several stages, the last of which was in accordance to the General assembly's decision taken at its extraordinary meeting held on April 28, 2016 , where the company's capital was increased by the capitalization of JD (25) million and distributed to shareholders so that the authorized and paid-up capital of the company becomes JD (100) million. The company was established to keep pace with the economic and social development witnessed by the Hashemite Kingdom of Jordan in the second decade of the first millennium in terms of the increase in the population of the Kingdom, which was accompanied by the expansion of commercial, industrial and tourism activities in the Kingdom. One of the most important reasons for establishing the company is to minimize the costs of importing finished petroleum products from outside the Kingdom, which are cumbersome and expensive, and to be a safe and permanent source to meet the Kingdom's growing needs of finished petroleum products of all types under all conditions and circumstances at prices that suit all segments of the local community in order to contribute to raising the standard of living and accelerating the wheel of economic and social growth in the Kingdom.

To keep pace with the growth and development of existing and new industries, the company increased its production capacity, developed and improved the quality of its products, and introduced new types of finished petroleum products in the local market, through successive expansions in its facilities. The company witnessed three expansion projects, the last of which was in 1983, and several projects followed. Subsequently, the company's production capacity was increased with self-efforts through its staff. In 1977, a factory was established for blending and bottling lube oils. In 1979, three liquefied petroleum gas filling stations were established and operated in the governorates of Zarqa, Amman, and Irbid. The company also established its own storage capacities at the three airports in the Kingdom and in Aqaba Governorate, it owned gas stations throughout the Kingdom.

In the year 1957, the company signed a concession agreement with the government of the Hashemite Kingdom of Jordan, giving the company the exclusive right to manufacture and refine crude oil and import, store, distribute and sell finished petroleum products to meet the needs of the Kingdom in exchange for a specific profit. The concession agreement extended for approximately fifty years, ending in the year 2008, After that, the contractual relationship between the government and the company was regulated based on the content of the concession agreement for several times and continued until the date of September 13, 2012, when the government of the Hashemite Kingdom of Jordan concluded with the company an agreement for the minutes of the meeting for the future of the company's work, which included extending the financial relationship between the company and the government for an additional five years, provided that the financial relationship ends on April 30, 2018, in light of the government's strategy in the field of energy that aims to open the market for the distribution of oil products ready to compete. In 2013, the government granted licenses to market petroleum products to three marketing companies, and these companies have the right to import petroleum products directly through them. The company, realizing the extent of its responsibilities and remaining the leading company in the field of energy, established during the year 2013 Jordan Petroleum Products Marketing Company as a subsidiary and wholly owned company. It has full ownership to be the marketing arm for its products and is considered one of the three licensed marketing companies in the Kingdom, this is after the company obtained a marketing license from the Energy and Minerals Regulatory commission for a period of (10) years starting from the first of May 2013. It was extended for an additional period of (10) years starting from the first of May 2023. Jordan Petroleum Products Marketing Company also fully owned Hydron Energy Company at the end of 2018, In addition to owning (11) subsidiary companies, which it controls, as it owns more than (60%) of these companies by the end of the year 2023, it also supplies (391) fuel stations with finished petroleum products according to agreements signed between the company and the owners of these stations. As of the first of May 2018, the financial and contractual relationship between the company and the Government of the Hashemite Kingdom of Jordan has ended, and the company has become operating on a commercial basis and is not obligated to secure all of the Kingdom's needs of oil derivatives, in light of allowing the three marketing companies to import finished petroleum products, which they began importing in the year 2017.

Jordan Petroleum Refinery Company is the only company in the Kingdom that produces finished petroleum products by separating and converting the components of imported crude oil into a group of different oil derivatives. Its operations are based on a license from the American company UOP, according to the company's current production capacity, it cannot meet the entire needs of the local market for oil derivatives, so the company seeks to establish the fourth expansion project, which increases the company's production capacity to about (120) thousand barrels per day, at a lower production cost and with low negative impacts on the environment, also, during March 2022, the company obtained from the Energy and Minerals Regulatory Commission a license to practice various refining and storage activities for a period of (30) years and a permit to establish the company's fourth expansion project.

The company has activated the Jordan Lube Oil Manufacturing Company for the manufacture of lube oils which is a wholly owned subsidiary, as of April 1, 2022, and accordingly it annexed all the activities of lube oils and the oil factory to this company, it transferred the licenses to practice the various lube oil activities granted to it by the Energy and Minerals Sector Regulatory Commission, for a period of (10) years, to this company.

Jordan Petroleum Refinery Company is the only company in the Kingdom that fills liquefied petroleum gas through the three gas stations it owns in the governorates of (Amman, Irbid, and Zarqa), in light of the government's strategy in the field of energy aimed at opening this market to competition, the company has activated the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company, as of the first of January 2023, which is a subsidiary and wholly owned by it, all the various liquefied petroleum gas activities (except LPG production activity) were annexed to this company out of the company's belief in the necessity of developing and modernizing this activity and maximizing its profits in light of the opening of this market, on November 2, 2022, the company transferred the licenses to practice various gas activities, which last for (20) years, and the central gas distribution licenses, which last for (3) years, granted to it by the Energy and Minerals Regulatory Commission to Jordan Liquefied Petroleum Gas Manufacturing and Filling Company.

The company also purchased the Government's share in its assets in Aqaba and the airports during the month of April 2023, which represented (51%) of it, and thus it owned the entire assets in its facilities in Aqaba and the airports, in implementation of Council of Ministers' Resolution No. (11147) taken in its session held on March 26, 2023. The company is currently seeking to develop these activities and increase storage capacities in these facilities to achieve additional revenue from the storage process for others, reduce storage costs at others, and benefit from global price fluctuations.

Second: Competitive position of the company, market share, patents and trademarks and concession rights

Refining Activity:

• Trade Mark:

Jordan Petroleum Refinery Company owns the trademark (JOPETROL) and is duly registered in the Ministry of Industry and Trade, Directorate of Industrial Property Protection.

• Concession Agreement:

a. The concession agreement signed between the Jordanian government and the company ended on March 2, 2008. Accordingly, the company signed a settlement agreement with the Jordanian government on February 25, 2008 regarding the termination of the concession, which was approved by the General Assembly in its extraordinary meeting held on March 22, 2008, after that, the contractual and financial relationship between the company and the government was organized based on the concession agreement for several times and continued until the date of September 13, 2012, when the company concluded with the government of the Hashemite Kingdom of Jordan an agreement for the minutes of the meeting for the future of the company's work, according to which the relationship with the government was extended for an additional five years, according to which the work ended. On April 30, 2018, the company began operating on a commercial basis after this date.

b. The Company's profit for the period ended April 30, 2018, and for the years from 2011 until 2017, has been calculated according to the minutes of the meeting of the future work of the Jordan Petroleum Refinery Company approved in accordance with Council of Ministers' Resolution No. (1329) taken at its session held on September 13, 2012 and stated in the Prime Minister's letter No. (31/17/5/24694) dated September 17, 2012 and approved by the General Assembly in its extraordinary meeting held on November 8, 2012, which included the following:

1. Through the oil products pricing mechanism, annual net profit of JD (15) million after tax is to be achieved for Jordan Petroleum Refinery Company while keeping changes the company's expenses at normal rates. Otherwise, consultation and coordination with the government should be carried out concerning any deviations from these rates.

2. The Government has the right to appoint an external auditor (certified public accountant) to audit the Company's records for the purposes determined by the Government.

3. To exclude the income of the marketing company owned by Jordan Petroleum Refinery Company, and any other income from other future companies owned by it and operating according to licenses issued by the Ministry of Energy and Mineral Resources or the industry legislator, from the profit mentioned above, provided their the financial statements or accounts are separated.

4. The Lube-Oil Factory income shall be excluded from the profit referred to above, provided that the Lube-Oil Factory will be charged with the related fixed and variable costs whether directly or indirectly as long as the financial statements or accounts are separated.

5. The liquefied petroleum gas (LPG) activity profit shall be excluded from the above-mentioned profit, provided that its standalone financial statements or its own accounts are separated.

6. The profit granted to Jordan Petroleum Refinery Company of (10) cents/barrel from refining the Iraqi crude oil shall also be excluded from the above-mentioned profit, provided that this profit is subjected to tax.

7. The current or future financial statements shall not be charged with any prior years' provisions or expenditures, except for the committed provisions or expenditures (provisions and employees' rights, provision for doubtful debts, provision for replacing gas cylinders, provision for lawsuits raised against the Company, provision for slow-moving inventory, provision for self-insurance, etc.), provided that these provisions and financial statements are audited by the Government.

• **End of the Relationship with the Government**

According to the minutes of meeting regarding the Company's future operations signed on September 13, 2012, the financial relationship between Jordan Petroleum Refinery Company and the Government of Jordan ended on April 30, 2018. In its meeting held on April 30, 2018, the Council of Ministers issued Resolution No. (7633), extending the exemption of oil products of Jordan Petroleum Refinery Company's refining activity from implementing the Jordanian specifications throughout the period of implementation of the Fourth Expansion Project as of May 1, 2018, provided that commitment is made regarding the project implementation milestones and that Jordan Petroleum Refinery Company's production may not exceed (46%) of the local market needs for non-conforming oil derivatives. The decision also mandated the Ministry of Finance to follow up on the implementation of procedures concerning the below points, and submit any related observations to the Council of Ministers:

1. The Ministry of Finance shall calculate the amounts due to Jordan Petroleum Refinery Company until April 30, 2018, and such amounts shall be paid in installments during the years 2018, 2019 and 2020 with interest thereon of (30%, 40% and 30%). Moreover, these amounts shall be paid after the issuance of the General Budget Law and before the end of the second quarter of each year for the same year until full repayment in the year 2020. Meanwhile, the Ministry of Finance shall provide Jordan Petroleum Refinery Company with a letter stating the amounts due to the Company as of April 30, 2018, and guaranteeing their payment with interest at the actual cost borne by the Company during the above period at the said rates.

As a result of the Government's failure to abide with the above resolution, and based on the agreement between the Company and the Government, the Council of Ministers' Resolution No. (6399) was taken in its meeting held on September 9, 2019. The resolution stipulated that the Company shall borrow an amount equivalent to about JD (457) million from banks to pay part of the balance of debts due to the Company from the Government until December 31, 2018. In return, the Ministry of Finance shall pledge to pay the loans and interest thereon to the assigned banks. During the first half of October 2019, the Company withdrew JD (455,505,000) from the banks assigned by the Ministry of Finance. Accordingly, the Ministry of Finance issued pledges to the banks regarding payment of the loans installments and interest thereon. Consequently, the Company deducted the withdrawn amounts totaling JD (455,505,000) from the balance of receivables due from the security authorities, ministries, departments, government agencies, and part of indebtedness of the Ministry of Finance in accordance with the agreement between the Company and the Ministry of Finance signed on June 16, 2020, represented by the Minister of Finance, following the Council of Ministers' approval of the agreement and the authorization of the Minister of Finance to sign the agreement on behalf of the Jordanian Government, under the Council of Ministers' Resolution No. (9158), taken in its meeting held on March 24, 2020.

Moreover, the Ministry of Finance has also committed itself to repaying all loan amounts and interest thereon to banks, as these amounts have been allocated within the General Budget Law for the year 2020 under the item "Loans Installments for Handling Government Arrears", according to the Ministry of Finance's Letter No. (18/4/9200), dated May 14, 2020. Meanwhile, the Jordanian Government has paid all the installments and interest thereon to the assigned banks on their due date.

Council of Ministers' Resolution No. (5011) was issued at its meeting held on December 19, 2021, which included that the Jordan Petroleum Refinery Company borrowed an amount of JD (105,000,000), the equivalent in US dollars, from banks that had been assigned by the Ministry of Finance provided that the Ministry of Finance shall issue pledges - on behalf of the Government - to these banks to pay the value of the installments and interest due on them and to ensure the allocations made by the government for this purpose in the general budget for 2022 and to authorize the Minister of Finance to sign the pledges issued to banks and authorize him to sign an agreement to regulate the process of repaying debts owed by the government, accordingly, on December 31, 2021, the company withdrew an amount of JD (105,000,000) in the equivalent in US dollars from the banks assigned by the Ministry of Finance, this amount was reduced from the receivables owed by the security authorities under the loan repayment agreement signed by the representatives from the company and the Minister of Finance.

On June 23, 2022, the company signed a financial settlement agreement with the National Electric Power Company to pay off the indebtedness owed by it in addition to the benefits of delayed payment and installments. Installments due to date in their due dates.

2. Jordan Petroleum Refinery Company shall treat the sediments and water in the tanks and dispose the materials and spare parts that are no longer needed. Moreover, the slow-moving materials shall be evaluated on April 30, 2018; the cost of the sediment and water, as well as the disposed materials costs thereof, shall be calculated; and the surplus shall be transferred to the Ministry of Finance. As a result of the agreement between the Company and the Government, the Ministry of Finance issued Letter No. (4/18/28669), dated August 29, 2019, granting approval to the Company to clean its tanks from sediments and water at the Government's expense, and write off materials, spare parts, and supplies no longer needed, and transfer the surplus balance of the provision for slow-moving, obsolete, and sediments inventory to the Ministry of Finance. Accordingly, the Company awarded the tender relevant to the treatment of sediments and water, and the company winning tender cleaned the bulk of the sediments, As work has been stopped due to the Corona virus pandemic, a specialized committee was also assigned to study the stock of spare parts and other supplies to determine the materials and supplies that can be used, instead of purchasing similar materials, and to identify the materials and supplies no longer needed to write them off. Work is still in progress in this regard, Where the materials are written off in regular basis.

3. Jordan Petroleum Refinery Company shall maintain JD (5) million as a provision for the write-off, repair, and replacement of gas cylinders and transfer the remaining JD (5) million to the Ministry of Finance account. If the actual value of the write-off, repair, and replacement of the cylinders exceeds the said amount, the difference shall be transferred from deposits from the Ministry of Finance. If, on the other hand, the actual value is lower, the difference shall be transferred to the Ministry of Finance, provided that this matter is addressed in the future through the pricing mechanism. Accordingly, the Company released an amount of JD (5) million, during the period ended April 30, 2018, which was reflected in the account of the Ministry of Finance, and this action was approved by the Ministry of Finance under its Letter No. 4/18/28669, dated August 29, 2019.

4. Jordan Petroleum Refinery Company shall delete the interest of JD (79.2) million on the National Electricity Company's borrowings, provided that settlement is reached between the National Electricity Company and the Government. Moreover, the Company has deleted these amounts from the consolidated statement of financial position pursuant to the Ministry of Finance's Letter No. (18/73/33025), dated November 25, 2018, and addressed to the National Electricity Company. The letter states that the Ministry of Finance shall record the interest as an advance due from the National Electricity Company to the Government at the Ministry of Finance until full payment. In addition, the Ministry of Finance issued its approval to delete the interest of JD (79.2) million on the National Electricity Company's borrowings pursuant to the Ministry of Finance's Letter No. (4/18/28669), dated August 29, 2019. Accordingly, the company has deleted the interest on the National Electricity Company's borrowings from the Company's records.

5. Jordan Petroleum Refinery Company tax status shall be rectified as regards the inclusion of tax in the selling prices bulletin of petroleum products (IPP) after the refinery gate price paragraph. In this respect, the refinery gate price does not include general and special taxes. Instead, taxes are included afterwards, collected from the marketing Companies, and forwarded to the State Treasury. Meanwhile, the Income and Sales Tax Department's Letter No. (20/4/347), dated February 16, 2021, was received, which includes that collection of general and special taxes on the Company's sales to the three marketing companies through the marketing companies only. In this regard, the Company is not obligated to pay taxes on its sales to the marketing companies and is only obligated to pay the tax on its sales to other customers.

6. The Government shall bear any taxes, government fees, or tax differentials during its relationship with the Company, since the Company is guaranteed profit after tax during that period.

7. Gasoline (95) used for the mixing process to produce gasoline (90) and (95) shall be exempted from the tax differences between import and sale in accordance with the Council of Ministries' Resolution No. (6953), taken in its meeting held on March 19, 2018. Moreover, the necessary procedures shall be facilitated concerning the implementation of the Council of Ministers' Resolution No. (13363), taken in its meeting held on January 3, 2016, related to exempting the Company's imports sold to the marketing companies inside the kingdom. In this respect, the resolution prescribes exempting Jordan Petroleum Refinery Company from general and special taxes, as of May 1, 2013, on the quantities sold exclusively to the marketing companies inside the kingdom. The resolution also prescribes resolving all pending issues with the Customs Department and completing all customs statements, whether pending at the Customs Department or the Jordan Standards and Metrology Organization before the termination of the relationship with the Government. Moreover, a committee was formed by the Ministry of Finance and the Ministry of Energy and Mineral Resources comprising representatives from the Jordan Customs Department, the Income and Sales Tax Department, and Jordan Petroleum Refinery Company. During October 2019, the said committee completed its work and submitted its final report to the Ministry of Finance and the Ministry of Energy and Mineral Resources. Consequently, the Ministry of Finance and the Ministry of Energy and Mineral Resources approved the quantities stated in the committee's report, and the Customs Department prepared the customs statements and exempted unresolved issues from taxes according to the above resolutions. Meanwhile, the customs statements amounts subject to general and special taxes were specified, accordingly, the Company submitted a request to the Ministry of Finance and claimed a set-off between the general and special taxes included in the non-exempt customs statements that are not covered by the above resolutions against part of the Ministry of Finance's liability (the main account). In return, the Customs Department approved the said request on March 16, 2020, and the set-off committee approved the offsetting request submitted by the Company based on the instructions, mechanism, and bases of the Offsetting Process No. (1) for the year 2017, which includes the approval to offset the amounts owed to the taxpayer the Jordan Petroleum Refinery Company against the amounts due to the General Customs Department, which represent the value of the general and special sales tax on the imports of the Jordan Petroleum Refinery Company of JD (58,042,756) on July 6, 2020. The aforementioned offsetting was carried out, and all customs statements pending at the Customs Department were completed.

8. The Government's strategic inventory, which has been quantified and valued, shall be transferred to the Jordan Oil Terminals Company (JOTC). Accordingly, Jordan Petroleum Refinery Company started transferring the strategic inventory

to JOTC starting from April 2018, the company transferred the entire remaining quantities during the year 2021 to the logistics company according to the quantities requested by the logistics company and the Ministry of Energy and Mineral Resource. Meanwhile, the Company transported aviation fuel related to the Government to the Royal Jordanian Air Force during July 2020, and the asphalt material related to Government to the Ministry of Works during the year 2020, at the request of the Ministry of Energy and Mineral Resources. During February 2021, the Company exported the fuel oil (3.5%) owned by the Government at the request of the Ministry of Energy and Mineral Resources. The Company also received a letter from the Ministry of Finance and the Ministry of Energy and Mineral Resources that includes to sale the crude oil owned by the Government to the Company as of the beginning of March 2021 on the basis of crude oil prices issued by Aramco for March 2021, and the company purchased these quantities during the month of March 2021, in implementation of Council of Ministers' Resolution No. (1150) taken in its meeting held on February 3, 2021. Moreover, the remaining amount of the strategic stock of kerosene owned by the government was also exchanged by diesel in accordance with Council of Ministers Resolution No. (3273) adopted in its meeting held on August 11, 2021, and accordingly, the government did not have any quantities of strategic stock left as safe deposits for the company, taken into consideration that the Ministry of Finance's approval has been received regarding the final settlement of the inventory amount and quantity according to the Ministry of Finance's Letter No. (4/18/28669), dated August 29, 2019.

9. The Ministry of Finance shall maintain the provision for doubtful debts (expected credit losses provision). If any debt that arises during the relationship with the Government is written off, the Ministry of Finance shall commit to paying it to Jordan Petroleum Refinery Company. Under the agreement between the Ministry of Finance and the Company, the Ministry of Finance agreed that the Company shall retain the balance of the provision for doubtful debts (provision for expected credit losses). In case the Company recovers any receivable amount recorded within the provision, the recovered amount shall be taken to the Ministry of Finance's account pursuant to the Ministry of Finance's Letter No. 4/18/28669, dated August 29, 2019.

10. The rate of return on investment shall be determined for LPG filling stations for the purpose of calculating the commission at (12%). Moreover, the commission amount for the period from May 1, 2018 to December 31, 2018 shall be set at JD (43) per ton. Any surplus/shortage arising from the increase/decrease in the rate of return on investment compared to the targeted value shall be treated, when calculating the filling stations' commission amount, in the subsequent period. Meanwhile, the above mechanism shall not cause any increase in the cylinder's cost charged to citizens or entail a subsidy by the Treasury / Ministry of Finance for this activity. Moreover, the Company has already provided the Energy Sector Regulatory Authority and Ministry of Mineral Resources with all information and data related to the gas activity for determining the commission amount for the years 2019 and 2020, which reflects the return on investment for this activity at (12%) annually. In addition, the Ministry of Energy and Mineral Resources has appointed an auditor and an overseas company to determine the commission amount for the years 2019 and 2020. At the same time, the Company provided the entities appointed by the Ministry of Energy and Mineral Resources with all the required data, and these entities provided the Ministry of Energy and Mineral Resources and the Energy and Minerals Regulatory Commission with the final report, and no resolution has been made up to date by the Government regarding the final commission value that reflects the rate of return on investment by (12%) annually according to the above-mentioned Council of Ministers' Resolution No. (7633). In this regard, the Company is still negotiating with the Government to reach an agreement regarding the final commission amount.

11. The rental value of the assets transferred from the Company to Jordan Petroleum Products Marketing Company (JPPMC) shall be calculated according to the Land and Survey Department's approved rate of (8%) on the land and buildings valued at amount JD (4.9) million from these buildings transfer date up to date. Moreover, the Company insists on rejecting the above clause, as the transferred assets are owned by Jordan Petroleum Refinery Company under the concession expiry agreement which stipulated that the stations are owned by Jordan Petroleum Refinery Company and that they are transferred to the Jordan Petroleum Products Marketing Company owned by Jordan Petroleum Refinery Company. In addition, the Company has the right to dispose of its assets legally pursuant to Article (236) of the Civil Law. Meanwhile, the assets were transferred at their net book value in the same manner assets were transferred at their net book value to other marketing companies under the agreement signed between the three marketing companies and the Ministry of Energy and Mineral Resources. Moreover, In addition, the concession termination agreement stipulated that what applies to Jordan Petroleum Products Marketing Company owned by the Petroleum Refinery Company applies to other marketing companies. As a result of the negotiations between the Company and the Government, it was agreed that the Ministry of Finance would recommend to the Council of Ministers to cancel this item, and accordingly, the Council of Ministers issued Resolution No. (1080) in its meeting held on January 24, 2021, which included considering this item as cancelled from the Council of Ministers' Resolution No. (7633), taken in its meeting held on April 30, 2018, and not claiming from the Jordan Petroleum Refinery Company a rent allowance for the assets transferred to the Jordan Petroleum Products Marketing Company (a subsidiary company).

• **Authorizing Jordan Petroleum Refinery Company to implement the terms of the memorandum of understanding to prepare and transport crude oil between the Government of the Republic of Iraq and the Government of the Hashemite Kingdom of Jordan.**

According to the Council of Ministers' Resolution No. (5329), taken in its meeting held on July 10, 2019, which included approval for the assignment of the Jordan Petroleum Refinery Company to implement the terms of the Memorandum of Understanding for the processing and transportation of crude oil between the government of the Republic of Iraq and the government of the Hashemite Kingdom of Jordan, the Company signed the agreement, on August 1, 2019. The Company also issued a documentary credit in favor of the Central Bank of Iraq to cover the value of the amount of 10 thousand barrels per day throughout the year according to the monthly average price of a barrel of Brent crude oil minus USD (16). Moreover, the quantities of Iraqi oil were supplied at the end of August 2019. Note that the supply of Iraqi oil stopped during the months of May and June of the year 2020 due to the decline in global prices, and its supply began again on the first of July 2020, and its supply ended at the end of the month of November 2020. The Jordanian government also agreed with the Iraqi Ministry of Oil to renew the agreement. The supply of Iraqi oil under the new agreement started from the beginning of September 2021, and the Jordan Petroleum Refinery Company was authorized to implement the terms of the agreement on behalf of the Jordanian government under the letter of the Ministry of Energy No. (5483/8/21) dated August 12, 2021 based on Council of Ministers' Resolution No. (1391) adopted in its meeting held on February 17, 2021. A new contract was also signed to supply Iraqi oil on May 15, 2023, for a period of one year, extendable with the same previous conditions and prices, but the supply quantities were increased to (15,000) barrels per day instead of (10,000) barrels per day, as of August 2023.

• **Licenses to practice activity.**

At the beginning of March 2022, the company obtained the under listed licenses for refining activity from the Energy and Minerals Regulatory Commission:

- A license to practice various refining and storage activities for a period of (30) years.
- A permit to build the fourth expansion project of the Jordan Petroleum Refinery Company.

• **Other concessions for refining activity**

- The technical laboratories of the refining activity obtained (11) certificates of excellence through the participation of the company's laboratories in the International Inter-laboratory Competency Assessment Program (IIS) during the year 2023, where the company's laboratories participated in the examination of (15) samples of crude oil and petroleum products materials (jet fuel, gasoline, diesel, fuel oil, asphalt).

- Technical laboratories of refining activity obtained an international accreditation certificate from the Jordanian Accreditation Unit recognized by the International Cooperation Agency for Laboratory Accreditation in the field of petroleum products tests in accordance with the requirements of the ISO system (ISO / IEC 17025: 2017)) until the date of November 7, 2025.

- According to the Council of Ministers' Resolution No. (13363), taken in its meeting held on January 3, 2016, and based on the recommendations of the Economic Development Committee in its meeting held on December 22, 2015, the Council of Ministers approved exempting Jordan Petroleum Refinery Company from general and special sales tax effective from May 1, 2013 on its imports related to the quantities sold to the marketing companies, provided that the general sales tax and special sales tax thereon are paid by those companies within the pricing structure of IPP.

- According to the Income and Sales Tax Department's Letter No. (20/4/347) dated February 16, 2021, and included to collect general and special taxes on the Jordan Petroleum Refinery Company's sales to the three marketing companies through the marketing companies only. The letter also stated that the Jordan Petroleum Refinery Company is not obligated to pay taxes on its sales to the marketing companies. However, it is only obligated to pay tax on its sales to other customers.

- According to Council of Ministers' Resolution No. (2898) adopted in its session held on July 7, 2021, it was agreed to exempt the Jordan Petroleum Refinery Company's imports of crude oil and petroleum products from customs duties (Custom fees) until April 30, 2022.

- According to Council of Ministers' Resolution No. (7278) taken in its session held on June 5, 2022, the implementation of Council of Ministers' Resolution No. (2898) was extended until April 30, 2023, which includes exempting the Jordan Petroleum Refinery Company's imports of crude oil and petroleum products from customs duties (Custom fees).

- According to Council of Ministers' Resolution No. (12135) taken in its session held on June 18, 2023, the implementation of Council of Ministers' Resolution No. (7278) was extended until April 30, 2024, which includes exempting the Jordan Petroleum Refinery Company's imports of crude oil and finished petroleum products from customs duties (Custom fees).

• **The Market Share of Refining Activity:**

The production at Jordan Petroleum Refinery Company of petroleum products is approximately (48%) of the local market's demand from finished petroleum products, in addition to that it is the sole provider in the Kingdom that covers all the local market needs of heavy products (fuel oil , asphalt).

The Jordan Petroleum Products Marketing Company (a wholly owned subsidiary)

- The Jordan Petroleum Products Marketing Company was established on February 12, 2013 and gradually started its business since May 1, 2013, The task of providing consumers with finished petroleum products was transferred to the Jordan Petroleum Products Marketing Company, with the exception of asphalt, fuel oil and gas customers and some fuel customers from the security authorities.

- Jordan Petroleum Products Marketing Company distributes finished petroleum products in accordance with international and local standards set by Jordan Standards and Metrology Organization according to the approved standard.

- Jordan Petroleum Products Marketing Company received a marketing commission of (12) fils per each liter sold and a retail commission of (15) fils per each liter sold until August 31, 2018. The retail commission has been amended to be (18) fils per each liter sold as of September 1, 2018, in addition to other commissions, representing evaporation loss allowance and transport fees according to the oil products selling price bulletin (IPP).

- Jordan Petroleum Products Marketing Company's authorized and paid-up capital is JD (65) million.

• **Trade Mark:**

- Jordan Petroleum Refinery Company granted the right to use the trademark (JOPETROL), which is duly registered in the Ministry of Industry and Trade, Directorate of Industrial Property Protection, to Jordan Petroleum Products Marketing Company.

- On December 26, 2018, Jordan Petroleum Products Marketing Company acquired all of the shares of Hydron Energy Company LLC, while allowing it the right to use the trademark (Gulf).

• **License to Practice the Activity:**

- According to the Resolution of the Council of Ministers, in their Letter No. (58/11/1/26041), dated September 30, 2012, it was agreed to grant Jordan Petroleum Products Marketing Company (a subsidiary company) a license to practice the activity of importing, exporting, transporting, storing, loading, unloading, distributing and selling petroleum products in wholesale, and operating and maintaining the facilities of the Jordan Petroleum Products Marketing Company. The value of the license was determined to be JD (30) million. Moreover, the Company shall pay the first installment, and the remaining balance shall be paid in five equal annual installments. In this regard, the Company paid the last installment during the year 2018. Moreover, the Company amortizes the license over 10 years, starting from the commencement date of its operations on May 1, 2013, based on the agreement signed with the Ministry of Energy and Mineral Resources on February 19, 2013, noting that the license is renewable. The license to practice the activity of importing, exporting, transporting, storing, loading, unloading, distributing and selling petroleum products and operating and maintaining the activity facilities of the Jordan Petroleum Products Marketing Company was renewed for an additional period of ten years, starting from the first of May 2023, at a value of JD (1,25) million .

- **Other Privileges:**

After passing the global external audit, the company obtained international quality certificates in managing the quality of services and products, occupational health and safety systems, and environmental management systems (ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018).

- **Patents:**

The company obtained a patent from the Ministry of Industry and Trade for its innovative system, "Water and Flood Sensing in Fuel Tanks."

- **The Market Share of the Company:**

- The marketing company operates through direct selling to different clients such as filling stations ministries, public and governmental departments and establishments, security departments, public and private institutions and companies, through its stations and subsidiaries and the stations through which it supplies, which numbered (391) stations and its share of the local market is About (55%).

Jordan Lube Oil Manufacturing Company (a wholly owned subsidiary)

- The company has activated the Jordan Lube Oil Manufacturing Company as of the first date of April 2022, all the activities of the various lube oils and the Lube oils factory, which was established in 1977, have been annexed to this company.

- The company produces more than (100) types of different lube oils to meet the needs of the local and foreign markets with a high degree of quality based on the Jordanian standard specifications, the specifications of the American Petroleum Institute (API, American Petroleum Institute), and the specifications of the Society of Automotive Engineers (SAE, Society of Automotive Engineers), European specifications (ACEA), OEM specifications, and US Army specifications (Military Standards). These oils are subject to strict quality control in modern, specialized laboratories.

- The authorized and paid-up capital of the Jordan Lube Oil Manufacturing Company is JD (6) million.

- **Trade Mark:**

The Jordan Petroleum Refinery Company granted the right to use the trademark (JOPETROL) which is duly registered in the Ministry of Industry and Trade, Directorate of Industrial Property Protection, to Jordan Lube Oil Manufacturing Company. The company also owns the trademark (JOPETROL Lubricants).

- **License to Perform Various Lube Oil Activities:**

The Jordan Petroleum Refinery Company transferred the license to perform various lube oil activities granted by the Energy and Minerals Regulatory Authority to Jordan Lube Oil Manufacturing Company on July 27, 2022, after the approval of the Energy and Minerals Regulatory Commission, noting that the duration of this license is (10) years.

- **Other Privileges:**

- Renewing the (ISO 17025:2017) certification by the Accreditation Authority - Jordan Standards and Metrology Organization, which is the official authority for certification in Jordan on behalf of the International Accreditation Authority (International Laboratory Accreditation Cooperation - ILAC).

- The company continued to obtain the Jordanian Quality Mark Certificate for lube oils (Perfect grade 20W/ 50) and (Super Diesel Oil 16 grade 15W/ 40) and (Perfect 6000 grade 20W/ 50) after completing all requirements as instructed by the Jordanian quality mark No. 4/2007, that includes the compliance of these products with the technical requirements of the Jordanian quality mark No. 75/2012 related to the Lubrication oils used specially for internal combustion engines.

- The company continued to obtain a certificate of approval from Mercedes-Benz to use (Super Diesel Oil 16 grade 15W/40) in its engines. It also obtained a certificate from Mercedes-Benz to use (Super Diesel Synthetic Oil 10W/40) in its engines.

- Lube Oil Plant Testing Laboratory has obtained four Certificates of Excellence for its participation in the interdisciplinary studies/ Netherlands programs along with other international laboratories on examining samples of engine oils, base oils, gearbox oils and hydraulic oil.

- The company maintained the (ISO 9001: 2015) certificate granted to it by Lloyd's Register.

- **The Market Share of the Company:**

The company's share of the local market is about (43%), it also exports its various lube oil products to Iraq, Chad, Palestine, Sudan, Yemen, Cameroon, and Lebanon, and is currently working to open new markets for export based on the high quality of its lube oil products.

- **Jordan Liquefied Petroleum Gas Manufacturing and Filling Company (a wholly owned subsidiary)**

- The company has activated the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company as of January 1, 2023, and accordingly it has annexed all the liquefied petroleum gas activities (except LPG production activity) to this company and annexed the three liquefied gas filling stations (Amman, Irbid, Zarqa) and LPG Cylinders' repair and rehabilitation workshop to this company as an operating facility.

- Jordan Liquefied Petroleum Gas Manufacturing and Filling Company imports, stores, and sells liquefied gas, it also imports empty gas cylinders, fills them, and sells them in accordance with the local and international specifications determined by the Institution of Standards and Metrology, according to the approved specification in this regard.

- The authorized and paid-up capital of Jordan Liquefied Petroleum Gas Manufacturing and Filling Company is JD (4) million.

- **Trade Mark:**

The Jordan Petroleum Refinery Company granted the right to use the trademark (JOPETROL) which is duly registered in the Ministry of Industry and Trade, Directorate of Industrial Property Protection, to Jordan Liquefied Petroleum Gas Manufacturing and Filling Company, the company also owns the trademark (JOPETROL Gas).

- **License to Perform Various LPG Activities:**

Jordan Petroleum Refinery Company transferred the licenses to perform various gas activities and the LPG central distribution licenses for liquefied gas granted to it by the Energy and Minerals Regulatory Commission to Jordan Liquefied Petroleum Gas Manufacturing and Filling Company on November 2, 2022, after the approval of the Energy and Minerals Regulatory Commission. Accordingly, this company possesses the following licenses:

- Three licenses to practice various liquefied gas activities for the three liquefied gas stations owned by the company (Amman, Irbid, Zarqa) for a period of (20) years.

- Three licenses to practice the activity of LPG central distribution for the three liquefied gas stations owned by the company (Amman, Irbid, Zarqa) for a period of (3) years.

- **Other Privileges:**

- According to Council of Ministers' Resolution No. (9298) taken at its session held on November 6, 2022, imported petroleum gas was exempted from customs duties for a period of one year, starting from January 1, 2023.

- Council of Ministers' Resolution No. (10588) was issued at its session held on January 21, 2024, according to which imported petroleum gas was exempted from customs duties for a period of one year, starting from January 1, 2024.

- **The Market Share of the Company:**

The company's share of the local market is (100%), as it is the only company in the Kingdom that fills liquefied gas cylinders and covers the entire local market's needs for liquefied gas cylinders.

Third: Investments of the mother company and its subsidiaries and non-controlling interests:

As of December 31, 2023, the Company owns the following subsidiaries, either directly or indirectly:

Company's Name	Authorized Capital	Ownership Percentage	Location	Establishment Date	Note
	JD	%			
Jordan Petroleum Products Marketing Company	65,000,000	100	Amman	February 12, 2013	Operating
Hydron Energy Company LLC	5,000,000	100	Amman	April 29, 2003	Operating
Jordan Liquefied Petroleum Gas Manufacturing and Filling Company*	4,000,000	100	Amman	May 28, 2008	Operating
Jordan Lube Oil Manufacturing Company	6,000,000	100	Amman	May 28, 2008	Operating
AL-Nuzha and Istiklal Gas Station for Fuel and Oil Company	5,000	60	Amman	January 8, 2014	Operating
Al-Karak Central Gas Station for Fuel Company	5,000	60	Al Karak	November 26, 2014	Operating
Rawaby Al-Queirah Gas Station for Fuel and Oil Company	5,000	60	Al Aqaba	June 22, 2015	Operating
Al-Aon for Marketing and Distribution Fuel products Company	1,005,000	60	Amman	January 10, 2016	Operating
Al- Kamel Gas Station for Oil and Fuel Company	5,000	60	Amman	February 26, 2017	Operating
Al-Wadi Al-A'abiad Gas station for Fuel Company	5,000	60	Amman	August 4, 2015	Operating
Al-Tanmweh Al-A'ola Gas Station for Fuel and Oil Company	4,406,428	60	Amman	November 19, 2015	Operating
Al -Qastal Gas Station for Fuel and Oil Company	5,000	60	Amman	June 19, 2017	Operating
Taj Amon Gas Station for Fuel and Oil Company	5,000	90	Amman	September 20, 2017	Operating
Al -Shira' Gas Station for Fuel and Oil Company	5,000	60	Al Aqaba	February 19, 2017	Non-Operating under renovation
Al- Failaq station for Fuel and Oil Company	1,513,993	100	Amman	July 7, 2020	Non-Operating under renovation

The following table shows the value of non-controlling interests' in the net equity of the subsidiaries as of as of December 31, 2023:

Company	Non-controlling Percentage	Non - controlling Share from Net Profit (Loss)	Non-controlling Share from Net Assets
	%	JD	JD
Al-Nuzhah and Istiklal Gas Station for Fuel and Oil Company	40	138,015	1,107,143
Al-Karak Central Gas Station for Fuel Company	40	81,679	618,347
Rawaby Al-Qwirah Gas Station for Fuel and Oil Company	40	60,534	771,161
Al-Aon for Marketing and Distributing Fuel products Company	40	315,914	(124,325)
Al- Kamel Gas Station for Fuel and Oil Company	40	199,888	1,524,887
Al-Wadi Al-A'abiad Gas Station for Fuel Company	40	28,536	461,832
Al-Tanmwieh Al-A'ola for Fuel Company Gas Stations	40	158,630	1,764,572
Al- Qastal Gas Station for Fuel and Oil Company	40	18,894	503,638
Taj Amoun Gas Station for Fuel and oil Company	10	49,755	847,788
Al- Shira' Gas Station for Fuel and Oil Company	40	(1,595)	469,760
		1,050,250	7,944,803

The following table shows the shares owned by the Company as of December 31, 2023 (financial assets at fair value):

Company Name	Number of Shares	Value JD
Jordan Electricity Company	760,243	1,459,666
Safwa Islamic Bank	256,516	497,641
Arab Potash Company	47,300	1,235,949
Jordan Paper and Cardboard Factories Company	33,300	1,665
Public Mining Company	27,500	16,225
Palestine Development and Investment Company	28,060	23,711
Al Motarabita Investment Company	128,259	1,283
		3,236,140

Fourth: Summary of the company's activities, the nature of its business and its field of activity:

1. Refining: This sector separates and convert the components of imported crude oil into a variety of oil products depending, in most of its operations, on licensing from UOP Company (USA).

2. Importing: Saudi Aramco is considered the main supplier of crude oil, and about (15) thousand barrels per day of crude oil are imported from Iraq in accordance with an agreement signed between the Governments of the Hashemite Kingdom of Jordan and the Republic of Iraq. Finished petroleum products, Liquefied Petroleum Gas, LPG empty cylinders and related accessories, base lube oils and their improvers, supplies and spare parts that are not available in the local market are imported under tenders.

3. Distribution: Distribution is the link between the company's products and its imports of finished petroleum products, LPG, base lube oils and all the company's customers in different locations in all regions of the Kingdom, it is responsible for meeting all customer requests and gaining their satisfaction, and the marketing of Refinery products through the Jordan Petroleum Products Marketing Company, and this company also bridges the gap between customer requests and the production of Refinery through the import of finished petroleum products.

4. Transportation: Crude oil, LPG, finished petroleum products, lube oils and their improvers are transported to the company's various locations, also customers are provided with their needs of the company's various products by the company's transport fleet and Local transport companies awarded the transport process under tenders.

5. Storage: The Company stores crude oil, finished petroleum products, LPG and lube oil in tanks owned by the company in various locations (Zarqa, Aqaba, Airports, LPG Filling Stations and fuel stations owned by the company), also the company stores spare parts and other supplies in its dedicated warehouses, in addition to that the company practices storage activity for others to achieve additional revenue.

6. Lube Oil Manufacturing and filling: This activity is practiced through the Jordan Lube Oil Manufacturing Company, which imports base oils and their improvers, manufactures, production, packaging, marketing, distribution and transportation of many types of lube oils required in the local and foreign markets.

7. Liquefied Petroleum Gas Industry and cylinders filling: LPG is produced by the Jordan Petroleum Refinery Company, where LPG and LPG cylinders as well as their accessories are imported, filled, marketed, distributed and transported through the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company.

8. Aviation fuel supply: The Company manages the refueling of aircrafts at the three airports (Queen Alia International Airport, Amman Civil Airport, and King Hussein International Airport / Aqaba).

9. Export: The Company exports the surplus of the local market need of its production of fuel oil (3.5%), and the Jordan Lube Oil Manufacturing Company exports part of its products of lube oil to external markets in order to open new markets for its products, relying on the high quality of its products.

Fifth: Future Plan:

Regarding the fourth expansion project, the company, in coordination with all project consultants, completed providing the consortium - that has the best offer which consisted of Italian, Chinese and Japanese companies (Tecnimont-Sinopec (GPEC) - Itochu) - with the necessary information to fill out the necessary financing application forms for submission to Export Credit Agencies (ECAs). The Italian company (one of the members of the consortium) requested a significant increase in the price of the submitted offer, in violation of what had been agreed upon and the terms of the bid. After several meetings and communications with the Italian company to try to dissuade them since increasing the price after opening the bids constitutes a violation of the company's regulations, and in light of the Italian company's insistence on its position on price increase, they were informed that price increase is not acceptable, and thus this company withdrew from the consortium.

As for the other two members of the consortium, they have expressed their ongoing interest in continuing working to cover the gap resulting from the withdrawal of the Italian company.

Accordingly, Jordan Petroleum Refinery Company informed the two members of the consortium of its acceptance to negotiate with them and to set the necessary conditions to be taken them into consideration to continue. It is planned that a face-to-face meeting will be held during March 2024 with the two members of the consortium, in the presence of the company's advisors, to agree on a mechanism for completing all technical and financial matters to ensure the continuation of the project through the construction stage.

As for Japanese financing, the Japanese Export Credit Agency (NEXI) has obtained approval from the Japanese Ministry of Economy, Trade and Industry to finance the company's project, while financing through the Japan Bank for International Cooperation (JBIC) is still under evaluation by the Japanese Ministry of Finance.

The work of due diligence consultants (technical, environmental, market,..etc.) will continue immediately after the approval of the new structure of the joint venture and determining the ways to complete the project.

After the company obtained at the beginning of March 2022 all the necessary licenses from the Energy and Minerals Regulatory Commission to continue performing all its various activities, as it obtained a license to practice the activity of refining and storage, licenses to perform all various LPG activities, central distribution of LPG, and a license to perform various lube oil activities, in addition to a permit to build the company's fourth expansion project, the company activated the Jordan Lube Oil Manufacturing Company as of the first of April 2022. The company transferred the licenses granted to it to perform the various lube oil activities of this company on July 27, 2022 after the approval of the Energy and Minerals Regulatory Authority. The company is currently working on developing the activities of this company, diversifying its products, expanding its share in the local market, opening new foreign markets for its products, and reducing their costs to the minimum possible.

The company also activated the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company as of the first of January 2023 and annexed all the various LPG activities (except the LPG production activity) to this company and included the three LPG filling stations (Amman, Irbid and Zarqa) and LPG Cylinders' repair and rehabilitation workshop to this company as operating facilities in it, and the company the licenses granted to it to perform various gas activities and the central distribution activity of liquefied Petroleum Gas to this company on November 2, 2022 after the approval of Energy and Minerals Regulatory Authority, the company is currently working on developing the activities of this company, minimizing its costs and expanding its share in the central distribution market for LPG.

With respect to the financial relationship with the Government, the company is still negotiating with the relevant ministries and Government agencies to agree on the remaining matters related to the financial relationship between the company and the Government and to resolve all remaining obstacles. Especially the payment of the amounts due from the Government after the company concluded during June 2022 with the National Electric Power Company a financial settlement agreement to pay its debt, the interest of late payment and the benefits of the installment process, within a year in equal installments, starting from July 2022. The full amount of the agreement was paid by the National Electric Power Company during the month of June 2023, and negotiations with the Government are still continuing to agree on the value of the commission for LPG activity which reflects a rate of return on investment of (12%) annually in implementation of the Council of Ministers' Resolution No. (7633) adopted in its session held on April 30, 2018, to pay LPG subsidy amounts and financial relationship balances due from your Government. During the year 2023 the company made clearings between the accounts of the Ministry of Finance and the accounts of the Income and Sales Tax Department and balances due from ministries and government and security agencies in the amount of JD (71,417,857). Noting that the Resolution of the Council of Ministers' No. (11231) adopted in its session held on April 2, 2023 during May 2023, included the approval of the Jordan Petroleum Refinery Company to borrow an amount equivalent to JD (105) million in US dollars on behalf of the government in exchange for issuing pledges by the Government to pay loan installments and interest due on them, as this amount was credited to the company's accounts.

After the renewal of the petroleum products marketing license for the Jordan Petroleum Products Marketing Company for additional (10) years starting from the beginning of May 2023, the Company continues its development and expansion path by opening and managing new stations namely Al-Karak station / Al-Qasr, Qatraneh station / Ruba al-Amir, Zaid Al-Fawair station/ Ein Al-Basha, Fendi Al-Faouri station, Yazan Megdadi station/ Bayt Idis, Athamneh Station/ Jerash, Al-haith Plaza station, Umm Uthainah station, Ibbin station/ Amer Al-Momani, Al-Qaisi/ At-Tafilah, Malka station/ Mohammad Al-Ali, Benno station/ Sweileh, Bain Al-Darbain station / Sakhrah, Haif station/Al-Nashmi, Yarqa station/ Al-Shenekat, Municipality Lup and Melih station, Al-Sakhir Al-Zaiti station, Al-Mansi station/ Beit Ras, Mahmoud Al-Faouri station/ Baqa'a, Al Al-Bayt University station/ Al-Mafraq, Emdad station/ Dayr as Si'nah, Elena station/ Imad Al-Jamal and The company's site station in Zarqa after rehabilitation during 2023.

After passing the international external audit, the company obtained international quality certificates in the management of quality of services and products, occupational health and safety systems and environmental management systems (ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018) and continued to train all employees intensively on the latest quality management systems and occupational health and safety.

The eFWATEERcom electronic payment system service for the company and its subsidiaries has also been activated, smart applications have been activated to provide technical support to customers at their stations, and an accounting system has been implemented that includes customers following up on their accounts through a software application on their mobile phones.

The latest systems have also been applied in protecting facilities against theft and risks in stations classified as high risk, and pre-warning systems for flooding and water detection have been applied in the stations' tanks.

Until the end of 2024, it is planned to open and manage the Abdullah Ghosheh station, Al-Shera' station, Aswar Bader station, Wadi Araba Development Station, Jareed Al-Adwan station / Jordan Street, Mahmoud Al-Faouri station, Jett station / Ghor Nimrin, Basira station/ At-Tafilah, Jurf Eddarawish station, Al-Sarih station/ Al-Ajlouni, Hamm station/ Sayyaf Al-Youness, Al-Khazaleh station/ Al-Dajaniyya, Al-Shorafat station/ Al-Mafraq, Jawaher station/ Ajloun, and it is expected to complete the Aqaba Store, the Hashemiya Stores, and the Shishani station, and the construction will begin for the Shidiya station, Jordan Street station, Muwaffaq Al-Salti Al-Azraq base station, and the Potash station, in addition to continuing to rehabilitate the old stations including fifteen stations for Royal Jordanian Air Force as well as Public Security Stations.

Also, the television monitoring system will be applied to the domestic transport and distribution fleet tanks through the central control room, in addition to the automation of tank meters and inventory, and proceeding in inventory automation and electronic sales systems in all stations managed and supplied by the company, as well as increasing fast electric charging stations at the company's stations, installing systems to generate electric power using solar panels in selected stations, increasing the oil products transport fleet owned by the company and automating all the company's financial information and reflecting them on screens instantaneously.

The Jordan Lube Oil Manufacturing Company continues its plan to modify its production lines for increasing production, increasing efficiency, and diversification by adding new products that meet the needs of the local market, new lines for filling (209) drums will be added, in addition to upgrading existing operation lines.

The company is studying the possibility of using solar energy to heat base lube oils and improvers in the tanks of the lube oil factory to reduce costs to the minimum possible.

It is planned to purchase modern forklifts and handling equipment for lube oil, and purchase additional cargo vehicles to develop and improve the sales service to gain customer satisfaction.

It should be noted that the company was able to install a system to dissolve the viscosity improver and to operate it during the last quarter of 2023. This will reduce production costs. Moreover, it is planned that this system will be developed to cover the entire needs of the lube oil factory of viscosity plant improver.

It is planned to install two new tanks at the company's site in Zarqa to increase the storage capacity, and it is also planned to construct five tanks, with a storage capacity of approximately (5) thousand metric tons, at the company's site in Aqaba. The aim is to increase storage capacities in order to reduce rented storage costs and to benefit from fluctuations in lube oil prices.

In order to expand the company's share in the local market, the company will renovate, develop and produce new types of lube oils according to needs of the market and global trends, as the company is currently heading to develop its products by improving performance levels of oils and producing new types such as gasoline engine oil with a performance level (API SP) and diesel engine oils with performance levels (CK4 and CJ4), where the related improvers have been purchased. It is expected to start production during the second quarter of 2024.

Work is currently proceeding to renew the accreditation of the company's lube oils laboratory (ISO 17025) through the Accreditation Unit at the Jordan Standards and Metrology Organization and the International ILAC Organization. There is a follow up to obtain international accreditations for Jopetrol oils (such as Mercedes-Benz, API and others) to support the marketing campaigns and keeping both the (ISO 9001) certificate and the Jordanian Quality Mark.

As for exports, it is part of the plan of Jordan Lube Oil Manufacturing Company to continue exporting to Palestine, Iraq and Lebanon and expand exports to Chad to include all regions of Chad in addition to neighboring areas such as Cameroon.

As for the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company, after it was activated and began to perform its work as of the first of January 2023, work is currently proceeding to develop and improve the performance of the activities of this company and reduce its costs to the minimum possible. Projects have been awarded to install solar energy systems at the LPG filling stations, and the implementation of these projects has been started during 2023. In order to increase storage capacities and reduce rented storage costs, and achieve additional revenue from leasing some storage company to others, the company awarded a tender to construct storage capacities for liquefied petroleum gas by approximately (10) thousand tons at the company's site in Zarqa, and construction work for these tanks began in October 2023. The company is also in the process of constructing new storage capacities at its location in Aqaba. Also the company is also currently working on developing and practicing the activity of central distribution process for LPG directly through the company itself or through entering into strategic agreement with others to develop this activity.

Sixth: Analysis of the Financial Position and Outcome of Activities in 2023:

a. Consolidated statement of profit or loss:

The company was able to achieve net profits after tax for the year ended December 31, 2023, which amounted to around JD (83) million. This profit is considered as a result of the strategic plans pursued by the company efficiently to achieve its vision and objectives, which reflects the stability and strength of the company's performance and the success of its management in enhancing the rights of its shareholders and stakeholders despite the critical circumstances that the region is going through, which led to fluctuations in the prices of crude oil, finished petroleum products and LPG, as well as the negative effects on various economic sectors in the Kingdom resulting from the Israeli aggression on the Gaza Strip - compared to the profit after tax for the year ending on December 31, 2022 amounting to about JD (105) million, a decrease of JD (22) million and by (21%).

The following is a brief analysis of the items in the consolidated statement of profit or loss for the year 2023 compared to the year 2022:

1. Net Sales:

Comparing the company net sales for year 2023 with year 2022, the Company sales value decreased by JD (47) million or (3%) from year 2022, the company net sales was JD (1,659) billion in 2023 compared with JD (1,706) billion in 2022 due to decrease selling prices of petroleum products, LPG and a slight decrease in the quantities of sales.

2. Cost of sales:

Comparing the company cost of sales for year 2023 with year 2022, the cost of sales increased by JD (18) million or (1%), the company cost of sales was JD (1,500) billion in 2023 compared to JD (1,482) billion in 2022, the main reason for this is due to the increase in the value of goods at the beginning of the year and the decrease in the value of goods at the end of the year between the two years, as goods at the end of the year are evaluated at cost or market, whichever is lower, according to international accounting standards, in addition to the decrease in the company's purchases of crude oil and petroleum derivatives, the decrease in the amount of support for oil derivatives, and the increase in industrial expenses between the two years resulting from the activation of the work of Jordan Liquefied Petroleum Gas Manufacturing and Filling Company on January 1, 2023 and the inclusion of all the various LPG activities (except LPG production activity). Including gas stations and LPG Cylinders' repair and rehabilitation workshop.

The average purchase price of (1) barrel of crude oil in 2023 decreased from USD (15,35) per barrel or (15%) comparing with 2022, where the average purchase rate per barrel in 2023 reached USD (86,33) compared with USD (101,68) per barrel in 2022.

3. Total profit:

The company's total profit amounted to around JD (175) million in 2023 compared to JD (232) million in 2022 with a decrease of JD (57) million or (25%), due to the decrease in the value of net sales by about JD (47) million and increase in the value of the sales cost by about JD (18) million, in addition to an increase in other operating income and other income by about JD (8) million as comparison between the two years.

4. Expenses:

The Industrial and operating expenses amounted to around JD (67) million in 2023 compared to about JD (60) million for the year 2022 with an increase of JD (7) million and by (12%) due to activation the work of Jordan Liquefied Petroleum Gas Manufacturing and Filling Company on the first of January 2023 and including of all various LPG activities (except LPG production activity), LPG filling stations and LPG Cylinders' repair and rehabilitation workshop, its industrial and operating expenses reached about JD (13) million for 2023.

The selling and distribution expenses for 2023 amounted to around JD (44) million, compared to about JD (57) million for 2022, representing a decrease of JD (13) million and by (23%) due to annex of LPG filling stations to the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company, which began its work on the first of January 2023, and these stations expenses were classified within the selling and distribution expenses and became classified within the industrial and operating expenses in addition to the measures taken by the company which led to reduce the costs to a minimum.

Whereas, general and administrative expenses for 2023 amounted to around JD (13.5) million compared to JD (13.3) million in 2022, with an increase of JD (200) thousand.

Therefore, the company total expenses decreased around JD (5.8) million for 2023 compared to 2022 with a decrease of (4%) between the two years, where the total expenses for 2023 reached JD (124.5) million compared to the total expenses for 2022 which were about JD (130.3) million due to the company's continued implementation of the policies and strategic plans which has developed to reduce costs to the minimum possible.

b. The Consolidated Statement of Financial Position:

The total assets of the company as of December 31, 2023 amounted to about JD (1,438) billion, the total liabilities of the company amounted to about JD (1,070) billion, and the total equity amounted to about JD (368) million.

The following is a brief analysis of the most important items in the consolidated statement of financial position for the year 2023 compared to the year 2022:

1. Current Assets:

Company assets value amounted to around JD (1,139) billion in 2023 compared to JD (1,246) in 2022 with a decrease of JD (107) million or (9%) from year 2022, this is mainly due to the increase in cash in the fund and at banks by about JD (8) million, and decrease in debtors and other debit balances item by about JD (61) million due to decrease in the indebtedness of ministries, government and security agencies resulting from the clearing and collections made by these authorities and to collect the indebtedness of the National Electric Power Company under the financial settlement that took place with this company, in addition to paying part of the government's indebtedness under the company's withdrawal of JD (105) million from banks in exchange for issuing pledges from the government to pay the amount and the interest resulting from it to these banks, and the decrease in crude oil and finished petroleum products by around JD (54) million as a result of the decrease in quantities and values of the company's storage at the end of the year resulting from the evaluation of the company's stock of crude oil, finished petroleum products and LPG at cost or market values, whichever is lower according to international accounting standards.

While the non-current assets of the company for 2023 amounted to around JD (299) million compared to JD (264) million for 2022 with an increase of JD (35) million and by (13%) from the year 2022, and the main reason for this is due to a decrease in the deferred tax item by around JD (1) million due to return of part of the provisions, as well as increase in the value of property, equipment and net projects in progress by around JD (37) million resulting from the purchase of the government's share in the company's assets in Aqaba and airports and presence of projects under construction, the most important are construction of gas stations, LPG storage capacities and payments on the fourth expansion project, in addition to the decrease in financial assets item at fair value about JD (500) thousand, and the decrease in the item of the right to use assets about JD (500) thousand.

2. Liabilities:

The total current liabilities of the company for the year 2023 amounted to around JD (991) million compared to around JD (1,094) billion for the year 2022, a decrease of JD (103) million and by (9%) from the year 2022, and the main reason for this is due to the decrease in the item of credit banks by about JD (32) million resulting from the collection of part of the government's debt, as well as the decrease in the item of income tax provision by about JD (3) million, in addition to the decrease in the item of creditors and other credit balances by about JD (68) million resulting from Conducting clearings with the Ministry of Finance between part of the debit balances due to the company and part of the credit balances due to the government and to pay part of the obligations towards suppliers for purchases of oil derivatives, gas and other supplies, where the company obtains payment periods from suppliers ranging from 30 to 60 days from the date of supply, and to reduce part of the provisions, especially the provision for special tax differences, as a letter was issued by the Prime Ministry on October 8, 2023 exempting the company from tax fines of all kinds as the company sold the consortiums under the decisions of the Council of Ministers exempting these consortiums from the special tax on diesel.

While the total non-current liabilities of the company for the year 2023 amounted to around JD (79) million compared to about JD (79) million for the year 2022, as an increase of around JD (2) million in the item of leasing obligations of the non-current part was offset by a decrease of around JD (2) million in the item required for the death, compensation and end-of-service gratuity fund, compared to the two years.

3. Owners' Equity:

The total Owners' equity amounted to around JD (360) million for 2023 compared to about JD (329) million for 2022, with an increase around JD (31) million and by (9%) due to the profits achieved by the company in 2023 and the difference from these profits is due to the distribution of profits for 2022 according General assembly decision was taken in its regular meeting held on April 5, 2023.

c. Consolidated Cash Flow Statement:

Cash in hands and banks increased around JD (8) million in 2023 compared to 2022 with an increase of (31%), since that net cash from operating activities reaching JD (143) million, and the net cash from investing activities amounting to JD (47) million and the net cash flows from financing operations amounting to JD (88) million.

Seventh: Company's Risk Management:

The Company adopts financial policies for managing the various risks within a specific strategy. Moreover, the Company's management controls and monitors risks and performs the optimal strategic allocation of financial assets and financial liabilities. risks include interest rate risk, market risk, credit risk, and foreign exchange risk (Currencies and interest rates).

a. Capital Risk Management:

The Company manages its capital to ensure its ability to continue as a going concern and maximize the return to shareholders through achieving an optimal balance between equity and debt.

The Group's management reviews the capital structure on an annual basis as part of this review, also management takes into account the cost of capital and the risks related with each class of capital, the following table shows the net debt to equity ratio compared between 2023 and 2022:

	Year	
	2023	2022
	JD	JD
Total Liabilities	1,069,908,793	1,172,498,160
Total Equity	368,081,325	337,690,899
Debt-to-equity ratio	291%	347%

The increase in the rate is the result of the company financing the government's debt due in favor of the company (the financial relationship between the company and the government) through borrowing from banks, knowing that the government has committed to paying the balance of its financial relationship with the company according to the Council of Ministers' Resolution No. (7633) taken in its session held on the 30th of April 2018 and according to the letter from the Ministry of Finance addressed to the company No. (12/1/16/2854) dated January 30, 2021, and the government is the one who bears the bank interest resulting from the company's borrowing from banks for loans related to financing its debts that are due and unpaid in favor of the company, according to the Council of Ministers' Resolution No. (7633) taken in its session held on 30th April 2018.

b. Liquidity Risk:

Liquidity risk, also known as financing risk, represents the difficulty that the Company will encounter in making available the necessary funds to fulfill its obligations. Moreover, the Company manages its liquidity risk through keeping adequate reserves, continuously monitoring the expected and actual cash flows, and matching the maturities of financial assets and financial liabilities.

The following table shows in detail a comparison between year 2023 and 2022 the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay:

Year 2023	1 month - 3 months	3 months - 12 months	1 year - 5 Years	More than 5 years	Total
	JD	JD	JD	JD	JD
Due to banks*	-	663,911,323	-	-	663,911,323
Payables and other credit balances	217,027,300	88,116,156	-	-	305,143,456
Income tax provision	-	18,995,592	-	-	18,995,592
Lease Liability	-	2,455,304	41,461,022	-	43,916,326
Due to death, compensation, and end-of-service indemnity fund	-	-	-	37,900,409	37,900,409
End-of-service indemnity provision	-	-	-	41,687	41,687

Year 2022	1 month - 3 months	3 months - 12 months	1 year - 5 Years	More than 5 years	Total
	JD	JD	JD	JD	JD
Due to banks*	-	696,356,404	-	-	696,356,404
Payables and other credit balances	231,311,323	141,677,441	-	-	372,988,764
Income tax provision	-	22,251,354	-	-	22,251,354
Lease Liability	-	2,238,082	39,406,199	-	41,644,281
Due to death, compensation, and end-of-service indemnity fund	-	-	-	39,217,555	39,217,555
End-of-service indemnity provision	-	-	-	39,802	39,802

* Noting that most of the due to banks are bank facilities (current accounts) and revolving loans that renew automatically after being paid.

c. Credit Risk:

Credit risk relates to the other party's inability to meet its contractual obligations leading to the incurrence of credit losses by the Company. Moreover, the Company adopts a policy of dealing with creditworthy parties in order to reduce the financial losses arising from failure to fulfill the commitment.

The Company's financial assets consisting mainly of receivables and other debit balances, financial assets at fair value through the consolidated comprehensive income statement and cash and it does not represent important concentrations of credit risk where the debtors are widely spread among the clients' categories and their geographic areas and most of them are from government and security agencies in addition to a strict credit control that is maintained over the credit limits granted to each customer separately and on a continuous basis, and an expected credit losses provision is taken for it, in addition to this, there are real estate guarantees provided by the partners in the subsidiaries with guarantees to transfer the profits resulting from the operations of the subsidiaries to the company and that most of the sales operations and the credit policy focus on cash sales or in exchange for bank checks with the guarantee of non-return guarantees for these checks.

All of the Company's investments are classified as financial assets at fair value through the consolidated comprehensive income.

- The risk of investing in shares is related to the change in the value of the financial instrument as a result of changes in the closing prices of those shares.

- The change in the percentage of the financial market index for traded financial assets as on the date of the consolidated financial statements by (5%) increase and/or (5%) decrease, and the following is the impact of the change on the company's equity between 2023 and 2022:

	2023	2022
	JD	JD
5% Increase	161,807	190,762
5% (Decrease)	(161,807)	(190,762)

d. Market Risk:

Market risk is the loss in value resulting from the change in market prices such as interest rate, foreign exchange rates, and equity instruments prices, and consequently, the change in the fair value of the financial instruments cash flows the following illustrates these risks

1. Currency Risk:

The Company's major transactions are in Jordanian Dinar and US Dollar. The following are the book values of the Company's financial assets and financial liabilities denominated in foreign currencies for 2023 and 2022:

	2023	2022
	JD	JD
Assets - US Dollar	1,988,400	2,118,543
Liabilities - US Dollar	711,110,963	799,908,478

The currency risk is related to changes in currency exchange rates that apply to foreign currency repayments, and since the Jordanian dinar (the company's main currency) is pegged to the US dollar and its loans are short-term, the company's management believes that the foreign currency risk is immaterial.

2. Interest Rate Risk:

Interest rates risk is the risk of change in the value of the financial instrument due to changes in market interest rates. Moreover, the Company continuously manages its exposure to interest rate risk and considers the various scenarios such as refinancing, renewal of the present positions, and alternative financing.

The below-mentioned sensitivity analysis is determined according to the exposure to interest rate risk related to the creditor banks, the analysis was also prepared assuming that the liability amount at the consolidated financial statements date was outstanding during the whole year. An increase or decrease of half a percentage point (0/5%) is used, which represent the evaluation of the Company's management of the potential and acceptable change at market interest rates, the following shows a comparison between 2023 and 2022:

	2023	2022
	JD	JD
0/5% Increase	3,319,557	3,481,782
0/5% Decrease	(3,319,557)	(3,481,782)

Eighth: Achievements and Activities of the Company

1. Import:

a. Crude Oil:

Quantities of crude oil imported to the company site in Zarqa during 2023 amounted to (1,776,470) tons against (1,805,242) tons in 2022, showing a decrease of (28,772) tons or (2%).

It should be noted that during the years 2022 and 2023, the company imported Arab Light and Arab Extra Light crude oils in addition to Saudi and Iraqi crude oils to be used in the refining process by mixing them together, as this crude oil mixture, which the company adopted in recent years, led to a significant reduction in the produced quantities of fuel oil and increased the production of light oil products, which contributed to maximizing the company's profits, benefiting from the difference in the selling prices of light products over the selling prices of heavy products.

According to the Council of Ministers' Resolution No. (5329) adopted in its session held on July 10, 2019, which included the approval to authorize the Jordan Petroleum Refinery Company to implement the terms of the Memorandum of Understanding for the processing and transportation of crude oil between the Government of the Republic of Iraq and the government of the Hashemite Kingdom of Jordan, the company signed the agreement on August 1, 2019 and the company issued a letter of credit in favor of the Central Bank of Iraq to cover the value of the amount of (10) thousand barrels per day throughout the year according to the monthly average price of a barrel of Brent crude oil minus USD (16), noting that the quantities of Iraqi oil were supplied at the end of August of 2019, the Iraqi oil supply was stopped during May and June 2020 due to the decrease in international prices and it started to be supplied again on the first of July 2020 and its supply ended by the end of November 2020. The Jordanian government and the Iraqi Ministry of Oil renewed the agreement, and the Iraqi oil supply under the new agreement started from the beginning of September 2021, and the Jordan Petroleum Refinery Company was authorized to implement the terms of the agreement on behalf of the Jordanian government, according to the Ministry of Energy's letter No. (5483/8/21) dated August 12, 2021, based on Council of Ministers' Resolution No. (1391) adopted in its session held on February 17, 2021, and a new contract for the supply of Iraqi oil was signed on May 15, 2023 for a period of one year, extendable with the same previous conditions and prices, but the supply quantities were increased to (15) thousand barrels per day instead of (10) thousand barrels per day as of August 2023.

The company also purchases from the government the entire quantities of crude oil extracted from Hamzah oil well (Al-Azraq oil) based on the average monthly Brent crude oil prices.

b. Finished Petroleum Products and LPG:

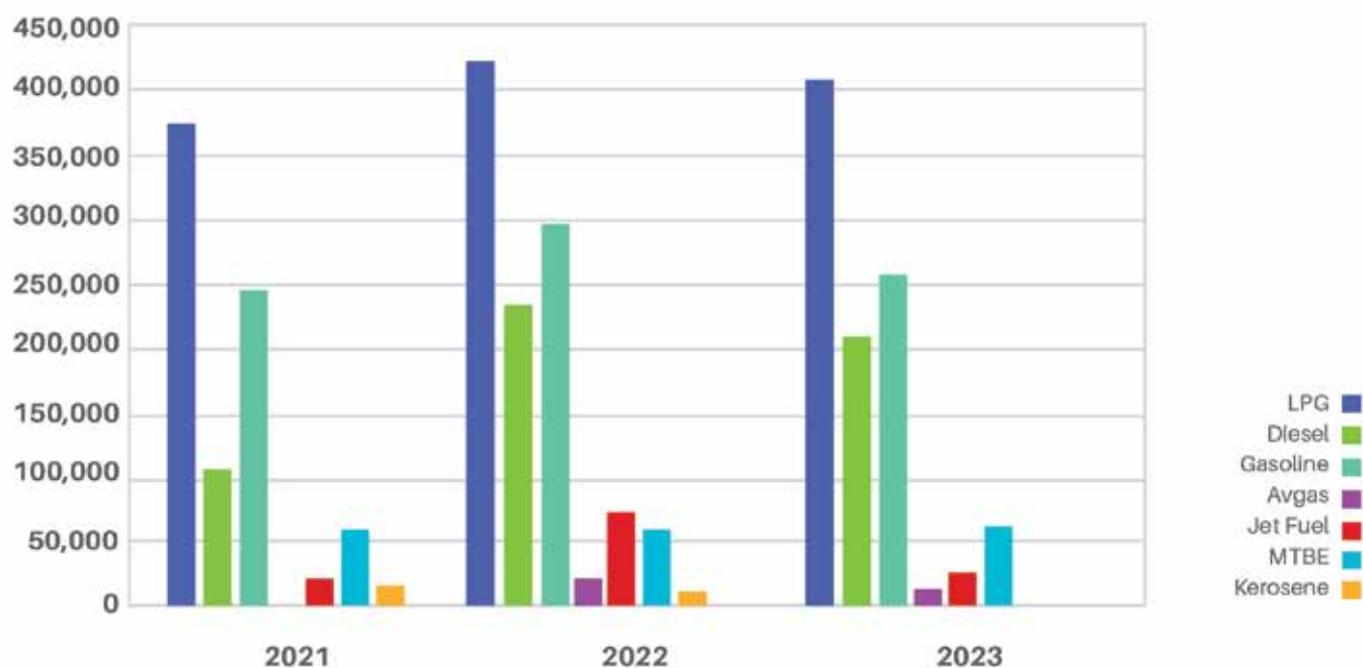
The company refines imported crude oil by separating and converting it into a variety of finished petroleum products, the company relies in most of its operations on a license from UOP-USA, the company pursues an annual optimum production policy to determine the quantities of production of each oil derivative achieving the maximum possible profit, and quantities of finished petroleum products and LPG that should be imported to fill the gap between expected demand and production, noted that finished petroleum products are imported through the Jordan Petroleum Products Marketing Company (a wholly owned subsidiary), and LPG is imported through the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company (a wholly owned subsidiary), and MTBE required for the production of gasoline 90 and 95 is imported through the Jordan Petroleum Refinery Company.

-The company is committed to import various finished petroleum products and LPG in accordance to the locally and internationally approved specifications.

-Imported finished petroleum products and LPG quantities during 2023 amounted to (960,453) tons against (1,096,522) tons imported in 2022, showing a decrease of (136,069) tons or (12%). The decrease in the import of aviation fuel is a result of increase in the production of this product and also the decrease in the import of LPG is a result of the fact that this product is seasonal and the demand for it depend on the cold weather severity in the winter, the decrease in the import of diesel and gasoline is a result of the decline in commercial activity and various economic sectors in the Kingdom due to the regional circumstances and the associated effects on the Kingdom.

The following table and graph show finished petroleum products and LPG quantities imported in 2023 compared with 2022 and 2021:

Imported Products	Quantities in tons			Percent increase or decrease 2022/2023
	2021	2022	2023	
LPG	373,720	420,118	406,005	(3%)
Diesel	106,478	233,769	208,722	(11%)
Gasoline	244,701	295,751	255,696	(14%)
Avgas	-	479	337	(30%)
Jet Fuel	15,729	74,172	27,971	(62%)
MTBE	59,670	60,684	61,722	2%
Kerosene	17,713	11,549	0	(100%)
Total	818,011	1,096,522	960,453	(12%)



c. Base Oils:

Base oils are imported through the Jordan Lube Oil Manufacturing Company (a wholly owned subsidiary), and the quantities of base oils imported by the Company during 2023 amounted to (14,859) tons against (10,351) tons in 2022, showing an increase of (4,508) tons or (44%), and the main reason for the increase in import quantities is the increase in production and sales quantities.

2. Production and Refining:

a. Crude Oil and Finished Petroleum Products and LPG:

- The company refines imported crude oil by separating and converting it into a variety of finished petroleum products, the company relies in most of its operations on a license from UOP-USA. Also, the company pursues an annual optimum production policy to determine the quantities of production of each oil derivative achieving the maximum possible profit, the MTBE is also mixed to produce gasoline 90 and 95. The company adopted a crude oil mixture of Arab Light oil, Arab Extra Light oil, Saudi oil and Iraqi oil to be used in the refining process by mixing them together, as this mixture which the company adopted in recent years, led to a significant reduction in the produced quantities of fuel oil and increased the production of light oil products, which contributed to maximizing the company's profits, benefiting from the difference in the selling prices of light products over the selling prices of heavy products.

- The company's production of finished petroleum products and LPG in 2023 amounted to (1,636,509) tons against (1,626,250) tons produced in 2022, showing an increase of (10,259) tons or (1%).

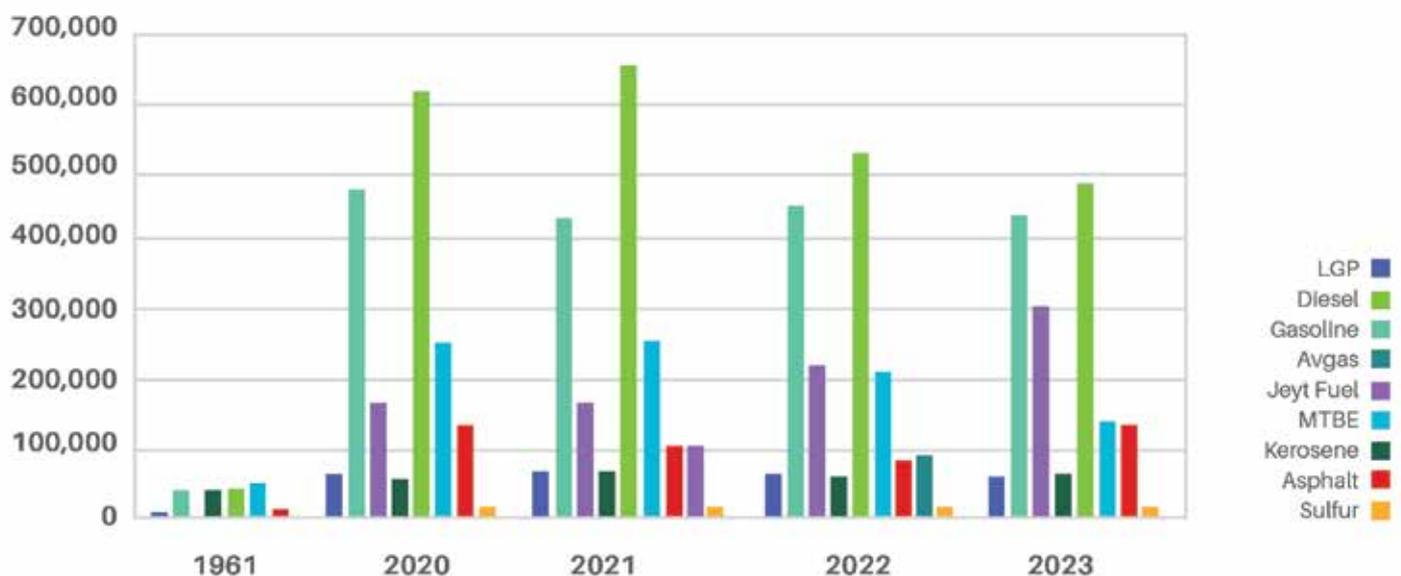
- Finished petroleum products and LPG are imported and produced in accordance with the locally and internationally approved specifications, except for diesel where the sulfur percentage exceed the specified limit. Therefore, the company considers the fourth expansion project of the refinery one of its most important priorities to improve the quality of diesel and finished petroleum products to keep up with the internationally adopted specifications, and it will also lead to increase the production to meet most of the local market's needs for low-carbon, low-cost finished petroleum products.

- With regard to competitiveness, the three petroleum products marketing companies started importing diesel as of May 2017, as well as importing gasoline 95 as of December 2017, they also started importing all light finished petroleum products during 2018 (except LPG), the Marketing companies still purchase some of the company's finished petroleum products because of the achieved savings compared with the import process and the subsequent additional costs. It should be noted that the import of finish petroleum products by marketing companies has no impact on the company's production process, as the company's production capacity covers only what is equivalent to (48%) of the local market's need, and the share of the Jordan Petroleum Products Marketing Company (a wholly owned subsidiary) is estimated at about (55%) of the local market, so the company imports to fill the gap between demand and production. Therefore, the company is seeking for establishing the fourth expansion project, it should be noted that the refinery is the only source for the local market for heavy petroleum products (fuel oil and Asphalt).

The following table and graph show the Company's production of finished petroleum products and LPG for the base year and during the years (2020-2023):

Product	1961	2020	2021	2022	2023	Percent increase or decrease 2022/2023
LPG	615	62,570	50,431	62,604	59,304	(5%)
Gasoline	37,179	467,355	433,589	453,464	439,764	(3%)
Jet Fuel	-	165,179	167,904	220,489	306,158	39%
Kerosene	39,620	54,714	55,252	61,332	65,813	7%
Diesel	41,209	621,583	658,609	528,490	485,421	(8%)
Fuel Oil 3.5%	50,605	253,904	256,835	210,872	140,658	(33%)
Asphalt	11,897	135,010	103,451	86,433	136,745	58%
Sulfur	-	3,840	3,726	2,566	2,646	3%
Total	181,125	1,773,155	1,729,797	1,626,250	1,636,509	1%

Note: In addition to the above production quantities, the steam generation and the production units at the refinery consumed (187,587) tons of fuel oil, fuel gas, and naphtha during the year 2023, compared to (196,008) tons in 2022, showing a decrease of (8,421) tons or (4%).



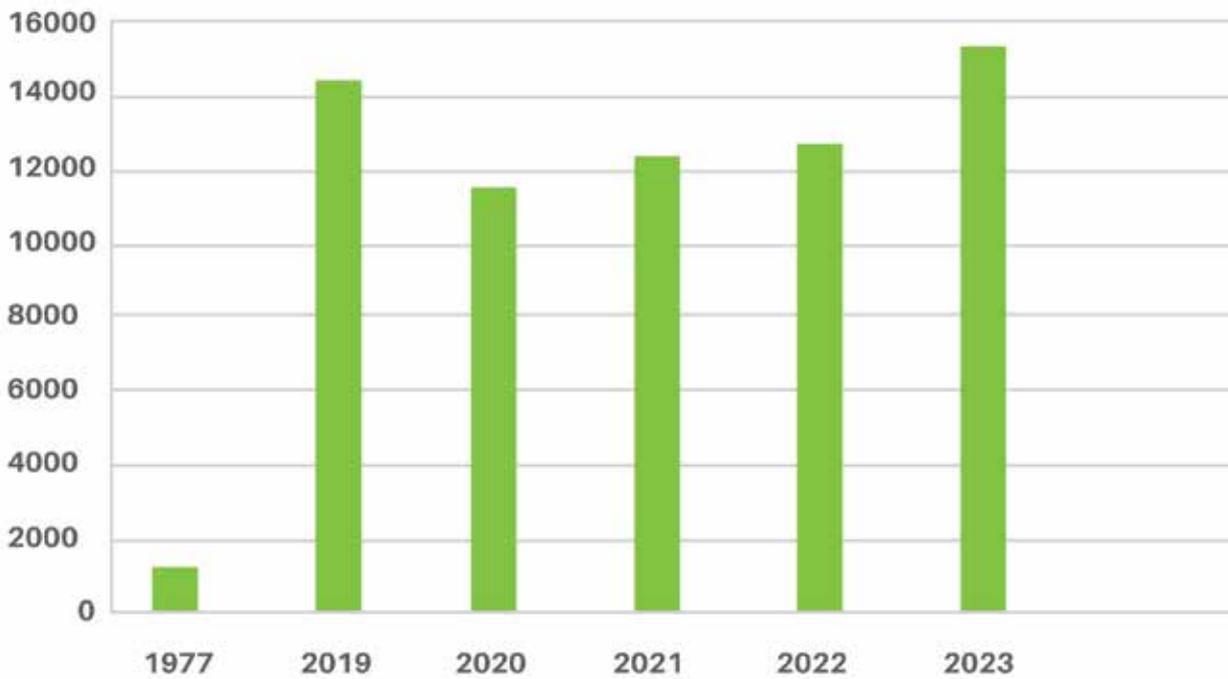
b. Lubricating Oils (Jopetrol):

- Jordan Lube Oil Manufacturing Company (a wholly owned subsidiary) is manufacturing, production and filling more than (100) different multiuse grades of lube oils to cover most local and foreign markets requirements, lube oil products are based on Jordanian specifications, American Petroleum Institute (API) standards, the Society of Automobiles Engineers (SAE) standards, European standards (ACEA), Original Equipment manufacturers (OEM) specifications and the American Army Military standards (Military Standard). The products are subjected to the most stringent quality control tests carried out in modern specialized laboratories.

- The amount of lube oils produced during the year 2023 reached about (15,022) tons against (12,535) tons in 2022, showing an increase of (2,487) tons or (20%).

The following table and graph show the lube-oils production in tons for the base year and during the years (2019-2023):

Product Year	1977	2019	2020	2021	2022	2023	Percent increase 2022/2023
Lube Oils	1,191	14,393	11,703	12,282	12,535	15,022	20%



c. LPG Cylinders (12.5) kg capacity:

During the year 2023, the company imported empty (12.5) kg LPG cylinders from (AYGAZ) Turkish company AYGAZ and imported LPG cylinder valves from (ENNE) Italian company, and imported LPG to fill the gap between demand and production from B.B ENERGY and BGN INT DMCC, through tendering, and during the year 2023, about (33.9) million (12.5) kg cylinders were filled compared to filling about (32.2) million (12.5) kg cylinders during 2022, showing an increase of about (1.7) million LPG cylinders or (5%), and during the year 2023 around (3,961) cylinders of (50) kg capacity were filled compared to (3,378) cylinders in 2022, with an increase of (583) cylinders or (17%).

Noting that all LPG cylinders are examined before filling in accordance with all safety standards and to ensure the cylinders comply with all specifications, and the cylinders shall be scrapped in case the cylinders do not pass the technical examinations at the filling stations in order to protect public safety and the safety of the local community. LPG cylinders scrapping process is made in accordance with the resolution adopted by the LPG Cylinders Scrapping Commission formed from members representing the Ministry of Energy & Mineral Resources, Civil Defense Department, Jordan Standards and Metrology Organization in addition to JPRC.

The company has activated the business of the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company as of January 1, 2023, and it has annexed the entire LPG activity (except LPG production activity) to this company and annexed the three liquefied gas filling stations (Amman, Irbid, Al-Zarqa) for this company, and the company has transferred the licenses granted to it for various gas activities and the central distribution activity of liquefied natural gas to this company on November 2, 2022 after the approval of the Energy and Minerals Regulatory Commission.

d. Filling of Asphalt Drums:

The number of drums filled with asphalt and sold in 2023 reached (3,629) drums compared to (2,906) drums filled and sold in 2022 showing an increase of (723) drums or (25%).

3. Sales:

a. Finished Petroleum Products:

Finished petroleum products Sales during 2023 reached (2,560,079) tons compared with (2,716,253) tons in 2022, showing a decrease of (120,174) tons or (4%).

The following shows the rates of change in the company's sales quantities of various petroleum products in tons between 2023 and 2022:

Product	Percentage (%)
Gasoline sales decreased	(10 %)
Kerosene sales increased	57 %
White Spirit sales decreased	(5 %)
Diesel sales decreased	(6 %)
LPG sales decreased	(5 %)
Fuel Oil 3.5% sales decreased*	(33 %)
Jet Fuel sales increased	14 %
Asphalt sales increased	50 %
Sulfur sales increased	3 %

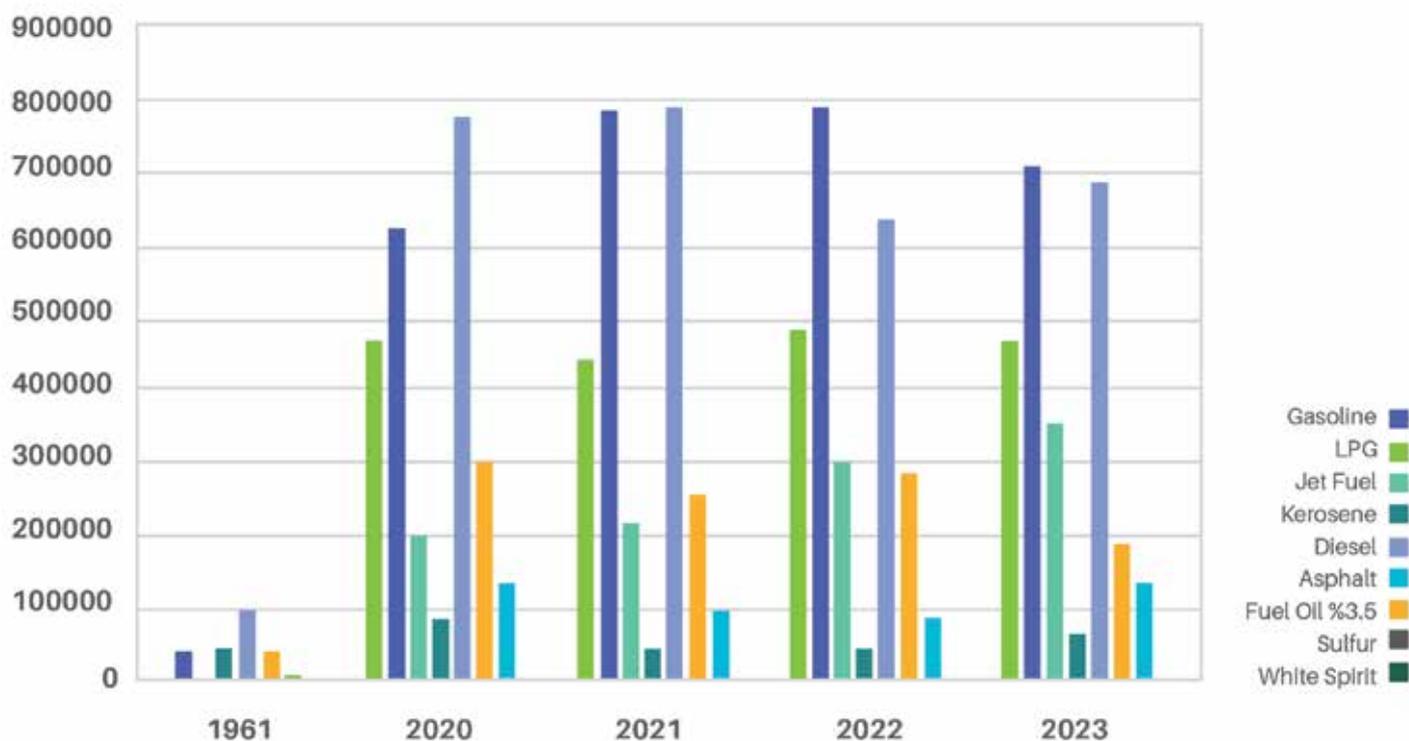
* Note that a quantity of (76,237) tons of fuel oil (3.5%) were exported during the year 2023, compared to (161,250) tons during the year 2022, showing a decrease of (85,013) tons or (53%), and the reason for this is that the company was able to reduce its production of this product.

The increase in jet fuel sales is a result of the active aviation traffic that the Kingdom witnessed during the year 2023 especially before the Israeli war on Gaza Strip, and the increase in asphalt sales is a result of the projects undertaken by the government to pave the main streets between the governorates, and the increase in kerosene sales is a result of the decision of His Majesty the King to exempt kerosene from taxes, which was met with a decrease in sales of LPG, and also met with an increase of production of LPG. The decrease in diesel and gasoline sales is a result of the decline in commercial activity and various economic sectors in the Kingdom due to the regional circumstances and the associated effects on the Kingdom, and the decrease in fuel oil (3.5%) sales is a result of the company's ability to reduce its production of this substance due to the crude oil mixture adopted by the company.

The following table and chart show the volume of the Company's sales of finished petroleum products for the base year and during the years (2020-2023) :

Product Year	1961	2020	2021	2022	2023	Percent increase or decrease 2022 / 2023
LPG	673	464,235	437,652	480,171	454,083	(5%)
Gasoline	39,301	632,600	778,851	784,006	709,519	(10%)
Jet Fuel	-	207,683	228,005	292,847	334,208	14%
Kerosene	50,824	83,759	62,358	53,190	83,522	57%
Diesel	98,428	764,168	789,924	737,530	690,996	(6%)
Fuel Oil 3.5%*	36,179	309,254	261,035	275,131	185,396	(33%)
Asphalt	11,101	134,658	95,184	90,534	135,445	50%
White Spirit	-	405	340	278	264	(5%)
Sulfur	-	3,841	3,726	2,566	2,646	3%
Total	236,506	2,600,603	2,657,075	2,716,253	2,596,079	(4%)

* Note that a quantity of (76,237) tons of fuel oil (3.5%) were exported during the year 2023, compared to (161,250) tons during the year 2022, showing a decrease of (85,013) tons or (53%), and the reason for this is that the company was able to reduce its production of this product.

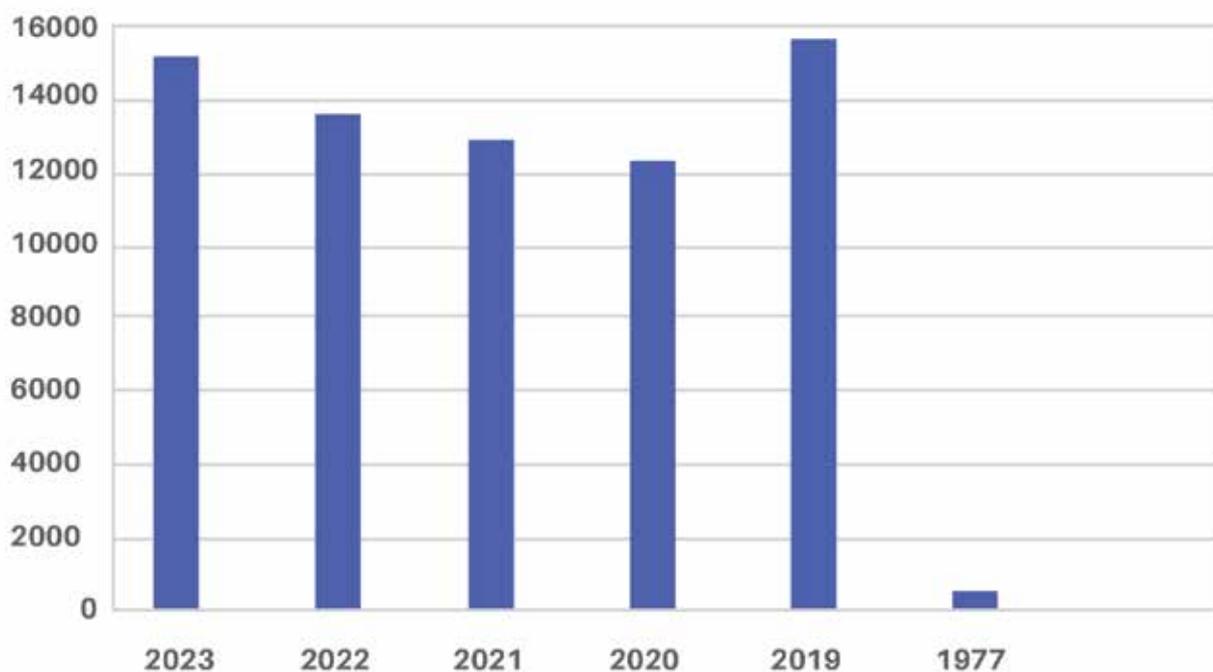


b. Sales of Lube Oils (Jopetrol):

Jordan Lube Oil Manufacturing Company (a wholly owned subsidiary) sales during 2023 of various grades of lube oil reached (15,009) tons compared with (13,972) tons for 2022 representing an increase of (1,037) tons or (7%).

The following table and graph show the sales of the Lube-Oil (in ton) for the base year and during the years (2019-2023):

Type \ Year	1977	2019	2020	2021	2022	2023	Increase Percentage 2022 / 2023
Lube Oils	535	15,568	12,302	13,446	13,972	15,009	7%



c. LPG Cylinders Sales (12.5) kg and (50) kg capacity:

Jordan Liquefied Petroleum Gas Manufacturing and Filling Company (a wholly owned subsidiary) sales of empty (12.5) kg capacity LPG empty cylinders during 2023 reached (117,485) empty cylinders compared to (174,575) empty cylinders for 2022, showing a decrease of (57,090) empty cylinders or (33%), also, sales of empty (50) kg capacity LPG cylinders in 2023 reached (19) empty cylinders compared with (19) empty cylinders in 2022.

Also, around (33.9) million (12.5) kg cylinders were filled compared to filling about (32.2) million (12.5) kg cylinders during 2022, showing an increase of about (1.7) million LPG cylinders or (5%), and during the year 2023 around (3,961) cylinders of (50) kg capacity were filled compared to (3,378) cylinders in 2022, with an increase of (583) cylinders or (17%).

The company has activated the business of the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company as of January 1, 2023, and it has annexed the entire LPG activity (except LPG production activity) to this company and annexed the three liquefied gas filling stations (Amman, Irbid, Al-Zarqa) for this company, and the company has transferred the licenses granted to it for various gas activities and the central distribution activity of liquefied natural gas to this company on November 2, 2022 after the approval of the Energy and Minerals Regulatory Commission.

4. Distribution and Marketing of Petroleum Products, LPG and Lube Oils:

The Company supplies and distribute petroleum products, LPG and lube oils to the security authorities, the governmental authorities, public and private establishments & companies, fuel stations, lube oil service stations and various customers who are supplied with petroleum products through the company and its subsidiaries. Jordan Petroleum Products Marketing Company (a wholly owned subsidiary) is the marketing branch for the company's products of light petroleum products, and the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company (a wholly owned subsidiary) fills, distributes and markets LPG cylinders, and the Jordan Lube-Oil Manufacturing Company (a wholly owned subsidiary) produces, manufactures, fills, distributes and markets the company's lube oil products, noting that the company's heavy petroleum products are distributed and marketed directly through it.

- Total number of fuel distribution stations in the Kingdom owned by Jordan Petroleum Products Marketing Company (wholly owned by Jordan Petroleum Refinery Company), and stations owned by others and supplied by (JPPMC) with light petroleum products under supply agreement reached (391) stations at the end of year 2023.

- The number of LPG storage centers supplied by Jordan Liquefied Petroleum Gas Manufacturing and Filling Company (a wholly owned subsidiary) reached (151) centers at the end of year 2023, in addition to (34) LPG distribution centers located in the southern governorates and (9) Central gas distribution companies located in Amman, noting that Jordan Petroleum Refinery Company is the only company that produces LPG in the Kingdom and Jordan Liquefied Petroleum Gas Manufacturing and Filling Company (a wholly owned subsidiary) is the only company that fills LPG cylinders in the Kingdom.

The following table shows the governorates geographical distribution of the number of fuel distribution stations owned by Jordan Petroleum Products Marketing Company (wholly owned subsidiary) and the stations owned by others and supplied with light petroleum products, the number of LPG distribution centers, the number of LPG storage centers and the central gas distribution companies supplied by Jordan Liquefied Petroleum Gas Manufacturing and Filling Company (a wholly owned subsidiary) at the end of year 2023:

Governorate	No. of Fuel Station	No. of LPG Distribution Centers	No. of LPG Storage Centers	Central Gas Distribution Companies
Capital/Amman	117	-	41	9
Zarka	44	-	16	-
Balqa	25	-	14	-
Madaba	18	-	5	-
Irbid	81	-	30	-
Mafraq	38	-	18	-
Jerash	11	-	5	-
Ajloun	8	-	4	-
Karak	17	8	7	-
Ma'an	18	16	5	-
Tafeela	4	-	4	-
Aqaba	10	10	2	-
Total	391	34	151	9

5. Transport of Petroleum Products, LPG and Lube Oils:

- Crude oil, LPG, finished petroleum products, lube oils and their improvers are transported to the company's various sites, and customers are provided with their needs of the company's various products by the company's transport fleet and local transport companies awarded the transport process under tenders, where LPG is transported to and from the company through private transport companies and base oils and lube oils are transported to and from the company by the company's fleet and through private transport companies, and finished petroleum products are transported to and from the company through the fleet of the Jordan Petroleum Products Marketing Company (a wholly owned subsidiary) and through private transport companies.

- The quantities of finished petroleum products transported by the transport fleet owned by the Jordan Petroleum Products Marketing Company (a subsidiary and wholly owned company) during the year 2023 amounted to (1,197,170) tons compared to (1,967,651) tons during the year 2022, showing a decrease of (770,481) tons or (39%) as a result of the decrease in the imports and sales of finished petroleum products and reliance on private transport companies to reduce the costs associated with the transportation process.

6. Aviation fueling stations in the Kingdom Airports:

The Company owns three stations supplying Aviation fuels (Avtur and Avgas) in the Kingdom Airports (Queen Alia International Airport, Amman Civil Airport, and King Hussein International Airport in Aqaba). During 2023, the Company refueled (35,828) flights with Avtur compared with (31,663) flights in 2022 showing an increase of (4,165) flights or (13%), also, the company refueled (1,072) flights with Avgas in 2023 compared to (3,006) flights in 2022 showing a decrease of (1,934) flights or (64%).

7. Storage

The company stores crude oil, finished petroleum products, LPG and lube oils in the tanks owned by the company in its various locations (Zarqa, Aqaba, airports, LPG stations and fuel stations owned by the company) and the company stores spare parts and other supplies in its designated warehouses, in addition to that the company carries out storage activity for others to achieve additional revenue.

a. Industrial Area Storage Site/ South Aqaba and Rented Sites:

The total storage capacity of crude oil and finished petroleum products in the industrial area storage site / south of Aqaba is about (185,700) tons, and the total capacity of rented tanks is (5,500) tons.

Quantities of crude oil received in Aqaba tanks during 2023 were (1,356,768) tons, LPG quantities received were (406,005) tons, diesel quantities received for the three distribution companies were (388,450) tons, gasoline quantities received for the three distribution companies were (203,924) tons, and lube oil quantities received in rented storage tanks were (14,859) tons.

The total received quantities in 2023 were (2,370,006) tons compared to (2,508,019) tons in 2022 with a decrease of (138,013) tons or (6%).

b. Custody Storage tanks (Aqaba Thermal Power Station):

The total storage capacity of fuel oil in custody storage tanks (Aqaba Thermal Power Station) is (195,000) tons, and the exported quantities of fuel oil (3.5%) during 2023 which equal to (76,237) tons compared to (161,250) tons exported during 2022 showing a decrease of (85,013) tons or (53%).

Ninth: Company's Clients and Customers:

The company is keen to maintain good relations and good reputation with all its clients belonging to various sectors of the society by maintaining the quality of its products and developing them to preserve the health and safety of the clients and local community. The company also worked to maintain the privacy of its clients and complete confidentiality.

The company has been able to supply the needs of the local market of finished petroleum products, LPG and lube oils, and to provide all services related to the oil sector, petroleum products, LPG and lube oils to various sectors of the local community including individuals, fuel stations, LPG storage and distribution centers, LPG central distribution companies, lube oil service stations, companies, public and private institutions, government and security agencies, Jordanian Air Force, Alia Airlines and various airlines.

Despite the government's direction to open competition in the energy sector and licensing three marketing companies, one of which is wholly owned by the company, the company has maintained its position and its clients through the confidence it has built between it and all its clients and by maintaining the quality of its products.

The following are the main customers and clients of the company whose withdrawals with rate (10%) or more of finished petroleum products sales during 2023:

a. Jet Fuel Product:

- The Royal Jordanian Air Force, whose withdrawals are equivalent to about (26%) of aviation fuel sales.
- Alia Company - Royal Jordanian Airlines, whose withdrawals are equivalent to about (46%) of aviation fuel sales.

b. Fuel Oil Product:

- AOT Trading AG, about (42%) of the fuel oil sales were exported.
- Qatrana Cement Company, about (10%) of the fuel oil sales were exported.

c. Asphalt Product:

- Safwan Al Saqa & Brothers Company, whose withdrawals are equivalent to about (32%) of the sales of asphalt.
- Fares Al Saqa & Brothers Company, whose withdrawals are equivalent to about (18%) of the sales of asphalt.
- Greater Amman Municipality, whose withdrawals are equivalent to about (10%) of the sales of asphalt.

d. Light Finished Petroleum Products:

- Jordan Petroleum Products Marketing Company, whose withdrawals are equal to about (42%) of the sales of finished petroleum products.
- Hydron Energy Company, whose withdrawals are equivalent to about (17%) of the sales of finished petroleum products.

The following are the main customers and clients of the company whose withdrawals with rate (10%) or more of LPG sales during 2023:

- Jordan Liquefied Petroleum Gas Manufacturing and Filling Company which withdraws the company's entire production of LPG.
- There are no clients of Jordan Liquefied Petroleum Gas Manufacturing and Filling Company, whose withdrawals equivalent or more than (10%) of the company's sales.

The following are the main customers and clients of the company whose withdrawals with rate (10%) or more of Lube Oil sales during 2023:

- Arab Potash Company, whose withdrawals are equivalent to about (16%) of Lube oil sales.
- Raed Mahmoud Shaker Odeh Company, whose withdrawals are equivalent to about (14%) of Lube oil sales.

Tenth: Tenders and Supplies for the Company and Major Suppliers:

All Company's tenders and purchases are made through local and foreign submittals, purchase orders and tenders governed by a "Supplies and Works System" that defines the mechanisms for procurement processes with accuracy and impartiality.

The company takes into consideration, in implementation of its supplies and works system, dealing with financially qualified suppliers with a good reputation, as it evaluates and qualifies suppliers before dealing with them commercially, by assessing their financial capabilities, record of commercial dealings and reputation.

The number of tenders and bids that took place during the year 2023 reached a total of (268) as follows:

- (138) Tenders for supplying Petroleum Products, Base Oils, Compressors, Pumps, Laboratory Equipment and various Spare Parts.
- (113) Tenders for various works.
- (5) Tenders for transportation.
- (10) Tenders for Sale of Scrap cars and different materials, and export of fuel oil 3.5%.
- (1) Tender for insurance.
- (1) Tender for ship inspection.

The number of local and foreign purchase orders issued in 2023 was (1,664), where the number of local orders reached (1,142) orders with a percentage of (69%) from the total number of purchase orders, and the number of foreign orders reached (522) order with a percentage of (31%) from the total number of purchase orders.

The following table shows the major suppliers the company deals with depending on the type of materials supplied:

Crude Oil	Petroleum Finished Products	Base Oils and Additives	Chemicals	Spare Parts for Vehicles, Tractive units & Semi-trailers	Reactors and Heat Exchangers	Spare parts and supplies for the company's units and other materials
Aramco, Saudi Arabia	Aramco, Saudi Arabia	Luberef Aramco, Saudi Arabia	Innospec, UK	Nissan Diesel, Japan	ATB, Italy	Kosan Crisplant/ Makeen energy - Denmark
SOMO Iraq	Sabic, Saudi Arabia	Lubrizol, UAE	Nalco, UAE	Renault, France	KOCH, Italy	John Crane
	Petreddec	Shell, UK	UOP, USA	Osaka, Japan	UTON Romania	Burekhardt Compression
	BP Oil	ADDISOL ENDLESS	Oil DRI USA	HTB Germany	Man Energy solution	Sulzer pump
	B.B.ENERGY	Exxon Mobil	Suez water technologies & solutions	Acerbi-Italy	Godrej, India	BLUTEK S.R.L
	Gulf Interstate	Sovochem-Dutch	AFTON	MAN Germany	Dalmin	TUBEN CAP S.A
	VITOL	Chevron France	Dow Chemical	Oryx Oman		AYGAZ A.S.
	Litasco	Afton - UK	SUD-CHEMI			Flowserve
	Trafigura	Infineum UK Ltd	Johnson Matthey			ITT Goulds Pumps Co., Ltd
	Shell	PROJEX TRADE	BASF MIDDLE East LLC			HOWDEN THOMASSEN COMPRESSOR B.V
	Total	Taj Al Mulook-UAE	Chemic Italy			CORKEN
	SOCAR	Kemipex Innovating Solution	Dorf Ketel Chemical India			Ingersoll- Rand
	BGN INT DMCC	Tianhe -China				Elliott Group
	Naftomar Greece					Atlas Copco air power n.v
	IPG Kuwait					Enne pl. SRL
	Glencore					Air Pack B.V
						Emerson
						Neuman and Esser gulf fze
						Savim SRL
						KAESER KOMPRESSOREN SE

The following are the company major suppliers representing (10%) of the company purchases in the year (2023):

- Saudi Aramco is the main supplier of crude oil, and it represents (71%) of the company's purchases of crude oil. Crude oil is also purchased from the Iraqi SOMO Oil Company under an agreement signed between the Jordanian Government and the Iraqi Government, and its supplying (15) thousand barrels/day representing (29%) of the company's purchases of crude oil.

- B.B Energy supplied (52%) of the company's purchases of (LPG).

- BGN INT DMCC supplied (48%) of the company's purchases of (LPG).

- VITOL supplied (65%) of the company's purchases of Diesel.

- IPG supplied (35%) of the company's purchases of Diesel.

Eleventh: Application of Quality Management System:

The company works to satisfy its customers' needs by maintaining the quality of its products and developing the services provided to them, and to enhance this, the company and its subsidiaries applied the standards of the quality management system (ISO 9001: 2015) In cooperation with Lloyd's Register for the operations and activities of the Jordan Petroleum Refinery Company site in Zarqa and the departments, airports' services departments (Queen Alia International Airport, Amman Civil Airport and King Hussein International Airport / Aqaba), Aqaba Stores, Jordan Liquefied Petroleum Gas Manufacturing and Filling Company has implemented the Quality Management System (ISO 9001:2015) standards for LPG Filling stations, In order to keep pace with the global developments and changes that have occurred in the global markets such as modern technology, information management, competitiveness, supply chain management, risk management and other variables, Jordan Petroleum Refinery Company has moved to work within the new international standard (ISO 9001:2015) in coordination with Lloyd's Register. A team from Lloyd's Register trained all functional levels of the company's various activities and operations on the terms of the new specification, and accordingly, the company was granted certificates from Lloyd's Register, and it should be noted that on July 28, 2019, Lloyd's Register conducted a comprehensive audit of all the company's departments participating in the ISO system, and accordingly, the certificate was renewed for a period of three years, after which the audit was carried out and the certificate was renewed until the first of August 2025.

It should be noted that the technical laboratories of the refining activity have obtained the following:

- International accreditation certificate from the Jordanian Accreditation Unit - recognized by the International Cooperation Authority for Laboratory Accreditation - in the field of finished petroleum products testing in accordance with the requirements of the ISO system (ISO / IEC 17025: 2017), valid till November, 7th 2025.
- Eleven certificates of excellence through the company laboratories participation in the International Interlaboratory Proficiency Assessment Program (IIS) during the year 2023, the company laboratories participated in examining (15) samples of crude oil and finished petroleum products (jet fuel, gasoline, diesel, fuel oil, asphalt).

The company's lube oil laboratory in (Jordan Lube Oil Manufacturing Company) has also obtained the following:

- (ISO 9001:2015) certificate awarded by Lloyd's Register.
- (ISO 17025:2017) awarded by Jordanian Accreditation Unit – Jordan Standards and Metrology Organization (JSMO), which is the body that grants the certificate in Jordan on behalf of (International Laboratory Accreditation Cooperation ILAC).
- Jordanian Quality certificate for mineral oils (Perfect oil 20W/50), (Super Diesel 16 oil 15W/40) and (Perfect 6000 oil 20W/50) after completing all requirements for granting the Jordanian Quality certificate according to the instructions of the Jordanian Quality Mark. No. (4/2007), which includes conformity of these products with the technical requirements of the Jordanian Quality Mark No. (75/2012) regarding lubricating oils for internal combustion engines.
- Accreditation certificate from Mercedes-Benz to use (Super Diesel 16 oil 15W/40) in their engines as well as a certificate from Mercedes-Benz to use (Super Diesel Synthetic oil 10W/40) in their engines.
- Four certificates of excellence for its participation in the Dutch inter-study programs with international laboratories for examining samples of motor oils (new and used), base oils, gear oils and hydraulic oils.

It is worth to mention that the Jordan Petroleum Products Marketing Company have obtained during the year 2023 ISO quality certificates in managing the quality of services and products, occupational health and safety systems, and environmental management systems (ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018).

Twelfth: Shareholders:

The declared paid capital is JD (100) million (100 million shares of 1 JD each). number of shareholders as on 31/12/2023 was (38,925) shareholders.

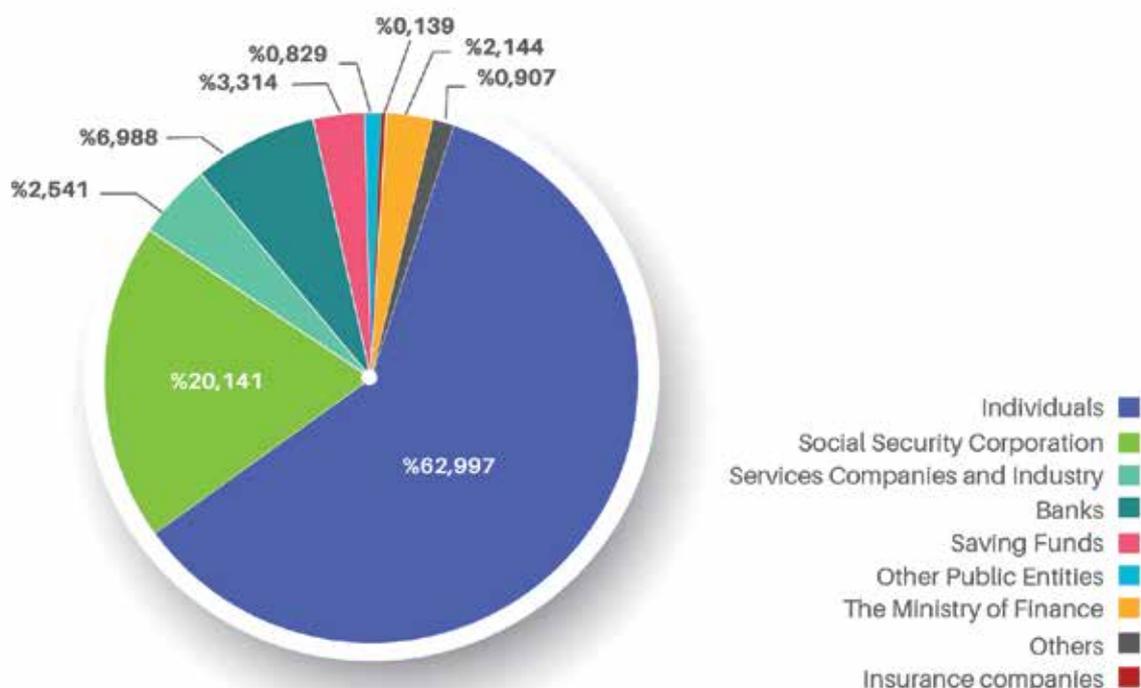
The following table and pie show the distribution of shareholders according to their nationalities and Number of Shares as on 31/12/2023:

Nationality	Number of Shareholders	Percentage of shareholders %	Number of Shares	Percentage of number of shares %
Jordanian	33,133	85.1%	78,800,727	78.8%
Arab	5,026	12.9%	11,981,565	12%
Foreign	766	2%	9,217,708	9.2%
Total	38,925	100%	100,000,000	100%



The following table and pie show the distribution of the Company's shares according to the shareholders' categories as on 31/12/2023:

Category	Number of Shareholders	Percentage %	Number of Shares	Percentage %
Individuals	38,807	99.696%	62,996,327	62.997%
Social Security Corporation	1	0.003%	20,140,624	20.141%
Services Companies and Industry	42	0.108%	2,541,040	2.541%
Banks	5	0.013%	6,988,175	6.988%
Saving Funds	16	0.041%	3,314,296	3.314%
Other Public Entities	26	0.067%	829,388	0.829%
Insurance Companies	13	0.033%	139,457	0.139%
The Ministry of Finance	1	0.003%	2,143,537	2.144%
Others	14	0.036%	907,156	0.907%
Total	38,925	100%	100,000,000	100%



Shareholders who own more than (5%) of the company's shares for the years 2022 and 2023:

Name of Shareholder	Number of shares		Percentage Total Shares %	
	2023	2022	2023	2022
Social Security Corporation	20,140,624	20,140,624	20.141%	20.141%
Islamic Development Bank/ Jeddah	6,250,000	6,250,000	6.250%	6.250%
Total	26,390,624	26,390,624	26.391%	26.391%

Trading the Company's Shares in the Amman Stock Exchange for the years (2019-2023):

The number of shares transacted during 2023 in the Amman Stock Exchange amounted to (24,682,632) shares valued at JD (141,400,119) executed through (51,118) transfer contracts at an average price of JD (5.73) for each share.

Data / Year	2019	2020	2021	2022	2023
Number of traded shares	25,613,480	17,918,716	48,464,847	54,496,783	24,682,632
Trading Volume (JD)	73,701,055	51,586,289	156,719,140	291,096,910	141,400,119
Number of executive contracts	30,181	21,337	65,833	88,038	51,118
Market value of authorized and subscribed shares for in (JD)	323,000,000	250,000,000	343,000,000	535,000,000	470,000,000
Closing price (JD)	3.23	2.50	3.43	5.35	4.70
Average share price (JD)	2.88	2.88	3.23	5.34	5.73
Rate of share turnover (%)	25.61	17.92	48.46	54.50	24.68

The following table shows the number of shareholders according to the share slides they own, as of December 31, 2023:

Share Range	Shareholders		Shares	
	Number	Percentage %	Number	Percentage %
1-100	12,508	32.13	558,693	0.56
101-500	13,826	35.52	3,423,514	3.42
501-1000	4,735	12.17	3,434,408	3.43
1001-5000	5,909	15.18	12,840,343	12.84
5001-10000	934	2.40	6,630,875	6.63
More than 10001	1,013	2.60	73,112,167	73.12
Total	38,925	100	100,000,000	100

The following table shows the development of the percentage of cash dividends distributed to shareholders for the last four years from (2019 to 2022) and proposed to be distributed for the year 2023:

Year	2019	2020	2021	2022	2023*
Percentage (%)	17%	5%	30%	50%	45%
Dividend of one share (Fills)	170	50	300	500	450

* The company's Board of Directors recommended to the general assembly of the company's shareholders, at its meeting scheduled to be held on April 7, 2024, that cash dividends be distributed at a rate of (45%) of the company's capital.

The following table shows the net profits or loss and dividends and shareholders' Equity for the last five years (2019-2023):

Year	Net profits	Total Distributed Dividend	Shareholders' equity
	JD	JD	JD
2019	43,866,972	17,000,000	238,208,645
2020	(14,326,451)	5,000,000	206,844,816
2021	52,046,429	30,000,000	254,024,035
2022	103,952,875	50,000,000	329,162,090
2023*	81,553,523	45,000,000	360,136,522

* The company's Board of Directors recommended to the general assembly of the company's shareholders, at its meeting scheduled to be held on April 7th, 2024, that cash dividends be distributed at a rate of (45%) of the company's capital.

Thirteenth: The Curriculum Vitae of the Chairman, Members of the Board of Directors and the Executive Management of the Company and their Remuneration, the number of shares owned by them and owned by their relatives, travel allowances, membership, bonuses, travel fees and controlling companies by Chairman, Members of the Board of Directors and their relatives, the Executive Management of the Company and their relatives, contracts, projects and the company's connections with the chairman and members of the company's board of directors, their relatives, executive management and their relatives for the year 2023 compared to 2022:

A. The Curriculum Vitae of the Chairman and members of the Company's Board of Directors, the amounts they received, the number of shares they own and their relatives, transportation and membership allowances, bonuses, travel fees, companies controlled by the Chairman and members of the Company's Board of Directors and their relatives, contracts, projects, and the company's connections with the Chairman and members of the Company's Board of Directors and their relatives for the year 2023 compared to the year 2022:

No.	Name	Date of Birth	Academic Degree	Graduation Year	Brief Practical Experience	Date of Joining the Board	Number of shares owned by the Chairman and members of the Board of Directors in the company for the year 2023 (Share)	Number of shares owned by the Chairman and members of the Board of Directors in the company for the year 2022 (Share)	Number of shares owned by relatives of the chairman and members of the board of directors in the company (wife and children) for the year 2023 (Share)	Number of shares owned by relatives of the chairman and members of the board of directors in the company (wife and children) for the year 2022 (Share)	Companies controlled by a board of directors members or a relative of the member during 2022-2023	Contracts or projects that were awarded to board of directors members during 2022-2023	Transportation allowance and membership of committees for 2023 (JD)	Transportation allowance and membership of committees for 2022 (JD)
1	Chairman of the Board Eng. Ala'a Arif Saad Bataynah Representative of Al-Arif Energy and Transport Consulting Company *	1969	- Masters in Information System Management. - Bachelor in Electrical Engineering/ George Washington University, U.S.A	1993 1991	- Former Energy and Mineral Resources Minister. - Former Minister of Transport. - Former Minister of Public Works and Housing. - Former Member of the Senate. - Former Director General of Customs. - Former Secretary General of the Ministry of Transport. - Chairman and Membership on the Boards of several companies.	9/4/2014	70,000	38,000	12,000 (sons)	12,000 (sons)	Al-Arif Energy and Transport Consulting Company	Non	159,011	98,000
2	Vice Chairman of the Board Representative of Abed Alrahim Boucali Partners Co. Eng. Abed Alrahim Fathi Salim Boucali **	1959	B.Sc. in Civil Engineering/ Fresno University/ USA	1983	- Former Member of the senate. - Member of a number of Board of Directors. - Former Member of Parliament. - Former Mayor Deputy of Greater Amman.	30/04/2007	28,393	28,393	Non	Non	Abdel Alrahim Boucali Partners Co.	Non	83,392	49,000
3	Eng. Khair Abdullah Ayad Abu Saalik	1971	Master in Industrial Engineering Jordan University	2004	- Member of the 17 th , 18 th and 19 th Jordanian Parliament. - Member of the Board of Directors of the Persson Fund / Jordanian Engineers Association. - Chairman of the Parliamentary Economy and Investment Committee for the years 2014 and 2020. - Member of the Board of Directors of the Jordan Pipe Industry Company. - Member of the Board of Directors of the Jordanian European Business Institute. - Member of the Board of Trustees of the National Center for Human Rights.	28/4/2017	11,023	11,023	Non	500 (Son)	Non	Non	91,850	85,000

No.	Name	Date of Birth	Academic Degree	Graduation Year	Brief Practical Experience	Date of Joining the Board	Number of shares owned by the Chairman and members of the Board of Directors in the year 2023 (Share)	Number of shares owned by the Chairman and members of the Board of Directors in the year 2022 (Share)	Number of shares owned by relatives of the chairman and members of the board of directors in the company (wife and children) for the year 2023 (Share)	Number of shares owned by relatives of the chairman and members of the board of directors in the company (wife and children) for the year 2022 (Share)	Companies controlled by a board of directors or a relative of the member during 2022-2023	Contracts or projects that were awarded to board of directors members during 2022-2023	Transportation allowance and membership of committees for 2023 (JD)	Transportation allowance and membership of committees for 2022 (JD)
4	Mr. Bassam Rashad Rashid Sinokrot	1954	Bachelor of Business Administration Beirut Arab University	1978	-Member of Board of Directors of several companies. - Vice Chairman of Jordan Exporters Association. -Member of Amman and Jordan Chamber of Industry. - Member of the Association of Small and Medium Enterprises. - Member of Board of Directors of Jordan Export Company. -Member of Board of Directors of several companies.	12/5/2011	72,358	72,358	Non	Non	Non	Non	55,650	49,000
5	Mr. Ahmad Adnan Saleh Alkhdari	1958	Bachelor in Business Management/ Lebanese University	1981	- Owner and Chairman of Tanmia Securities Co. - Vice Chairman of Amman Stock Exchange. - Member of Board of Palestine Investment Bank. - Former Chairman of Financial Services Companies Association. - Founder of several public shared companies (Banks, insurance, services and co-management as chairman, member and vice president). - Former Member of the Board of Directors of the Securities Depository Center. - Founder of the Amman Financial Market Brokers Association and Chairman of the Board of Directors for more than one session. - Member of the Board of Directors of Jordan Iron & Steel Industries Co. - Chairman of Wadi Al Shita for Tourism Investments.	10/1/2017	1,200	1,200	Non	Non	Non	Non	55,650	49,000
6	Mr. Walid Yacoub Mahmoud Al Nejjar	1949	Bachelor of Economy & Politics Beirut Arab University	1973	- General Manager of Tamkeen Leasing Co./Former Vice Chairman of Board. - Chairman of Board of Tasheelat Co. - Chairman of Haya Cultural Center. - Vice Chairman of the Jordanian Network Association for the Global Compact. - Member of Development and Employment Fund. - Member of AlHaji Fund. - Honorary Chairman of Arab Brokers Union. - Chairman of Jordan Brazilian Business Association. - Member of Board of Jordan Chamber of Commerce (2013-2018). - Member of Board of Amman Chamber of Commerce/ Treasurer (2013-2018). - Vice Chairman of Board of Military Credit Fund (2015-2018). - Former Finance Committee Member of Employment and Training Fund. - General Manager of Al Kawthar Leasing Company.	27/4/2019	60,000	15,000	Non	Non	Tanmia Securities Co.	Non	55,650	49,000
7	Mr. Jamal M. F. Fariz	1958	Bachelor of Business Administration University of Jordan	1980	- General Manager of Tamkeen Leasing Co./Former Vice Chairman of Board. - Chairman of Board of Tasheelat Co. - Chairman of Haya Cultural Center. - Vice Chairman of the Jordanian Network Association for the Global Compact. - Member of Development and Employment Fund. - Member of AlHaji Fund. - Honorary Chairman of Arab Brokers Union. - Chairman of Jordan Brazilian Business Association. - Member of Board of Jordan Chamber of Commerce (2013-2018). - Member of Board of Amman Chamber of Commerce/ Treasurer (2013-2018). - Vice Chairman of Board of Military Credit Fund (2015-2018). - Former Finance Committee Member of Employment and Training Fund. - General Manager of Al Kawthar Leasing Company.	27/4/2019	28,495	25,495	13,700 (sons)	9,700 (sons)	Non	Non	60,650	49,000

No.	Name	Date of Birth	Academic Degree	Graduation Year	Brief Practical Experience	Date of Joining the Board	Number of shares owned by the Chairman and members of the Board of Directors in the company for the year 2023 (Share)	Number of shares owned by the Chairman and members of the Board of Directors in the company for the year 2022 (Share)	Number of shares owned by relatives of the chairman and members of the board of directors in the company (wife and children) for the year 2023 (Share)	Number of shares owned by relatives of the chairman and members of the board of directors in the company (wife and children) for the year 2022 (Share)	Companies controlled by a board of directors or a relative of the member during 2022-2023	Contracts or projects that were awarded to board of directors members during 2022-2023	Transportation allowance and membership of committees for 2023 (JD)	Transportation allowance and membership of committees for 2022 (JD)
8	Mr. Ibrahim A.A. Abu Dayyeh	1953	Bachelor of Law Beirut Arab University	1979	<ul style="list-style-type: none"> - Member of Board of Ouds Bank. - Chairman of Board of Alsalm Aldawli Securities & Financial Consultants. - Chairman of Board of Doblen Housing Company/Jordan. - Chairman of Board of United Enterprises Company-Palestine. - 30 years of experience in banking sector, in Qatar, Jordan, and Palestine the latest of which he was the general manager and board member in Palestine investment bank and 30 years of experience in investments and securities sector in the local and regional markets. 	27/4/2019	515,000	500,000	369,152 (sons)	379,152 (sons)	Non	Non	55,650	49,000
9	(Representative of Social Security Corporation) Ms. Reem Yahya Hamto Abzakh ***	1973	<ul style="list-style-type: none"> - Master of Law / Middle East University - Bachelor of Law / University of Jordan 	2010 1995	<ul style="list-style-type: none"> - Legal Department Manager / Social Security Investment Fund. - Pleading Assessor in Income Tax Department (up to 2003). - Auditor in Legal Department of State Audit & Administrative Control Bureau (up to 2001). - Represent Social Security Corporation in various companies. 	10/7/2019	Non	Non	Non	Non	Non	Non	55,650	49,000
10	(Representative of Social Security Corporation) Mr. Ali Mohammad Mahmoud AlBalawneh ***	1967	<ul style="list-style-type: none"> - Master of Business Administration - Bachelor of Business Administration 	2006 2003	<ul style="list-style-type: none"> - Internal Control Department Manager / Social Security Corporation. - Administrative Affairs Department Manager / Social Security Corporation. - Member of Board of Directors of several companies. 	17/12/2021	Non	Non	Non	Non	Non	Non	55,650	49,000
11	Dr. Mohammad Moh'd K. Thneibat	1950	Ph.D. in Administration- Workforce Planning/ University of Southern California USA	1973	<ul style="list-style-type: none"> - Chairman of the Board of Jordan Phosphate Mines Co. - Former Vice Prime Minister and Minister of Education. - Former Minister of Education. - Chairman of Jordan National Commission for Education, Culture and Science. - Member of Board of Trustees of The World Islamic Sciences and Education University. - Professor of Administration / University of Jordan. - Former President of Amman Arbitration Center. - Former Minister of Public Sector Development & Minister of Parliamentary Affairs. - Former Chairman of the Administrative Authority of General Union of Voluntary Societies. - Former President of the Institute of Studies for Institutional Capacity Building. 	14/10/2020	3,122	3,122	23,586 (son)	Non	Non	Non	55,650	38,000

No.	Name	Date of Birth	Academic Degree	Graduation Year	Brief Practical Experience	Date of Joining the Board	Number of shares owned by the Chairman and members of the Board of Directors in the company for the year 2023 (Share)	Number of shares owned by relatives of the chairman and members of the board of directors in the company (wife and children) for the year 2023 (Share)	Number of shares owned by relatives of the chairman and members of the board of directors in the company (wife and children) for the year 2022 (Share)	Companies controlled by a board of directors or a relative of the member during 2022-2023	Contracts or projects that were awarded to board of directors members during 2022-2023	Transportation allowance and membership of committees for 2023 (JD)	Transportation allowance and membership of committees for 2022 (JD)
12	(Representative of the Pension Fund of the Jordanian Engineers Association) Eng. Ahmad Oaseem Mohammad Al Sammarah ****	1958	Bachelor Degree in Architecture Engineering / Damascus University	1981	- Head of Jordanian Engineers Association. - Chairman of the professional company for real estate and housing investments. - Member of High Organization Council, Ministry of Municipalities. - Member of Trustee of Jordan University of Science and Technology.	5/4/2023	Non	544 (wife)	544 (wife)	Non	Non	35,600	Non
13	(Representative of the Islamic Development Bank - Jeddah) Mrs. Zainiyad M Alemam ****	1981	- Master in Finance and Management Exeter University, UK - Bachelor degree in Economics and Banking /King Abdelaziz University	2008 2003	- Senior Investment Specialist for Private Equity at the Islamic Development Bank / Jeddah. - Representing ISDB in many local, regional and international assignments such as BOD and Board committees of investee companies G20-GPI Working group among other assignments. - Board Member of GIB Capital and Chairman of the Audit Committee. - Member of the Audit Committee of Burqa Arabia and Saudi Coffee Co. - Over 17 years of experience in the banking industry.	5/4/2023	Non	Non	Non	Non	Non	16,212	Non
14	(Representative of the Social Security Fund of the Jordanian Engineers Association) Eng. Shakib Abdel-Latif Said Odellallah *****	1958	Bachelor Degree in Electrical Engineering / Al-Mansoura University, Egypt	198	- Member of the Council of Engineers Association / Treasurer (2012,2018). - Member of the Investment Committee of the Pension Fund / Engineers Association. - Member of the Executive Office of the Union of Arab Engineers. - Member of the Board of Directors of Limar International Academy. - Board Member of Social Security of Jordanian Engineers Association.	6/4/2017	Non	Non	Non	Non	Non	20,050	49,000
15	(Representative of the Islamic Development Bank - Jeddah) Mr. Jamil Ali Ismail Darras *****	1959	Masters in Science/ Technology Management, Wisconsin University -USA	1997	- Board member for several Companies and Banks.	25/4/2016	Non	Non	Non	Non	Non	9,004	23,000

- According to the General Assembly meeting held on 5/4/2023, ten new members were elected to the Board of Directors, in addition to three members representing legal entities that have the right to membership in accordance with the Companies Law and the Company's By-Laws.

• Eng. Alaa Arif Saad Batayneh was named as a representative of Al-Arif Energy and Transport Consulting Company according to its letter dated 5/4/2023. He was also elected Chairman of the Board of Directors according to Board of Directors Resolution No. (25) taken at its meeting held on 5/4/2023. After this date, membership allowances, transportation, and bonuses are paid to the entity he represents.

** Eng. Abed AlRahim Fathi Salim Boucai was named as a representative of Abdel AlPahim Al Boucai & Partners Co. according to its letter dated 5/4/2023. He was also elected as Vice-Chairman of the Board of Directors according to Board of Directors Resolution No. (25) taken at its meeting held on 5/4/2023, membership allowances, transportation, and bonuses are paid to the entity he represents.

*** Ms. Reem Yahya Hamto Abzakh and Mr. Mr. Ali Mohammad Mahmoud Al Balawneh were continued to be named as representatives of the Social Security Corporation, according to their letter No. (1573/DD) dated 5/4/2023, membership allowances, transportation, and bonuses are paid to the entity he represents.

**** Eng. Ahmad Oaseem Mohammad Al Sammarah was named as a representative of the Pension Fund of the Jordanian Engineers Association according to its letter No. (2301057401) dated 5/4/2023, membership allowances, transportation, and bonuses are paid to the entity he represents.

***** Mrs. Zainiyad M Alemam was named as the representative of the Islamic Development Bank - Jeddah instead of Mr. -Jamil Ali Ismail Darras according to their letter No. (INV-819), membership allowances, transportation, and bonuses are paid to the entity he represents. ***** The membership of the entity he represents (Social Security Fund of the Engineers Association) ended on 5/4/2023.

The following table shows the number of shares owned by Members of the Board of Directors and whom they represent as on 31/12/2023 compared with 2022:

Name	Number of shares owned personally 2023	No. of shares owned by the organization and the member who represents. 2023	Number of shares owned personally 2022	No. of shares owned by the organization and the member who represents. 2022
Chairman of the Board Eng. Alaa Arif Saad Batayneh * Representing Al-Arif Energy and Transport Consulting Company	70,000	1,000	38,000	-
Vice Chairman (Representative of Abed Alrahim Boucai & Partners Co.) Eng. Abed AlRahim Fathi Salim Boucai **	28,393	600	28,393	600
Eng. Khair Abdullah Ayad Abu Saalik	11,023	-	11,023	-
Mr. Bassam Rashad Rashid Sinokrot	72,358	-	72,358	-
Mr. Ahmad Adnan Saleh Alkhudari	1,200	-	1,200	-
Mr. Walid Yacoub Mahmoud Al Najjar	60,000	-	15,000	-
Mr. Jamal M. F. Fariz	28,495	-	25,495	-
Mr. Ibrahim A. A. AbuDayyeh	515,000	-	500,000	-
(Representative of Social Security Corporation) Ms. Ms. Reem Yahya Hamto Abzakh ***	-	20,140,624	-	20,140,624
(Representative of Social Security Corporation) Mr. Ali Mohammad Mahmoud AlBalawneh ***	-	20,140,624	-	20,140,624
Dr. Mohammad Moh'd K. Thneibat	3,122	-	3,122	-
(Representative of the Pension Fund of the Jordanian Engineers Association) Eng. Ahmad Qasem Mohammad Al Sammarah ****	-	400,665	-	500,665
Representative of the Islamic Development Bank- Jeddah Mrs. Zain Iyad M Alemam *****	-	6,250,000	-	6,250,000
(Representative of the Social Security Fund of the Jordanian Engineers Association) Eng. Shakib Abdel-Latif Said Odetallah*****	-	38,336	-	138,336
(Representative of the Islamic Development Bank- Jeddah) Mr. Jamil Ali Darras*****	-	6,250,000	-	6,250,000

- According to the General Assembly meeting held on 5/4/2023, ten new members were elected to the Board of Directors, in addition to three members representing legal entities that have the right to membership in accordance with the Companies Law and the Company's By-Laws.

*Eng. Alaa Arif Saad Batayneh was named as a representative of Al-Arif Energy and Transport Consulting Company according to its letter dated 5/4/2023. He was also elected Chairman of the Board of Directors according to Board of Directors Resolution No. (25) taken at its meeting held on 5/4/2023.

** Eng. Abed AlRahim Fathi Salim Boucai was named as a representative of Abdel AlRahim Al Boucai & Partners Co. according to its letter dated 5/4/2023. He was also elected as Vice-Chairman of the Board of Directors according to Board of Directors Resolution No. (25) taken at its meeting held on 5/4/2023, membership allowances, transportation, and bonuses are paid to the entity he represents.

*** Ms. Reem Yahya Hamto Abzakh and Mr. Ali Mohammad Mahmoud Al Balawneh were continued to be named as representatives of the Social Security Corporation, according to their letter No. (1573/DD) dated 5/4/2023.

**** Eng. Ahmad Qasem Mohammad Al Sammarah was named as a representative of Representative of the Pension Fund of the Jordanian Engineers Association according to its letter No. (230105/7401) dated 5/4/2023.

***** Mrs. Zain Iyad M Alemam was named as the representative of the Islamic Development Bank- Jeddah instead of Mr. Jamil Ali Ismail Darras according to their letter No. (INV-819).

***** The membership of the entity he represents (Social Security Fund of the Jordanian Engineers Association) ended on 5/4/2023.

B. Curriculum vitae of the company's executive management, the amounts paid, the number of shares owned by them and their relatives, the companies controlled by the executive management and their relatives, and the contracts, projects and engagements that the company concluded with the employees of the executive management and their relatives during the year 2023 compared to the year 2022:

No.	Name	Date of Birth	Academic Degree	Graduation Year	Current Position	Date of Appointment	Number of Shares Held 2023 (Share)	Number of Shares Held 2022 (Share)	Number of Shares Held by Relatives (wife & children) 2023	Number of Shares Held by Relatives (wife & children) 2022	Companies controlled by senior management staff & their relatives during in 2022 & 2023	Contracts, projects and Links that the company has made with senior management employees and their relatives For 2022 & 2023	Salaries, benefits, bonuses and travel allowances in 2023 (JD)	Salaries, benefits, bonuses and travel allowances in 2022 (JD)
1	Eng. Abdel Karim Hussein Abdallah Alawin	1955	BS in Chemical Engineering/I.I.T University/India	1978	Chief Executive Officer	28/10/1978	41,267	41,249	Non	Non	Non	Non	347,118	378,126
2	Eng. Khaled Mohammad Yousef Al Zoubi	1955	BS in Electric Engineering/ Cairo University/Egypt	1979	General Manager of Jordan Petroleum Products Marketing Co.	21/9/2013	3,986	3,986	Non	Non	Non	Non	290,027	290,027
3	Eng. Kamal Waleed Khalaf Al-Tall	1959	Masters in Petroleum Engineering/ Ploiesti - Romania	1982	Refinery Executive Director / Deputy Chief Executive Officer for Technical Affairs	9/10/1982	Non	Non	Non	Non	Non	Non	77,764	73,073
4	Eng. Abdul-Rahman Mohammed Salim Al-Nugrush*	1963	BS in Electrical Engineering / University of Technology - Iraq	1988	Executive Director of Company Services / Deputy Chief Executive Officer for Administrative Affairs	1/1/1992	147	147	Non	Non	Non	Non	56,701	57,828
5	Eng. Hani Ahmad Elias Shawash	1948	BS in Mechanical Engineering / University of Bratislava / Slovakia	1975	Technical Advisor to the Chief Executive Officer	9/7/2008	Non	Non	Non	Non	Non	Non	95,906	92,940
6	Eng. Sultan Mohammad Suboh Mutleg	1965	BS in Chemical Engineering / University of Jordan	1992	Deputy Refinery Executive Director	25/6/1994	5,000	5,000	Non	Non	Non	Non	41,473	38,422

* His services from the company ended as of 3/12/2023.

Fourteenth: Board of Directors Meetings and Committees:

A. Board of Directors meetings:

The number of meetings of the Board of Directors were (9) meetings during the year 2023, and the following table shows attendance:

No.	Member name	Position	Number of Meeting	Number of Attendances	Attendance Percentage
1	Eng. Alaa Arif Saad Batayneh / Representative of Al-Arif Energy and Transport Consulting Company *	Chairman	9	9	100%
2	Eng. Abed AlRahim Fathi Salim Boucai / Representative of Abed Alrahim Boucai & Partners Co. **	Vice Chairman	9	9	100%
3	Eng. Khair Abdullah Ayad Abu Saalik	Board Member	9	9	100%
4	Mr. Bassam Rashad Rashid Sinokrot	Board Member	9	7	78%
5	Mr. Ahmad Adnan Saleh Alkhudari	Board Member	9	9	100%
6	Mr. Walid Yacoub Mahmoud Al Najjar	Board Member	9	9	100%
7	Mr. Jamal M. F. Fariz	Board Member	9	9	100%
8	Mr. Ibrahim A. A. AbuDayyeh	Board Member	9	8	89%
9	Ms. Reem Yahya Hamto Abzakh / Representative of Social Security Corporation ***	Board Member	9	9	100%
10	Mr. Ali Mohammad Mahmoud Al Balawneh / Representative of Pension Corporation) ****	Board Member	9	9	100%
11	Dr. Mohammad Moh'd K. Thneibat	Board Member	9	8	89%
12	Eng. Ahmad Qasem Mohammad Al Sammarah / Representative of the Pension Fund of the Jordanian Engineers Association) *****	Board Member	6	5	83%
13	Mrs. Zain Iyad M Alemam./ Representative of the Islamic Development Bank- Jeddah) *****	Board Member	6	4	67%
14	Eng. Shakib Abdel-Latif Said Odetallah / Representative of the Social Security of the Engineers Association) *****	Board Member	3	2	67%
15	Mr. Jamil Ali Ismail Darras / Representative of the Islamic Development Bank- Jeddah) *****	Board Member	3	2	67%

-According to the General Assembly meeting held on 5/4/2023, ten new members were elected to the Board of Directors, in addition to three members representing legal entities that have the right to membership in accordance with the Companies Law and the Company's By-Laws.

*Eng. Alaa Arif Saad Batayneh was named as a representative of Al-Arif Energy and Transport Consulting Company according to its letter dated 5/4/2023. He was also elected Chairman of the Board of Directors according to Board of Directors Resolution No. (25) taken at its meeting held on 5/4/2023.

** Eng. Abed AlRahim Fathi Salim Boucai was named as a representative of Abdel AlRahim Al Boucai & Partners Co. according to its letter dated 5/4/2023. He was also elected as Vice-Chairman of the Board of Directors according to Board of Directors Resolution No. (25) taken at its meeting held on 5/4/2023, membership allowances, transportation, and bonuses are paid to the entity he represents.

*** Ms. Reem Yahya Hamto Abzakh and Mr. Ali Mohammad Mahmoud Al Balawneh were continued to be named as representatives of the Social Security Corporation, according to their letter No. (1573/DD) dated 5/4/2023.

**** Eng. Ahmad Qasem Mohammad Al Sammarah was named as a representative of Representative of the Pension Fund of the Jordanian Engineers Association according to its letter No. (230105 / 7401) dated 5/4/2023.

***** Mrs. Zain Iyad M Alemam was named as the representative of the Islamic Development Bank- Jeddah instead of Mr. Jamil Ali Ismail Darras according to their letter No.(INV-819).

***** The membership of the entity he represents (Social Security Fund of the Jordanian Engineers Association) ended on 5/4/2023.

B. Meetings of the Committees of the Board of Directors

Central Tenders Committee:

The number of meetings of the Central Tenders Committee were (9) meetings during the year 2023, and the following table shows the attendance:

No.	Member	Position	Number of invitations to convene	Number of attendances	Attendance Percentage
1	Eng. Alaa Arif Saad Batayneh	Chairman of the committee	9	9	100%
2	Eng. Abed AlRahim Fathi Salim Boucai	Vice Chairman	9	9	100%
3	Eng. Khair Abdullah Ayad Abu Saalik	Member	9	8	89%
4	Mr. Bassam Rashad Rashid Sinokrot	Member	9	8	89%
5	Eng. Abdel Karim Hussein Abdallah Alawin	Member	9	8	89%

-The membership of the members of the Central Tenders Committee ended at the end of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted in accordance with Board of Directors Resolution No. (28) in its session held on 5/4/2023.

• Finance Committee:

The number of meetings of the Finance Committee were (7) meetings during the year 2023, and the following table shows the attendance:

No.	Member	Position	Number of invitations to convene	Number of attendances	Attendance Percentage
1	Eng. Abed Alrahim Fathi Salim Boucai	Chairman of the committee	7	7	100%
2	Eng. Khair Abdullah Ayad Abu Saalik	Vice Chairman	7	6	86%
3	Mr. Bassam Rashad Rashid Sinokrot	Member	7	4	57%
4	Mr. Jamal M. F. Fariz	Member	7	6	86%
5	Eng. Abdel Karim Hussein Abdallah Alawin	Member	7	7	100%

-The membership of the members of the Finance Committee ended at the end of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted in accordance with Board of Directors Resolution No. (28) in its session held on 5/4/2023.

• Nominations and Remuneration Committee:

The number of Nomination and Remuneration Committee meetings were (5) meetings during the year 2023, and the following table shows attendance:

No.	Member	Position	Number of invitations to convene	Number of attendances	Attendance Percentage
1	Dr. Mohammad Moh'd K. Thneibat	Chairman of the committee	5	5	100%
2	Mr. Ibrahim A.A. AbuDayyeh	Vice Chairman	5	4	80%
3	Mr. Ali Mohammad Mahmoud Al Balawneh	Member	5	4	80%

-The membership of the members of the Nominations and Remuneration Committee ended at the end of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted in accordance with Board of Directors Resolution No. (28) in its session held on 5/4/2023.

• Internal Audit and Control Committee:

The number of meetings of the Internal Audit and Control Committee were (6) meetings during the year 2023, and the following table shows the attendance:

No.	Member	Position	Number of invitations to convene	Number of attendances	Attendance Percentage
1	Mr. Ahmad Adnan Saleh Alkhudari	Chairman of the committee as of 5/4/2023 & vice chairman before this date	6	6	100%
2	Mr. Walid Yacoub Mahmoud Al Najjar	Vice Chairman as of 5/4/2023	6	6	100%
3	Eng. Ahmad Qasem Mohammad Al Sammarah *	Member	5	4	80%
4	Eng. Shakib Abdel-Latif Said Odetallah**	Chairman of the committee till date 5/4/2023	1	1	100%

-The membership of the members of the Internal Audit and Control Committee ended at the end of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted in accordance with Board of Directors Resolution No. (28) in its session held on 5/4/2023.

* Eng. Ahmad Qasem Mohammad Al Sammarah was named as a representative of Representative of the Pension Fund of the Jordanian Engineers Association according to its letter No. (230105/7401) dated 5/4/2023.

**The membership of the entity he represents (Social Security Fund of the Engineers Association) ended on 5/4/2023.

• Governance Committee:

The number of meetings of the Governance Committee were (3) meetings during the year 2023, and the following table shows the attendance:

No.	Member	Position	Number of invitations to convene	Number of attendances	Attendance Percentage
1	Mr. Jamal M. F. Fariz	Chairman of the committee	3	3	100%
2	Mr. Bassam Rashad Rashid Sinokrot	Vice Chairman	3	2	67%
3	Eng. Khair Abdullah Ayad Abu Saalik	Member	3	2	67%
4	Ms. Reem Yahya Hamto Abzakh	Member	3	3	100%

-The membership of the members of the Governance Committee ended at the end of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted in accordance with Board of Directors Resolution No. (28) in its session held on 5/4/2023.

• Risk Management Committee:

The number of meetings of the Risk Management Committee were (4) meetings during the year 2023, and the following table shows the attendance:

No.	Member	Position	Number of invitations to convene	Number of attendances	Attendance Percentage
1	Eng. Abed AlRahim Fathi Salim Boucai	Chairman of the committee	4	4	100%
2	Mr. Jamal M. F. Fariz	Vice Chairman	4	4	100%
3	Eng. Abdel Karim Hussein Abdallah Alawin	Member	4	4	100%

-The membership of the members of the Risk Management Committee ended at the end of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted in accordance with Board of Directors Resolution No. (28) in its session held on 5/4/2023.

Fifteenth: Application of Governance rules and Governance Report

First: Disclosure of Companies' Governance and Application of Governance Rules:

Methodology:

- The data in this document is completed with the approval of the Internal Audit and Control Audit Committee.
- Detailed information of the below items was submitted.
- "Not applicable" is written if the question is unrelated or not applicable to the company.
- The answers are specific and in the core of the question.
- Name and date of the supporting documents were mentioned.

Commitment to Governance Principles		Supporting Documents
1	<p>A brief statement clarifying how the company applied the principles stipulated in the Code of Corporate Governance of the listed companies listed in Amman Stock Exchange and whether disclosure of such application was done in such a way as to enable the shareholders to evaluate the company's implementation of these principles.</p> <ul style="list-style-type: none"> • The company started to implement the principles stipulated in the Code of Corporate Governance of Listed Companies on the Amman Stock Exchange as of 2015. • The implementation of many of the principles set out in the Code of Corporate Governance of listed companies in Amman Stock Exchange has been disclosed in such a way as to enable shareholders to evaluate the Company's application of these principles as of the submission of the financial statements of the Company as of 31/12/2015 to the Securities Commission. 	<p>-The Board of Directors decided in its session No. (5/2015) on 23/3/2015 to apply the rules of Corporate Governance of Companies listed in Amman Stock Exchange.</p> <p>-The company's declarations in the Amman Stock Exchange on the application of the principles stipulated in the Corporate Governance Guidebook.</p>
2	<p>A brief statement showing the extent of the Board of Directors compliance with the Code of Corporate Governance of Listed Companies in Amman Stock Exchange. The Board of Directors has started implementing several Corporate Governance Rules listed in Amman Stock Exchange since 2015.</p>	<p>The policies approved by the Board of Directors regarding the application of corporate governance rules and the decisions of the Board of Directors and the applicable regulations in this regard.</p>
Board of Directors		Supporting Documents
1	<p>A brief statement showing how the Board of Directors performs its missions, including an explanation of decisions taken by the Board of Directors and the decisions authorized to the senior management to take.</p> <p>The Board of Directors performs its functions through the committees emanating from the Board of Directors, which consist of members of the Board in addition to the Chief Executive Officer, where the various committees submit their recommendations to the Board of Directors for making the appropriate decisions and approving the minutes of their meetings. The Board also delegates the senior management to take decisions in accordance with the powers stipulated in the regulations and systems implemented in the company that include:</p> <ol style="list-style-type: none"> 1. Company's Internal Regulation. 2. Supplies and Works System. 3. Financial System. 4. Employees System. 5. System and Guidance Manual for the Control Unit. 6. Governance System and Corporate Governance Framework. 7. Risk System, Risk Management Policies and Risk Management Manual. 	<p>The regulations/systems in force at the company:</p> <ol style="list-style-type: none"> 1. Company's Internal regulation. 2. Supplies and Works System. 3. Financial System. 4. Employees System. 5. System and Guidance Manual for the Control/Audit Unit. 6. Governance System and Corporate Governance Framework. 7. Risk System, Risk Management Policies and Risk Management Manual.
2	<p>A statement of the principles and regulations on which the number of members of the Board and composition of the Board of Directors were based on. Article (32 / A) of the "Companies Law" was adopted to determine the number of members of the Board of Directors. The maximum number of members of the Board was taken to represent the largest number of shareholders. The Board consists of six members representing legal entities and seven independent members.</p>	<p>Companies Law and the instructions of the Securities and Governance Authority.</p>
3	<p>Mention the responsibility of the Chairman and Vice Chairman of the Board of Directors (if any) assigned to them, determined by the Companies Law, the Company's bylaws and corporate governance instructions.</p>	<p>Companies Law, Company's Internal Regulations and Corporate Governance Instructions.</p>
4	<p>Determine the responsibility of Executive members in the Board of directors (if any). There are no Executive Members (Not applicable).</p>	<p>-</p>

Board of Directors		Supporting Documents
5	Determine the responsibility of the non-Executive Members in the Board of Directors. All members of the company's board of directors are non-executives and are committed to their responsibilities according to the applicable regulations of the company and in accordance with the Companies Law and corporate governance instructions.	Companies Law and the Regulations / Systems in Force at the Company (The Employees System, the Financial System, the Supplies and Works System, System and Guidance Manual for the Control/Audit Unit) Corporate Governance Instructions, Governance System, Corporate Governance Framework, Risk System, Risk Management Policies, and Risk Management Guide.
6	Determine the responsibility of the Independent Members in the Board of Directors (If any). They are committed to their responsibilities by performing their duties in the Board of Directors and the committees emanating from the Board of Directors, in accordance with the regulations in force in the company and under the Companies Law and corporate governance instructions.	Companies Law and the Regulations / Systems in Force at the Company (The Employees System, the Financial System, the Supplies and Works System, System and Guidance Manual for the Control/Audit Unit) Corporate Governance Instructions: Governance System, Corporate Governance Framework, Risk System, Risk Management Policies, and Risk Management Guide.
7	Mention the names of the Chairman, Deputy Chairman (if any) and Executive Members (who hold executive positions in the company). There are no Executive Members.	-

List the number of Board meetings and the attendance: The number of meetings of the Board of Directors were (9) meetings during the year 2023, the following table show the attendance:

No.	Member name	Position	Number of Meeting	Number of Attendances	Attendance Percentage
1	Eng. Alaa Arif Saad Batayneh / Representative of Al-Arif Energy and Transport Consulting Company.*	Chairman	9	9	100%
2	Eng. Abed AlRahim Fathi Salim Boucai ** A representative of Abdel AlRahim Al Boucai & Partners Co.	Vice Chairman	9	9	100%
3	Eng. Khair Abdullah Ayad Abu Saalik	Board Member	9	9	100%
4	Mr. Bassam Rashad Rashid Sinokrot	Board Member	9	7	78%
5	Mr. Ahmad Adnan Saleh Alkhudari	Board Member	9	9	100%
6	Mr. Walid Yacoub Mahmoud Al Najjar	Board Member	9	9	100%
7	Mr. Jamal M. F. Fariz	Board Member	9	9	100%
8	Mr. Ibrahim A. A. AbuDayyeh	Board Member	9	8	89%
9	Ms.Reem Yahya Hamto Abzakh Representative of the Social Security Corporation***	Board Member	9	9	100%
10	Mr. Ali Mohammad Mahmoud Al Balawneh Representative of the Social Security Corporation****	Board Member	9	9	100%
11	Dr. Mohammad Moh'd K. Thneibat	Board Member	9	8	89%
12	Eng. Ahmad Qasem Mohammad Al Sammarah ***** Representative of the Pension Fund of the Jordanian Engineers Association	Board Member	6	5	83%
13	Mrs. Zain Iyad M Alemam ***** Representative of the Islamic Development Bank- Jeddah	Board Member	6	4	67%
14	Eng. Shakib Abdel-Latif Said Odetallah (Representative of the Social Security of the Jordanian Engineers Association) *****	Board Member	3	2	67%
15	Mr. Jamil Ali Ismail Darras *****	Board Member	3	2	67%

Board of Directors		Supporting Documents
	<p>-According to the General Assembly meeting held on 5/4/2023, ten new members were elected to the Board of Directors, in addition to three members representing legal entities that have the right to membership in accordance with the Companies Law and the company's bylaws.</p> <p>*Eng. Alaa Arif Saad Batayneh was named as a representative of Al-Arif Energy and Transport Consulting Company according to its letter dated 5/4/2023. He was also elected Chairman of the Board of Directors according to Board of Directors Resolution No. (25) taken at its meeting held on 5/4/2023.</p> <p>***Eng. Abed AlRahim Fathi Salim Boucai was named as a representative of Abdel AlRahim Al Boucai & Partners Co. according to its letter dated 5/4/2023. He was also elected as Vice-Chairman of the Board of Directors according to Board of Directors Resolution No. (25) taken at its meeting held on 5/4/2023.</p> <p>****Ms. Reem Yahya Hamto Abzakh and Mr. Ali Mohammad Mahmoud Al Balawneh were continued to be named as representatives of the Social Security Corporation, according to their letter No. (1573/DD) dated 5/4/2023.</p> <p>*****Eng. Ahmad Qasem Mohammad Al Sammarah was named as a representative of the Pension Fund of the Jordanian Engineers Association according to its letter No. (230105/7401) dated 5/4/2023.</p> <p>*****Mrs. Zain Iyad M Alemam was named as the representative of the Islamic Development Bank- Jeddah instead of Mr. Jamil Ali Ismail Darras according to their letter No. (INV-819).</p> <p>*****The membership of the entity he represents (the Social Insurance Fund for Members of Jordanian Engineers Association) ended on 4/5/2023.</p>	
9	<p>A brief statement clarifying the General Policy of the Board of Directors to determine the duration of service of the Board. The duration of service of the Board of Directors is four years under the Companies Law Article No. (132).</p>	Companies Law Article No. (132).
10	<p>A statement clarifying the procedures and tasks carried out by the Remunerations and Nominations Committee for the determination, selection, nomination, and placement of a group of candidates for vacancies in the company. Under Article (7-b) of the Employees System, the procedures and functions of the Remuneration and Nominations Committee have been determined.</p>	Employees System
11	<p>A statement showing how the performance of the Board of Directors and its committees and each of its members (in the event of such evaluation). There is no evaluation.</p>	-

Committees emanating from the Board of Directors		Supporting Documents
1	<p>Committees emanating from the Board of Directors and the responsibilities of each committee:</p> <ol style="list-style-type: none"> 1. Central tenders committee: Its responsibility is determined in the supplies and works system. 2. Financial committee: its responsibility is determined in financial system. 3. Remuneration and nominations committee: its responsibility determined in Employee's system. 4. Internal audit and control committee: its responsibility is defined by the system and guide for the control and audit unit. 5. Governance committee: its responsibility determined in the code of corporate governance issued by Jordan Securities Commission. 6. Risk management committee: Its responsibility is specified in the risk policies and procedures manual. 	<p>Board of Directors resolutions to form committees.</p> <p>Company's applicable systems (The Employees System, the Financial System, the Supplies and Works System, System and Guidance Manual for the Control/Audit Unit) Corporate Governance Instructions, Governance System, Corporate Governance Framework, Risk System, Risk Management Policies, and Risk Management Guide.</p>

Committees emanating from the Board of Directors		Supporting Documents
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2 Mention the number of meetings of the committees emanating from the Board of Directors and the number of times each member attends individually:

Minutes of committee meetings emanating from the Board of Directors

Central Tenders Committee:
The number of meetings of the Central Tenders Committee were (9) meetings in year 2023, and the following table shows the attendance:

No.	Member Name	Position	Number of meeting	Number of attendances	Attendance Percentage
1	Eng. Alaa Arif Saad Batayneh	Chairman of the committee	9	9	100%
2	Eng. Abed AlRahim Fathi Salim Boucai	Vice Chairman	9	9	100%
3	Eng. Khair Abdullah Ayad Abu Saalik	Member	9	8	89%
4	Mr. Bassam Rashad Rashid Sinokrot	Member	9	8	89%
5	Eng. Abdel Karim Hussein Abdallah Alawin	Member	9	8	89%

The membership of the members of the Central Tenders Committee ended with the expiration of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted according to the Board of Directors' Resolution No. (28) in its meeting held on 5/4/2023.

Finance Committee:
The number of meetings of the Finance Committee were (7) meetings during the year 2023, and the following table shows the attendance:

No.	Member Name	Position	Number of meeting	Number of attendances	Attendance Percentage
1	Eng. Abed AlRahim Fathi Salim Boucai	Chairman of the committee	7	7	100%
2	Eng. Khair Abdullah Ayad Abu Saalik	Vice Chairman	7	6	86%
3	Mr. Bassam Rashad Rashid Sinokrot	Member	7	4	57%
4	Mr. Jamal M. F. Fariz	Member	7	6	86%
5	Eng. Abdel Karim Hussein Abdallah Alawin	Member	7	7	100%

The membership of the members of the Finance Committee ended with the expiration of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted according to the Board of Directors' Resolution No. (28) in its meeting held on 5/4/2023.

Nominations and Remuneration Committee:
The number of Nomination and Remuneration Committee meetings were (5) meetings during the year 2023, and the following table shows attendance:

No.	Member Name	Position	Number of meeting	Number of attendances	Attendance Percentage
1	Dr. Mohammad Moh'd K. Thneibat	Chairman of the committee	5	5	100%
2	Mr. Ibrahim A. A. AbuDayyeh	Vice Chairman	5	4	80%
3	Mr. Ali Mohammad Mahmoud Al Balawneh	Member	5	4	80%

The membership of the members of the Nominations and Remuneration Committee ended with the expiration of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted according to the Board of Directors' Resolution No. (28) in its meeting held on 5/4/2023.

Internal Audit and Control Committee:

The number of Internal Audit and Control Committee meetings were (6) meetings during the year 2023, and the following table shows attendance:

No.	Member Name	Position	Number of meeting	Number of attendances	Attendance Percentage
1	Mr. Ahmad Adnan Saleh Alkhudari	Chairman of the Committee as of 5/4/2023 and Vice Chairman of the Committee before this date	6	6	100%
2	Mr. Walid Yacoub Mahmoud Al Najjar	Vice Chairman of the Committee as of 5/4/2023	6	4	100%
3	Eng. Ahmad Qasem Mohammad Al Sammarah *	Member	5	4	80%
4	Eng. Shakib Abdel-Latif Said Odetallah**	Chairman of the Committee until 5/4/2023	1	1	100%

-The Control and Internal Audit Committee met with the external auditor of the company without the presence of the executive management or its representative five times based on the provisions of Article (7/c) of the governance instructions.

-The membership of the members of the Control and Internal Audit Committee ended at the end of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted according to Board Resolution No. (28) in its meeting held on 5/4/2023.

* Eng. Ahmad Qasem Mohammad Al Sammarah was named as a representative of the Pension Fund for members of the Jordanian Engineers Association according to their letter No. (230105/7401) dated 5/4/2023.

** The membership of the entity he represents (the Social Insurance Fund for the members of the Engineers Association) ended on 5/4/2023.

Governance Committee:

The number of Governance Committee meetings were (3) meetings during the year 2023, and the following table shows attendance:

No.	Member Name	Position	Number of meeting	Number of attendances	Attendance Percentage
1	Mr. Jamal M. F. Fariz	Chairman of the committee	3	3	100%
2	Mr. Bassam Rashad Rashid Sinokrot	Vice Chairman	3	2	67%
3	Eng. Khair Abdullah Ayad Abu Saalik	Member	3	2	67%
4	Ms. Reem Yahya Hamto Abzakh	Member	3	3	100%

The membership of the members of the Governance Committee ended with the expiration of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted according to the Board of Directors' Resolution No. (28) in its meeting held on 5/4/2023.

Risk Management Committee:

The number of Risk Management Committee meetings were (4) meetings during the year 2023, and the following table shows attendance:

No.	Member Name	Position	Number of meeting	Number of attendances	Attendance Percentage
1.	Eng. Abed ALRahim Fathi Salim Boucai	Chairman of the committee	4	4	100%
2.	Mr. Jamal M. F. Fariz	Vice Chairman	4	4	100%
3.	Eng. Abdel Karim Hussein Abdallah Alawin	Member	4	4	100%

The membership of the members of the Risk Management Committee ended with the expiration of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted according to the Board of Directors' Resolution No. (28) in its meeting held on 5/4/2023.

Mention Names of Chairman, Vice Chairman, and Members of each of the committees emanating from the Board of Directors:**Central Tenders Committee:**

No.	Member Name	Position
1.	Eng. Alaa Arif Saad Batayneh	Chairman of the committee
2.	Eng. Abed ALRahim Fathi Salim Boucai	Vice Chairman
3.	Eng. Khair Abdullah Ayad Abu Saalik	Member
4.	Mr. Bassam Rashad Rashid Sinokrot	Member
5.	Eng. Abdel Karim Hussein Abdallah Alawin	Member

The membership of the members of the Central Tenders Committee ended with the expiration of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted according to the Board of Directors' Resolution No. (28) in its meeting held on 5/4/2023.

Finance Committee:

No.	Member Name	Position
1.	Eng. Abed ALRahim Fathi Salim Boucai	Chairman of the committee
2.	Eng. Khair Abdullah Ayad Abu Saalik	Vice Chairman
3.	Mr. Bassam Rashad Rashid Sinokrot	Member
4.	Mr. Jamal M. F. Fariz	Member
5.	Eng. Abdel Karim Hussein Abdallah Alawin	Member

The membership of the members of the Finance Committee ended with the expiration of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted according to the Board of Directors' Resolution No. (28) in its meeting held on 5/4/2023.

Nominations and Remuneration Committee:

No.	Member Name	Position
1.	Dr. Mohammad Moh'd K. Thneibat	Chairman of the committee
2.	Mr. Ibrahim A. A. AbuDayyeh	Vice Chairman
3.	Mr. Ali Mohammad Mahmoud Al Balawneh	Member

The membership of the members of the Nominations and Remuneration Committee ended with the expiration of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted according to the Board of Directors' Resolution No. (28) in its meeting held on 5/4/2023.

Committees emanating from the Board of Directors		Supporting Documents																																										
<p>Internal Audit and Control Committee.</p> <table border="1"> <thead> <tr> <th>No.</th> <th>Member Name</th> <th>Position</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Mr. Ahmad Adnan Saleh Alkhudari</td> <td>Chairman of the Committee as of 5/4/2023 and Vice Chairman of the Committee before this date.</td> </tr> <tr> <td>2.</td> <td>Mr. Walid Yacoub Mahmoud Al Najjar</td> <td>Vice Chairman of the Committee as of 5/4/2023</td> </tr> <tr> <td>3.</td> <td>Eng. Ahmad Qasem Mohammad Al Sammarah *</td> <td>Member</td> </tr> <tr> <td>4.</td> <td>Eng. Shakib Abdel-Latif Said Odetallah**</td> <td>Chairman of the Committee until 5/4/2023</td> </tr> </tbody> </table> <p>-The Control and Internal Audit Committee met with the external auditor of the company without the presence of the executive management or its representative five times based on the provisions of Article (7/c) of the governance instructions.</p> <p>-The membership of the members of the Control and Internal Audit Committee ended at the end of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted according to Board Resolution No. (28) in its meeting held on 5/4/2023.</p> <p>* Eng. Ahmad Qasem Mohammad Al Sammarah was named as a representative of the Pension Fund for members of the Jordanian Engineers Association according to their letter No. (230105/7401) dated 5/4/2023.</p> <p>** The membership of the entity he represents (the Social Insurance Fund for the members of the Jordanian Engineers Association) ended on 5/4/2023.</p> <p>Governance Committee:</p> <table border="1"> <thead> <tr> <th>No.</th> <th>Member Name</th> <th>Position</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Mr. Jamal M. F. Fariz</td> <td>Chairman of the committee</td> </tr> <tr> <td>2.</td> <td>Mr. Bassam Rashad Rashid Sinokrot</td> <td>Vice Chairman</td> </tr> <tr> <td>3.</td> <td>Eng. Khair Abdullah Ayad Abu Saalik</td> <td>Member</td> </tr> <tr> <td>4.</td> <td>Ms. Reem Yahya Hamto Abzakh</td> <td>Member</td> </tr> </tbody> </table> <p>The membership of the members of the Governance Committee ended with the expiration of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted according to the Board of Directors' Resolution No. (28) in its meeting held on 5/4/2023.</p> <p>Risk Management Committee:</p> <table border="1"> <thead> <tr> <th>No.</th> <th>Member Name</th> <th>Position</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Eng. Abed AlRahim Fathi Salim Boucai</td> <td>Chairman of the committee</td> </tr> <tr> <td>2.</td> <td>Mr. Jamal M. F. Fariz</td> <td>Vice Chairman</td> </tr> <tr> <td>3.</td> <td>Eng. Abdel Karim Hussein Abdallah Alawin</td> <td>Member</td> </tr> </tbody> </table> <p>The membership of the members of the Risk Management Committee ended with the expiration of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted according to the Board of Directors' Resolution No. (28) in its meeting held on 5/4/2023.</p>			No.	Member Name	Position	1.	Mr. Ahmad Adnan Saleh Alkhudari	Chairman of the Committee as of 5/4/2023 and Vice Chairman of the Committee before this date.	2.	Mr. Walid Yacoub Mahmoud Al Najjar	Vice Chairman of the Committee as of 5/4/2023	3.	Eng. Ahmad Qasem Mohammad Al Sammarah *	Member	4.	Eng. Shakib Abdel-Latif Said Odetallah**	Chairman of the Committee until 5/4/2023	No.	Member Name	Position	1.	Mr. Jamal M. F. Fariz	Chairman of the committee	2.	Mr. Bassam Rashad Rashid Sinokrot	Vice Chairman	3.	Eng. Khair Abdullah Ayad Abu Saalik	Member	4.	Ms. Reem Yahya Hamto Abzakh	Member	No.	Member Name	Position	1.	Eng. Abed AlRahim Fathi Salim Boucai	Chairman of the committee	2.	Mr. Jamal M. F. Fariz	Vice Chairman	3.	Eng. Abdel Karim Hussein Abdallah Alawin	Member
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3.	Eng. Abdel Karim Hussein Abdallah Alawin	Member																																										
Risk Management		Supporting Documents																																										
1	<p>A statement detailing the procedures applied by the Board of Directors to review the effectiveness of the Internal Control/Audit System, for example, reports received from Management about the system.</p> <ol style="list-style-type: none"> Through the reports of the Internal Audit Unit, that is directed to the Audit and Control Committee emanating from the Board of Directors. An evaluation form of the Internal Control/Audit System in the company is prepared and presented annually according to the concept of COSO and submitted to the Internal Audit and control Committee. The Executive Management has been assigned to work on developing a plan for the development of the internal control/oversight system in the Company. 	Annual Evaluation form for the company's internal control system according to the concept of COSO and audit reports.																																										

Risk Management		Supporting Documents
2	<p>A statement clarifying the role of the Audit Committee and other relevant committees and the Internal Audit Department to assess the internal control/oversight system on an annual basis.</p> <p>An evaluation form for the Internal Control System of the company is prepared and submitted annually according to the concept of COSO.</p>	Evaluation form for the company's internal control system according to the concept of COSO and audit reports.
3	<p>A statement indicating the necessary actions that have been taken or are being taken to address any failures or weaknesses discovered in the internal Control/Audit System.</p> <ol style="list-style-type: none"> To implement the principles stipulated in the Guide/Code of Corporate Governance of Listed Companies on the Amman Stock Exchange. Implementation of the recommendations contained in the reports of the Internal audit and Control/Audit Unit on the work of the company's various departments. Implement the recommendations of the investigation committees to prevent repetition of mistakes and abuses committed. The letter from the auditing company to the Board of Directors regarding the mistakes that have been noticed during auditing activities as well as ways to overcome it in the future. 	Reports of the Internal Control and Audit Unit and the recommendations of the investigation committees as well as reports from the external auditing company.

Second: Corporate Governance Performance Assessment Card

Methodology:

- It is done with the approval of "Audit Committee emanating from the Board of Directors".
- "X" is marked in one of the boxes under the "Answers" column.

Criteria	Answers			Comments	
	Yes	To some extent	No		
1. Commitment to Corporate Governance Principles					
1-1	Has the company adopted written principles for its own Corporate Governance in line with national practices such as Corporate Governance rules listed on the Amman Stock Exchange and / or International practices, and has its implementation been evaluated annually?	X			The Board of Directors decided in their session No. (5/2015) on 23/3/2015 to apply the rules of Corporate Governance of listed companies on the Amman Stock Exchange. Also, a Conflict of Interest Policy has been adopted by the Board of Directors for its own members, Executive Management, Employees, Disclosure policy and Dividend Policy as well as Risk Management Policy; The Board of Directors also decided, in their session No. (5/2021) on 9/6/2021, to approve a governance system and governance framework for the company.
1-2	Is it easy for all stakeholders to have access to these principles (if any)?	X			
1-3	Does the company disclose its compliance with the Corporate Governance Guidebook listed on the Amman Stock Exchange, and does the company report deviations from these standards in its annual reports / Corporate Governance Compliance Report?	X			
1-4	Has the Board of Directors discussed in its meetings the Company's application of Corporate Governance Principles?	X			
2. Shareholders rights and relations with stakeholder					
2-1	Do the shareholders and / or their agents be notified of the date of General Assembly meetings and its agenda ahead of time (by hand or by mailbox and e-mail at least 21 days prior to the meeting and publishing the announcement of the meeting at least twice in three local newspapers and on Company's website?)	X			Invitations are sent via mailbox, and in case mailbox is not available, invitations are hand delivered 21 days prior to the meeting, the announcement of the meeting is published at least twice in three local newspapers and on TV, audio-visual media, social media, as well as on the Company's website, also The company held the general assembly meetings on 15/6/2020,

Criteria		Answers			Comments
		Yes	To some extent	No	
					28/4/2021, 27/04/2022 and 5/4/2023 by means of visual and electronic communication, in accordance with the provisions of Clause (2) of Paragraph Two of Defense Order No. (5) of 2020, after obtaining the approvals from the Companies' Control to hold the meeting.
2-2	Are information on conflicts of interest relating to the appointment of directors, senior management and transactions with stakeholders announced and disclosed?	X			The Disclosure Form are filled by the Members of the Board of Directors and Senior Management. There is currently no conflict of interest. The Board of Directors decided in their session No. (5/2015) on 23/3/2015 to instruct the Senior Management to prepare a written and clear policy to deal with conflicts of interest also there is a regulation policy and special forms approved from the Board of Directors regarding the conflict of interest and the disclosure is done in according to Governance and Securities Commission instructions.
2-3	Do shareholders get a good opportunity in terms of time and relevant information that enables them to consider important decisions that may have a significant impact on the status of the assets or liabilities of the company (e.g. merger or liquidation, sale of the company or ownership of other companies entirely, sale of part or all assets of the company affecting its objectives and aims)?	X			This is done during the meetings of the General Assembly.
2-4	Does the company have a written and approved Dividend Policy?	X			There is a Dividend Policy approved by the Board of Directors.
2-5	Is the Election of the Members of the Board of Directors based on a specific and transparent nomination process? (Such as sending an introductory profile of candidates for Board Membership with the General Assembly Meeting Invitation).	X			Compliance with the Companies Law and the instructions of the Securities Commission, for example the invitation to the General Assembly meeting held on April 27, 2019, during which the members of the Board of Directors were elected, ten members of the Board of Directors were also elected at the regular general assembly meeting held on 5/4/2023.
2-6	Are the members of the Board of Directors elected by way of a cumulative vote in a secret manner?	X			General Assembly meetings for example General assembly meeting held on April 27, 2019, during which the members of the Board of Directors were elected, and an invitation to the General Assembly meeting held on 5/4/2023, during which the members of the Board of Directors were elected.
2-7	Does the statute of the company provide special provisions for the representation of Minority Shareholders on the Board of Directors?			X	
2-8	Has the company approved and disclosed written internal regulations and procedures on policies for dealing with conflicts of interest and the exploitation of internal information in the trading of the company's shares?	X			The Board of Directors decided in their session No. (5/2015) on 23/3/2015 to instruct the Senior Management to prepare a written and clear policy to deal with conflicts of interest, Also, a Conflict of Interest Policy has been adopted by the Board of Directors for its own members, Executive Management, Employees.

Criteria		Answers			Comments
		Yes	To some extent	No	
2-9	Has the company adopted a clear policy of recourse to arbitration and is available to shareholders to take such action in legal proceedings against the Board of Directors or any of its members to claim compensation for damages resulting from the violation of legislation by force, violation of the Company's Articles of Association or wrongdoing or negligence in the management of the Company or disclosure of its secrets?			X	
2-10	Does the company adopt a policy to grant shareholders a priority subscription when issuing new shares?	X			
2-11	Does the company disclose information about transactions between the company and the senior management / Board of Directors of the company (i.e., transactions with related parties)?	X			In the event of transactions, they are disclosed, Directors and Senior Management are signed on a form in this regard, compliance with the Companies Law and JSC's disclosure instruction and Governance Instructions.
2-12	Are shareholders notified in advance of all significant business transactions, risks and issues that may affect the company's operations?	X			Shareholders are notified of this through the financial statements, annual reports and disclosures in accordance with the disclosure instructions issued by the Securities Commission and the Governance Instructions. There is a Disclosure Policy approved by the Board of Directors.
2-13	Does the company have a mechanism to receive complaints and suggestions from shareholders, including complaints and suggestions related to the inclusion of certain items on the agenda of the General Assembly meeting in such a way as to ensure that they are considered and acted upon within a certain period of time?	X			There is contact through all possible means of communication and the company's website to receive any suggestions or complaints from the shareholders
2-14	Does the company have a written policy to regulate relationships with stakeholders?	X			The Supplies and Works System and there is a Conflict-of-Interest Policy for members of the Board of Directors, Executive Management and employees by the Board of Directors, governance system and the company's governance framework.
2-15	Are all stakeholders, including staff and their representatives, available with clear channels of communication with the Board of Directors?	X			
3. Disclosure and transparency of information					
3-1	Does the company have written procedures and a written policy approved by the Board of Directors, indicating the manner in which the disclosure process is regulated and following up the implementation of this policy in accordance with the requirements of the regulatory authorities and the legislation in force?	X			The Board of Directors decided in its session No. (5/2015) on 3/23/2015 to instruct the Senior Management to prepare the necessary procedures for making a written policy approved by the Board of Directors that outlines the way in which the process of disclosure of information is organized and the implementation of this policy in accordance with the requirements of the supervisory authorities and the legislation in force, there is a Disclosure Policy approved by the Board of Directors.

Criteria		Answers			Comments
		Yes	To some extent	No	
3-2	Does the company disclose its financial statements and the reports of the external auditors on time in the legislation?	X			
3-3	Does the company disclose the Dividend Policy approved by the company (if any)? And does the company comply with this Policy?	X			The Board of Directors decided in its session No. (5/2015) on 23/3/2015 to instruct the Finance Committee to study and establish a written Dividend Policy, there is a Profit Distribution Policy approved by the Board of Directors, and the company discloses the proposed mechanism for distributing profits in accordance with the disclosure instructions issued by the Securities Commission and in accordance with the Companies Law.
3-4	Does the company disclose information related to development plans, company objectives, risks and future information that may affect the business?	X			The annual report, financial statements, and future plan of the company.
3-5	Does the company disclose in its annual report the number of meetings of the Board of Directors and the attendance rate of each member in those meetings?	X			
3-6	Does the company disclose to the General Assembly the activities of the committees emanating from the Board of Directors?	X			
3-7	Does the company disclose in a timely and transparent manner the events, important transactions, serious risks and critical information regarding the company's operations?	X			
3-8	Does the company disclose the information of its external auditors and the most important terms and conditions of dealing with them?	X			
3-9	Does the company disclose the key information related to Corporate Governance, including its compliance with the Code of Corporate Governance of the listed companies listed on the Amman Stock Exchange, for example: formation of the Board of Directors, method of nominating Members, determining their Remuneration, the main Committees emanating from the Board of Directors, Members attendance, independence of Board of directors, Members information, and so on?	X			Annual Report, Governance Report and Sustainability Report.
3-10	Does the company disclose its Corporate Social Responsibility (CSR) policy towards the community and the environment?	X			Annual report and Sustainability Report.

Criteria		Answers			Comments
		Yes	To some extent	No	
3-11	Does the company use its website to publish the above information?	X			The Board of Directors decided in its session No. (5/2015) on 23/3/2015 to assign the Senior Management to instruct the Information Systems Unit to restructure and activate the company's website, which is currently activated and applied.
4. The role and responsibilities of the Board of Directors and Senior Management					
4-1	Are the Board Members between 5 and 13 members?	X			
4-2	Is there a statute that is subject to annual review and defines the roles and responsibilities of each Board Member and Senior Management?	X			There is a statute but not subject to annual review.
4-3	Are Senior Management and Board Members required to notify the Board of Directors of any conflict of interests?	X			There is a Conflict of Interest Policy approved by the Board of Directors and it has special forms.
4-4	Are the bonuses of Senior Management and Board Members determined in accordance with written and declared principles and procedures that are clear and transparent?	X			There are bonuses for Board Members in accordance with the provisions of the Companies Law, and they are disclosed in the Annual Report.
4-5	Does the company have a written policy that prevents Members of the Board of Directors and Employees of the company from trading shares before and after the important events and issuing the financial statements, and does each of the Management Persons and Members of the Board of Directors inform the company about changes in their ownership in the company and not exceeding the transaction date by 24 hours?	X			The Board of Directors decided in its session No. (5/2015) on 23/3/2015 to assign the Senior Management to prepare a Code of conduct for the Members of the Board of Directors, Senior Management and Employees of the company in this regard. There is a conflict-of-interest policy approved by the Board of Directors.
4-6	Do Senior Management provide the Board of Directors with periodic, detailed and timely information on events that could significantly affect the success of the Company's operations and / or the financial position of the Company and the quarterly financial statements and the auditor's reports?	X			
4-7	Do independent members constitute at least one third of the Board of Directors?			X	

Criteria		Answers			Comments
		Yes	To some extent	No	
4-8	Does the Board of Directors approve an Annual Work Plan for the work of the Board?	X			
4-9	Does the Board have principal committees such as Auditing, Nominations and Remuneration?	X			
4-10	Are the above committees (the Audit Committee, the Nomination and Remuneration Committee) composed of at least three non-Executive Members of the Board of Directors, at least two of whom are independent members, one of whom shall chair the Committee?	X			
4-11	Do the members of the Board of Directors and its committees have the appropriate skill set and independence as well as management experience and knowledge of the relevant regulations and understand the roles and responsibilities of the Board of Directors?	X			
4-12	Does the Board discuss the company's Risk Strategy and how to reduce it?	X			There is a Risk Management Committee emanating from the Board of Directors.
4-13	Do the Board of Directors and the committees emanating from it work according to clearly defined terms of reference and under a written policy?	X			Through Companies Law, Company's regulations predetermined policies.
4-14	Do the Audit, Nominations and Remuneration Committees carry out their responsibilities and roles?	X			
4-15	Does the Board of Directors evaluate each Senior Management Person, including the management method and level of contribution to the implementation of strategies, policies, plans and procedures in place under an effective evaluation mechanism?	X			
4-16	Does the Chairman of the Board of Directors not hold an executive position in the company, and does not receive a salary from the company?	X			The Chairman of the Board receives a monthly bonus for part-time and does not hold an executive position according to Companies' Law.

Criteria		Answers			Comments
		Yes	To some extent	No	
4-17	Does the Board have a written and clear policy to deal with conflicts of interest?	X			The Board of Directors approved a Conflict of Interest Policy for members of the Board of Directors, Executive Management and Employees.
5. Risk Management and Control					
5-1	Does the company have a clear Delegation Policy to identify authorized employees and the limits of their authority?	X			
5-2	Have Internal Audit and Compliance Departments been established to ensure compliance with applicable laws and regulations and the requirements of regulatory institutions, supervisory authorities, policies, plans and procedures established by the Board of Directors?	X			The Board of Directors decided in its session No. (5/2015) on 23/3/2015 to appoint an employee to monitor the extent of compliance with the laws and regulations in force, the requirements of the supervisory institutions, the supervisory authorities, the policies, plans and procedures set by the Board of Directors, and there is an internal control and audit unit.
5-3	Does the Audit Committee consist of members with financial and accounting knowledge and experience with at least one member having accounting or financial experience with a university or professional degree in accounting, finance or related fields?	X			
5-4	Does the company provide all facilities for Audit Committee needs to perform its responsibilities, including the ability to hire an outside expert when necessary?	X			It does not have the authority to hire an external expert except after obtaining the approval of the Board of Directors, and it uses the external auditor elected by the General Assembly for Shareholders, where the Internal Control and Audit Committee meets with the external auditor at a minimum (4) times per year.
5-5	Can the Audit Committee in accordance with the facilities available, verify the absence of a conflict of interest because of the company's transactions or contacts or projects with related parties?	X			Through the Internal Control and Auditing Unit.
5-6	Does the Audit Committee meet with the External Auditor at least once a year without the attendance of the Executive Management or its representative?	X			Number of meeting was 5 times during year 2023.
5-7	Is the internal audit function independent and does the internal audit of the Board's Audit Committee have direct technical dependency?	X			

Criteria		Answers			Comments
		Yes	To some extent	No	
5-8	Does the external auditor attend all shareholder meetings that discuss the financial statements?	X			
5-9	Does the company change external auditors periodically to ensure their independence in accordance with the laws and regulations and does the company have written guidelines for dealing with external auditors on non-audit matters?		X		The external auditor is elected at the annual regular general assembly meetings, the responsible partner of the external auditor is changed, as he is elected by the General Assembly, and the Companies Law and Governance instructions in this regard are complied with.
5-10	Does the company have written and documented policies with clear and up-to-date documentation on human resources, information technology and financial management?	X			Policies and instructions emanating from the Employee system and the financial system.
5-11	Does the company have written policies and clear procedures for Internal Control and Risk Management and does the company review and test the effectiveness of these policies and procedures on an annual basis?	X			The company has written policies and clear work procedures for internal control, also the Board of Directors decided, in its session No. (5/2021), held on 09/06/2021, to approve the Risk System, the Risk Management Policy, and the Risk Procedures Guide.
5-12	Does the company have a Financial Management Department with sufficient staff with professional skills and exercising their functions through modern financial management systems and processes to ensure proper control?	X			

Audit Committee Form on Corporate Governance

Company Name: Jordan Petroleum Refinery Company Limited

The Audit Committee examined compliance with the requirements of Corporate Governance as stipulated in the Code of Corporate Governance of Listed Companies on the Amman Stock Exchange and the Balanced Scorecard for Corporate Governance of Public Shareholding Companies listed on the Amman Stock Exchange issued by the Securities Authority for the year ended 31/12/2023.

The Board of Directors is responsible for complying with the requirements of the Corporate Governance Manual of Public Shareholding Companies listed on the Amman Stock Exchange. Our review is limited to the procedures and implementation of these conditions, which the Company has approved to ensure compliance with corporate governance requirements. This review does not constitute an audit or an opinion in the Company's financial statements.

In our opinion, based on the best information available to us and in accordance with the explanations provided to us, we have reached to the following:

- 1. There is sufficient compliance with the provisions of the Corporate Governance Guide for Public Shareholding Companies listed on the Amman Stock Exchange.**
- 2. There is a commitment to the Governance Guide by the Board of Directors and to continue to apply it.**

We certify that the Company, in accordance with the information available to us, has complied with the Corporate Governance Rules as set out in the Corporate Performance Balanced Scorecard as set forth above.

We also acknowledge that such compliance does not constitute a guarantee of the Company's continued future or of the efficiency or effectiveness with which the Administration has managed the Company's affairs.

Names and signatures of the Audit Committee on behalf of the Board of Directors:

Name	Chairman of the Control and Internal Audit Committee	Vice Chairman of the Control and Internal Audit Committee	Member
	Mr. Ahmad Adnan Saleh Alkhudari	Mr. Walid Yacoub Mahmoud Al Najjar	Eng. Ahmad Qasem Mohammad Al Sammarah
Signatures			

Date : 07/03/2024

Third : Governance Report for 2023

1. Introduction:

Jordan Petroleum Refinery Company started to implement the principles stipulated in the Code of Corporate Governance of Listed Companies on the Amman Stock Exchange as of 2015 based on The Board of Directors' decision issued in its session No. (5/2015) on 23/3/2015 as it is considered one of the elements for the success of companies to develop their performance. Noting that these principles became mandatory according to the decision of Securities Commission Board of Commissioners No. (146/2017) as from 22/5/2017.

In light of the developments in the national economy at all levels and in parallel with the efforts of the Securities Commission to establish a control and regulatory system on the performance of Shareholding companies, which will has a positive action on the financial market, and in compliance with the Corporate Governance Guidelines, this part of the 68th Annual Report of the Jordan Petroleum Refinery Company has been allocated to contain the functions of the Board of Directors and emanating committees from the Board of Directors which are: Central Tenders Committee, Financial Committee, Remuneration and Nominations Committee, Internal Audit and Control Committee, Governance Committee, Risk Management Committee, and all the Corporate Governance requirements of shareholding companies listed on the Securities Commission.

2. Board of Directors functions and the number of times of attendance of the Board meetings:

•The Board of Directors is consisted from of thirteen non independent and non-executive members, all have adequate qualifications, experience and knowledge, they have all the necessary qualifications, knowledge and experience in administrative and financial matters, rights and duties, the Board representing the maximum number of members of the Board based on Article 32 (a) of the Companies Law, to be the represent the largest number of shareholders. The Chairman of the Board and the Vice Chairman are elected from the members, the Board of Directors sets strategies, policies, plans, procedures and objectives that will achieve the company interests and maximize company profits and maintain the strength of its financial position and the rights of shareholders and community service and take all necessary measures to ensure compliance with the provisions of the legislation in force.

Following is a list of the names of the current and resigned Board members of the Jordan Petroleum Refinery Company, as well as the legal and natural entities and their administrative positions, and the number of times attending Board meetings during 2023 (number of meetings is 9):

No.	Member name	Position	Number of meeting	Number of Attendances	Attendance Percentage
1	Eng. Alaa Arif Batayneh/ Representative of Al-Arif Energy and Transport Consulting Company *	Chairman	9	9	100 %
2	Eng. Abed Alrahim Fathi Boucai / Representative of Abed Alrahim Boucai & Partners Co.**	Vice Chairman	9	9	100 %
3	Eng. Khair Abdullah Ayad Abu Saalik	Board Member	9	9	100 %
4	Mr. Bassam Rashad Rashid Sinokrot	Board Member	9	7	78 %
5	Mr. Ahmad Adnan Saleh Alkhudari	Board Member	9	9	100 %
6	Mr. Walid Yacoub Mahmoud Al Najjar	Board Member	9	9	100 %
7	Mr. Jamal M. F. Fariz	Board Member	9	9	100 %
8	Mr. Ibrahim A. A. AbuDayyeh	Board Member	9	8	89 %
9	Ms. Reem Yahya Hamto Abzakh / Representative of Social Security Corporation.***	Board Member	9	9	100 %
10	Mr. Ali Mohammad Mahmoud Al Balawneh / Representative of the Social Security Corporation ***	Board Member	9	9	100 %
11	Dr. Mohammad Moh'd K. Thneibat	Board Member	9	8	89 %
12	Eng. Ahmad Qasem Mohammad Al Sammarah / Representative of the Pension Fund of the Jordaian Engineers Association.****	Board Member	6	5	83%
13	Mrs. Zain Iyad M Alemam / Representative of the Islamic Development Bank- Jeddah.*****	Board Member	6	4	67 %

No.	Member name	Position	Number of meeting	Number of Attendances	Attendance Percentage
14	Eng. Shakib Abdel-Latif Said Odetallah / Representative of the Social Security Fund of the Jordanian Engineers Association.*****	Board Member	3	2	67 %
15	Jamil Ali Ismail Darras/ Representative of the Islamic Development Bank- Jeddah.*****	Board Member	3	2	67 %

- According to the General Assembly meeting held on 5/4/2023, ten new members were elected to the Board of Directors, in addition to three members representing legal entities that have the right to membership in accordance with the Companies Law and the Company's By-Laws.

*Eng. Alaa Arif Saad Batayneh was named as a representative of Al-Arif Energy and Transport Consulting Company according to its letter dated 5/4/2023. He was also elected Chairman of the Board of Directors according to Board of Directors Resolution No. (25) taken at its meeting held on 5/4/2023.

** Eng. Abed Alrahim Fathi Boucai was named as a representative of Abdel Alrahim Al Boucai & Partners Co. according to its letter dated 5/4/2023. He was also elected as Vice Chairman of the Board of Directors according to Board of Directors Resolution No. (25) taken at its meeting held on 5/4/2023.

*** Ms. Reem Yahya Hamto Abzakh and Mr. Ali Mohammad Mahmoud Al Balawneh were continued to be named as representatives of the Social Security Corporation, according to their letter No. (1573/DD) dated 5/4/2023.

**** Eng. Ahmad Qasem Mohammad Al Sammarah was named as a representative of the Pension Fund of the Jordanian Engineers Association according to its letter No. (230105/7401) dated 5/4/2023.

***** Mrs. Zain Iyad M Alemam was named as the representative of the Islamic Development Bank- Jeddah instead of Mr. Jamil Ali Ismail Darras according to their letter No. (INV-819).

***** The membership of the entity he represents (the Social Security Fund of the Jordanian Engineers Association) ended on 5/4/2023.

3.Memberships of the Board of Directors member in other shareholding companies:

No.	Member	Position	Member in Board of Directors of other companies
1	Eng. Alaa Arif Saad Batayneh / A representative of Al-Arif Energy and Transport Consulting Company *	Chairman	1-Arab Bank (Natural Person) 2-Euro Arab Insurance Group (Natural Person)
2	Eng. Abed Alrahim Fathi Salim Boucai / Representative of Abed Alrahim Boucai & Partners Co.**	Vice Chairman	1- Jordan Pipes Manufacturing Co. (As a representative of a Legal Entity) 2-Jordan Islamic Bank (Natural Person) 3-Jordanian Pharmaceutical Manufacturing Company (As a representative of a Legal Entity).
3	Eng. Khair Abdullah Ayad Abu Saalik	Board Member	Jordan Pipes Manufacturing Co. (Natural Person)
4	Mr. Bassam Rashad Rashid Sinokrot	Board Member	N/A
5	Mr. Ahmad Adnan Saleh Alkhudari	Board Member	N/A
6	Mr. Walid Yacoub Mahmoud Al Najjar	Board Member	Amman Stock Exchange Company/ Vice Chairman of the Board of Directors (as a representative of a Legal Entity)

No.	Member	Position	Member in Board of Directors of other companies
7	Mr. Jamal M. F. Fariz	Board Member	1- United Cables Industries Co. (Natural Person) 2- Former member of Binda (As a representative of a Legal Entity)
8	Mr. Ibrahim A. A. AbuDayyeh	Board Member	N/A
9	Ms. Reem Yahya Hamto Abzakh / Representative of Social Security Corporation.***	Board Member	N/A
10	Mr. Ali Mohammad Mahmoud Al Balawneh / Representative of the Social Security Corporation ***	Board Member	N/A
11	Dr. Mohammad Moh'd K. Thneibat	Board Member	Jordan Phosphate Mines Co. (Natural Person)
12	Eng. Ahmad Qasem Mohammad Al Sammarah / Representative of the Pension Fund of the Jordanian Engineers Association.****	Board Member	The professional Company for Real Estate and Housing Investments/ Chairman of the Board of Directors (as a representative of a Legal Entity)
13	Mrs. Zain Iyad M Alemam / Representative of the Islamic Development Bank- Jeddah.*****	Board Member	N/A
14	Eng. Shakib Abdel-Latif Said Odetallah / Representative of the Social Security Fund of the Jordanian Engineers Association.*****	Board Member	N/A
15	Jamil Ali Ismail Darras/ Representative of the Islamic Development Bank- Jeddah.*****	Board Member	N/A

*According to the General Assembly meeting held on 5/4/2023, ten new members were elected to the Board of Directors, in addition to three members representing legal entities that have the right to membership in accordance with the Companies Law and the Company's By- Laws.

**Eng. Alaa Arif Saad Batayneh was named as a representative of Al-Arif Energy and Transport Consulting Company according to its letter dated 5/4/2023. He was also elected Chairman of the Board of Directors according to Board of Directors Resolution No. (25) taken at its meeting held on 5/4/2023.

***Eng. Abed AlRahim Fathi Salim Boucai was named as a representative of Abdel AlRahim Al Boucai & Partners Co. according to its letter dated 5/4/2023. He was also elected as Vice Chairman of the Board of Directors according to Board of Directors Resolution No. (25) taken at its meeting held on 5/4/2023.

****Ms. Reem Yahya Hamto Abzakh and Mr. Ali Mohammad Mahmoud Al Balawneh were continued to be named as representatives of the Social Security Corporation, according to their letter No. (1573/DD) dated 5/4/2023.

*****Eng. Ahmad Qasem Mohammad Al Sammarah was named as a Representative of the Pension Fund of the Jordanian Engineers Association according to its letter No. (230105/7401) dated 5/4/2023.

*****Mrs. Zain Iyad M Alemam was named as the representative of the Islamic Development Bank- Jeddah instead of Mr. Jamil Ali Ismail Darras according to their letter No. (INV-819).

***** The membership of the entity he represents (the Social Insurance Fund for Members of the Jordanian Engineers Association) ended on 4/5/2023

4. Committees emanating from the Board of Directors:

The Board of Directors performs its missions through the committees emanating from the Board of Directors, which consist of the members of the Board in addition to the Chief Executive Officer, and where the various committees submit their recommendations to the Board of Directors for adoption of the appropriate decisions and approving the minutes of their meetings, and in accordance with the systems implemented in the company. The Board also delegates the senior management to take decisions in accordance with the powers stipulated in the systems implemented in the company that include:

1. The Company's Internal System.
2. Supplies and Works System.
3. Financial System.
4. Employees System.
5. System and Guidebook of Internal Audit and Control Unit.
6. Company's Governance System.
7. Risk Management System and Risk Management procedure instruction.

Following table shows the Committees emanating from the Board of Directors, members' names, their position and attendances:

Central Tenders Committee: its responsibilities were specified in Supplies and Works System

The number of meetings of the Central Tenders Committee is (9) meetings in the year 2023, and the following table shows the attendance:

No.	Member	Position	Number of invitations to convene	Number of attendances	Attendance Percentage
1.	Eng. Alaa Arif Saad Batayneh	Chairman	9	9	100%
2.	Eng. Abed AlRahim Fathi Boucai	Vice Chairman	9	9	100%
3	Eng. Khair Abdullah Ayad Abu Saalik	Member	9	8	89%
4	Mr. Bassam Rashad Rashid Sinokrot	Member	9	8	89%
5	Eng. Abdel Karim Hussein Abdallah Alawin	Member	9	8	89%

The membership of the members of the Central Tenders Committee ended at the end of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted in accordance with Board of Directors Resolution No. (28) in its session held on 5/4/2023.

Finance Committee: its responsibilities was specified in Financial System

The number of meetings of the Financial Committee is (7) meetings in the year 2023, and the following table shows the attendance:

No.	Member	Position	Number of invitations to convene	Number of attendances	Attendance Percentage
1	Eng. Abed AlRahim Fathi Boucai	Chairman	7	7	100%
2	Eng. Khair Abdullah Ayad Abu Saalik	Vice Chairman	7	6	86%
3	Mr. Bassam Rashad Rashid Sinokrot	Member	7	4	57%
4	Mr. Jamal M. F. Fariz	Member	7	6	86%
5	Eng. Abdel Karim Hussein Abdallah Alawin	Member	7	7	100%

The membership of the Finance Committee members ended with the end of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted in accordance with Board of Directors Resolution No. (28) in its session held on 5/4/2023.

Remuneration and Nominations Committee: its responsibilities were specified in Employees System

The number of Nomination and Remuneration Committee meetings is (5) meetings in year 2023, and the following table shows the attendance:

No.	Member	Position	Number of invitations to convene	Number of attendances	Attendance Percentage
1.	Dr. Mohammad Moh'd K. Thneibat	Chairman	5	5	100%
2.	Mr. Ibrahim A. A. AbuDayyeh	Vice Chairman	5	4	80%
3.	Mr. Ali Mohammad Mahmoud Al Balawneh	Member	5	4	80%

The membership of the members of the Nominations and Remuneration Committee ended with the end of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted in accordance with Board of Directors Resolution No. (28) in its session held on 5/4/2023.

Internal Audit and Control Committee: its responsibilities were specified in the System and Guidebook of Internal Audit and Control Unit:

The number of meetings of the Internal Audit and control Committee is (6) in year 2023. The following table shows the attendance:

No.	Member	Position	Number of invitations to convene	Number of attendances	Qualifications	Practical Experience
1	Mr. Ahmad Adnan Saleh Alkhudari	Chairman of the Committee as of 04/05/2023 and Vice Chairman before this date	6	6	Bachelor of in Business Management/ Lebanese University	<ul style="list-style-type: none"> -Vice Chairman of Jordan Exporters Association. - Member of Amman and Jordan Chambers of Industry. - Member of the Association of Small and Medium Enterprises. - Board Member of Jordan Exports Institution. - Member of Board of Directors of several companies.
2	Mr. Walid Yacoub Mahmoud Al Najjar	Vice Chairman of the Committee as of 04/05/2023	6	6	Bachelor of Economy & Politics Beirut Arab University	<ul style="list-style-type: none"> -Owner and Chairman of Tanmia Securities Co. - Vice Chairman of Amman Stock Exchange. - Member of Board of Palestine Investment Bank. - Former Chairman of Financial Services Companies Association. - Founder of several public shared companies (Banks, insurance, services and co management as chairman, member and vice president. - Former Member of the Board of Directors of the Securities Depository Center. - Founder of the Amman Financial Market Brokers Association and Chairman of its Board of Directors for more than one session. - Member of the Board of Directors of Jordan Iron & Steel Industries Co. - Chairman of Winter Valley Tourism Investment Co.
3	Eng. Ahmad Qasem Mohammad Al Sammarah	Member	5	4	Bachelor Degree in architecture /Damascus University	<ul style="list-style-type: none"> -Head of the Jordanian Engineers association. -Chairman of the Board of Directors of the Professional Real Estate Company. -Member of the Supreme Organization Council at the Ministry of Municipalities. -Member of the Board of Directors of Housing and Urban Development. -Member of the Board of Trustees of the University of Science and Technology.

No.	Member	Position	Number of invitations to convene	Number of attendances	Qualifications	Practical Experience
4	Eng. Shakib Abdel-Latif Said Odehallah	Chairman of the Committee until 5/4/2023	1	1	Bachelor Degree in Electrical Engineering/ Al-Mansoura University, Egypt	- Member of the Council of Engineers Association/ Treasurer 2012-2018. - Member of the Investment Committee of the Pension Fund / Engineers Association. - Member of the Executive Office of the Union of Arab Engineers - Member of the Board of Directors of Lemar International Academy. - Board Member of Social Security of Jordanian Engineers Association.

-The Internal Audit and control Committee met with the company's external auditor without the presence of the executive management or its representative five times in accordance with the provisions of Article (7/C) of the Governance Instructions.

- The membership of the members of the Internal Audit and control Committee ended at the end of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted in accordance with Board of Directors Resolution No. (28) in its session held on 5/4/2023.

* Eng. Ahmad Qasem Mohammad Al Sammarah was appointed as Representative of the Pension Fund of the Jordanian Engineers Association, according to their letter No. (7401/230105), dated 5/4/2023.

**The membership of the entity he represents (the Social Security Fund of the Jordanian Engineers Association) ended on 5/4/2023.

Governance Committee: its responsibilities was specified in the Code of Corporate Governance:

The number of meetings of the Governance Committee is (3) in year 2023, and the following table shows the attendance:

No.	Member	Position	Number of invitations to convene	Number of attendances	Attendance Percentage
1.	Mr. Jamal M. F. Fariz	Chairman	3	3	100%
2.	Mr. Bassam Rashad Rashid Sinokrot	Vice Chairman	3	2	67%
3.	Eng. Khair Abdullah Ayad Abu Saalik	Member	3	2	67%
4.	Ms. Reem Yahya Hamto Abzakh	Member	3	3	100%

The membership of the members of the Governance Committee ended with the end of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted in accordance with Board of Directors Resolution No. (28) in its session held on 5/4/2023.

Risk Management Committee: its responsibilities was specified in Risk Management System and Risk Management procedure instruction:

The number of meetings of the Risk Management Committee is (4) meetings in year 2023, and the following table shows the attendance:

No.	Member	Position	Number of invitations to convene	Number of attendances	Attendance Percentage
1.	Eng. Abed AlRahim Fathi Salim Boucai	Chairman	4	4	100%
2.	Mr. Jamal M. F. Fariz	Vice Chairman	4	4	100%
3.	Eng. Abdel Karim Hussein Abdullah Alawin	Member	4	4	100%

The membership of the members of the Risk Management Committee ended at the end of the legal term of the Board of Directors on 5/4/2023, and the committee was reconstituted in accordance with Board of Directors Resolution No. (28) in its session held on 5/4/2023.

5. Internal Audit and Control:

•The Board of Directors set a group of procedures to review the effectiveness of the Internal Control/ Audit System, for example:

1. Reports of the Internal Audit Unit, that is directed to the Audit and Control Committee emanating from the Board of Directors.
2. An evaluation form of the Internal Control/Audit System in the company is prepared and presented annually according to the concept of COSO and submitted to the Internal Audit and Control Committee.
3. The Executive Management has been assigned to work on setting a plan for the development of the internal control/ oversight system in the company.

• Addressing any failures or weaknesses discovered in the internal Control/Audit System through the following actions:

1. Implement the principles stipulated in the Guide/Code of Corporate Governance of Listed Companies on the Amman Stock Exchange.
2. Implementation of the recommendations contained in the reports of the Internal Audit and Control Unit on the work of the company's various departments.
3. Implement the recommendations of the investigation commissions to prevent repetition of committed mistakes and abuses.
4. Implement external auditor's recommendations mentioned in its report presented to the Board of directors to solve the weakness points which discovered

6. Executive positions in the company and the names of the persons who occupy them:

Name	Current Position	Date of Appointment
Eng. Abdel Karim Hussein Abdallah Alawin	Chief Executive Officer	28/10/1978
Eng. Khaled Mohammad Yousef Al-Zoubi	General Manager of the Petroleum Products Marketing Co.	21/9/2013
Eng. Kamal Waleed Khalaf Al-Tall	CEO Deputy for technical affairs / Refinery Executive Director	9/10/1982
Eng. Abdul-Rahman Mohammed Salim AlNugrush*	CEO Deputy for administration affairs	1/1/1992
Eng. Hani Ahmad Elias Shawash	Advisor to the Chief Executive Officer for Technical Affairs	9/7/2008
Eng. Sultan Muhammad Suboh Mutlaq	Refinery Executive Director Deputy	25/6/1994

*His services with the company ended as of 3/12/2023.

7. Liaison Officer:

The Manager of the Finance Department/Mr. Abdel- Rahman Y.A As'ad, has been assigned to carry out the work of the Corporate Governance Officer to follow up the matters related to the Company's Governance applications with the Securities Commission.

Eng. Alaa Batayneh Chairman Of the Board of Directors



Sixteenth: Human Resources

The company believes that the human resource is one of the vital resources since the employees are the ones in direct concern with the company interest. Therefore, the company has set a main sustainability goal manifested in developing a work environment to be affiliated, effective, safe, ethical, positive and motivating that ensures equity, integrity and equality, which also ascertains prosperity and organizational welfare, as the effective working environment is one of the most critical success factors the company would thrive to achieve.

First: Training and development

Jordan Petroleum Refinery Company recognizes the importance that all employees have the opportunity develop their careers and continues to improve organizational performance and respond to the development needs of all our employees.

The following is a summary of the most important achievements and events for 2023:

1. Training of employees:

a. Delegating (860) employees to attend training courses (technical, administrative, financial) and other activities inside Jordan executed through (95) training programs.

b. Delegating (14) employees to attend various courses, exhibitions, conferences, and official assignments outside Jordan executed through (8) activities.

No.	Category of Training Activity	Inside the Kingdom		Outside the Kingdom	
		Number of training activities	Number of employees	Number of training activities	Number of employees
1	Administrative Courses	15	100	-	-
2	Technical Courses	16	128	-	-
3	Occupational Safety and Health Courses	46	604	-	-
4	Conferences, Seminars & Workshops Exhibitions	18	28	8	14
Total		95	860	8	14

2. Training for University Students and Fresh Graduates

As part of the company's vision for serving the local community, the company provides graduates with practical experience, and qualify them to enter the labor market by training (40) fresh graduated engineers/university degree holders in different disciplines, and as part of cooperation with various universities, colleges, institutes, the delegates from the IAESTE Organization and the Arab Council for the exchange of Arab university (127) were trained during the year 2023 for students. Furthermore, the company conducts training courses within its own training center for various local companies and organizations employees to provide them with the appropriate skills and enhance their performance. Moreover, the company provides training sessions for engineers, technicians and administrative personnel from neighboring Arabian petroleum refineries.

Second: Manpower:

The total number of employees in the company as on December 31, 2023 reached (2263) employees distributed as follows:

Employment type	Mother Company/ Jordan Petroleum Refinery (Employee)	Percentage for Mother Company/ Jordan Petroleum Refinery	Subsidiary/ Jordan Lube Oil Manufacturing company (Employees)	Percentage for Subsidiary/ Jordan Lube Oil Manufacturing company	Subsidiary /Jordan Liquefied Petroleum Gas Manufacturing & Filling Company (employees) **	Percentage Subsidiary /Jordan Liquefied Petroleum Gas Manufacturing & Filling Company	Subsidiary- Jordan Petroleum Products Marketing Company (employees)	Percentage Subsidiary- Jordan Petroleum Products Marketing Company	Total employees	Percentage %
Classified	1,342	95.04%	59	93.65%	216	100%	8	1.40%	1,625	71.81%
Annual contract	70	4.96%	4	6.35%	-	-	463	80.94%	537	23.73%
Temporary contract*	-	-	-	-	-	-	101	17.66%	101	4.46%
Total	1,412	100%	63	100%	216	100%	572	100%	2,263	100%

* Temporary contracts (6) months.

** The company activated Jordan Liquefied Petroleum Gas Manufacturing & Filling Company and (wholly owned subsidiaries) as of January 1st 2023, accordingly it has annexed all the LPG activities (except LPG production activity) to this company and annexed the three LPG filling stations (Amman, Irbid, Zarqa) and LPG Cylinders' repair and rehabilitation workshop to this company as operating facilities.

The Following table shows a comparison between numbers of staff and workers in the Company for the years 2022 - 2023:

Year Employment type	2023				2022		
	Mother company/ Jordan petroleum refinery company	Subsidiary/ Jordan Lube Oil Manufacturing company	Subsidiary / Jordan Liquefied Petroleum Gas Manufacturing & Filling Company **	Subsidiary- Jordan Petroleum Products Marketing Company	Mother company/ Jordan petroleum refinery company	Subsidiary/ Jordan Lube Oil Manufacturing company	Subsidiary/ Jordan Petroleum Products Marketing Company
Classified/permanent	1,342	59	216	8	1,705	68	12
Annual contract	70	4	-	463	67	2	433
* Temporary contract	-	-	-	101	-	-	97
Total	1,412	63	216	572	1,772	70	542
	2,263				2,384		

* Temporary contract (6) months.

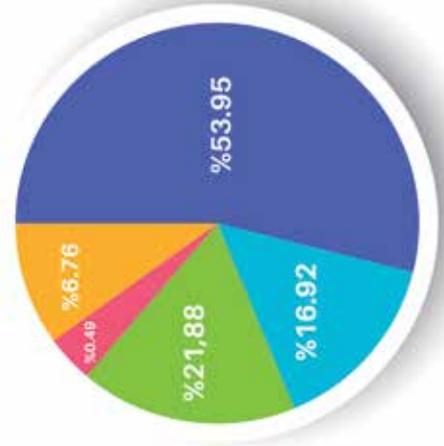
** The company activated Jordan Liquefied Petroleum Gas Manufacturing & Filling Company and (wholly owned subsidiaries) as of January 1st 2023, accordingly it has annexed all LPG activities (except LPG production activity) to this company and annexed the three liquefied petroleum gas filling stations (Amman, Irbid, Zarqa) and LPG Cylinders' repair and rehabilitation workshop to this company as operating facilities.

The table and pie chart below illustrate the distribution of the company employees aside with their grades as on 31st December 2023:

Category	Mother company/ Jordan petroleum/refinery company		Percent Mother company/ Jordan petroleum refinery company %	Subsidiary/Jordan Lube Oil Manufacturing Company		Total Subsidiary/ Jordan Lube Oil Manufacturing Company	Percent Subsidiary Jordan Lube Oil Manufacturing Company %	Subsidiary/ Jordan Liquefied Petroleum Gas Manufacturing & Filling Company**		Total Subsidiary/ Jordan Liquefied Petroleum Gas Manufacturing & Filling Company *	Percent Subsidiary /Jordan Liquefied Petroleum Gas Manufacturing & Filling Company	Subsidiary- Jordan Petroleum Products Marketing Company			Total Subsidiary/ Jordan Petroleum Products Marketing Company %	Total for mother and subsidiary	Percent for Mother and Subsidiary %
	Permanent	Annual contract		Permanent	Annual contract			Permanent	Annual contract			Temporary contract*					
Special	8	1	0.64	-	-	-	-	1	1	1	0.46	-	1	-	11	0.49	
First	131	2	9.42	9	1	10	16.87	3	3	3	1.39	-	7	-	153	6.76	
Second	1004	64	75.64	17	3	20	31.75	115	115	97	53.24	4	14	-	1221	53.95	
Third	199	3	14.30	33	-	33	52.38	97	97	44.91	44.91	4	45	2	383	16.92	
Fourth	-	-	-	-	-	-	-	-	-	-	-	-	396	99	495	21.88	
Total	1342	70	100	59	4	63	100	216	216	216	100	8	463	101	2263	100	

* Temporary Contracts (6) months.

** The company activated Jordan Liquefied Petroleum Gas Manufacturing & Filling Company and (wholly owned subsidiaries) as of January 1st 2023, accordingly it has annexed all the liquefied petroleum gas activities (except LPG production activity) to this company and annexed the three LPG filling stations (Amman, Irbid, Zarqa) and LPG Cylinders' repair and rehabilitation workshop to this company as operating facilities

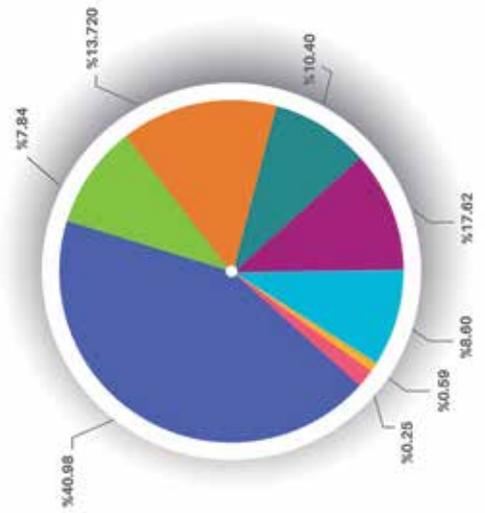


Special
First
Second
Third
Fourth

Educational qualification	Mother company/Jordan petroleum Refinery		Percentage Mother Company/Jordan Petroleum Refinery %	Subsidiary/ Jordan Lube Oil Manufacturing Company		Total Subsidiary/ Jordan Lube Oil Manufacturing Company	Percentage Subsidiary/ Jordan Lube Oil Manufacturing Company %	Subsidiary/ Jordan Liquefied Petroleum Gas Manufacturing & Filling Company ***		Total Subsidiary/ Jordan Liquefied Petroleum Gas Manufacturing & Filling Company **	Percentage Subsidiary/ Jordan Liquefied Petroleum Gas Manufacturing & Filling Company **	Subsidiary/ Jordan petroleum products marketing Company			Total for Subsidiary- Petroleum Products Marketing Company	Percentage Subsidiary/ Jordan petroleum Products Marketing Company %	Total mother company and its subsidiaries	Percent mother company and its subsidiaries %
	Permanent	Annual Contract		Permanent	Annual Contract			Permanent	Annual Contract			Temporary contract*						
Engineering/all disciplines	91	28	8.43	5	-	5	7.94	5	5	2.31	2.31	1	43	3	47	8.22	176	7.78
University degrees except engineering	104	15	8.43	8	3	11	17.46	2	2	0.93	0.93	4	201	31	236	41.26	368	16.26
Diploma degrees	172	1	12.25	5	-	5	7.94	12	12	5.56	5.56	3	43	7	53	9.27	243	10.74
High School Degrees	312	23	23.73	1	1	2	3.17	6	6	2.78	2.78	-	32	15	47	8.22	390	17.23
Vocational Centers	143	2	10.27	3	-	3	4.76	14	14	6.48	6.48	-	26	1	27	4.72	189	8.35
Vocational Competency	2	1	0.21	-	-	-	-	-	-	-	-	-	3	-	3	0.51	6	0.27
Craftsman Centers	13	-	0.92	-	-	-	-	1	1	0.46	0.46	-	-	-	-	-	14	0.62
Less than high school/Degree	505	-	35.76	37	-	37	58.73	176	176	81.48	81.48	-	115	44	159	27.80	877	38.75
Total	1342	70	1412	59	4	63	100	216	216	100	100	8	463	101	572	100	2263	100

* Temporary Contracts (6) months.

** The company activated Jordan Liquefied Petroleum Gas Manufacturing & Filling Company and (wholly owned subsidiaries) as of January 1st 2023, accordingly it has annexed all the liquefied petroleum gas activities (except LPG production activity) to this company and annexed the three LPG filling stations (Amman, Irbid, Zarqa) and LPG Cylinders' repair and rehabilitation workshop to this company as operating facilities



Sulfur Recovery Unit



Seventeenth: Safety and Environment

Safety and Environment Section:

The company gives top priority to the health and safety of its employees and stakeholders based on its concept (safety first). Since its establishment, the Company sought this concepts sought to establish this concept among its employees and relevant stakeholders by emphasizing that health and safety is everyone's responsibility. The company developed and updated strategies and systems based on the results of its evaluation in order to ensure a safe and secure work environment.

The following are the most important works carried out by the company during the year 2023 to raise the level of safety:

1-The company has assigned health and environmental safety specialists to ensure the regulation of the ministry of labor is being effectively implemented, in addition to assigning a female health and environmental safety specialist to promote the role of females in the company.

2- The company hired (3) medical doctors and (8) nurses in addition to (2) medical doctors to be part of the company staff complying with the Ministry of Labor regulations. Moreover, the company campus contains medical clinics, pharmacy and first aid kits distributed across all its facilities.

3- The company owns (5) ambulances vehicles distributed across its facilities.

4-The company owns (9) firefighting trucks and fully prepared firefighting & extinguishers equipped trucks, water tankers and (HazMat) vehicles to deal with hazardous materials.

5- In support of the recycling efforts, a mechanism for disposed paper recycling is being considered.

6- Conducting organizing and cleaning activates in the company junk yards to cast away the trash into dumps.

7- The safest alternatives regarding storing hazardous chemicals in warehouses are being studied.

8-Monitoring the levels of greenhouse gases and the environmental situation in the refinery units and the surrounding areas as well.

9-Monitoring the acoustic noise levels in different work locations.

10-Monitoring the performance of wastewater treatment plants.

11-Effective participation in various committees' meetings concerned with environmental health and safety outside the company.

12-Participation in a working group at the Kingdom level to study the impact of climate change on energy facilities.

13-The company was enlisted as a member with various associations and entities aiming to preserve the environment, in addition to calling out for conferences and seminars concerned with this regard.

14-The company utilized the renewable energy resources -as possible- to reduce the consumption of non-renewable energy. The company used photovoltaic panels type of renewable energy for that purpose.

15-The company worked to expand the green area of its sites and the surrounding sites by activating the afforestation process in order to reduce the impact of these emissions and air pollutants.

16- The company monitors the quality of air in the company and its surrounding areas via air quality sensing apparatus, in addition to gas detection equipment spread in all company location where it records gases amount in case the permissible percentage is exceeded.

17-The company conducted comprehensive environmental audit for its facilities in Aqaba by auditing safety procedures, periodic maintenance, firefighting, accidents and soil stability in storage facilities and storage areas, in addition to leak containment methods and emitted gases control.

18-The company conducts periodic cleaning of the seashore where the crude oil and petroleum products bay is located from sand and gravel stones, in addition to filters painting jobs. Furthermore, the company conducts cleaning for seashore water by replacing polluted water with fresh one and removal of rocks, sea mud and smudge.

Eighteenth: Local Community service

The Company continued providing services to the local community through its commitment to social responsibility and striving to maximize its societal value in local community especially the places in which it carries out its activities, as these communities contributed to the company's continued growth and development over more than sixty years. The Company continue its policy to extend financial and in-kind support for Educational, health care, environmental, sports, youth and community service sectors in line with its goals to achieve sustainable development, as the company provided financial and in-kind support to a large number of charitable, educational and religious institutions and governmental and security agencies to help them carry out their mission and serve the local community. In 2023, the Company donated JD (658,041) to the following entities:

	Recipients of donations	Donation (JD)
1.	King Hussein Cancer Center	120,000
2.	Public Security Directorate	100,000
3.	Distributing food vouchers to poor families	50,000
4.	Irbid Development Corporation	50,000
5.	Hashimiya Municipality	35,000
6.	General Union of Petroleum and Chemical Workers	37,000
7.	Jordan Forum	25,000
8.	Al-Amal Charity Society	25,000
9.	Jordanian Hashemite Fund for Development (Goodwill Campaign)	20,000
10.	Amman Chamber of Commerce-sponsoring of founding Centenary	15,000
11.	Amman Chamber of Industry- Sponsoring of Jordan Industry Day	15,000
12.	Youth National Dialogue Initiative	15,000
13.	Sponsoring Jordanian Economic Forum	15,000
14.	Rashed Al-Zyud Society	14,760
15.	University Scholarship for Hashimiya Region Residents	13,081
16.	Al- Hashimiya Sports Club	10,000
17.	Haya Cultural Center	10,000
18.	Jordan Hashemite Charity Organization	10,000
19.	Jordan Media Institute	10,000
20.	Jordan Basketball Federation	10,000
21.	Jordan Environment Society	7,500
22.	The Higher Council for the Rights of Persons with Disabilities	6,000
23.	Jordan Engineers Association (sponsoring 3rd International Electrical Engineering and Information Technology Conference)	5,000
24.	Jordanian Association for Palestinian Medical Aid	5,000
25.	Support SOFEX Exhibition	5,000
26.	Al-Jundi Society Center	5,000
27.	Support Ammar Bin Yaser Mosque (Construction Campaign)	4,000
28.	Irbid Governorate Council	3,000
29.	Islamic Culture Association	2,000
30.	Hashemite University	2,000
31.	Prince Ali-Bin Al-Hussain Club for Deaf	2,000
32.	Jordan Club for the Deaf	2,000
33.	Jordan society for Eajaz Al-Quran	2,000
34.	Jordanian Traffic Accident Protection Society	1,000
35.	Jordan Marathons Society	1,000
36.	Jordanian Roads Society	1,000
37.	Sponsoring 5th National Transportation Conference	1,000
38.	Jordan University of Science and Technology	500
39.	Al-Yasameen Charity Foundation	500
40.	Al-Khaldeia Sport Club	500
41.	Jordan Environment Protection Society	500
42.	Jordan Wrestling Federation	500
43.	Donation to the Honoring Ceremony of the First Graduates of General Secondary	500
44.	Bani Shaiba Charity Society	400
45.	Humanitarian Aid Club	300
Total		658,041

In-kind Donations provided by the Company during 2023 amounted to JD (66,719), which were donated to the following entities:

Recipients of donations		Donation (JD)
1.	Hashimiya Municipality (Asphalt)	40,120
2.	Hashimiya Municipality (Furnishing Meeting Hall)	26,055
3.	Muaz Bin Jabal Mosque (Asphalt)	544
Total		66,719

Nineteenth: Capital Projects:

First : The most important capital projects that have been completed during the year 2023:

- Completion of construction and upgrading of (22) fuel stations throughout the Kingdom .
- Design, supply and commissioning of new water treatment unit with capacity 120 m³/hour for Well No. (12) at a cost of JD (950) thousands.
- Supply and install a new (CCTV) system for LPG Filling Stations (Amman & Irbid) at a cost of JD (320) thousands.
- Modification on Firefighting system for crude oil receiving station at refinery site by construction of above ground firefighting pipe lines at an estimated cost of JD (265) thousands.
- Purchase of (10) radar gauge system for storage tanks at a cost of JD (250) thousands.
- Modification on Firefighting system for crude oil receiving station and Jet fuel filters at refinery site at an estimated cost of JD (250) thousands.
- Supply of (2) Inter-Stage Condensate pumps for FCC unit at a cost of JD (250) thousands.
- Rehabilitate the drainage networks in the refinery units to accommodate firefighting water and replace damaged concrete slabs (third phase) in the chemical treatment unit at a cost of JD (180) thousand.
- Installation of new unloading station for Euro-5 Diesel at cost of JD (160) thousand.
- Purchasing of (4) inspection devices for refinery units at a cost of JD (110) thousand.
- Purchasing of (35) temperature gauge systems for storage tanks at cost of JD (150) thousand.
- Supply a new hydrostatic test machine for LPG cylinders (Capacity 12.5 KG) at a cost of JD (100) thousands.
- Purchase a new (5) pickups vehicles at cost of JD (100) thousands.
- Supply of (2) LCO Circulation pumps for FCC unit at a cost of JD (100) thousands.
- Replacement of Diesel Cycle Oil tank at a cost of JD (100) thousands.
- Purchasing (4) eclectic motors (400 V) and its control panels with VSD at cost of JD (85) thousands.
- Installation of (4) elevators for residential area at cost of JD (80) thousands.
- Purchasing humidity measuring device for circulating gas in platforming unit at cost of JD (70) thousands.
- Supply and installation a new water spray washing machines (Capacity 12.5 Kg) for Amman LPG Filling Station at a cost of JD (70) thousands.
- Installation of firefighting system in loading area department offices at cost of JD (50) thousand.
- Installation of store for chemicals at cost of JD (40) thousands.

Second : Current Capital Projects that will be completed during the year 2024:

- Installation and upgrade of (19) fuel stations at various locations in the Kingdom.
- Construction of new LPG storage facilities (10000 ton capacity) in Zarka site at cost of JD (33) Million.
- Construction of new LPG storage facilities (4000 ton capacity) at Aqaba site at cost of JD (15) Million.
- Construction of new base oil storage facilities at Aqaba site at cost of JD (2.5) Million.
- Installing a solar energy system for the Amman and Salah al-Din-Irbid gas filling stations at an estimated cost of JD (1.1) million.
- Modifications on fire fighting and alarm systems in Aqaba installations at cost of (800) thousands JD.
- Supply of (7) pumps to replace existing pumps in refinery units at cost of JD (700) thousands.
- Purchasing a fire fighting vehicle at a cost of JD (400) thousands.
- Apply passive protection system for steel structure in Unibon and hydrogen units at cost of JD (400) thousands.
- Supply of special valves for LPG storage tanks at Aqaba site at cost of JD (250) thousands.
- Supply of (4) forklifts for LPG filling stations at cost of JD (232) thousands.
- Supply of (2) vessels to replace existing vessels in FCC unit at cost of JD (200) thousands.
- Supply of (3) Reduced Crude pumps for CDU-3 unit at a cost of JD (150) thousands.
- Supply of (4) testing equipment for refinery units at cost of JD (110) thousands.
- Supply of (2) instrument air compressors for LPG facilities at cost of JD (100) thousands .
- Replacement of electric panels at cost of JD (90) thousands.
- Supply of Gas humidity measuring device for Platforming unit/Area 6 at a cost of JD (60) thousands.
- Supply of (12) portable huts for refinery units at cost of JD (40) thousands.
- Supply of new AVGAS pump to replace existing one in Amman civil airport at cost of JD (20) thousands.

Third: Fourth Expansion Project:

The total amounts were paid for the technical, financial, legal and environmental studies and consultations, and the basic and detailed designs amounted to JD (51,629,374) until the date of December 31, 2023, and an estimated amount equivalent to JD (6,633,605) is expected to be paid during the year 2024.

Regarding the latest developments related to this project, the company, in coordination with all project consultants, completed providing the consortium - that has the best offer which consisting of Italian, Chinese and Japanese companies (Tecnimont-Sinopec (GPEC) - Itochu) - with the necessary information to fill out the necessary financing application forms for submission to export finance agencies, the Italian company (one of the members of the consortium) requested a significant increase in the price of the submitted offer, in violation of what had been agreed upon and the terms of the bid. After several meetings and communications with The Italian company to try to dissuade it from this approach, as increasing the price after opening bids constitutes a violation of the company's regulations, and in light of this the Italian company's insistence on its position on the price, it was informed that the request for a price increase is not acceptable, and thus this company withdraw from the consortium. As for the other two companies in the consortium, they have expressed their interest in the project and working to cover the gap resulting from the withdrawal of the Italian company.

Accordingly, Jordan Petroleum Refinery Company informed the two members of the consortium of its acceptances to complete negotiations with them and set the necessary conditions to take them into consideration to continue, it is planned that a face-to-face meeting will be held during March 2024 with the two members of the consortium, in the presence of the company's advisors, to agree on a mechanism for completing all technical and financial matters to ensure the continuation of the project through the construction stage.

As for Japanese financing, the Japanese financing agency (NEXI) has obtained approval from the Japanese Ministry of Economy, Trade and Industry to finance the company's project, while financing through the Japan Bank for International Cooperation (JBIC) is still under evaluation by the Japanese Ministry of Finance.

Regarding the work of due diligence consultants (technical, environmental, market,... etc.), it will continue immediately after the agreement on the new structure of the joint venture and determining the ways to complete the project.

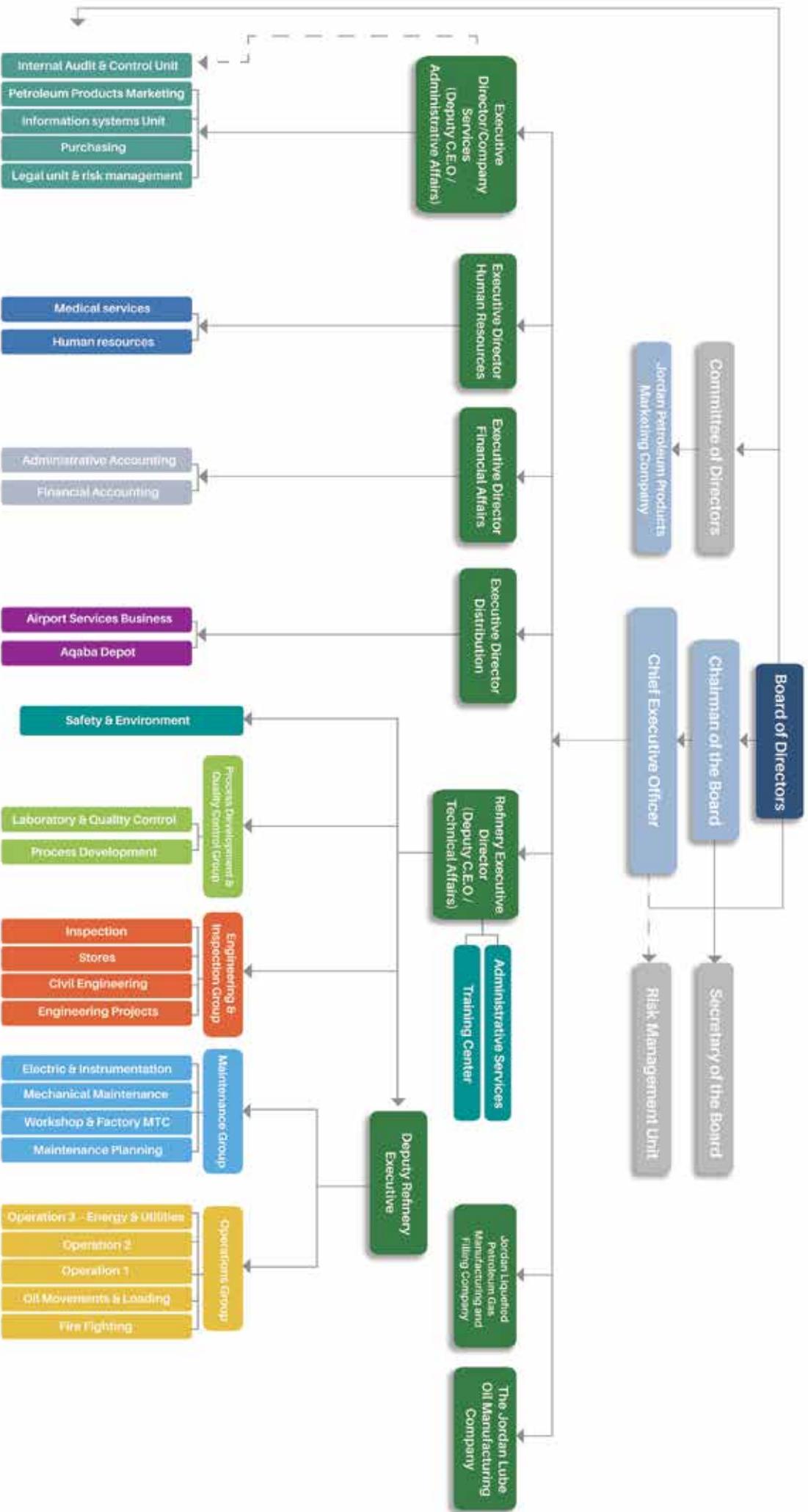
Twenty: The Geographical Distribution of the Company's Property and Equipment and its Employees as on 31/12/2023

The following table shows the geographical distribution of the company's fixed assets and the employees working at each location as on 31st December 2023:

Location	Company property and equipment			Employees			
	Book Value (JD)	Accumulated depreciation (JD)	Net value of property and Equipment (JD)	Classified (Employee)	Annual Contracts (Employee)	Temporary contracts* (Employee)	Total (Employee)
Amman	130,279,487	56,392,430	73,887,057	301	203	32	536
Al-Zarqa	328,465,179	282,322,928	46,142,251	1,021	257	47	1,325
Irbid	4,496,979	2,165,452	2,331,527	53	21	5	79
Karak	24,148,700	16,655,267	7,493,433	-	16	7	23
Ajloun	1,224,765	434,492	790,273	-	-	-	-
Jerash	3,433,779	1,072,349	2,361,430	-	5	1	6
Ma'an	8,238,008	2,728,789	5,509,219	-	-	-	-
Tafelah	1,792,116	892,729	899,387	-	-	-	-
AlMafraq	1,689,035	796,074	892,961	-	6	1	7
Madaba	4,599,222	2,383,682	2,215,540	-	2	1	3
Al-Balqa	1,266,346	959,720	306,626	-	10	5	15
Aqaba	43,724,270	27,817,910	15,906,360	250	17	2	269
Total	553,357,886	394,621,822	158,736,064	1,625	537	101	2,263

* Temporary contract (6) months.

Twenty One : Company's Organization Chart :



Twenty-Two: Other Explanatory Notes:

1. During the year 2023, there were no operations of a non-recurring nature that did not fall within the main activity of the company.
2. The audit fees of the company and its subsidiaries for the year 2023 paid to the independent auditors Deloitte & Touche Company amounted to of JD (206,063).
3. The total capital investment for the Company's activities in 2023 reached JD (86,965,421) as explained in item "Third" "Investments of the mother company and its subsidiaries companies".
4. In April, 2023 the Company purchased the Government's share in its assets in Aqaba terminal and airports, which represents (51%), at cost of JD (20,4) million, according to the market value determined by the consulting company assigned by the Government (Chan Oil Consulting Company), in implementation of a Council of Ministers' Resolution No. (11147) adopted in its session held on 26/3/2023.
5. The company has activated the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company as of January 1, 2023, and it has annexed the entire LPG activity (except LPG production activity) to this company and annexed the three LPG filling stations (Amman, Irbid, Al-Zarqa) and a workshop for the repair and rehabilitation of the gas cylinders for this company as operating facilities, and the company has transferred the licenses granted to it to practice various gas activities and central distribution activity of liquefied petroleum gas to this company on November 2, 2022 after the approval of the Energy and Minerals Regulatory Commission on it. The payment of the capital of the Jordan Liquefied petroleum Gas Manufacturing and Filling Company was completed on September 7, 2022, so that the company's authorized and paid-up capital amounted to JD (4) million.
6. Renewed the license for Jordan Petroleum Products Marketing Company for the activity of importing, exporting, transporting, storage, loading, unloading, distributing and selling finished petroleum products, and operation and maintenance its facilities for an additional ten years starting from 1/5/2023, at cost of JD (1,25) million.
7. There are lawsuits filed against the company in the courts for claims amounting of JD (4,526,499) as of December 31, 2023, of which an amount of JD (3,400,000) is related to the refinery activity and an amount of JD (1,126,499) is related to the Jordan Petroleum Products Marketing Company (JD (4,234,658) as on December 31, 2022). and the obligations that could ensue on the Company from the outstanding lawsuits were estimated and the required provision for the outstanding lawsuit has been recorded within payables and other credit balances item. In the opinion of the company's management and the legal advisor, the provisions taken are sufficient to meet any future obligations.
8. The Board of Directors expects that the company's financial position and the results of its business outcomes for the year (2024) will be similar to the current year and that the rate of change between the two years will be an increase or decrease of about (10%), subject to the stability of crude oil prices and finished petroleum products and subject to the Government's commitment to pay the amounts due on it.
9. The company did not conclude contracts and engagements during the year 2023 with subsidiaries, affiliates or sister companies, and did not conclude contracts or engagements with the Chairman, Board Members, CEO, Executive Directors or Employees, and this applies to relatives of the mentioned parties.
10. The company confirms the continuation of its work as well as does not intend to liquidate the company or stop its business as it has no doubt about the Group's ability to continue as a going facility and expects its prosperity and development in the future.
11. Despite that the Council of Ministers' Resolution No. (7633), adopted in its meeting held on April 30, 2018, has set the commission for gas activity for the period from May 1, 2018 to December 31, 2018 at JD (43) per ton gas sold, as the filling liquefied gas centers rate of return on investment was set for calculating the commission purposes at a rate of (12%) per annum as of the beginning of year 2019. Where Any surplus/shortage arising from the increase/decrease in the rate of return on investment from the target value in calculating the amount of commission for filling centers for the subsequent period, either downward or upward. And so as the above mechanism may not cause any increase in the cylinder's cost charged to customers or a subsidy by the Treasury/ Ministry of Finance for this activity. The fair value of commission, which reflects a rate of return on investment at (12%), has not been approved by the government to date. The Company has already provided the Energy Sector and Minerals Regulatory commission and the Ministry of Energy and Mineral Resources with all the information and data related to the gas activity for determining the commission amount for the years 2019 and 2020. The Ministry of Energy & Mineral Resources has assigned an auditor and external studies company to agree on the commission amount for the years 2019 and 2020. Accordingly, the company provided the entities which were appointed by the Ministry of Energy and Mineral Resources with the required data. At the same time, these entities have provided the Ministry of Energy and Mineral Resources with their final report.

So far, no decision has been taken by the government regarding the final commission that reflects a (12%) annual rate of return on investment according to the above-mentioned Council of Ministers' Resolution No. (7633). As a result, the company is still negotiating with the government to reach an agreement on the final commission amount and based on that a new study Company has been appointed by the Ministry of Energy and Mineral Resources to determine the final Commission amount, noting that this company has finished its work and provided the final reports to the Ministry of Energy and Mineral Resources. Accordingly, the Ministry informed the company of the value of the commission that has been proposed, and the company objected to this value. Accordingly, a committee was formed of representatives of the Ministry of Energy and Mineral Resources, and representatives of the Ministry of Finance, the Energy and Minerals Regulatory Commission, the Foreign Studies Company and JPRC in order to arrive at the fair commission value, which reflects a rate of return on investment for this activity at (12%) annually. The committee has submitted its report to the concerned ministry and is still waiting for the commission recommendation. The Government has also did not appoint auditors and study companies to agree on the value of the fair commission for LPG activity for the years 2021, 2022 and 2023 to date, and the Company is still conducting meetings and intensive negotiations with the concerned government agencies to obtain a fair commission in accordance with the Council of Ministers' Resolution No. (7633) mentioned above.

12. The Council of Ministers' Resolution No. (11231) adopted in its session held on April 2, 2023, included that the Jordan Petroleum Refinery Company borrowed an amount of JD (105) million JOD in its equivalent in US dollars from banks assigned by the Ministry of Finance against that the Ministry of Finance issuing pledges to repay loans and their interest to these banks on their maturity date, with the guarantees of the allocations allocated for this purpose in the general budget as of the year 2023, and the decision included authorizing the Minister of Finance to sign the payment pledges on behalf of the Government and approve the wording of the payment agreement that will be signed between the company and the government and authorize the Minister of Finance to sign it on behalf of the government Accordingly, the company withdrew an amount of JD (105) million, equivalent in US dollars, from banks during May 2023, and the loan amount was reduced as part of the indebtedness of the Royal Jordanian Air Force and the account of the Ministry of Finance under the agreement signed between the company representative and the government represented by the Minister of Finance.
13. The company signed a financial settlement on June 23, 2022, with the National Electricity Company to pay the debt owed by it and the interest of delayed payments and installments. The agreements also included that the amount due must be paid over (12) equal installments starting from July 2022, and the National Electricity Company has committed to pay the due installments on their due dates. The last installment of the financial settlement agreement was paid during June 2023, and an amount equivalent to JD (3.2) million remains as a liability on the Samra Electric Power Company in a case that still being considered by the competent court for several years, so that it will be settled upon the issuance of the final judgment decision.
14. The Company recorded delay interests on the Ministry of Finance's "The Relationship" balance due and unpaid balances at the effective borrowing rate starting from May 1, 2018, according to the Council of Ministers' Resolution No. (7633), adopted in its meeting held on April 30, 2018.
15. The capital of Al-Failaq Station Company (a subsidiary of the Jordan Petroleum Products Marketing Company) has been increased to JD (1,513,993) instead of JD (5,000) according to the decision of the General Assembly of this company taken in its Extraordinary Meeting held on July 19, 2023.
16. Jordan Petroleum Products Marketing Company sold the Jordanian-German Fuel Company on August 23, 2023.
17. During year 2023, Muneera Gas Station Company, Al-tareq Al-daeri Gas Station Company, Qaus Al-Naser Gas Stations Company, Al-Khairat Fuel Company, Al-Markazia Fuel Trading Company, and the Banzol Gas Stations Company were merged into the Jordan Petroleum Products Marketing Company (a subsidiary and wholly owned company), noting that these companies were subsidiaries of this company.
18. Upon the offsetting request of Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Jordanian Royal Medical Services debts in the amount of JD (506,967) against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during January 2023.
19. Upon the offsetting request by Jordan petroleum Products Marketing Company to the Ministry of Finance to offset the debt accrued on Jordanian Armed Forces - Arab Army in an amount of JD (2,337,754) with part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during January 2023.
20. Upon the offsetting request by Jordan petroleum Products Marketing Company to the Ministry of Finance to offset the debt accrued on Ministry of Health in an amount of JD (3,035,697) with part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during January 2023.
21. Upon the offsetting request by Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Ministry of Education debts in the amount of JD (1,426,754) against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during January 2023.

22. Upon the offsetting request by Jordan petroleum Products Marketing Company to the Ministry of Finance to offset the debt accrued on Jordanian Armed Forces – Arab Army in an amount of JD (4,811,919) with part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during March 2023.
23. Upon the offsetting request by Jordan petroleum Products Marketing Company to the Ministry of Finance to offset the debt accrued on Jordanian Royal Medical Services in an amount of JD (1,941,971) with part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during May 2023.
24. Upon the offsetting request by Jordan petroleum Products Marketing Company to the Ministry of Finance to offset the debt accrued on Ministry of Education in an amount of JD (1,531,569) with part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during June 2023.
25. Upon the offsetting request by Jordan petroleum Products Marketing Company to the Ministry of Finance to offset the debt accrued on Jordanian Armed Forces – Arab Army in an amount of JD (5,204,908) JOD with part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during June 2023.
26. Upon the offsetting request by Jordan petroleum Products Marketing Company to the Ministry of Finance to offset the debt accrued on Ministry of Social Development in an amount of JD (457,308) with part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during August 2023.
27. Upon the offsetting request by Jordan petroleum Products Marketing Company to the Ministry of Finance to offset the debt accrued on Jordanian Royal Medical Services in an amount of JD (1,160,770) with part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during August 2023.
28. The company signed an agreement to supply petroleum products with the Royal Jordanian Air Force on May 26, 2021, which included a payment period of 15 days from the invoices receipt date, and accordingly, the Royal Jordanian Air Force committed to pay its withdrawals upon maturity, and the agreement was extended for a new year according to the letter of the General Command of the Jordanian Armed Forces - Arab Army No. (AH2/4/1/1180) dated February 14, 2022, and the agreement was automatically extended for next two years, according to the agreement which stated that the it can be automatically renewed with the consent of both parties.
29. Based the offsetting requested by the Jordan Petroleum Refinery Company to the Ministry of Finance, which includes a request for offset procedure between part of the Ministry of Finance account - the relationship in the amount of JD (49,002,240) and the balance of deposits of products pricing differences and surpluses due to the Government in the amount of JD (153,383) and fees and allowances according to the products sale price bulletin Petroleum (IPP) in the amount of JD (48,848,857), for the balances as of September 30, 2022, and the Ministry of Finance's letter No. (18/4/2068) dated January 23, 2023, which includes approval to make the mentioned offset, according to the balances of the financial relationship between the company and the government as in September 30, 2022 contained in the company's letter No. (25/51/1/8969) dated November 16, 2022, and the mentioned offsetting was performed during January 2023.
30. The company addressed the Ministry of Finance in its letter No. (2/25/51/1/758) dated January 29, 2024, which included the balances of the financial relationship between the company and the government related to the refinery and LPG activity as of December 31, 2023 and requested a set-off between the credit balances in favor of the government and part of the balance of the main account of the Ministry of Finance - the relationship as at December 31, 2023, and accordingly the Company received a letter from the Ministry of Finance No. (18/4/4819) dated February 21, 2024, which included an apology for conducting the offsetting currently and request the Jordan Petroleum Refinery Company to transfer the amount of credit balances in favor of the government amount of JD (3,688,151) to the state treasury account, represented in the amount of JD (143,932) for the differences in the pricing of products and surpluses and the amount of JD (3,544,219) Fees allowances according to the sale price bulletin of petroleum products and keeping the balance of the financial relationship in favor of the company in its records as of December 31, 2023, accordingly, on February 22, 2024, the company transferred the credit balances in favor of the government to the state treasury account and kept on the balances of the financial relationship between the company and the government related to the refining and gas activity as of December 31, 2023.
31. According to the Council of Ministers' Resolution No. (12135) adopted in its session held on June 18, 2023 the Council of Ministers' Resolution No. (7278) was extended until April 30, 2024, which includes exempting the Jordan Petroleum Refinery Company's imports of crude oil and petroleum products from customs fees.

32. According to the Council of Ministers' Resolution No. (9298) adopted in its session held on November 6, 2022, the imported LPG was exempted from customs fees for one year starting from January 1, 2023.
33. According to the Council of Ministers' Resolution No. (10588) adopted in its session held on January 21, 2024, the imported LPG was exempted from customs fees for one year starting from January 1, 2024.
34. The Income and Sales Tax Department imposed a special tax differences, upon auditing the Jordan Petroleum Products Marketing Company (subsidiary), on the company's sales for the Al-Masar and Al-Tarawneh coalition, Saad Al-Mobti and Partners coalition, Al-Aoun and BCM coalition, despite the presence of decisions issued by the Council of Ministers exempting the withdrawals of these coalitions from the tax on diesel, and accordingly the company filed a case with the competent courts to respond to the claim of the Income and Sales Tax Department based on the Income and Sales Tax Department subjecting the sales of exempt entities under the Council of Ministers decisions to the Tax Department. Accordingly, a reconciliation was presented to the Income and Sales Tax Department, including the company's payment of (50%) of the value of the special sales tax differences in return for exempting the company from the fines represented by a fine that doubles the tax amount, penal fines, and late payment fines. The Council of Ministers issue a decision (letter no 13/4/5/553725 dated October 10, 2023) to fully exempt from all these fines represented by a fine that doubles the tax amount, penal fines, and late payment fines and any other fines in the period between October 10, 2016 and November 12, 2022, accordingly, the allowance was refunded during the year 2023.

Twenty Three: Recommendations of the Board of Directors to the General Assembly of the Company's shareholders in its ordinary meeting to be held on April 7, 2024:

The following shows the recommendations of the General Assembly to approve the following in the meeting which will be on 7/4/2024:

1. The Consolidated Financial Statements of the Company as of 31/12/2023, the Report of the Board of Directors, the Future Plan, and Exonerate the Chairman and the Board of Directors Members from their Liabilities for Consolidated Statements of Profit or Loss and Approve the Consolidated Financial Statements.
2. Distribution of Cash Dividends at (45 %) of the Paid Up Capital (450 Fils Per Share) After Tax for the Registered Shareholder in the Company's Records on the Date of General Assembly Meeting in which its Approves the Distribution of Profits.
3. Deduction of (10%) of The Net Annual Profits of the Activities of Jordan Petroleum Products Marketing Company and Jordan Lube Oil Manufacturing Company and Jordan Liquefied Petroleum Gas Manufacturing and Filling Company for the Statutory Reserve Account, these Companies are Wholly Owned by Jordan Petroleum Refinery Company.
4. Continue to Stop deduction of (10%) as Statutory Reserve from the Annual Net Profits for the Rest of the Company's Activities.
5. Allocate JD (15,924,224) for Voluntary Reserve Account to be Used as Determined by the Board of Directors of the Company.
6. Allocate JD (21,232,299) for Reserve Account for the Purposes of the Fourth Expansion Project.
7. Use of the Accumulated Voluntary Reserve Balance for the Purposes of the Fourth Expansion Project.

The following is the agenda of the General Assembly to be held on 7/4/2024:

1. Recite the Minutes of Previous Minutes of the General Assembly held on 5/4/2023.
2. Approve the Report of the Board of Directors on the Activities of the Company for the year ended 31/12/2023 and the Future Plan.
3. Hear The Company Auditor's Report Regarding its Financial Statement, Final Accounts and Financial Situation for the Year 2023.
4. Vote on Annual Consolidated Financial Statements for Consolidated Statements of Profit or Loss and Approve the Consolidated Financial Statements.

5. Distribution of Cash Dividends at (45 %) of the Paid Up Capital (450 Fils Per Share) After Tax for the Registered Shareholder in the Company's Records on the Date of General Assembly Meeting in which its Approves the Distribution of Profits.
6. Deduction of (10%) of The Net Annual Profits of the Activities of Jordan Petroleum Products Marketing Company and Jordan Lube Oil Manufacturing Company and Jordan Liquefied Petroleum Gas Manufacturing and Filling Company for the Statutory Reserve Account, these Companies are wholly owned by Jordan Petroleum Refinery Company.
7. Continue to Stop deduction of (10%) as Statutory Reserve from the Annual Net Profits for the Rest of the Company's Activities.
8. Allocate JD (15,924,224) for Voluntary Reserve Account to be Used as Determined by the Board of Directors of the Company.
9. Allocate JD (21,232,299) for Reserve Account for the Purposes of the Fourth Expansion Project.
10. Use of the Accumulated Voluntary Reserve Balance for the Purposes of the Fourth Expansion Project.
11. Exonerate the Chairman and the Board of Directors Members from their Liabilities in Respect of the Financial Year Ended 31/12/2023.
12. Election of the Company's auditors for the Fiscal year 2024 according to the Provisions of the Companies Law and Article No. (67) of the Company By-Laws and Fix their Fees or Authorize the Board of Directors to Fix it.
13. Any other Matters Proposed by the General Assembly to included in the Agenda, which shall be Approved by Shareholders Owning not less than (10%) of the Shares Representative in the Meeting.

Twenty Four: Declaration of the Board of Directors:

1. The Board of Directors of Jordan Petroleum Refinery Co. declares that there were no substantial matters that would affect the sustainability of the Company for the upcoming financial year that were not disclosed.
2. The Board of Directors acknowledges its responsibility for preparing the consolidated financial statements and the annual report and for providing an effective control system in the company.

Name	Chairman of the Board	Vice chairman	Member
	Alaa Arif Saad Batayneh	Eng. Abed AlRahim Fathi Salim Boucai	Eng. Khair Abdullah Ayad Abu Saalik
Signature			

Name	Member	Member	Member
	Mr. Bassam Rashad Rashid Sinokrot	Mr. Ahmad Adnan Saleh Alkhudari	Mr. Walid Yacoub Mahmoud Al Najjar
Signature			

Name	Member	Member	Member
	Mr. Jamal M. F. Fariz	Mr. Ibrahim A. A. AbuDayyeh	Ms. Reem Yahya Hamto Abzakh
Signature			

Name	Member	Member	Member
	Mr. Ali Mohammad Mahmoud Al Balawneh	Dr. Mohammad Moh'd K. Thneibat	Eng. Ahmad Qasem Mohammad Al Sammarah
Signature			

Name	Member Mrs. Zain Iyad M Alemam
Signature	

We, the undersigned, affirm the correctness, accuracy and completeness of the information and data contained in the annual report.

Name	Financial Department Manager	Chief Executive Officer	Chairman of the Board
	Abdel-Rahman Y. A As'ad	Eng. Abdel Karim Hussein Abdallah Alawin	Eng. Alaa Arif Saad Batayneh
Signature			

**JORDAN PETROLEUM REFINERY
COMPANY
(A PUBLIC SHAREHOLDING LIMITED
COMPANY)
AMMAN - JORDAN**

**CONSOLIDATED FINANCIAL
STATEMENTS FOR THE YEAR
ENDED DECEMBER 31, 2023
TOGETHER WITH INDEPENDENT
AUDITOR'S REPORT**

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Independent Auditor's Report

Deloitte & Touche (ME) – Jordan
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To the Shareholders of
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Report on Audit the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Jordan Petroleum Refinery Company (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in owners' equity, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS Accounting Standards) (IFRSs).

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements that are relevant to our audit of the Group's consolidated financial statements in Jordan, and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The accompanying consolidated financial statements are a translation of the statutory consolidated financial statements in the Arabic language to which reference should be made.

Key Audit Matters

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

Key Audit Matters	Scope of the Audit to Address the Risk
<p>Revenue recognition</p> <p>The Group reported net revenue of JD (1.66) billion during the year ended December 31, 2023 related to the sale of products derived from the processing of oil, liquefied Petroleum Gas and Lube Oil.</p> <p>International Standards on Auditing require us to consider the risk of fraud in revenue recognition. There is an inherent risk of fraud given the voluminous transactions affecting the revenue recognized for the year.</p> <p>Revenue from the sale of the above mentioned products is recognized when control of the products are transferred to the customer. This is generally when the customer takes delivery of the goods.</p> <p>We have considered this as a Key Audit Matter as revenue is quantitatively significant to the consolidated financial statements and comprises many transactions with multiple customers.</p> <p>The Group's accounting policies relating to revenue recognition are presented in note 5 and details about the Group's revenue are disclosed in note 23 to the consolidated financial statements.</p>	<p>Our audit approach included a combination of test of controls and substantive procedures which included, inter alia, the following:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the significant revenue processes and identifying the relevant controls in this process; • Evaluating the design and testing the implementation and operating effectiveness of the abovementioned relevant controls; • Evaluating the Group's method for recognizing revenue against the requirements of IFRSs. • Performing substantive analytical procedures on significant revenue streams; • Performing test of details to verify occurrence and accuracy of revenue transactions on a sample basis; • Assessing the disclosures in the financial statements relating to this matter against the requirements of IFRSs.

Other Information

Management is responsible for the other information. The other information comprises the other information in the annual report excluding the consolidated financial statements and the independent auditor thereon, which is expected to be made available to us after the date of our audit report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion there on.

In connection with our audit of the annual report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 consolidated financial statements.

As part of an audit in accordance with ISA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, 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 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 evidenced obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosure are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represents 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 performers 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards procedures.

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 year and are therefore the key audit matters. We describe these matters in our auditor's report unless law and regulations preclude 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 Group maintains proper accounting records which are in agreement with the accompanying consolidated financial statements. We recommend that the General Assembly of Shareholders approve these consolidated financial statements.

Amman – Jordan
March 7, 2024

Deloitte & Touche (Middle East) – Jordan



Deloitte & Touche (M.E.)
ديلويت أند توش الشرق الأوسط
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Jordan Petroleum Refinery Company

(A Public Shareholding Limited Company)

Amman - Jordan

Consolidated Statement Of Financial Position

ASSETS	Note	December 31,	
		2023	2022
		JD	JD
Current Assets:			
Cash on hand and at banks	8	33,760,040	25,975,106
Receivables and other debit balances	9	633,901,537	694,763,625
Crude oil, finished oil products and supplies	10	470,933,996	525,084,651
Total Current Assets		1,138,595,573	1,245,823,382
Non-Current Assets:			
Deferred tax assets	12	10,170,210	11,259,849
Financial assets at fair value through other comprehensive income	11	3,236,140	3,815,231
Investment property - net	13	2,668,469	2,713,024
Right of use of assets - net	16	43,286,831	43,875,138
Property, plants, equipment and projects under construction - net	14	225,579,946	188,416,153
Intangible assets - net	15	14,452,949	14,286,282
Total Non-Current Assets		299,394,545	264,365,677
TOTAL ASSETS		1,437,990,118	1,510,189,059
LIABILITIES			
Current Liabilities:			
Due to banks	17	663,911,323	696,356,404
Lease Liability - current portion	16	2,455,304	2,238,082
Income tax provision	19	18,995,592	22,251,354
Payables and other credit balances	18	305,143,456	372,988,764
Total Current Liabilities		990,505,675	1,093,834,604
Non-Current Liabilities:			
Lease liability - non-current portion	16	41,461,022	39,406,199
End-of-service indemnity provision		41,687	39,802
Due to death, compensation, and end-of-service indemnity fund	31	37,900,409	39,217,555
Total Non-Current Liabilities		79,403,118	78,663,556
TOTAL LIABILITIES		1,069,908,793	1,172,498,160
EQUITY			
Shareholders' equity:			
Authorized and paid-up capital (100,000,000 share at JD 1 per share)	20/A	100,000,000	100,000,000
Statutory reserve	20/B	57,048,125	52,221,595
Voluntary reserve	20/C	66,289,408	39,680,675
Financial assets at fair value reserve - net	21	2,856,416	3,435,507
Fourth expansion project reserve	20/D	36,600,708	14,084,234
Difference from purchase of non-controlling interest		-	(326,472)
Retained earnings	22	97,341,865	120,066,551
Total Shareholders' Equity		360,136,522	329,162,090
Non - controlling interests	29	7,944,803	8,528,809
Total Owners' Equity		368,081,325	337,690,899
TOTAL LIABILITIES AND OWNERS' EQUITY		1,437,990,118	1,510,189,059
Contra Accounts			
Death, compensation, and end-of-service indemnity fund	31	45,969,456	47,857,943
Chairman of the Board of Directors		Chief Executive Officer	

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING AUDITOR'S REPORT.

Jordan Petroleum Refinery Company

(A Public Shareholding Limited Company)

Amman - Jordan

Consolidated Statement of Profit or Loss

	Note	For the Year Ended December 31,	
		2023	2022
		JD	JD
Net Sales	23	1,659,001,417	1,706,206,949
Less: Cost of sales	24	(1,499,613,568)	(1,481,576,168)
Gross profit from sales		159,387,849	224,630,781
Add: Operating income and others	25	15,515,971	7,564,567
Gross profit		174,903,820	232,195,348
Less: Selling and distribution expenses	26	(44,287,395)	(57,016,753)
General and administrative expenses	27	(13,539,925)	(13,326,780)
Bank interest and commissions		(39,877,767)	(24,046,610)
(Provision) of lawsuits	18	(291,841)	(2,635,596)
(Provision) of expected credit losses	9/J	(426,677)	(991,234)
(Provision) of slow-moving and obsolete inventory and sediments	10	(717,556)	(963,888)
(Provision) of storage fees	18/G	(1,262,400)	(1,009,920)
Released from (Provision) of employees' vacations	18	100,283	(80,164)
Released from (Provision) of special tax differences	18/J	7,603,779	(7,603,779)
Interest income from government's debt delay		27,722,684	14,326,337
Lease liabilities interest	16	(2,682,178)	(2,803,295)
Amortization of intangible assets	15	(1,083,333)	(3,000,000)
Profit for the Year before Income Tax		106,161,494	133,043,666
(Expense) of income tax for the year	19	(23,557,721)	(27,962,116)
Profit for the Year		82,603,773	105,081,550
Attributable to :			
Company's Shareholders	28	81,553,523	103,952,875
Non-controlling interests	29	1,050,250	1,128,675
		82,603,773	105,081,550
Profit per share for the year to the Company shareholders - Basic & Diluted	28	- / 816	- / 1040
Chairman of the Board of Directors		Chief Executive Officer	

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING AUDITOR'S REPORT.

Jordan Petroleum Refinery Company

(A Public Shareholding Limited Company)

Amman - Jordan

Consolidated Statement Of Comprehensive Income

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Profit for the year	82,603,773	105,081,550
Items that can not be reclassified subsequently to the consolidated		
Statement of Profit or Loss:		
Change in financial assets at fair value reserve - net	(579,091)	1,185,180
Total Comprehensive Income for the Year	82,024,682	106,266,730
Total Consolidated Comprehensive Income Attributable to:		
Company's Shareholders	80,974,432	105,138,055
Non-controlling interests	1,050,250	1,128,675
	82,024,682	106,266,730

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING AUDITOR'S REPORT.

Consolidated Statement Of Changes In Owners' Equity

	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
For the year 2023												
Balance at the beginning of the year	100,000,000	52,221,595	39,680,675	3,435,507	14,084,234	(326,472)	120,066,551	329,162,090	8,528,809	337,690,899		
Total Comprehensive Income for the year	-	-	-	(579,091)	-	-	81,553,523	80,974,432	1,050,250	82,024,682		
Deducted for reserves**	-	4,826,530	26,608,733	-	26,608,733	-	(56,043,996)	-	-	-		
Transfer from fourth expansion reserve to retained earnings	-	-	-	-	(4,092,259)	-	4,092,259	-	-	-		
Dividends distributed to shareholders**	-	-	-	-	-	-	(50,000,000)	(50,000,000)	-	(50,000,000)		
Change in non - controlling interests	-	-	-	-	-	326,472	(326,472)	-	(1,634,256)	(1,634,256)		
Balance at the End of the Year	100,000,000	57,048,125	66,289,408	2,856,416	36,600,708	-	97,341,865	360,136,522	7,944,803	368,081,325		
For the year 2022												
Balance at the beginning of the year	100,000,000	48,457,173	26,784,557	2,250,327	4,630,868	(326,472)	72,227,582	254,024,035	8,604,276	262,628,311		
Total Comprehensive Income for the year	-	-	-	1,185,180	-	-	103,952,875	105,138,055	1,128,675	106,266,730		
Deducted for reserves	-	3,764,422	12,896,118	-	12,896,118	-	(29,556,658)	-	-	-		
Transfer from fourth expansion reserve to retained earnings	-	-	-	-	(3,442,752)	-	3,442,752	-	-	-		
Dividends distributed to shareholders **	-	-	-	-	-	-	(30,000,000)	(30,000,000)	-	(30,000,000)		
Change in non - controlling interests	-	-	-	-	-	-	-	-	(1,204,142)	(1,204,142)		
Balance at the End of the Year	100,000,000	52,221,595	39,680,675	3,435,507	14,084,234	(326,472)	120,066,551	329,162,090	8,528,809	337,690,899		

* Retained earnings include an amount of JD 10,170,210 as of December 31, 2023, which represents the value of deferred tax assets that are restricted according to the instructions of the Securities Commission (JD 11,259,849 as of December 31, 2022).

** The General Assembly decided in its meeting held on April 5, 2023 to distribute cash dividends on company's shareholders at a rate of 50% from paid-up capital amounted JD 50 million, it also decided to allocate an amount of 26,608,733 for voluntary reserve account and to allocate JD 26,608,733 for fourth expansion project reserve account and to deduct 10% for statutory reserve account from Jordan Petroleum Products Marketing Company and Jordan Lube Oil Manufacturing Company annual net income and continuing to stop deducting 10% as statutory reserve for rest of company's activities, and to use voluntary reserve balance accumulated for fourth expansion project purposes.

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING AUDITOR'S REPORT.

Jordan Petroleum Refinery Company

(A Public Shareholding Limited Company)

Amman - Jordan

Consolidated Statement Of Cash Flows

	Note	For the Year Ended December 31,	
		2023	2022
		JD	JD
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit for the year before tax		106,161,494	133,043,666
Adjustments :			
Depreciation of property and equipment and investment property	14 & 13	11,090,653	11,248,724
Depreciation of right-of-use assets - subsidiary company	16	3,423,447	3,291,655
Amortization of intangible assets	15	1,083,333	3,000,000
(Released from) provision of employee's vacations		(100,283)	80,164
Provision of lawsuits		291,841	2,635,596
(Released from) provision of special tax differences	18/J	(7,603,779)	7,603,779
Leased liability interest	16	2,682,178	2,803,295
Provision of slow-moving and obsolete inventory and sediments	10	717,556	963,888
Provision of storage fees	18/g	1,262,400	1,009,920
Interest income from Government's delay		(27,722,684)	(14,326,337)
Provision for expected credit losses	9/J	426,677	991,234
Net cash flows from operating activities before changes in working capital items		91,712,833	152,345,584
Decrease (increase) in receivables and other debit balances		88,158,095	(146,066,729)
Decrease (increase) in crude oil, finished oil products and supplies		53,433,099	(109,054,223)
(Decrease) in due to death, compensation, and end-of-service indemnity fund		(1,315,261)	(8,447)
(Decrease) increase in payables and other credit balances		(61,964,670)	27,152,704
Net Cash Flows (used in) from Operating Activities before Tax and Provisions Paid		170,024,096	(75,631,111)
Income tax paid	19	(25,723,844)	(15,101,277)
Paid from provision of storage fees	18/g	(1,230,840)	(1,009,920)
Paid from provision of slow-moving and obsolete and sediments inventory	10	(106,833)	-
Net Cash Flows from (used in) Operating Activities		142,962,579	(91,742,308)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds on disposal of property, plant, and equipment		3,296,971	369,176
(Purchases) of property, plant and equipment	14	(48,806,862)	(9,982,997)
(Additions) of intangible assets	15	(1,250,000)	-
Net Cash flows (used in) Investment Activities		(46,759,891)	(9,613,821)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Change in loans and borrowings - net		(32,445,081)	145,526,418
Dividends distributed to shareholders		(50,000,000)	(30,000,000)
Paid from lease liabilities	16	(5,972,673)	(9,619,712)
Net Cash Flows (used in) from Financing Activities		(88,417,754)	105,906,706
Net Increase in cash		7,784,934	4,550,577
Cash on hand and at banks - Beginning of the year		25,975,106	21,424,529
Cash on hand and at banks - End of the Year	8	33,760,040	25,975,106
Non-cash transactions			
Offsetting agreements	9	71,417,857	17,830,161
Transfers from projects under construction to property and equipment	14	1,609,012	2,711,967
Transfers from right-of-use assets to property and equipment	14	2,700,000	9,149,148

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING AUDITOR'S REPORT.

JORDAN PETROLEUM REFINERY COMPANY

(A PUBLIC SHAREHOLDING LIMITED COMPANY)

AMMAN - JORDAN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Incorporation and Activities

The Company was established during 1956 in Zarqa, It's main headquarter is in Amman as a public shareholding liability company. And it was registered with the Companies control department and a member of the Chambers of Industry and Commerce. with a capital amounted JD 4 million. This capital was increased in multiple stages, latest decision was taken by Company's general assembly extraordinary meeting held on April 28, 2016, as the capital of the Company increased by capitalizing JD 25 million and distribute it to the shareholders. As a result, the Company's authorized and paid-up capital reached JD 100 million, as the company was established to keep pace with the economic and social development witnessed by the Hashemite Kingdom of Jordan in the second decade of the first millennium in terms of the increase in the Kingdom's population, which was accompanied by the expansion of commercial, industrial and tourism activities in the Kingdom. One of the most important reasons for establishing the company was to reduce the costs of importing finished petroleum derivatives from Outside the Kingdom, which is considered cumbersome and expensive, and to be a safe and permanent source to meet the Kingdom's growing needs for finished petroleum derivatives of all kinds in all circumstances and at prices that suit all segments of the local community in order to contribute to raising the standard of living and accelerating the wheel of economic and social growth in the Kingdom.

To keep up with the growth and development of existing and new industries, the company increased its production capacity, developed and improved the quality of its products, and introduced new types of finished oil derivatives in the local market, through successive expansions in its facilities. The company witnessed three expansion projects, the last of which was in 1983, and several projects followed. Subsequently, the company's production capacity was increased several times, with self-efforts through its staff. In 1977, a factory was established for mixing lube oil and filling it, and in 1979, three liquefied gas filling stations were established and operated in the governorates of Zarqa, Amman, and Irbid. The company also established its own storage capacities in the three airports in the Kingdom and in Aqaba Governorate, and owned gas stations throughout the Kingdom.

In 1957, the company signed a concession agreement with the government of the Hashemite Kingdom of Jordan, giving the company the exclusive right to manufacture and refine crude oil and import, store, distribute and sell finished petroleum derivatives to meet the needs of the Kingdom in exchange for a specific profit. The concession agreement extended for approximately fifty years, ending in 2008. The contractual relationship between the government and the company was regulated based on the content of the concession agreement for several times and continued until the date of September 13, 2012, when the government of the Hashemite Kingdom of Jordan concluded with the company an agreement on the minutes of the meeting for the future of the company's work, which included extending the financial relationship between the company and the government for an additional five years. and that the financial relationship ends on April 30, 2018, considering the government's strategy in the field of energy aimed at opening the market for the distribution of oil derivatives ready for competition. In 2013, the government granted marketing licenses for finished oil derivatives to three marketing companies, and these companies have the right to import derivatives. The company is aware of the extent of its responsibilities and to remain the leading company in the field of energy. During 2013, it established the Jordanian Petroleum Products Marketing Company as a wholly owned subsidiary to be the marketing arm for its products. It is considered one of the three licensed marketing companies in the Kingdom, after obtaining a marketing license from the Energy and Minerals Regulatory Authority for a period of (10) years starting from the first of May 2013 were extended for an additional period of (10) years starting from the first of May 2023.

Jordan Petroleum Products Marketing Company is also fully owned Hydron Energy Company at the end of the year 2018, in addition to owning (11) subsidiary companies, which it controls, as it owns (60%) or more of these companies as of 2023. It also supplies (391) A fuel station with finished oil derivatives according to agreements signed between the company and the owners of these stations.

As of the first of May 2018, the financial and contractual relationship between the company and the government of the Hashemite Kingdom of Jordan has ended, and the company started operating on a commercial basis and is not obligated to secure all of the Kingdom's needs of finished oil derivatives, in light of allowing the three marketing companies to import finished oil derivatives, which they began importing in the year 2017.

Jordan Petroleum Refinery Company is the only company in the Kingdom that produces finished petroleum products by separating and converting the components of imported crude oil into a group of different finished petroleum products. Its operations are based on a license from the American company (UOP), and it secures about half of the needs of the local market according to its capacity. Current productivity, so the company seeks to establish the fourth expansion project, which increases the company's production capacity to about (120) thousand barrels per day, at lower production costs and with low negative impacts on the environment. Also, during March 2022, the company obtained from the Energy and Minerals Regulatory Authority a license to practice the various refining and storing activities for a period of (30) years and a permit to establish the company's fourth expansion project.

Jordan Petroleum Refinery Company activated Jordan Lube Oil Manufacturing Company and it is a wholly owned subsidiary company as of April 1, 2022 and annexed the entire lube oil activities and oil factory to it, and as of July 27, 2022 it transferred the licenses to practice the various lube oil activities given to it by Energy and Minerals Regulatory Authority which has a duration of (10) years to this company.

Jordan Petroleum Refinery Company is the only company in the Kingdom that fills liquefied gas through the three gas filling stations it owns in the governorates of (Amman, Irbid, and Zarqa), and in light of the government's strategy in the field of energy aimed at opening this market to competition, the company has activated Jordan Liquefied Petroleum Gas Manufacturing and Filling Company as of the first of January 2023, which is a wholly owned subsidiary company, and has included all the various liquefied gas activities (with the exception of the liquefied gas production activity) this is due to the company's belief in the necessity of developing and modernizing this activity and maximizing its profits in light of the opening of this market. On November 2, 2022, the company transferred the licenses to practice various gas activities, which had a duration of (20) years, and the central gas distribution licenses, which had a duration of (3) years, granted to it by the Energy and Minerals Regulatory Commission for Jordan Liquefied Petroleum Gas Manufacturing and filling Company.

The company also purchased the government's share in its assets in Aqaba and the airports during April 2023, which represented (51%) of it, and thus it owned the entire assets in its facilities in Aqaba and the airports, in implementation of Council Decision No. (11147) taken in its session held on March 26, 2023. It is currently seeking to develop these activities, increase the storage capacities in these facilities, and reduce their costs to the minimum possible.

The group's consolidated financial statements were approved by the Board of Directors at its meeting held on March 6, 2024 and are subject to the approval of the General Assembly of Shareholders.

2. The Concession Agreement

a. The concession agreement between the Jordanian Government and the Company has expired on March 2, 2008. Consequently, the Company signed a settlement agreement with the Jordanian Government on February 25, 2008, concerning the expiry of the concession, which was confirmed by the Company's General Assembly in its extraordinary meeting dated March 22, 2008, after that, the contractual and financial relationship between the company and the government was organized based on the concession agreement for several times and continued until the date of September 13, 2012, when the company concluded with the government of the Hashemite Kingdom of Jordan an agreement for the minutes of the company's future meeting, in which the relationship with the government was extended for an additional five years, according to which work ended on April 30, 2018, and the company began operating on a commercial basis after this date.

b. The profits of the company were for the period ended April 30, 2018, and for the years 2011 until the end of the year 2017 according to the future operations minutes of meeting of Jordan Petroleum Refinery Company meeting that was approved upon according to the decision of the Council of Ministers no. (1329), in their meeting held on September 13, 2012, which was illustrated in the Prime Minister's Letter No. (31/17/5/24694), dated September 17, 2012, and approved by the General Assembly, in their extraordinary meeting held on November 8, 2012, which included the following:

1. Through the oil derivatives pricing mechanism, annual net profit of JD (15) million after tax shall be achieved for the Jordan Petroleum Refinery Company while keeping the changes in the Company's expenses within the normal rates. Otherwise, the Government should be consulted concerning any deviations in these rate.

2. The Government has the right to appoint an external auditor (public accountant) to audit the Company's financial statements for the purposes stipulated by the Government.

3. Profit from the Jordan Petroleum Products Marketing Company owned by Jordan Petroleum Refinery Company, and any other profit from other future companies owned by it and operating according to licenses issued by the Ministry of Energy and Mineral Resources or the sector regulator, shall be excluded from the above-mentioned profit, provided that their standalone financial statements or their own accounts are separated.

4. The Lube-Oil Factory's profit shall be excluded from the above-mentioned profit, provided that the Lube-Oil Factory is charged with the related fixed and variable costs, whether directly or indirectly, and its standalone financial statements or accounts are separated.
5. The liquefied Petroleum gas (LPG) activity profit shall be excluded from the above-mentioned profit, provided that its standalone financial statements or its own accounts are separated.
6. The profit granted to Jordan Petroleum Refinery Company of 10 cents for each barrel from refining the Iraqi crude oil shall also be excluded from the above-mentioned profit, provided that this profit is subjected to income tax.
7. The current or future financial statements shall not be charged with any provisions expenditures or related to prior years, except for the committed provisions or expenditures (provisions and employees' rights, expected credit losses, gas cylinders write-off provisions, provisions for lawsuits raised against the Company, slow moving and obsolete inventory and sediment, self-insurance provisions, etc.), provided that these provisions and its financial statements shall be audited by the Government.

3. End of the Relationship with the Government

According to the minutes of meeting regarding the Company's future operations signed on September 13, 2012, the financial relationship between Jordan Petroleum Refinery Company and the Government of Jordan ended on May 1, 2018 and in its meeting held on April 30, 2018, the Council of Ministers issued Decision No. (7633), which included extending the exemption of oil derivatives from Jordan Petroleum Refinery Company's refining activity from implementing the Jordanian specifications throughout the period of implementation of the Fourth Expansion Project as of May 1, 2018, provided that commitment is made regarding the project implementation stages and that Jordan Petroleum Refinery Company's production may not exceed (46%) of the local market needs for non-conforming oil derivatives. The decision also mandated the Ministry of Finance to follow up on the procedures' implementation concerning the below points, and submit any related observations to the Council of Ministers:

1. The Ministry of Finance calculate the amounts due to the Jordan Petroleum Refinery Company until April 30, 2018, and such amounts shall be paid in installments during the years 2018, 2019 and 2020 with interest there on of (30%, 40% and 30%). Moreover, these amounts shall be paid after issuance of the General Budget Law and before the end of the second quarter of each year for the same year until full repayment in the year 2020, the Ministry of Finance shall provide the Jordan Petroleum Refinery Company with a letter stating the amounts due to Jordan Petroleum Refinery Company as of April 30, 2018 and guaranteeing their payment with interest at the actual cost borne by the Company during the above period at the rates outlined above.

As a result of the Government's failure to comply with the above decision and based on the agreement between the Company and the Government, the Council of Ministers' issued Decision No. (6399) that was adopted at its meeting held on September 9, 2019. This decision stipulated that the Company shall borrow an amount equivalent to around JD (457) million from banks to pay part of the debt balances due to the Company from the Government until December 31, 2018. In return, the Ministry of Finance will issue pledges to pay the loans and interest thereon to the assigned banks. Consequently, during the first half of October 2019, and upon that the Company withdrew an amount of JD (455,505,000) from the banks assigned by the Ministry of Finance. Accordingly, the Ministry of Finance issued pledges to these banks that it shall pay the loans installments and interest thereon to the assigned banks. As a result, the Company reduced the withdrawn amount from banks of JD (455,505,000) from receivables due from security agencies, ministries, government agencies, and departments, and part of the Ministry of Finance's debt under the signed agreement between the Company and the government on June 16, 2020, represented by the Minister of Finance, after the Council of Ministers' approval and authorization to the Minister of Finance to sign it on behalf of the Jordanian Government, in accordance with Council of Ministers' decision No. (9158), adopted at its meeting held on March 24, 2020.

Moreover, the Ministry of Finance has committed to pay all the bank loans and interests amounts, as these amounts were encumbered within the General Budget Law for the year 2020, under the item of loans' installments to address government arrears, according to the Ministry of Finance's Letter No. (18/4/9200) dated May 14, 2020. Noting that, the Jordanian government has paid all of the loans and interest due to the assigned banks on their due dates.

The Council of Ministries issued Decision No. (5011) adopted in its meeting held on December 19, 2021, which included that the Jordan Petroleum Refinery Company borrows an amount of JD 105,000,000 , equivalent in US dollars, from the banks assigned by the Ministry of Finance in return for issuing Pledges to these banks by the Ministry Of Finance on behalf of the government to pay the value of the installments and interests owed on them and to guarantee the provisions that the government has allocated for this purpose in the general budget for 2022 and authorizing the Minister of Finance to sign the pledges issued to banks and authorizing him to sign an agreement to organize the payment of debts owed by the government, accordingly the Company withdrew an amount of JD 105,000,000 , in the equivalent in US dollars, on December 31, 2021 from the banks assigned by the Ministry of Finance, and this amount was reduced from the receivables owed by the security authorities under the loan payment agreement signed by the company's delegates and the Minister of Finance.

The Council of Ministries issued Decision No. (11231) adopted in its meeting held on April 2, 2023, which included the Jordanian Petroleum Refinery Company borrowing an amount of JD (105,000,000), equivalent to the US dollar, from the banks referred to by the Ministry of Finance in exchange for the Ministry of Finance issuing commitments to repay the loans and their interest for these loans. Banks on their maturity date, with guarantees of allocations allocated for this purpose in the general budget starting from the year 2023. The decision included authorizing the Minister of Finance to sign repayment pledges on behalf of the government and approving the form of the loan repayment agreement that will be signed between the company and the government and authorizing the Minister of Finance to sign it on behalf of the government, Accordingly, the company withdrew an amount of JD 105,000,000 , equivalent to the US dollar, from the banks during the month of May 2023, and the loan amount was reduced as part of the indebtedness of the Jordanian Air Force and the Ministry of Finance's main account - the relationship according to the agreement signed between the company's commissioners and the government represented by the Minister of Finance.

In the opinion of the company's management and the company's legal advisors, the company does not have any obligations regarding the above loans and pledges (Note 9/e).

The company signed a financial settlement on June 23, 2022, with the National Electricity Company to pay the debt owed by it in addition to the interest of delayed payments and installments. The agreements also included that the amount due must be paid over (12) equal installments starting from July 2022. Accordingly, the National Electricity Company committed to paying the installments owed to it under the agreement on their due dates, and the last installment of the financial settlement agreement was paid during the month of June 2023, leaving an amount equivalent to JD (3.2) millions outstanding from the Samra Electricity Generating Company that has been pending for several years before the competent courts, so that it will be settled upon issuance of The final and final ruling decision. (Note 9/A).

2. Jordan Petroleum Refinery Company shall treat the sediments and water in the tanks, and it shall dispose those idle materials and spare parts that are no longer needed. Moreover, the obsolete inventory shall be valued on April 30, 2018; the cost of the sediments and water, as well as the disposal costs thereof, shall be calculated; and the surplus shall be transferred to the Ministry of Finance. As a result of the agreement between the Company and the Government, the Ministry of Finance issued Letter No. (4/18/28669), dated August 29, 2019, which included its approval for the Company to clean its tanks from sediments and water as the Government bears this cost , and the company must write off the materials, spare parts and supplies no longer needed, and transfer the surplus balance of the slow-moving and obsolete inventory and sediments and water provision to the Ministry of Finance. Accordingly, the Company tendered the treatment of sediments and water, whereby the Company which was awarded the tender cleaned the major part of the sediments and water, then the company left the kingdom and they stopped working due to (covid-19) virus pandemic moreover, a specialized committee was appointed to study the stock of spare parts and other supplies and to determine the materials and supplies that could be used instead of buying similar materials, as well as the materials and supplies no longer needed in order to write them off, and this matter is still under process where the materials are written off gradually due to the huge size of the company's warehouses (Note 10).

3. Jordan Petroleum Refinery Company shall maintain JD 5 million as a provision for the write-off, repair, and replacement of the gas cylinders, and transfer the remaining JD 5 million to the Ministry of Finance's account. In case the actual value of the write-off, repair, and replacement of the cylinders exceeds the said amount, the difference shall be transferred from the Ministry of Finance from the deposits item. But, if the actual value is lower, the difference shall be transferred to the Ministry of Finance, provided that this matter be addressed in the future through the pricing mechanism. Accordingly, the Company released an amount of JD 5 million during the period ended April 30, 2018, which was reversed to the Ministry of Finance's account, and the Ministry of Finance approved this action, pursuant to the Ministry of Finance's Letter No. (4/18/28669), dated August 29, 2019 (Note 18/c).

4. Jordan Petroleum Refinery Company shall delete the interest of JD(79.2) million on the National Electricity Company's borrowings, provided that settlement be implemented between the National Electricity Company and the Government, noting that the Company has deleted these amounts from the consolidated statement of financial position based on the Ministry of Finance's Letter No. (18/73/33025), dated November 25, 2018, addressed to the National Electricity Company. The letter states that the Ministry of Finance has recorded the interest as an due amount on the National Electricity Company to the Government at the Ministry of Finance until full payment is occurred. In addition, the Ministry of Finance issued its approval to delete the interest of JD(79.2) million on the National Electricity Company's borrowings, pursuant to the Ministry of Finance's Letter No. (4/18/28669), dated August 29, 2019. Accordingly, the Company has deleted the interest on the National Electricity Company's borrowings from the Company's records.

5. Jordan Petroleum Refinery Company's tax status shall be rectified, as the tax has been included in the oil derivatives selling prices bulletin (IPP) after the refinery gate price item. In this respect, the refinery gate price item does not include general and special taxes. Instead, taxes are included after this item, and it will be collected from the marketing companies and transferring it to the State Treasury. The Income and Sales Tax Department letter No. (20/4/347) dated February 16, 2021 received and included that the collection of general and special taxes on Jordan Petroleum Refinery's sales to the three marketing companies will happen only through the marketing companies and that the JPRC is not obligated to pay taxes on its sales to the marketing companies and is obligated only to Pay the tax on its sales to other customers (Note 9/f) / (Note 18/b).

6. The Government shall bear any taxes, government fees, or tax differences during its relationship with the Company, since the company profit after tax during that period was guaranteed.

7. Gasoline (95) used for the mixing process to produce gasoline (90) and (95) shall be exempted from the tax differences between import and sale in accordance with the Council of Ministries' Decision No. (6953), adopted in its meeting held on March 19, 2018. Moreover, the necessary procedures shall be facilitated concerning the implementation of the Council of Ministers' Decision No. (13363), adopted in its meeting held on January 3, 2016, related to exempting the Company's imports sold to the marketing companies inside the kingdom. The decision stipulates exempting Jordan Petroleum Refinery Company from general and special taxes on the quantities sold exclusively to the marketing companies inside the Kingdom as of May 1, 2013. The decision also prescribes resolving all pending issues with the Customs Department and completing all customs statements, whether pending at the Customs Department or the Jordan Standards and Metrology Organization before the relationship with the Government expired. Moreover, a committee was formed by the Ministry of Finance and the Ministry of Energy and Mineral Resources comprising representatives from the Jordan Customs Department, the Income and Sales Tax Department, and Jordan Petroleum Refinery Company. During October 2019, the said committee completed its work and submitted its final report to the Ministry of Finance and the Ministry of Energy and Mineral Resources. Accordingly, the Ministry of Finance and the Ministry of Energy and Mineral Resources approved the quantities stated in the committee's report, and the Customs Department prepared the customs statements and exempted the outstanding customs statements according to the above decisions. Meanwhile, the customs statements amount subject to general and special tax were determined. Moreover, the Company submitted a request to the Ministry of Finance to offset the general and special sales taxes, included in the un-exempted customs statements that are not part of the above-mentioned decision, with part of the Ministry of Finance receivables (primary account). The Customs Department approved the offset request dated March 16, 2020. Moreover, the Offsetting Committee agreed, based on the instructions, policies, procedures, and basis for performing offset No. (1) for the year 2017, on performing the offset between the amounts due to the Jordan Petroleum Refinery Company and the amount due to of the Customs Department. The offset, dated on July 6, 2020, represents the general and special sales taxes of JD (58,042,756) on Jordan Petroleum Refinery Company's imports. In the meantime, the above-mentioned offsetting was performed, and all pending customs statements at the Customs Department have been completed (Note 9/f) / (Note 18/b).

8. The Government's strategic inventory, which has been quantified and valued, shall be transferred to the Jordan Oil Terminals Company (JOTC). Accordingly, the Jordan Petroleum Refinery Company began transferring the quantities of the strategic inventory to the Jordan Oil Terminals Company (JOTC) starting April 2018, and the company completed transferring the entire remaining quantities during the 2021 to the Jordan Oil Terminals Company (JOTC) according to the quantities that it was requested by the Jordan Oil Terminals Company (JOTC) and the Ministry of Energy and Mineral Resources. In addition, the company transferred the government's aircraft fuel material to the Royal Air Force during July 2020, and it transferred the government's asphalt to the Ministry of Public Works during 2020 upon the request of the Ministry of Energy and Mineral Resources. Moreover during February 2021 the company exported fuel oil (3.5%) owned by the government at the request of the Ministry of Energy and Mineral Resources, The company also received a letter from the Ministry of Finance and the Ministry of Energy and Mineral Resources includes the sale of government-owned crude oil to the company as of the beginning of March 2021 on the basis of crude oil prices issued by Aramco for March 2021, and the company purchased these quantities during June 2021, in implementation of the Council of Minister's Decision No. (1150)

taken in its meeting held on February 3, 2021. In addition, the remaining amount of the strategic inventory of kerosene owned by the government was exchanged for diesel, according to the Council of Ministers' Decision No. (3273) taken in its meeting held on August 11, 2021. Accordingly, the government has no quantities of the strategic inventory as deposits with the company where the transfer of the entire quantity of the strategic inventory was completed by the end of 2021, bearing in mind that the approval of the Ministry of Finance was received to finally settle the value and quantity of the inventory in accordance with the letter of the Ministry of Finance No. (4/18/28669) dated August 29, 2019.

9. The Ministry of Finance shall retain the doubtful debts provision (provision for expected credit losses). In case any debt that was raised during the relationship with the Government is written off, the Ministry of Finance is committed to pay the debt to Jordan Petroleum Refinery Company. As a result of the agreement between the Ministry of Finance and the Company, the Ministry of Finance agreed that the Company shall retain the balance of the provision for doubtful debts (provision for expected credit losses). In case the Company recovers any receivable amount recorded within the provision, the recovered amount shall be recorded in favor of the Ministry of Finance's account, Under the approval of the Ministry of Finance in its letter No. (4/18/28669), dated August 29, 2019 (Note 9/j).

10. The rate of return on investment shall be determined for liquefied petroleum gas filling stations for the purpose of calculating the commission at 12% annually. Moreover, the commission amount for the period from May 1, 2018 to December 31, 2018 shall be set at JD 43 per ton. Any surplus/shortage arising from the increase/decrease in the rate of return on investment compared to the targeted value shall be treated when calculating the filling stations' commission amount in the subsequent period whether it increased or decreased. Meanwhile, the above mechanism may not cause any increase in the cylinder's cost charged to citizens or entail a subsidy by the Treasury / Ministry of Finance in this regard. Moreover, the Company has already provided the Energy and Minerals Regulatory Commission and the Ministry of Energy and Mineral Resources with all information and data related to the gas activity for determining the commission amount for the years 2019 and 2020 which reflect the rate of return on investment for this activity by 12% annually. In addition, the Ministry of Energy and Mineral Resources has appointed an auditor and an external studies company to determine the commission amount for the years 2019 and 2020. At the same time, the Company has provided the entities appointed by the said ministry with all the required data, and these entities provided the ministry of energy and mineral resources with their final report, but no decision has been reached by the government regarding the final commission amount that covers the rate of return on investment by (12%) annually according to the above-mentioned Council of Ministers' Decision No. (7633). As a result, the company is still negotiating with the government to reach an agreement on the final commission amount and based on that a new studies the company has been appointed by the Ministry of Energy and Mineral Resources to determine the final commission amount, noting that this company has finished its work and provided the final report to the Ministry of Energy and Mineral Resources, Accordingly, the Ministry informed the company of the value of the commission that it set, and the company objected to this value and accordingly a committee was formed from a representatives of Ministry of Energy and Mineral Resources, a representatives of Ministry of Finance, the Energy and Minerals Regulatory Commission, the Foreign Studies Company and JPRC to reach the fair commission value, which reflects a rate of return on investment for this activity at 12% annually. The committee completed its report for the related Ministries and is awaiting the recommendation for council of ministers for fair commission value. The government has not appointed auditors and study companies to determine the fair commission value for the gas activity for the years 2021, 2022 and 2023 until now and the company is still conducting vigorous meetings and negotiations with the relevant government agencies to obtain a fair commission that reflects what was stated in the Council of Ministers' Resolution No. (7633) mentioned above.

11. The rental value of the assets transferred from Jordan Petroleum Refinery Company to Jordan Petroleum Products Marketing Company (JPPMC) shall be calculated according to the Land and Survey Department's approved rate of (8%) on the land and buildings valued at JD (4.9) million from these buildings transfer date up to date. Moreover, the Company insists on rejecting the above clause, as the transferred assets are owned by the Jordan Petroleum Refinery Company under the concession expiry agreement which stipulated that the gas stations are owned by Jordan Petroleum Refinery Company and that they are transferred to the Jordan Petroleum Products Marketing Company owned by Jordan Petroleum Refinery Company. In addition, the Company has the right to dispose of its assets legally, pursuant to Article (236) of the Civil Law. Meanwhile, the assets were transferred at their net book value similar to the assets transferred at their net book value to other marketing companies under the agreement signed between the three marketing companies and the Ministry of Energy and Mineral Resources. Moreover, the concession expiry agreement stipulated that the Jordan Petroleum Products Marketing Company owned by Jordan Petroleum Refinery Company applies to other marketing companies. Moreover, negotiations took place between the Company and the Government, resulting in an agreement that the Ministry of Finance would recommend to the Council of Ministers the cancellation of this item, Accordingly, the Council of Ministers' Decision No. (1080) was issued in its meeting held on January 24, 2021, which included considering this item as canceled from the Council of Ministers' Decision No. (7633) adopted in its session held on April 30, 2018, and include that the JPRC does not require a rental return for the transferred assets of the Jordan Petroleum Products Marketing Company (a wholly owned subsidiary company).

- In implementation of the Council of Ministers' Decision No. (11110), adopted in its meeting held on August 16, 2015, and the decision of the Company's General Assembly, adopted in its meeting held on November 8, 2012, the land swap operation between Aqaba Special Economic Zone Authority (ASEZA) and the Jordan Petroleum Refinery Company took place during September 2019. In the swap, the authority ceded (6) plots of land of an area of four hundred forty-two thousand square meters (442,000 M²) to Jordan Petroleum Refinery Company. In return, the Company ceded its own plot of land no. (23), Parcel (13), Tract (13) of an area of approximately eighty-eight thousand square meters (88,000 M²), located within the southern port tract, to Aqaba Special Economic Zone Authority (ASEZA).

- In accordance to the Council of Minister's Decision No. (11127) taken in its session held on March 26, 2023, The company purchased the government's share of its assets in Aqaba and the airports, which represented (51%) of the value of these assets, according to the end of the concession agreement in 2008 signed between the company and the government, where the company paid and transferred an amount of JD (20.4) million to the Ministry of Finance during the month of April 2023, noting that the value of assets has been determined at fair value (market) by the consultant appointed by the government (Chann Oil Consulting Company) and upon that these assets have become fully owned by the company and the company started to develop, expand and diversify its activities in Aqaba and the airports.

4. Commencing Operations on Commercial Terms after Termination of Relationship with the Government

A. The Company recorded delay interests on the Ministry of Finance's "The Relationship" balance due and unpaid balances at the effective borrowing rate starting from May 1, 2018, and that is according to the Council of Ministers' Decision No. (7633), adopted in its meeting held on April 30, 2018.

B. The Company has recorded fees for storing the Government-owned strategic inventory at an amount of JD (3.5) per cubic meter according to the storage capacity for each material effective May 1, 2018 based on Ministry of Finance's approval through Letter No. (18/4/33072), dated November 25, 2018, noting that all of the strategic inventory quantities owned by the government were transferred during 2021, and according to that, no amounts were recorded during the years 2022 and 2023.

C. Profit settlement with the Government calculation item has been discontinued, and the related balance has been recognized in the consolidated statement of profit or loss up to April 30, 2018, according to the Council of Ministers' Decision No. (7633), adopted in its meeting held on April 30, 2018. The decision terminated the financial relationship between the Company and the Jordanian Government, and consequently, the Company become working on commercial terms from the first of May 2018 (Note 3).

D. Jordan Liquefied Petroleum Gas Manufacturing and Filling Company after transferring all its different liquefied gas activities to it (except for the liquefied gas production activity) which was activated as of January 1, 2023, recorded an amount of JD 7,631,919 during 2023 as revenue against the commission difference of filling the Liquefied gas according to the Council of Ministers' Decision No. (7633), taken in its meeting held on April 30, 2018. This decision has set the commission amount for the period starting from the first of May to the end of December 2018 at JD 43 per ton sold. Accordingly, the Company recorded an amount of JD 18 of each ton of gas sold, representing the commission difference included in the (IPP) amounting to JD 25 and the stated commission, in the Council of Ministers Decision mentioned above and amounting to JD 43 in consistency with year 2018 as a precautionary measure of raising the value of the commission before it is approved by the concerned official authorities and ministries. Whereas the Government has not amended the oil derivatives price bulletin (IPP) up to date, and the final commission for the years 2019, 2020, 2021, 2022 and 2023 which reflect the average of return on investment by 12% annually and that is according to the Council of Ministers' Decision No. (7633), taken in its meeting held on April 30, 2018. Noting that after the agreement on the final commission amount is reached, its financial impact will be reflected in the subsequent periods.

5. Material Accounting Policies Information

Basis of Preparation of the Consolidated Financial Statements

- The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and related interpretations.

- The consolidated financial statements are stated in Jordanian Dinar.

- The consolidated financial statements have been prepared in accordance with the historical cost principle except for financial assets and financial liabilities, which are stated at fair value at the date of the consolidated financial statements.

- The accounting policies adopted for the preparation of the consolidated financial statements for the current year

are consistent with those applied in the year ended December 31, 2022, except for the effect of the adoption of the new and amended standards mentioned in Note (6-A).

- Going Basis:

When approving the financial statements, the board of directors members had reasonable expectation that the group has enough resources to continue its operating activities for the foreseeable future, and accordingly, the decided to continue applying the accounting going basis when preparing the financial statements.

- The following are the most significant accounting policies:

Basis of Consolidation of the Financial Statements

- The consolidated financial statements for the group include the financial statements of the Company and its subsidiaries under its control. Control is achieved when the Company has authority over the investee company, it is exposed to variable returns or holds rights for participating in the investee company, and it is able to exercise its authority over the investee company, which affects the investee company's revenue.

- Control is achieved when the Company:

- Has the ability to control the investee company.
- Is exposed to variable returns or has the right to variable returns resulting from its association with the investee company.
- Has the ability to use its authority to influence the investee's returns.

The Company re-evaluates its control over the investee Company if the facts and circumstances indicate changes to the above control elements.

- The subsidiaries' financial statements are prepared for the same financial year of the parent company, using the same accounting policies as those of the parent company. If the subsidiaries adopt accounting policies different from those of the parent company, the necessary adjustments are made to the subsidiaries' financial statements to conform to the accounting policies of the parent Company.

- The subsidiaries' results of operations are consolidated in the consolidated statement of profit or loss from the date of their acquisition, which is the date on which effective control over the subsidiary takes place. The results of the disposed-of subsidiaries are consolidated in the consolidated statement of profit or loss up to the disposal date, which is the date on which the Company loses control over the subsidiaries.

The Company has control power when the voting rights are sufficient to grant it the ability to direct the activities of the related subsidiary unilaterally. The Company takes into consideration all the facts and circumstances in assessing whether the Company has voting rights in the investee company that enable it to exercise or not exercise control. Among these facts and circumstances are the following:

- The size of the Company's holding of voting rights relative to the size and distribution of other voting rights.
- Potential voting rights held by the Company and any other voting rights or third parties.
- Rights arising from other contractual arrangements.
- Any additional facts and circumstances indicating that the Company has or does not has an existing responsibility for directing the relevant activities at the time of making the required decisions, including how to vote at previous General Assembly meetings.

When the Company loses control over any of its subsidiaries, the Company:

- Derecognizes the subsidiary's assets (including goodwill) and liabilities.
- Derecognizes the book value of any non-controlling interest.
- Derecognizes the cumulative transfer differences recognized in owners' equity.
- Derecognizes the fair value of the consideration received.
- Derecognizes the fair value of any investment held.
- Derecognizes any surplus or deficit in the consolidated statement of profit or loss.
- Reclassifies the Company's owners' equity previously recognized in the consolidated statement of comprehensive income to the consolidated statement of profit or loss or retained earnings, as appropriate.

As of December 31, 2023, the Company owns the following subsidiaries, either directly or indirectly:

Company's Name	Authorized Capital	Ownership Percentage	Location	Establishment Date	Note
	JD	%			
Jordan Petroleum Products Marketing Company	65,000,000	100	Amman	February 12, 2013	Operating
Hydron Energy Company LLC	5,000,000	100	Amman	April 29, 2003	Operating
Jordan Liquefied Petroleum Gas Manufacturing and Filling Company*	4,000,000	100	Amman	May 28, 2008	Operating
Jordan Lube - Oil Manufacturing Company **	6,000,000	100	Amman	May 28, 2008	Operating
AL-Nuzha and Istiklal Gas Station for Fuel and Oil Company	5,000	60	Amman	January 8, 2014	Operating
Al-Karak Central Gas Station for Fuel Company	5,000	60	Al Karak	November 26, 2014	Operating
Rawaby Al-Queirah Gas Station for Fuel and Oil Company	5,000	60	Al Aqaba	June 22, 2015	Operating
Al-Aon for Marketing and Distribution Fuel products Company	1,005,000	60	Amman	January 10, 2016	Operating
Al Kamel Gas Station for Oil and Fuel Company	5,000	60	Amman	February 26, 2017	Operating
Al-Wadi Al-A'biad Gas station for Fuel Company	5,000	60	Amman	August 4, 2015	Operating
Al-Tanmwieh Al-A'ola Gas Station for Fuel and Oil Company ***	4,406,428	60	Amman	November 19, 2015	Operating
Al Qastal Gas Station for Fuel and Oil Company	5,000	60	Amman	June 19, 2017	Operating
Taj Amon Gas Station for Fuel and Oil Company	5,000	90	Amman	September 20, 2017	Operating
Al Shira' Gas Station for Fuel and Oil Company	5,000	60	Al Aqaba	February 19, 2017	Non-Operating under renovation
Al Failaq station for Fuel and Oil Company ****	1,513,993	100	Amman	July 7, 2020	Non-Operating under renovation

* The capital of the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company was completely paid on September 7, 2022, and its commercial operations has been activated and the entire liquefied gas activity (except gas production activity), gas filling stations and repair and maintenance workshop for gas cylinders have been annexed to it, starting from of January 1, 2023.

** The capital of the Jordan Lube Oil Manufacturing Company was increased to JD 6 million according to the company's board of directors' decision No. 97-1/2021 taken in its meeting held on December 30, 2021, in a preparation for activating this company and annexing the entire lube oil activities and oil factory to it. In addition, capital raising procedures of Jordan Lube Oil Manufacture Company have also been completed on March 21, 2022, so that the authorized and paid-up capital of the Company became JD 6 million, the company was activated and started its operations as of April 1, 2022 and annexing the entire lube oil activities and oil factory to it.

*** The capital of the Al-Tanmwieh Al-A'ola Gas Station for Fuel Company was increased to JD 4,406,428 instead of JD 5,000, according to the General Assembly decision in its extraordinary meeting on September 11, 2022.

**** The capital of the Al-Failaq Gas Station for Fuel and Oil Company was increased to JD 1,513,993 instead of JD 5,000, according to the General Assembly decision in its extraordinary meeting on July 19, 2023.

- Jordan Petroleum Products Company sold The Jordanian German fuel company on August 23, 2023.

- During 2023, Al-Muneirah Gas Station for Fuel and Oil Company, Al-Tariq Al-Da'ari Gas Station for Fuel Company, Qaws Al-Nasser for Fuel Stations Management Company, Al-Khairat for Fuel Company, Al-Markzeya Gas Station for Fuel Trade Company, and Al Benzol Gas station for Fuel Stations Management Company, were merged with Jordan Petroleum Products Marketing Company (a subsidiary and wholly owned) noting that these companies were subsidiaries of this company.

- Jordan Petroleum Products Marketing Company receives a marketing commission of 12 fills per each liter sold from finished petroleum products and a retail commission of 15 fills per each liter sold from finished petroleum

products until August 31, 2018. The retail commission has been amended to become 18 fills per each liter sold from finished petroleum products as of September 1, 2018. In addition, it receives other commissions, representing evaporation loss allowance and transport fees and that is according to the petroleum products selling prices bulletin (IPP).

Business Combinations

Acquisitions of businesses are accounted for using the acquisition method and the consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree.

Acquisition-related costs are recognized in statement of profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree, or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale measured in accordance with IFRS 5 at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in statement of profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination and changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. As measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' which cannot exceed one year from the acquisition date about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within the consolidated statement of equity. And other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognized in the consolidated statement of profit or loss.

When a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in the consolidated statement of profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in the consolidated statement of other comprehensive income are reclassified to the consolidated statement of profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. And those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the date of acquisition. Which if it was known, would have affected the amounts recognized as of that date.

Inventory

The value of inventory is determined at cost or realizable value, whichever is lower. Moreover, cost is determined according to the weighted average method. A provision is booked for slow-moving, obsolete, and sediments inventory and water in the Company's tanks, and the cost of eliminating them.

Fair Value

The closing prices (assets acquisition / sale of liabilities) at the date of the consolidated financial statements in active markets represents the fair value of the financial instruments and derivatives that have market prices.

In case declared market prices do not exist, or active trading of some financial instruments and derivatives is not available, or the market is inactive, fair value is estimated by several methods including the following:

- Comparison with the present market value of a very similar financial instrument.
- Analysis of future cash flows and expected discounted cash flows at a rate used for a similar financial instrument.
- Adoption of options pricing models.
- The long-term non-interest bearing assets and liabilities are evaluated according to discounted cash flows at the effective interest rate. Moreover, the discounted interest is recorded within received interest income in the consolidated statement of profit or loss.

The evaluation methods aim at obtaining a fair value that reflects market expectations and considers market factors and any expected risks or benefits upon evaluating financial instruments.

Financial Instruments

Financial assets and financial liabilities are recognized in the Group's consolidated statement of financial position when the Company is a party to the contractual provisions of the financial instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to the fair value of the financial assets or financial liabilities or, where appropriate, deducted therefrom at initial recognition.

Financial Assets

Financial assets are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs directly attributable to the acquisition or issuance of financial assets (other than financial assets at fair value through the consolidated statement of profit or loss) are added to the fair value of financial assets or financial liabilities or deducted therefrom, where appropriate, at initial recognition.

All fully recognized financial assets are subsequently measured either at amortized cost or at fair value based on the classification of the financial assets.

Financial Assets at Fair Value Through Statement of Comprehensive Income:

These financial assets represent investments in equity instruments for the purpose of retaining them over the long term.

- These assets are stated at fair value plus acquisition costs on acquisition and subsequently revalued at fair value. The change in fair value is reflected in the consolidated statement of comprehensive income and in owner's equity, including the change in fair value arising from translation differences of non-monetary assets denominated in foreign currencies. In case of the sale of these assets or part thereof, the resulting profit or loss is taken to the consolidated statement of comprehensive income and to the consolidated statement of changes in owner's equity. The fair value reserve balance of the financial assets sold is transferred directly to retained earnings and not through the consolidated statement of profit or loss.

- Dividend income is recognized in the consolidated statement of profit or loss.

Classification of Financial Assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost:

- The asset is acquired in a business model intended to hold assets to collect contractual cash flows.
- The contractual terms of the instrument on specific dates will result in cash flows that are only payments of principal and interest on the principal of the outstanding amount.

All other financial assets are measured at fair value.

Amortized Cost and Effective Interest Method

An effective interest method is a method of calculating the amortized cost of a debt instrument and allocating interest income over a particular period.

The effective interest rate is the rate that exactly discounts the expected future cash payments (including all fees and points paid or received that are an integral part of the effective interest rate, transaction costs and other premiums, or other discounts), except for expected credit losses, over the expected life of the debt instrument or, if appropriate, over a shorter period, to net book value at initial recognition. With respect to financial assets acquired or impaired, the adjusted effective interest income is determined by discounting the future expected cash payments, including the provision for expected credit losses, on the amortized cost of financial assets at initial recognition.

Foreign Exchange Currencies Gain and Losses

The book value of financial assets recorded in foreign currency is determined and translated at the rate prevailing at the end of each reporting period. For financial assets measured at amortized cost that are not part of a specific hedging relationship, currency differences are recognized in the consolidated statement of profit or loss.

Impairment of Financial Assets

The Group recognizes an allowance for expected credit losses on accounts receivable and checks under collection and updates the expected credit losses on each reporting date to reflect changes in creditworthiness since the initial recognition of the related financial instrument.

The Group constantly records the expected credit losses over their lifetime for accounts receivable and checks under collection. Moreover, the expected credit losses for these financial assets are estimated, using an allowance matrix based on the Group's past credit loss experience, and adjusted in line with the factors relating to the debtors and general economic conditions. Moreover, both the current and future trends are assessed on the reporting date, including the time value of money, as appropriate.

For all other financial assets, the Group recognizes the expected credit losses over their lifetime if there has been a significant increase in credit risk since initial recognition. The expected credit loss over their lifetime represents the expected credit losses that will arise from all probable defaults on payment over the expected lifetime of the financial instrument.

Provision for Expected Credit Losses

The Group has adopted a simplified approach to recognize expected credit losses over the life of its receivables and checks under collection as permitted by IFRS No (9). Accordingly, non-impaired trade receivables that do not contain a significant financing component have been classified as part of the second stage with the recognition of expected credit losses over their lifetime.

Provision for the expected credit loss should be recorded over the life of the financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. Moreover, the expected credit losses are a probable weighted estimate of the present value of the credit loss. This value is measured as the present value of the difference between the cash flows due to the Group according to the contract and the cash flows that the Group expects to receive arising from the weighting of several future economic scenarios, discounted at the effective interest rate of the asset.

The Group assesses whether there is an objective evidence of impairment in value on an individual basis for each asset of individual value and collectively for other assets that are not individually significant.

Write-off of Financial Assets

The Group writes off financial assets when there is information indicating that the debtor is experiencing financial difficulties, and there is no realistic probability of recovery, for example. When the debtor is placed under liquidation or is in bankruptcy proceedings, or when accounts receivable are overdue for more than (12) months or more, accounts receivable are examined on a customer-by-customer basis, whichever is earlier.

The Group may continue to exert collection efforts regarding the written-off financial assets in an endeavor to recover receivables, taking into account legal advice, where appropriate. Any recoveries are recognized in the consolidated statement of profit or loss.

Derecognition of Financial Assets

The Group derecognises a financial asset when the contractual rights related to the cash flows receivable from the asset expire, or when the Group transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another Company. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the transferred asset and the associated liability for amounts the Company may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred asset, the Group continues to recognise the financial asset.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's book value and the amount of the consideration received or receivable is recognised in the consolidated statement of profit or loss.

Classification as Debt or Equity Instruments

Debt and equity instruments are classified either as financial liabilities or as owners' equity in accordance with the substance of the contractual arrangements, the definitions of the financial liability, and the owners' equity instrument.

Equity Instruments

An equity instrument is defined as a contract that proves ownership of the remaining shares of a Group's assets after deducting all its liabilities. The equity instruments issued are recorded with the proceeds received net of the direct issue cost.

The re-acquisition of the Group's owners' equity instruments is recognized and deducted directly in owners' equity. No profit or loss is recognized in the consolidated statement of profit or loss when purchasing, selling, issuing, or canceling the Group's owners' equity instruments.

Financial Liabilities

All financial liabilities are subsequently measured at amortized cost, using the effective interest method or at fair value through the consolidated statement of profit or loss.

Financial liabilities that are not from the following are subsequently measured at amortized cost, using the effective interest method:

- Probable consideration for the acquired Group in a business combination.
- Held for trading.
- Designated at fair value through the consolidated statement of profit or loss.

Trade and other payables classified as "financial liabilities" are measured initially at fair value less transaction costs, and are subsequently measured at amortized cost, using the effective interest method. Interest expense is recognized on an effective yield basis.

The effective interest method is the method of calculating the amortized cost of a financial liability and allocating interest expense over the particular period. The effective interest rate is the rate that exactly discounts expected future cash payments within the expected life of the financial obligation or over a shorter period, where appropriate.

Derecognition of Financial Liabilities

The Group derecognizes financial liabilities when they are discharged from their obligations or when such obligations are canceled or expired. The difference between the book value of the derecognized financial liability and the consideration paid or payable is recognized in the consolidated statement of profit or loss.

Property, Plant and Equipment:

- Property and equipment are stated at cost, net of accumulated depreciation and other impairments, and are depreciated (except for land) when ready for use, according to the straight-line method over their expected useful lives at annual rates as follows:

	%
Buildings	2 - 4
Machinery and production equipment	10
Machinery and support services equipment	10
Tanks and pipelines	2 - 4
Electrical supplies and equipment	10
Products loading units	10
Vehicles	15
Office furniture and fixtures	5 - 10
Library and training equipment	10
Distribution stations assets	20
Other property equipment	10
Computers	40

- When the recoverable amount of any property and equipment becomes less than its net book value, its value is reduced to the recoverable amount, and the transaction of the impairment loss is charged to the consolidated statement of profit or loss.

- The useful lives of property and equipment are revalued at the end of each year. If the expected useful lives differ from previous estimates, the change is recorded in subsequent years, being a change in estimate.

- Property and equipment are derecognized when disposed of or when no future benefits are expected from their use or disposal.

Intangible Assets

-Intangible assets are stated at cost and classified on the basis of either definite or indefinite useful life. Intangible assets with definite useful lives are amortized over their estimated lives at an annual rate of (10%), and any indications of impairment in the value of intangible assets as of the consolidated financial statements date are reviewed. Furthermore, the estimated useful lives of the intangible assets are reassessed, and any amendments are made in the subsequent period.

Any indications to impairment in intangible assets are reviewed at the consolidated financial statements date. Furthermore, the estimated useful life for these assets is reviewed as well, and any impairment is recognized in the consolidated statement of profit or loss.

No intangible assets arising from the Group's operations are capitalized. Instead, they are recorded as an expense in the consolidated statement of profit or loss.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. And gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the consolidated statement of profit or loss when the asset is derecognized.

Goodwill:

- Goodwill is recognized at cost, which represents the excess amount paid to acquire or purchase cash-generating units owned by other companies over the Group's share in the net fair value of these units' assets and liabilities at the acquisition date.

- Goodwill is recognized as an intangible asset in a separate item, and subsequently, reduced by any impairment losses.

- Goodwill is distributed over the cash-generating unit(s) for the purpose of testing the impairment in its value.

- In case the cash-generating units are sold, goodwill value is considered upon determining the amount of profit or loss resulting from selling transaction.

- Trademark:

A trademark is a special mark or indicator used by the Group to indicate that the products or services provided to the consumer which the trademark appears on are originating from a single source and to distinguish its products or services from the products and services of other parties.

- Operating Lease contracts:

Operating lease contracts are recognized at the value that the Group will incur in order to replace the stations of the acquired companies whose fixed assets have been purchased through operating lease contracts.

Investment Property

Investment property is stated at cost less accumulated depreciation (except for lands), and any impairment loss is recognized in the consolidated statement of profit or loss. The operating income or expenses of these investments are recognized in the consolidated statement of profit or loss and depreciated (except for lands) using the straight-line method over their expected useful lives at annual depreciation rates ranging from (2 - 20%).

Taxes

- A provision for income tax is booked through estimating the expected tax liabilities. Moreover, the realized differences in income tax are recorded in the consolidated statement of profit or loss when paid upon reaching a final settlement with the Income Tax Department.

- Deferred taxes are expected to be paid or recovered due to temporary timing differences between the value of the assets or liabilities in the consolidated financial statements and the value on the basis of which taxable income is calculated. Furthermore, deferred taxes are calculated using the liability method in the consolidated statement of financial position according to the tax rates expected to be applied at the time of tax liability settlement or the recognition of the deferred tax assets.

- At the consolidated financial statements date, the balance of deferred tax assets and liabilities is reviewed and reduced in case it is expected that the Group would not benefit, in whole or in part, from the deferred tax assets, the tax liability is settled, or the tax asset is no longer needed.

Revenue Recognition

The Group recognizes revenues mainly from selling ready-made oil derivatives, gas, lube oil, transportation services, storage services, and filling gas cylinders.

Revenue is measured at the fair value of the consideration received or receivable (net of returns and discounts) of the contracts with customers, and the amounts collected on behalf of others are excluded. Revenue is recognized when the Group transfers control of a product to the customer and the goods are shipped to a certain location (delivery). After delivery, the customer bears the primary responsibility when selling the goods, as well as the risk of obsolescence and loss related to the goods. Receivables are recognized by the Group when the goods are delivered to customers, representing the point at which the right to consideration becomes unconditional. The passage of time is only required before the payment becomes due.

Interest Income and Expenses

Interest income and expense for all financial instruments are recognized in the consolidated statement of profit or loss using the effective interest method. The effective interest rate represents the rate at which the estimated future cash flows of a financial instrument are discounted over the life expectancy of the financial instrument or, where appropriate, for a shorter period, to the net book value of the financial assets or financial liabilities. Future cash flows are also estimated by taking into account all contractual terms of the instrument.

Provisions

Provisions are recognized when the Group has obligations on the consolidated statement of financial position date arising from past events or payment of contingent liabilities which can be reliably measured.

Lease Contracts

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at the inception of the contract. Moreover, it recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and assets lease contracts of low value. For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- The amount expected to be payable by the lessee under residual value guarantees.
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options.
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate-line item in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the book value to reflect interest on the lease liability (using the effective interest method) and by reducing the book value to reflect the lease payments made.

Lease liabilities are re-measured (and a corresponding adjustment to the related right-of-use asset is made) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of an exercise of a purchase option, in which case, the lease liability is re-measured by discounting the revised lease payments, using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is re-measured by discounting the revised lease payments, using an unchanged discount rate (as long as the lease payments do not change due to a change in the effective interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease contract, in which case the lease liability is re-measured based on the modified lease contract term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective rate on the date of the modification.

Right-of-use assets are depreciated over the period of lease term or useful life of the underlying asset (which is shorter), if a lease contract transfers ownership of the underlying asset or the cost of the right-of-use asset reflecting that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate-line item in the consolidated statement of financial position.

The Group applies IAS No. (36) to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the "Property and Equipment" policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset, the related payments are recognized as an expense in the period in which the event or condition occurs and triggers those payments, these payments are included in the line "Other expenses" in the consolidation statement of profit or loss.

The Group as Lessor

Leases in which the Group is a lessor are classified as finance or operating leases, whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease, all other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts.

The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the book value of the leased asset and recognized on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Group's net investment in the leases, finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's outstanding net investment in respect of the leases contracts.

When a contract includes both lease and non-lease components, the Group applies IFRS No. (15) to distribute the amounts received or receivable according to the contract of each component.

6. Adoption of new and revised Standards

a. New and amended IFRS Standards that are effective for the current year

The following new and revised IFRSs, which became effective for annual periods beginning on or after January 1, 2023, have been adopted in these consolidated financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

IFRS (17) Insurance Contracts (including the June 2020 and December 2021 amendments to IFRS (17))

IFRS (17) sets out principles for the recognition, measurement, presentation and disclosure of insurance contracts and replaces IFRS (4) Insurance Contracts.

IFRS (17) specifies a general model, modified for insurance contracts with direct participation features, described as a variable charge approach where the general model is simplified if certain criteria are met by measuring the remaining coverage liability using a premium allocation approach and the general model uses assumptions Current means to estimate the amount, timing, and uncertainty of future cash flows and explicitly measure the cost of uncertainty and take into account market interest rates and the effect of policyholders' options and guarantees.

The Group does not have any contracts that meet the definition of an insurance contract under IFRS (17).

Amendments to IAS (1) Presentation of Financial Statements and Statement of Practice for IFRS (2) Relative Judgments - Disclosure of Accounting Policies

The amendments change the requirements of IAS 1 in relation to the disclosure of accounting policies. The amendments replace the term "material accounting policy information" with the term "significant accounting policies". Accounting policy information is considered significant if it is considered together with other information included in the financial statements of the Company, could reasonably be expected to influence decisions taken by the primary users of the general-purpose financial statements based on those financial statements.

The supporting paragraphs in IAS No. (1) have also been amended to clarify that accounting policy information that relates to intangible transactions, other events or conditions is immaterial and does not need to be disclosed, and accounting policy information may be material because of the nature of the relevant transactions, other events or conditions. Even if the amounts are immaterial, not all accounting policy information relating to material transactions, events or other conditions are material.

The Standards Board has also developed guidance and examples to explain and demonstrate the application of the "four-step materiality process" described in the IFRS Practice Statement (2).

Amendments to IAS (12) Taxes - Deferred taxes relating to assets and liabilities arising from a single transaction.

The amendments provide another exception to the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption to transactions that result in equal taxable and deductible temporary differences. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise upon initial recognition of an asset and a liability. In a transaction that does not constitute a business combination and does not affect accounting profit or taxable profit.

After the amendments to International Accounting Standard (12), the entity must recognize the relevant deferred tax assets and liabilities, with the recognition of any deferred tax asset subject to the recoverability criteria contained in International Accounting Standard No. (12).

Amendments to IAS (12) Income Taxes - International Tax Reform - Pillar Two Model Rules.

The International Accounting Standards Board has amended the scope of IAS (12) to clarify that the standard applies to income taxes arising from tax law that has been promulgated or promulgated substantially to implement the rules of the Pillar Two model published by the OECD, including tax law that applies the minimum eligible local additional taxes described in those rules.

The amendments provide a temporary exception to the accounting requirements for deferred taxes in IAS (12), so that an entity does not recognize or disclose information about deferred tax assets and liabilities related to Pillar (2) income taxes.

Amendments to IAS (8) - Accounting policies, changes in accounting estimates and errors - Definition of accounting estimates

The amendments replace the definition of a change in accounting estimates with the definition of accounting estimates. Under the new definition accounting estimates are “cash amounts in the financial statements that are subject to measurement uncertainty” and the definition of a change in accounting estimates has been deleted.

b. New and Revised Standards in issue but not yet effective

At the date of authorization of these consolidated financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective, management anticipates that these new standards, interpretations and amendments will be adopted in the Group’s consolidated financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the consolidated financial statements of the Group in the period of initial application:

Amendments to International Financial Reporting Standard No. (10) and International Accounting Standard No. (28): Sale or sharing of assets between an investor and its associate or joint venture.

The amendments made to International Accounting Standard No. (10) and to International Financial Reporting Standard No. (28) address situations in which the sale or contribution of assets is between the investor and its associate or joint venture. The amendments specifically stipulate those gains or losses resulting from the loss of control over a subsidiary that does not involve a business activity in a transaction with an associate or joint venture and is accounted for using the equity method is recognized in the profit or loss of the parent company only to the extent of the interests of unrelated investors in that associate or joint venture, likewise, profits and losses resulting from remeasuring investments held in any former subsidiary (which has become an associate or joint venture and is accounted for using the equity method) are recognized in the profit or loss of the former parent company only to the extent of the shares of non-investors. Related stakeholders in the new associate or joint venture. The effective date has not yet been determined and early adoption is permitted.

Amendments to International Accounting Standard No. (1) - Presentation of Financial Statements - Classification of liabilities as current or non-current

The amendments made to International Accounting Standard No. (1) only affect the presentation of liabilities in the statement of financial position as current or non-current and not the value or timing of the recognition of any asset, liability, revenue or expense or the information disclosed about those items.

The amendments clarify that the classification of obligations as current or non-current is based on the rights existing at the end of the reporting period and specify that the classification is not affected by expectations about whether the entity will exercise its right to postpone the settlement of the obligation, They also clarify that rights are considered existing if the obligations are complied with at the end of the reporting period, It provides a definition of “settlement” to clarify that it refers to the transfer of cash, equity instruments, other assets or services to the counterparty.

The amendments apply retrospectively for annual periods beginning on or after January 1, 2024, with early adoption permitted.

Amendments to IAS (1) Presentation of Financial Statements - Non-Current Liabilities with Pledges

The amendments specify that only covenants that an entity is required to comply with at or before the end of the reporting period affect the entity's right to defer settlement of the liability for at least twelve months after the reporting date (and therefore should be taken into account when assessing whether the liability is classified as current or non-current), these covenants affect whether the right exists at the end of the financial reporting period, even if the liability for the covenants is assessed only after the financial reporting date (for example a covenant based on the financial position of the company at the financial reporting date for which Commitment only after the financial reporting date).

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if the entity only must comply with an undertaking after the reporting period, however, if the entity's right to defer settlement of the obligation is subject to the company's compliance with the undertakings within twelve months. Ten months after the reporting period, the company discloses information that enables users of financial statements to understand the risks of obligations becoming due within twelve months after the reporting period. This may include information about covenants (including the nature of the covenants and when the entity must comply therein), the book value of the relevant liabilities and facts and circumstances, if any, that indicate that the company may experience difficulties in complying with the commitments.

The amendments apply retrospectively for annual reporting periods beginning on or after January 1, 2024, and early adoption is permitted.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Financing Arrangements

The amendments add a disclosure objective to International Accounting Standard (7) that stipulates that a company is required to disclose information about its supplier financing arrangements that enable users of financial statements to evaluate the effects of those arrangements on the company's obligations and cash flows. In addition, the International Reporting Standard has been amended. Finance No.(7) to add supplier financing arrangements as an example to the requirements for disclosing information about the company's exposure to liquidity risk concentration risks.

The term "supplier financing arrangements" is not defined and instead the amendments describe the characteristics of the arrangement about which the company will be required to provide information.

To achieve the disclosure objective, the company will be required to disclose in aggregate its supplier financing arrangements:

- Terms and conditions of arrangements.
- The carrying value and associated items presented in the company's statement of financial position of the liabilities that form part of the arrangements.
- The book value and associated items for which suppliers have already received payments from finance providers.
- The range of payment due dates for both financial liabilities that form part of supplier financing arrangements and similar trade payables that do not form part of supplier financing arrangements.
- Liquidity risk information.

The amendments contain specific transitional exemptions for the first annual reporting period in which the company applies the amendments apply to annual reporting periods beginning on or after January 1, 2024, and early adoption is permitted.

Amendment to IFRS No. (16) Leases - Lease Obligations in Sale and Leaseback

The amendments to IFRS (16) add subsequent measurement requirements for sale and leaseback transactions that meet the requirements of IFRS (15) to be accounted for as a sale. The amendments require the lessee seller to identify "lease payments" or "Adjusted Lease Payments" such that the Lessee Seller does not recognize gain or loss relating to the right of use held by the Lease Seller after the Commencement Date.

The amendments do not affect the profit or loss recognized by the lessee seller in connection with a partial or complete termination of the lease. Without these new requirements, the lessee seller may have recognized a gain on the right-of-use it retains solely because of the remeasurement of the lease liability (e.g. following a lease amendment or change in the lease term) by applying the general requirements in IFRS (16). This may be particularly the case in the case of a leaseback involving variable lease payments that are not based on an index or rate.

As part of the amendments, the IASB amended an illustrative example in IFRS (16) and added a new example to illustrate the subsequent measurement of a right-of-use asset and a lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also show that a liability arising from a sale and leaseback transaction that qualifies as a sale applying IFRS (15) is a lease liability.

The amendments apply to annual reporting periods beginning on or after January 1, 2024, and early adoption is permitted.

IFRS S1 – General Requirements to Disclose Financial Information Related to Sustainability

The amendments apply to annual reporting periods beginning on or after January 1, 2024, and early adoption is permitted.

IFRS S2 – Disclosures Related to Climate

The amendments apply to annual reporting periods beginning on or after January 1, 2024, and early adoption is permitted.

7. Significant Accounting Policies and Main Sources of Uncertain Estimates

Preparation of the consolidated financial statements and application of the accounting policies require the Group's management to perform estimates and judgments that affect the amounts of financial assets and liabilities and disclosure of contingent liabilities. These estimates and judgments also affect revenues, expenses, provisions, and changes in the fair value shown within owners' equity. Management is required to issue significant judgments and estimates to assess future cash flows and their timing. The above-mentioned estimates are necessarily built on several assumptions and factors with varying degrees of estimation and uncertainty. Moreover, the actual results may differ from the estimates due to changes resulting from the circumstances and situations of those estimates in the future.

We believe that the estimates within the consolidated financial statements are reasonable. The details are as follows:

- The Group's Management is required to use significant judgments and estimates to estimate the amounts and timing of future cash flows and to estimate the risks of a significant increase in the credit risk of financial assets after initial recognition and future measurement information of expected credit losses.

- The expected credit loss is measured as a provision that equals the expected credit loss provision over the lifetime of the asset.

- When measuring the expected credit loss, the Group uses reasonable and supported future information based on the assumptions of the future movement of the various economic engines and how these engines affect each other.

The probability of default is a key input in measuring the expected credit loss. The probability of default is considered as an estimate of the probability of default over a given period, which includes the calculation of historical data, assumptions, and expectations relating to future circumstances.

Loss Given Default is an estimate of loss resulting from payment default. It is based on the difference between the contractual cash flows due and those that the financier expects to collect, taking into account the cash flows from the additional collaterals and the integrated credit adjustments.

- The Group's Management uses significant estimates and assumptions to determine the amount and timing of the revenue recognition under IFRS (15), "Revenue from contracts with customers".

- The fiscal year is charged with the income tax expense in accordance with the International Financial Reporting Standards, regulations, and laws. The management also estimates the deferred tax assets for the temporary differences between the accounting profit and the tax profit according to the management's expectations in terms of benefiting from them in the near future.

- Management periodically re-estimates the useful lives of tangible and intangible assets for the purpose of calculating annual depreciation and amortization based on the general condition of those assets and estimates of their expected useful lives in the future. Any impairment loss is taken to the consolidated statement of profit or loss.

- A provision is made for the cylinders that are expected to be written off, replaced, and repaired in the future, depending on approved bases and assumptions in accordance with the price bulletin of oil derivatives in Jordan (IPP).

- A provision is made to meet the legal and contractual obligations for end-of-service indemnity, and compensation for disability, death, employees' vacations, and work injuries under the applicable regulations and instructions of the Group.

- A provision is made for the legal cases raised against the Group, based on a legal study prepared by the Group's legal advisors, under which potential future risks are identified, this study is reviewed periodically.

- A provision is made for slow-moving and obsolete and sediment inventory and water that exist in the Company's warehouses and tanks, and the cost of removing them based on technical studies by the competent authorities and the reports of the external inspectors.

- Extension and termination options are included in a number of lease contracts, these terms are used to maximize the operational flexibility in terms of managing contracts, the majority of extension and termination options held are exercisable both by the Group and the respective lessor.

- In determining the lease contracts term, Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or termination. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated), the assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

- The lease payments (if any) are discounted using the Group's incremental borrowing rate ("IBR"), and management has applied judgments and estimates to determine the IBR at the commencement of the lease contract.

- Fair value hierarchy: The level of the fair value hierarchy in which the complete fair value measurements are classified is determined and disclosed. Moreover, the fair value measurements are split in accordance with the levels specified in IFRS. The difference between level (2) and level (3) for fair value measurements is an assessment of whether information or inputs are observable and the extent of information that is not observable, which requires accurate judgment and analysis of inputs used to measure fair value, including consideration of all factors that concern the asset or liability.

The management believes that the estimates in the Consolidated financial statements for the year are reasonable and similar to the estimates adopted in preparing the consolidated financial statements for 2022.

8. Cash on Hand and at Banks

This item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Cash on hand	3,957,163	7,075,739
Current accounts at banks	29,802,877	18,899,367
	33,760,040	25,975,106

9. Receivables and Other Debit Balances

This item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Ministries, government authorities, Security authorities, and the Electricity Companies - fuel (a)	80,357,461	134,240,544
Fuel clients and others (b)	53,514,817	56,837,560
Alia Company - Royal Jordanian Airlines (c)	6,333,019	4,067,080
Checks under collection (d)	31,325,259	32,862,332
Total receivables	171,530,556	228,007,516
Ministry of Finance - the relationship (e)	320,091,020	328,281,832
General sales tax deposits (f)	139,469,128	132,980,013
Other debit balances (g)	2,277,063	3,371,057
Employees receivable	1,770,520	1,938,144
Payments, letters of credit, deposits and purchase orders -Subsidiary Company	2,348,200	1,789,186
Prepaid expenses (h)	7,652,313	9,618,631
Contract acquisition expenses - Subsidiary Company (i)	13,270,388	13,001,121
	658,409,188	718,987,500
Less: Expected credit losses provision (j)	(24,507,651)	(24,223,875)
	633,901,537	694,763,625

-The Group adopts a policy of dealing with creditworthy counterparties in order to mitigate the risk of financial losses arising from non-fulfillment of obligations. The aging of receivables is as follows:

As of December 31, 2023	1 Day - 119 Days	120 Days -179 Days	180 Days - 365 Days	More than a year*	Total
	JD	JD	JD	JD	JD
Receivables	70,696,144	57,537,249	7,082,726	36,214,437	171,530,556
Provision of expected credit losses	2,720,585	2,492,343	2,068,710	17,226,013	24,507,651
Expected credit loss Rate	4%	4%	29%	48%	14%

As of December 31, 2022	1 Day - 119 Days	120 Days -179 Days	180 Days - 365 Days	More than a year	Total
	JD	JD	JD	JD	JD
Receivables	75,503,198	54,297,575	59,341,442	38,865,301	228,007,516
Provision of expected credit losses	3,975,992	2,056,833	3,246,112	14,944,938	24,223,875
Expected credit loss Rate	5%	4%	5%	38%	11%

- The Group reviews the aging of the receivables and the adequacy of the provisions to be booked at the end of each financial period.

* This item includes receivables due from ministries, government authorities, and security agencies guaranteed by the government whose maturity more than a year, amounting to JD (19,276,158) In management opinion, the company has the ability to collect these receivables and there is no need to allocate any additional provisions for them. Receivables also include amounts due from Partners in subsidiaries amounted of JD (2,873,198) classified as more than one year and in management opinion, there is no need to record any additional provisions for them, as agreements have been signed with these partners to pay off those receivables with real estate guarantees, with the transfer of profits resulting from the operations of the subsidiaries of the Jordanian Petroleum Products Marketing Company (a subsidiary that is wholly owned).

a. This item includes as of December 31, 2023 receivables for fuel withdrawals by ministries, government agencies, and security agencies related to refining activity with an amount of JD (38,039,338) , an amount of JD (4,899,894) for previous receivables related to lube oil sales from the lube oil factory before first of April 2022, and an amount of JD (139,138) for Jordan Liquefied Petroleum Gas Manufacturing and Filling Company Which was activated as of January 1, 2023, after all the different liquefied gas activities have been annexed to it (except for gas production activity), and the amount of JD (33,847,711) for Jordan Petroleum Products Marketing Company and the amount of JD (3,431,380) for the Jordan Lube Oil Manufacturing Company as of December 31, 2023 that was activated as of April 1, 2022 and the entire activity of lube oil and oil factory has been annexed to it.

- The company signed a financial settlement agreement on June 23, 2022, with the National Electricity Company to pay the debt owed by it in addition to the interest of delayed payments and installments. The agreements also included that the amount due must be paid over (12) equal installments starting from July 2022. Accordingly, the National Electric Power Company has committed to pay the installments on their due dates, and the last installment of the financial settlement agreement was paid during the month of June 2023, and an amount equivalent to JD(3.2) million remains due from the Samra Electricity Generating Company, which has been pending for several years by the competent courts, so that it will be settled upon the issuance of the final judgment decision.

- The Company committed to reduce the debt of Governmental departments and institutions and security authorities by JD (317,601,186) during the year 2019, according to the company's borrowing agreement from the banks by an amount of JD (455,505,000) on behalf of the government to pay part of the debt due from the government in exchange for issuing undertakings by the Ministry of Finance to pay the amount of loans and interest Due and signed between the company and the Jordanian government represented by the Minister of Finance, according to the Council of Minister's decision No. (9158) taken in its session held on March 24, 2020.

- The company committed to reduce the debt of the security authorities by an amount of JD (105,000,000) during the year 2021, according to an agreement for the company to borrow from the banks assigned by the Ministry of Finance by an amount of JD (105,000,000) on behalf of the government to pay part of the debt owed by the government in return for the Ministry of Finance issuing pledges to the banks to pay the amount of the installments and interest payable thereon, in implementation of the Council of Minister's Decision No. (5011) adopted in its meeting held on December 19, 2021.

- The company committed to reduce the debt of the Jordanian Air Force by an amount of JD (47,022,677) , and reduce the balance of the main account of the Ministry of Finance - the relationship by an amount of JD (57,977,323) during June 2023, according to an agreement for the company to borrow from the banks assigned by the Ministry of Finance by an amount of JD (105,000,000) on behalf of the government to pay part of the debt owed by the government in return for the Ministry of Finance issuing pledges to the banks to pay the amount of the installments and interest payable thereon, in implementation of the Council of Minister's Decision No. (11231) taken in its session held on April 2, 2023, which also authorized the Minister of Finance to sign the agreement between the company and the government on behalf of the government.

- Upon on the offsetting request by Jordan petroleum Products Marketing Company to the Ministry of Finance to offset the debt accrued on the Ministry of Health in an amount of JD (1,970,377) with part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during April 2022.

- Upon on the offsetting request by Jordan petroleum Products Marketing Company to the Ministry of Finance to offset the debt accrued on the Ministry of Education in an amount of JD (1,708,179) with part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during April 2022.

- Upon on the offsetting request of Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Jordanian Royal Medical Services debts in the amount of JD (1,252,445) against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during April 2022.

- Upon on the offsetting request by Jordan petroleum Products Marketing Company to the Ministry of Finance to offset the debt accrued on Jordanian Armed Forces - Arab Army in an amount of JD (6,434,787) with part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during June 2022.

- Upon on the offsetting request by Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Jordanian Royal Medical Services debts in the amount of JD (1,079,446) against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during June 2022.

- Upon on the offsetting request by Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Ministry of Education debts in the amount of JD(745,027) against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during September 2022.

- Upon on the offsetting request by Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Jordanian Armed Forces - Arab Army debts in the amount of JD (4,233,789) against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during September 2022.

- Upon on the offsetting request by Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Jordanian Royal Medical Services debts in the amount of JD (406,111) against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during September 2022.

- Upon on the offsetting request by Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Royal Medical Services debts in an amount of JD 506,967 against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during January 2023.

- Upon on the offsetting request by Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Jordanian Armed Forces - Arab Army debts in an amount of JD (2,337,754) against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during January 2023.

- Upon on the offsetting request by Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Ministry of Health debts in an amount of JD (3,035,697) against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during January 2023.

- Upon on the offsetting request by Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Ministry of Education debts in an amount of JD (1,426,754) against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during January 2023.

- Upon on the offsetting request by Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Jordanian Armed Forces – Arab Army debts in the amount of JD (4,811,919) against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during March 2023.

- Upon on the offsetting request by Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Jordanian Royal Medical Services debts in the amount of JD (1,941,971) against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during May 2023.

- Upon on the offsetting request by Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Ministry of Education debts in the amount of JD (1,531,569) against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during June 2023.

- Upon on the offsetting request by Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Jordanian Armed Forces – Arab Army debts of JD (5,204,908) against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during June 2023.

- Upon on the offsetting request by Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Ministry of Social Development debts of JD (457,308) against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during August 2023.

- Upon on the offsetting request by Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Royal Medical Services debts of JD (1,160,770) against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during August 2023.

-The company signed an agreement to provide oil derivatives to Jordanian Royal Air Force on May 26, 2021 included a payment deadline by (15) days since the day of receiving the invoices and according to that the Jordanian Royal Air Force was committed to pay its withdrawals as the due date. The agreement was also extended for another year according to the letter of the General Command of the Jordanian Armed Forces - Arab Army No. (AH 2/4/1180) dated February 14, 2022 and the agreement was automatically renewed for the two years based on the agreement of the two parties as the agreement includes automatic renewal upon approval of both parties.

b. This item includes as of December 31, 2023 receivables of different fuel clients and other receivables in an amount of JD (7,002,855) related to the refining activities, and an amount of JD (9,062) related to Jordan Liquefied Petroleum Gas Manufacturing and Filling Company which was activated as of the beginning of January 2023 after all the different liquefied gas activities have been annexed to it (except for gas production activity), and an amount of JD (45,015,083) related to Jordan Petroleum Products Marketing Company, and an amount of JD (1,487,817) related to Jordan Lube Oil Manufacturing Company as on December 31, 2023, noting that the Jordan Lube Oil Manufacturing Company was activated as of April 1, 2022 and the entire lube oil activities and oil factory has been annexed to it.

c. This item includes receivables with an amount of JD (6,324,309) related to Jordan Petroleum Products Marketing Company and an amount of JD (8,710) related to the oil factory before the first of April 2022 as of December 31, 2023, noting that Jordan Lube Oil Manufacturing Company was activated as of April 1, 2022, and the entire lube oil activities and oil factory has been annexed to it.

- On March 6, 2016, the Company signed a settlement agreement related to the outstanding debt with Alia Company - Royal Jordanian Airlines, whereby (10%) of the debt balance was paid during March 2016. Meanwhile, Alia Company – Royal Jordanian Airlines commits to pay the remaining amount in (60) installments, the first of which is due on March 31, 2016, and the last on February 28, 2021 at the effective borrowing average rate incurred by Jordan Petroleum Refinery Company. Moreover, Alia Company – Royal Jordanian Airlines undertakes to pay all the subsequent invoices on their due date. Accordingly, Jordan Petroleum Refinery Company has not recorded any additional provisions as a result of this settlement. Furthermore, the Ministry of Finance has informed Jordan Petroleum Refinery Company through Letter No. (18/4/15391) dated September 26, 2016, that the provision recorded for Alia Company – Royal Jordanian Airlines should be reversed, since Alia Company – Royal Jordanian Airlines is committed to paying its payments, provided that Alia Company – Royal Jordanian Airlines continues to comply with the settlement according to the agreement signed with the Company on March 2016 and pay its monthly withdrawals on time. Accordingly, Jordan Petroleum Refinery Company has reversed the provision recorded for Alia Company – Royal Jordanian Airlines of about JD (31) million in year 2016.

- In accordance with the Council of Minister's Decision No. (11131), taken in its meeting held on August 16, 2015, a quantity discount was granted to jet fuel consumers on the selling price of Jet fuel approved by the monthly Fuel Pricing Committee according to the consumption segments from August 1, 2015 to December 31, 2016, provided that the said discount is calculated annually. Moreover, the Council of Ministers issued Decision No. (293), adopted in its meeting held on October 23, 2016, which stipulated amendment of the Jet fuel consumption segments for one year as of October 31, 2016. Additionally, in its meeting held on February 26, 2017, the Council of Ministers issued Decision No. (1958), which retroactively approved amendment of the implementation commencement date of the decision amending the discount segments under the Council of Ministers' Decision No. (293), retrospective effective from August 1, 2015, instead of October 31, 2016. Based on the above decisions, the discount due to Alia Company - Royal Jordanian Airlines for the period from August 1, 2015 to July 31, 2017 amounted to JD (29,947,993).

- Pursuant to the Company's Board of Directors' Decision No. (5/2/1), adopted in its meeting No. (1/2018), dated March 12, 2018, the Company reduced the amount of JD 15,523,797 from Alia Company - Royal Jordanian Airlines debt during the year 2017, provided that the remaining discount balance is reduced from the Company's monthly withdrawal invoices after deducting the outstanding and unpaid invoices from the date of signing a new agreement between the two Companies until July 31, 2018. The discount due for the period from August 1, 2017 to the expiry of the specified discount shall be treated under the Council of Ministers' decisions by reducing (40%) of Alia Company - Royal Jordanian Airlines debts, and (60%) of the Company's monthly withdrawals. In case the relationship with the Government is terminated, the discount shall be calculated up to April 30, 2018, according to the same rates stated above. After this date, the Council of Ministers' decisions shall be applied independently from Jordan Petroleum Refinery Company. Pursuant to the Council of Ministers' Decision No. (4141), adopted in its meeting held on August 20, 2017, the extension of the discount period granted to Alia Company - Royal Jordanian Airlines was approved for an additional year effective from October 31, 2017.

- Pursuant to the Council of Ministers' Decision No. (5614), adopted in its meeting held on December 17, 2017, the interest rate charged on Alia Company - Royal Jordanian Airlines' debt due to Jordan Petroleum Refinery Company, which was (4.4%) per annum on December 20, 2016, has been reduced to (0.5%) per annum. Moreover, interest income for the years 2015 and 2016 to date has been reversed in the form of a future balance, so that the resulting financial impact will be settled within the financial relationship between the Ministry of Finance and Jordan Petroleum Refinery Company. As of May 1, 2018, the Company has calculated the effective borrowing average interest rate annually in accordance with the debt settlement agreement with Alia Company. Moreover, implementation of the above decision has been suspended.

- Pursuant to the Council of Ministers' Decision No. (1958), adopted in its meeting held on February 26, 2017, it was approved to charge the discount granted to Alia Company on the Ministry of Finance's account directly without reducing the discount from the Company's sales revenue.

- During the period ended April 30, 2018, the Company recorded an amount of JD (11,659,699) on the Ministry of Finance's account as a discount to Alia Company according to the above-mentioned Council of Ministers' decisions. The amount of JD (4,663,880) has been reduced from the balance of the debt settlement agreement, and the amount of JD (6,995,819) was recorded as deposits to Alia Company, pursuant to the Company's Board of Directors' Decision No. (5/2/1). The Company did not calculate any discounts from May 1, 2018.

- The Company addressed its Letter No. (2/25/51/1/1/6814), dated September 30, 2018, to Alia Company - Royal Jordanian Airlines, stating that if Alia Company is willing to continue to implement the decisions of the Council of Ministers regarding the discount and reduce the interest rate through Jordan Petroleum Refinery Company, the Company shall be provided with a letter from the Ministry of Finance stating its approval to record the amount of the discount and interest difference directly on the Ministry of Finance's accounts. These amounts shall be taken within the settlement of the financial relationship between Jordan Petroleum Refinery Company and the Government, pursuant to the Council of Ministers' Decision No. (7633), adopted in its meeting held on April 30, 2018.

- Alia Company - Royal Jordanian Airlines has invited licensed Companies to tender for supplying Royal Jordanian aircraft with jet fuel according to the decision of the Ministry of Energy and Mineral Resources, which includes the decision for the licensed marketing companies to start the activity of supplying jet fuel. The tender was awarded to the Jordan Petroleum Products Marketing Company - a subsidiary. As a result, an agreement for the jet-fuel supply was signed between Alia Company - Royal Jordanian Airlines and Jordan Petroleum Products Marketing Company on November 1, 2018. Consequently, the direct supply activity to Alia Company - Royal Jordanian Airlines has been transferred from Jordan Petroleum Refinery Company to Jordan Petroleum Products Marketing Company - a subsidiary company. A new supply agreement was also signed between Alia Company - Royal Jordanian Airlines and the Jordan Petroleum Products Marketing Company - a subsidiary company that expires on February 11, 2024.

- Pursuant to the Council of Ministers' Decision No. (2674), adopted in its meeting held on January 9, 2019, the quantity discount granted to Alia Company - Royal Jordanian Airlines was extended to November and December of 2018.

- Pursuant to the Council of Ministers' Decision No. (3874), adopted in its meeting held on March 27, 2019, the quantity discount granted to Alia Company - Royal Jordanian Airlines was extended from January 1, 2019 to December 31, 2019, provided that the discount is settled on the financial relationship between the Government and the Jordan Petroleum Refinery Company.

- Pursuant to the Ministry of Finance's Letter No. (18/4/20267), dated September 27, 2019, which included the request of the Ministry of Finance to charge the discount difference due to Alia Company - Royal Jordanian Airlines, according to the above-mentioned decisions, to the financial relationship between the Government and Jordan Petroleum Refinery Company until the end of the due discount, Jordan Petroleum Refinery Company has recalculated the due discount up to July 31, 2018, but has not calculated the discount after this date, as the direct supply relationship between Jordan Petroleum Refinery Company and Alia Company - Royal Jordanian Airlines ended on October 31, 2018. This resulted in recording an amount of JD(9,645,385) in the balance of the financial relationship between the Company and the Government, accompanied by a decrease in Alia Company - Royal Jordanian Airlines debt settlement agreement of JD (3,858,154), and the recording of an amount of JD(5,787,231), as discount deposits due to Alia Company -Royal Jordanian Airlines within accounts payable and other credit balances.

- Based on the agreement between the Jordan Petroleum Refinery Company and Alia Company - Royal Jordanian Airlines signed on November 26, 2019, and after all the balances between the two Companies have been matched, both parties agreed to offset the accrued outstanding balance due from Alia Company - Royal Jordanian Airlines related to the refining activity against the discount deposits balances and interest deposit balances of Alia Company - Royal Jordanian Airlines. Accordingly, the offsetting took place and resulted in an amount of JD (11,253,235), payable to Alia Company - Royal Jordanian Airlines, which was booked in the Company's records for the refining activity (Note 18/I).

- Pursuant to the Council of Ministers' Decision No. (1976), adopted in its meeting held on April 18, 2021, It was approved that the Ministry of Finance would pay the discounts owed to Alia Company - Royal Jordanian Airlines that are not paid for its jet-fuel withdrawals according to the discount decisions granted to Alia Company - Royal Jordanian Airlines for its withdrawals according to a mechanism to be agreed upon between the Ministry of Finance and Alia Company - Royal Jordanian Airlines isolating the Jordan Petroleum Refinery Company, with the aim of not obligating the government with any additional obligations as a result of increasing the balance of the financial relationship between the JPRC and the government and the consequent interests of delayed payments.

d. The maturity of checks under collection related to the refining activity as of December 31, 2023 extends until January 7, 2024 which amounted to JD(1,468,813) while the maturity of the checks related to Jordan Petroleum Products Marketing Company extends until July 30, 2025 which amounted to JD (25,596,492), and the maturity of the checks related to Jordan Liquefied Petroleum Gas Manufacturing and Filling Company which was activated as of the beginning of January 2023 after all the liquefied gas activities have been annexed to it (except for gas production activity) extends until April 17, 2025 which amounted to JD (713,449), and the maturity of the checks related to Jordan Lube Oil Manufacturing Company extends until May 23, 2024 which amounted to JD (3,546,505), noting that Jordan Lube Oil Manufacturing Company has been activated as of April 1, 2022 and the entire lube oil activities and oil factory has been annexed to it.

e. The Ministry of Finance item (the relationship) as of December 31, 2023 includes an amount of JD (218,110,847) related to the refining activity, and an amount of JD (14,301,338) related to Jordan Petroleum Products Marketing Company, and an amount of JD (87,678,835) related to Jordan Liquefied Petroleum Gas Manufacturing and Filling which was activated as of the beginning of January 2023 after all the different liquefied gas activities have been annexed to it (except for gas production activity).

- As per the Ministry of Finance's Letter No. (8AR/4/5197), dated February 18, 2020, the balance of the financial relationship between the company and the Government as of December 31, 2018 of JD (591,669,659) was confirmed, provided that the National Electricity Company match its debt as per its own records with that as per the records of Jordan Petroleum Refinery Company. Accordingly, the National Electricity Company confirmed the balance in its letter No. (7216/2503), dated March 11, 2020, and requested that it be allowed to pay the balance over three years in equal monthly installments. The company did not accept the National Electricity company's request and it did give a juridical warning to pay all the due amounts and its interest, as a result of the National Electricity Company's failure to pay the accrued amounts, the Company has filed a case against the National Electricity Company at the competent courts. Accordingly, a financial settlement agreement was signed between the two companies to pay the debt owed by the National Electricity Company in return for dropping the lawsuit, and the agreement included that the amount due in addition to the interests of the delayed payment and installments will be paid in (12) equal installments starting from July 2022 and the National Electricity Company has committed to pay the due installments and the last installment of the financial settlement agreement was paid during the month of June 2023, and an amount equivalent to JD (3.2) million remains for the Samra Electricity Generating Company, which has been pending for several years before the competent courts, so that it will be settled when the final and final ruling is issued.

- The Company has committed to reducing the Ministry of Finance's debt (the relationship) by JD(137,903,814) during the year 2019, according to the Company's borrowing agreement with banks of JD (455,505,000), on behalf of the Government to pay part of the debt owed by the Government against the issuance of pledges by the Ministry of Finance to pay the loan amount and interest thereon. The agreement was signed between the Company and the Jordanian Government at June 16, 2020 and after the Council of Ministers approved the agreement and authorized the Minister of Finance to sign it on behalf of the Jordanian Government, according to the Council of Ministers' Decision No. (9158), taken in its meeting held on March 24, 2020.

- Upon offsetting request submitted by the Jordan Petroleum Refinery Company to the Ministry of Finance for the offsetting procedure between part of the Ministry of Finance's debt (the main account of the Ministry of Finance The Relationship) in favor of the company and the general and special tax included in the customs data for the benefit of the Customs Department, the Customs Department approved this procedure on March 16, 2020, and the offsetting Committee agreed this procedure on July 6, 2020, to conduct an offsetting in an amount of JD (58,042,756), and the above offsetting procedure was completed during the month of July of the year 2020.

- Upon on the offsetting request by the Jordan Petroleum Refinery Company submitted to the Ministry of Finance, for offsetting the Ministry of Finance relationship account due to the company amounted to JD (137,667,786) and the balance of the differences in pricing of derivatives and surpluses trusts due to the government in the amount of JD (44,167,683) and the balance of establishing alternative tanks deposits due to the government in the amount of JD(93,500,103) for the balances as of September 30, 2020, the Ministry of Finance letter No. (18/4/694) was received on January 10, 2021, which includes the approval of the above-mentioned offsetting based on the offsetting instructions, and that the offsetting was carried out at the Ministry of Finance on January 4, 2021, and that the offsetting is recorded in the financial statements for the year 2020, according to the balances of the financial relationship between the company and the government as of September 30, 2020 contained in the company's letter No. (2/25/51/1/8988) dated December 15, 2020.

- According to the Council of Ministers' Decision No. (5011) adopted in its meeting held on December 19, 2021, the company borrowed an amount of JD (105,000,000), equivalent in US dollars, from the banks assigned to it by the Ministry of Finance on December 31, 2021 against for the Ministry of Finance issuing pledges to repay the loan amounts and their interest to the banks, also, the receivables of the security authorities were reduced according to the agreement concluded between the company and the Ministry of Finance, as the decision authorized the Minister of Finance to sign this agreement on behalf of the government.

- According to the Council of Ministers' Decision No. (11231) taken in its meeting held on April 2, 2023, the company borrowed an amount of JD (105,000,000), equivalent in US dollars, from the banks assigned to it by the Ministry of Finance during May, 2023 against the Ministry of Finance issuing pledges to repay the loan amounts and their interest to the banks, and reduce the debt of the Jordanian Air Force by an amount of JD(47,022,677) and the balance of the main account of the Ministry of Finance - the relationship was reduced by an amount of JD(57,977,323), according to the agreement concluded between the company and the Ministry of Finance, as the decision authorized the Minister of Finance to sign this agreement on behalf of the government.

- Based on the offsetting request submitted by the Jordan Petroleum Refinery Company to the Ministry of Finance, which includes a request for a procedure between part of the accounts of the Ministry of Finance - the relationship in the amount of JD (49,002,240) and the balance of deposits of oil derivatives pricing differences and surpluses due to the government in the amount of JD (153,383) and fees and allowances according to the oil derivatives sale price bulletin (IPP) in the amount of JD (48,848,857), for the balances as of September 30, 2022, and the Ministry of Finance's issued letter No. (18/4/2068) dated January 23, 2023, containing the approval of the mentioned offsetting procedure, according to the balances of the financial relationship between the company and the government as of September 30, 2022 where it is contained in the company's letter No. (25/51/1/8969) dated November 16, 2022. The mentioned offset was made during January 2023.

- Subsequent to the financial statements, the company addressed the Ministry of Finance in its letter No. (2/25/51/1/758) dated January 29, 2024, which included the balances of the financial relationship between the company and the government regarding the refining and gas activity as of December 31, 2023, and requested an offsetting between the credit balances in favor of the government. And part of the balance of the Ministry of Finance's main account - the relationship as of December 31, 2023, and accordingly, the Ministry of Finance's letter No. (18/4/4819) dated February 21, 2024 was received, which included an apology for the current offsetting procedure and included a request from Jordan Petroleum Refinery Company to transfer the credit balances in favor of the government amounting to JD (3,688,151) to the government's treasury represented by an amount of JD (143,932) in deposits differences of oil derivatives pricing and surplus, and an amount of JD(3,544,219) in fees and allowances according to the oil derivatives pricing bulletin (IPP), and keeping the balance of the financial relationship in favor of the company in its records as of December 31, 2023. Accordingly, on February 22, 2024, the company transferred the credit balances in favor of the government to the government's treasury, and the balances of the financial relationship between the company and the government regarding the refining and gas activity were maintained as of December 31, 2023.

- The balances of the Ministry of Finance of the Jordanian Petroleum Products Marketing Company as of December 31, 2021 were confirmed through the Ministry of Finance's approval of the Jordanian Petroleum Products Marketing Company's letter No. (111/2/859) dated February 9, 2022.

- The balances of the Ministry of Finance of the Jordanian Petroleum Products Marketing Company as of December 31, 2022 were confirmed through the Ministry of Finance's approval of the Jordanian Petroleum Products Marketing Company's letter No. (111/3/615) dated January 29, 2023.

- The balances of the Ministry of Finance of the Jordanian Petroleum Products Marketing Company as of December 31, 2023 were confirmed through the Ministry of Finance's approval of the Jordanian Petroleum Products Marketing Company's letter No. (111/2/498) dated January 23, 2024.

- According to the Council of Ministers' decision No. (5329) adopted in its session held on July 10, 2019, Jordan Petroleum Refinery Company was authorized to implement the terms of the Memorandum of Understanding for the processing and transportation of crude oil between the government of the Republic of Iraq and the government of the Hashemite Kingdom of Jordan, the company signed the agreement on August 1, 2019 and the company issued a letter of credit in favor of the Central Bank of Iraq to cover the value of the amount of 10 thousand barrels per day throughout the year according to the monthly average price of a barrel of Brent crude oil minus (16) US dollars, noting that the quantities of Iraqi oil were supplied at the end of August of 2019 and according to the record signed by the concerned parties in the Ministry of Finance, the Ministry of Energy and Mineral Resources, and the Jordan Petroleum Refinery Company on March 10, 2020, the balances and accounts of Iraqi crude oil were reconciled until December 31, 2019, and according to the record signed by those concerned in the Ministry of Finance and the Ministry of Energy and Mineral Resources And the Jordan Petroleum Refinery Company, on September 30, 2020, Iraqi crude oil balances and accounts were reconciled up to April 30, 2020, noting that Iraqi oil supply was stopped during the May and June 2020 due to the decrease in international prices and it started to be supplied again on the first of July 2020 and its supply ended by the end of November 2020 and the Iraqi oil balances and accounts were reconciled until the end of the current tender according to the minutes of meeting signed by the concerned parties in the Ministry of Finance And the Ministry of Energy and Mineral Resources and the Jordan Petroleum Refinery Company on December 20, 2020, Noting that the government of Jordan agreed with the Iraqi Ministry of Oil to renew the agreement, the supply of Iraqi oil was started under the new agreement at the beginning of September 2021, Moreover, the Jordan Petroleum Refinery Company was authorized to implement the terms of the agreement on behalf of the Jordanian government under the letter of Ministry of Energy No.(MNG/5483/8/21) dated August 12, 2021 based on Prime Minister's Decision No. (1391) adopted in its meeting held on February 17, 2021. The Iraqi oil balances and accounts for the period from the beginning of September to the end of December 2021 were also matched according to the minutes of meeting signed by the concerned parties in the Ministry of Finance, the Ministry of Energy and Mineral Resources and the Jordan Petroleum Refinery Company on February 21, 2022 The balances and accounts of Iraqi oil were reconciled for the end of the year 2022 according to the minutes of meeting signed by those concerned in the Ministry of Finance, the Ministry of Energy and Mineral Resources, and the Jordan Petroleum Refinery Company on February 27, 2023, and the balances and accounts of Iraqi oil were matched for the first quarter of 2023 according to the minutes of meeting signed by those concerned in the Ministry of Finance and the Ministry of Energy. Mineral Resources and the Jordanian Petroleum Refinery Company on June 4, 2023, a new contract was also signed to supply Iraqi oil on May 15, 2023, for a period of one year, extendable with the same previous conditions and prices, but the supply quantities were increased to (15,000) barrels per day instead of (10,000) barrels per day, as of August 2023, and the balances of Iraqi oil accounts were matched for the end of the year 2023 according to the minutes signed by those concerned in the Ministry of Finance, the Ministry of Energy and Mineral Resources, and Jordan Petroleum Refinery Company on February 1, 2024.

- The Company signed an agreement for supplying oil derivatives with Royal Jordanian Air Force on May 26, 2021 included payment deadline of (15) days starting from the invoices receiving day, and according to that Jordanian Royal Air force was committed to pay all due amounts on time. The agreement was also extended for another year according to the letter of the General Command of the Jordanian Armed Forces - Arab Army No. (AH 2/4/1180) dated February 14, 2022 and the agreement was extended automatically for the two years based on the agreements between the two parties as the agreement includes automatic renewal upon approval of both parties.

- The balance of the financial relationship between the Company and the Government related to the refining and gas activity as of April 30, 2018 (the end of the financial relationship with the Government) is as follows:

	April 30, 2018 (Audited)
Amounts Owed to the Company:	JD
Ministry of Finance primary account (the relationship)	220,480,978
General sales tax deposits	101,792,998
Debts of security authorities, Governmental departments and Institutions, and the National Electricity Company: *	
Armed Forces / Directorate of Supply	101,513,938
Royal Air Force	136,424,517
Directorate of General Security	45,627,576
Directorate General of the Gendarmerie	9,553,718
Civil Defense	3,259,795
Departments, ministries, and Governmental agencies and Institutions	3,280,986
National Electricity Company**	76,413,291
Total Debts of Security Authorities, Governmental Departments and Institutions, and the National Electricity Company	376,073,821
Total Amounts owed to the Company	698,347,797
Less: Amounts Owed to the Government:	
Deposits differences of oil derivatives pricing and surplus	43,746,064
Special sales tax deposits	1,738,247
Deposits for constructing alternative tanks - Ministry of Energy	93,500,103
Fees and allowances according to the oil derivatives pricing bulletin (IPP)	21,244,292
Total Amounts Due to the Government	160,228,706
Balance Owed by the Government to the Company	538,119,091

- The balance of the financial relationship between the Company and the Government related to the refining and gas activity as of December 31, 2018 (Which was confirmed by the Ministry of Finance letter No. (8AR/4/5197)) is as follows:

	December 31, 2018 (Audited)
Amounts Owed to the Company:	JD
Ministry of Finance primary account (the relationship)	267,790,407
General sales tax deposits	106,334,261
Debts of security authorities, Governmental departments and institutions, and the National Electricity Company: *	
Armed Forces / Directorate of Supply	88,823,533
Royal Air Force	168,094,404
Directorate of General Security	45,626,257
Directorate General of the Gendarmerie	8,425,446
Civil Defense	3,269,279
Departments, ministries, and Governmental agencies and institutions	3,362,267
National Electricity Company * *	76,378,522
Total Debts of Security authorities, Governmental Departments and Institutions, and the National Electricity Company	393,979,708
Total Amounts owed to the Company	768,104,376
Less: Amounts Owed to the Government:	
Deposits differences of oil derivatives pricing and surplus	44,022,727
Special sales tax deposits	2,861,098
Deposits for constructing alternative tanks - Ministry of Energy	93,500,103
Fees and allowances according to the oil derivatives pricing bulletin (IPP)	36,050,789
Total Amounts Due to the Government	176,434,717
Balance Owed by the Government to the Company	591,669,659

-The balance of the financial relationship between the Company and the Government related to the refining and gas activities as of December 31, 2019 (after reducing the amount of JD (455,505,000) – government's loan) is as follows:

	December 31, 2019 (Audited)
Amounts Owed to the Company:	JD
Ministry of Finance primary account (the relationship)	211,997,358
General sales tax deposits	114,624,265
Debts of security authorities, Governmental departments and institutions, and the National Electricity Company: *	
Armed Forces / Directorate of Supply	1,074,301
Royal Air Force	59,938,960
Directorate of General Security	2,181
Departments, ministries, and Governmental agencies and institutions	3,550,513
National Electricity Company * *	72,147,468
Total Debts of Security authorities, Governmental Departments and Institutions, and the National Electricity Company	136,713,423
Total Amounts owed to the Company	463,335,046
Less: Amounts Owed to the Government:	
Deposits differences of oil derivatives pricing and surplus	44,134,309
Special sales tax deposits	(2,189,866)
Deposits for constructing alternative tanks - Ministry of Energy	93,500,103
Fees and allowances according to the oil derivatives pricing bulletin (IPP)	48,609,966
Total Amounts Due to the Government	184,054,512
Balance Owed by the Government to the Company	279,280,534

- The balance of the financial relationship between the Company and the Government related to the refining and gas activity as of September 30, 2020 (Which was confirmed by the Ministry of Finance according to the Ministry approval on the offsetting dated January 4, 2021) is as follows:

	September 30, 2020 (Reviewed)
Amounts Owed to the Company:	JD
Ministry of Finance primary account (the relationship)	194,763,517
General sales tax deposits	122,602,265
Special sales tax deposits	44,997,572
Debts of security authorities, Governmental departments and institutions, and the National Electricity Company: *	
Armed Forces / Directorate of Supply	1,325,578
Royal Air Force	92,293,727
Directorate of General Security	2,475
Departments, ministries, and Governmental agencies and institutions	2,421,811
National Electricity Company * *	72,147,468
Total Debts of Security authorities, Governmental Departments and Institutions, and the National Electricity Company	168,191,059
Total Amounts Owed to the Company	530,554,413
Less: Amounts Owed to the Government:	
Deposits differences of oil derivatives pricing and surplus	44,167,683
Deposits for constructing alternative tanks - Ministry of Energy	93,500,103
Fees and allowances according to the oil derivatives pricing bulletin (IPP)	50,718,837
Total Amounts Due to the Government	188,386,623
Balance Owed by the Government to the Company	342,167,790

-The balance of the financial relationship between the Company and the Government related to the refining and gas activities as of December 31, 2020, is as follows:

	December 31, 2020 (Audited)
Amounts Owed to the Company:	JD
Ministry of Finance primary account (the relationship)	68,240,240
General sales tax deposits	123,188,580
Special sales tax deposits	33,757,592
Debts of security authorities, Governmental departments and institutions, and the National Electricity Company: *	
Armed Forces / Directorate of Supply	1,374,855
Royal Air Force	103,436,845
Directorate of General Security	2,632
Departments, ministries, and Governmental agencies and institutions	3,290,168
National Electricity Company * *	72,147,468
Total Debts of Security authorities, Governmental Departments and Institutions, and the National Electricity Company	180,251,968
Total Amounts owed to the Company	405,438,380
Less: Amounts Owed to the Government:	
Deposits differences of oil derivatives pricing and surplus	19,104
Deposits for constructing alternative tanks - Ministry of Energy	-
Fees and allowances according to the oil derivatives pricing bulletin (IPP)	51,514,419
Total Amounts Owed to the Government	51,533,523
Balance Owed by the Government to the Company	353,904,857

- The balance of the financial relationship between the Company and the Government related to the refining and gas activities as of December 31, 2021, is as follows:

	December 31, 2021 (Audited)
Amounts Owed to the Company:	JD
Ministry of Finance primary account (the relationship)	165,747,052
General sales tax deposits	126,294,176
Special sales tax deposits	182,255
Debts of security authorities, Governmental departments and institutions, and the National Electricity Company: *	
Armed Forces / Directorate of Supply	-
Royal Air Force	13,286,270
Directorate of General Security	2,025
Departments, ministries, and Governmental agencies and institutions	2,413,667
National Electricity Company * *	72,147,468
Total Debts of Security authorities, Governmental Departments and Institutions, and the National Electricity Company	87,849,430
Total Amounts owed to the Company	380,072,913
Less: Amounts Owed to the Government:	
Deposits differences of oil derivatives pricing and surplus	108,433
Deposits for constructing alternative tanks - Ministry of Energy	-
Fees and allowances according to the oil derivatives pricing bulletin (IPP)	46,680,255
Total Amounts Owed to the Government	46,788,688
Balance Owed by the Government to the Company	333,284,225

- The balance of the financial relationship between the company and the government related to the refining and gas activity as of September 30, 2022 (confirmed by the Ministry of Finance pursuant to the Ministry's approval of the offsetting procedure on January 23, 2023) is as follows:

	September 30, 2022 (Reviewed)
Amounts Owed to the Company:	JD
Ministry of Finance primary account (the relationship)	266,543,378
General sales tax deposits	129,220,485
Special sales tax deposits	533,981
Debts of security authorities, Governmental departments and institutions, and the National Electricity Company: *	
Armed Forces / Directorate of Supply	30,109
Royal Air Force	43,149,216
Directorate of General Security	5,454
Departments, ministries, and Governmental agencies and institutions	5,271,713
Total Debts of Security authorities, and Governmental Departments and Institutions	48,456,492
Total Amounts Owed to the Company	444,754,336
Less: Amounts Owed to the Government:	
Deposits differences of oil derivatives pricing and surplus	153,383
Deposits for constructing alternative tanks - Ministry of Energy	-
Fees and allowances according to the oil derivatives pricing bulletin (IPP)	48,848,857
Total Amounts Due to the Government	49,002,240
Balance Owed by the Government to the Company	395,752,096
National Electricity Company **	71,158,551
Balance owed to the company by the government and the National Electricity Company	466,910,647

- The balance of the financial relationship between the Company and the Government related to the refining and gas activities as of December 31, 2022 (Confirmed pursuant to the memorandum of understanding signed between the company and the Jordanian government on June 6, 2023) is as follows:

	December 31, 2022 (Audited)
Amounts Owed to the Company:	JD
Ministry of Finance primary account (the relationship)	296,970,716
General sales tax deposits	130,914,449
Special sales tax deposits	1,779,821
Debts of security authorities, Governmental departments and Institutions: *	
Armed Forces / Directorate of Supply	51,936
Royal Air Force	47,022,677
Directorate of General Security	5,454
Departments, ministries, and Governmental agencies and Institutions	2,878,891
Total Debts of Security Authorities, and Governmental Departments and Institutions	49,958,958
Total Amounts Owed to the Company	479,623,944
Less: Amounts Owed to the Government:	
Deposits differences of oil derivatives pricing and surplus	178,851
Deposits for constructing alternative tanks - Ministry of Energy	-
Fees and allowances according to the Oil derivatives pricing bulletin (IPP)	49,561,345
Total Amounts Due to the Government	49,740,196
Balance Owed by the Government to the Company	429,883,748
National Electricity Company **	48,255,316
Balance owed to the company by the government and the National Electricity Company	478,139,064

- The balance of the financial relationship between the company and the government related to the refining and gas activity as of date December 31, 2023 (after reducing the amount of JD 105 million - government loan and the offsetting amounted to JD 49,002,240 which was on January 23, 2023) is as follows:

	December 31, 2023 (Audited)
Amounts Owed to the Company:	JD
Ministry of Finance primary account (the relationship)	305,789,682
General sales tax deposits	138,633,355
Debts of security authorities, Governmental departments and Institutions: *	
Armed Forces / Directorate of Supply	48,235
Royal Air Force	29,792,632
Directorate of General Security	1,695
Security Authorities (Withdrawal of Liquefied Petroleum Gas)	139,138
Departments, ministries, and Governmental agencies and Institutions	4,995,782
Total Debts of Security Authorities, and Governmental Departments and Institutions	34,977,482
Total Amounts Owed to the Company	479,400,519
Less: Amounts Owed to the Government:	
Deposits differences of oil derivatives pricing and surplus	143,932
Special Sales Tax Deposits	1,445,938
Fees and allowances according to the Oil derivatives pricing bulletin (IPP)	3,544,219
Total amounts Due to the Government	5,134,089
Balance Owed by the Government to the Company	474,266,430
National Electricity Company **	3,200,994
Balance owed to the company by the government and the National Electricity Company	477,467,424

* According to the minutes of the Company's meetings with the Ministry of Finance and the held on November 8, 9 and 16, 2017, in order to determine the balances of the financial relation between Jordan Petroleum Refinery Company and the Government (excluding Jordan Petroleum Products Marketing Company and the Lube Oil Factory) for the balances as of September 30, 2017, the Ministry of Finance committed a pledge for all of the debt balances of the Armed Authorities, Royal Air Force, Public Security Directorate, the General Directorate of Gendarmerie, other security authorities, and governmental departments, within its budget as well as the debts of the National Electric Power Company for the refining and gas activities of JD (319,468,856) as of September 30, 2017. In the meantime, the two parties have agreed that no provision would be made for the debts of Royal Jordanian Company, municipalities, governmental universities, and managerially and financially independent governmental institutions during the relationship period, provided that if those amounts are not collected through the judiciary, and the Company is required to write them off, the Ministry of Finance pledges to pay those debts and any related costs.

** The company signed a financial settlement on June 23, 2022, with the National Electricity Company to pay the debt owed by it and the interest of delayed payments and installments. The agreements also included that the amount due must be paid over (12) equal installments starting from July 2022, and the National Electricity Company has committed to pay the due installments on their due dates until the date and the last installment of the financial settlement agreement was paid during the month of June 2023, and an amount equivalent to JD (3.2) million remains for the Samra Electricity Generating Company, which has been pending for several years before the competent courts, so that it will be settled when the final and definitive ruling is issued.

- Based on the offsetting request submitted by the Jordan Petroleum Refinery Company to the Ministry of Finance, which includes a request for an offsetting between part of the accounts of the Ministry of Finance - the relationship in the amount of JD (49,002,240) and the balance of deposits of derivatives pricing differences and surpluses due to the government in the amount of JD (153,383) and fees and allowances according to the oil derivatives selling price bulletin (IPP) in the amount of JD (48,848,857), for the balances as of September 30, 2022, and the Ministry of Finance's issued letter No. (18/4/2068) dated January 23, 2023, containing the approval of the mentioned offsetting procedure, was received according to the balances of the financial relationship between the company and the government as of September 30, 2022 where it is contained in the company's letter No. (25/51/1/8969) dated November 16, 2022, and The aforementioned offsetting was carried out during the January 2023.
 - Subsequent to the financial statements date, the company addressed the Ministry of Finance in its letter No. (2/25/51/1/758) dated January 29, 2024, which included the balances of the financial relationship between the company and the government regarding the refining and gas activity as of December 31, 2023, and requested an offsetting between the credit balances in favor of the government, And part of the balance of the Ministry of Finance's main account - the relationship as of December 31, 2023, and accordingly, the Ministry of Finance's letter No. (18/4/4819) dated February 21, 2024 was received, which included an apology for the current offsetting procedure and included a request from Jordan Petroleum Refinery Company to transfer the credit balances in favor of the government amounting to JD (3,688,151) to the government's treasury represented by an amount of JD (143,932) in deposits differences of oil derivatives pricing and surplus, and an amount of JD (3,544,219) in fees and allowances according to the oil derivatives pricing bulletin (IPP), and keeping the balance of the financial relationship in favor of the company in its records as of December 31, 2023. Accordingly, on February 22, 2024, the company transferred the credit balances in favor of the government to the government's treasury, and the balances of the financial relationship between the company and the government regarding the refining and gas activity were maintained as of December 31, 2023.
 - The balances of general and special taxes included in the balance of the financial relationship between the company and the government below are matched with the records of the Income and Sales Tax Department as of December 31, 2023.
- f.** The general sales tax deposits item includes an amount of JD (131,273,477) related to the refining activity to the company, and an amount of JD (1,209,711) related to Jordan Petroleum Products Marketing Company, due to the company and an amount of JD (7,359,878) due to the company related to Jordan Liquefied Petroleum Gas Manufacturing and Filling Company which was activated as of the beginning of January 2023 after all the different liquefied gas activities have been annexed to it (except for gas production activity), and an amount of JD (373,938) due to the income and sales tax department related to Jordan Lube Oil Manufacturing Company as of December 31, 2023. Noting that the Jordan Lube Oil Manufacturing Company has been activated as of April 1, 2022 and the entire oil activity and oil factory has been annexed to it.
- According with the Council of Ministers' Decision No. (6953), taken in its meeting held on March 19, 2018, approval was obtained on exempting the quantities of gasoline (95) used in the production of gasoline (90) and (95) of (2,360,253) tons from the general and special sales tax for the period from May 1, 2013, until September 30, 2017. The decision shall include any quantity of gasoline (95) used in the mixing process for the production of gasoline (90 and 95) until the end of the financial relationship between the Government and the Jordan Petroleum Refinery Company. Moreover, the outstanding customs statements at the Customs department were finalized during July 2020.
 - According to Law No. (107) for year 2019, the Amended Special Tax Law, the general and special taxes, fees and allowances have been combined in the price bulletin (IPP) under the special taxes item and have been determined for each material as per the law described above.
 - In accordance with the Council of Ministers' Decision No. (6544), adopted at its meeting held on September 23, 2019, all types of gasoline (90 and 95) shall be included in Schedule No. (2) annexed to the General Sales Tax Law on the sales and related to goods and services subject to the General Sales Tax at a percentage or for an amount of (Zero).
 - In its meeting held on January 3, 2016, under Decision No. (13363), based on the recommendations of the Economic Development Committee in its session held on December 22, 2015, the Council of Ministers approved exempting the Company from general and special sales tax effective from May 1, 2013 on its imports for quantities sold to the marketing companies only, provided that the general sales tax and special sales tax thereon shall be paid by those companies within the pricing structure of (IPP). Moreover, the outstanding customs statements at the Jordan Customs Department were finalized during July 2020.

- The letter of Income and Sales Tax Department No. (20/4/347) dated February 16, 2021 which included the approval of the department to collect taxes on the sales of JPRC to the three marketing companies through marketing companies only, and that JPRC is not obligated to pay taxes on its sales to the marketing companies and is only obligated to pay tax on its sales to other customers.
 - Upon on the offsetting request by the Jordan Petroleum Refinery Company submitted to the Ministry of Finance, for offsetting part of the Ministry of Finance's debt (the Ministry of Finance relationship account) in favor of the Company with the general and special tax on the customs' statements held at the Customs Department, and it approved on March 16, 2020, by the Customs Department, and on July 6, 2020, by the Offsetting Committee for a total amount of JD (58,042,756). The above-mentioned offsetting was completed during July 2020.
 - Pursuant to the Council of Ministers' Decision No. (2898) adopted in its session held on July 7, 2021, they accept to exempt the company's imports of crude oil and oil derivatives from customs fees (Customs fees) until April 30, 2022.
 - Pursuant to the Council of Ministers' Decision No. (7278) adopted in its session held on June 5, 2022 the Council of Ministers' Decision No. (2898) was extended until April 30, 2023, which includes exempting the Jordan Petroleum Refinery Company's imports of crude oil and finished petroleum products from customs fees (Customs fees).
 - Pursuant to the Council of Ministers' Decision No. (12135) adopted in its session held on June 18, 2023 the Council of Ministers' Decision No. (7278) was extended until April 30, 2024, which includes exempting the Jordan Petroleum Refinery Company's imports of crude oil and finished petroleum products from customs fees (Customs fees).
 - Pursuant to the Council of Ministers' Decision No. (9298) adopted in its session held on November 6, 2022, imported petroleum gas has been exempted from customs fees for a period of one year, starting from January 1, 2023.
 - Subsequent to the date of the financial statements, the Council of Ministers Decision No. (10588) adopted in its session held on January 21, 2024, imported petroleum gas has been exempted from customs fees for a period of one year, starting from January 1, 2024.
- g.** This item consists mainly of the current account of Company employees' Housing Fund, deposits for the Jordan Customs Department, and other debit balances.
- h.** This item consists mainly of prepaid expenses account related to Company's insurance, rents, marketing, security and protection, and contractors' prepayments for gas stations establishment, including an amount of JD (5,060,819) related to the refining activity, and an amount of JD (2,262,650) related to Jordan Petroleum Products Marketing Company, and an amount of JD (125,876) related to Jordan Liquefied Petroleum Gas Manufacturing and Filling Company which was activated as of the first of January 2023 after all the different liquefied gas activities have been annexed to it (except for gas production activity), and an amount of JD (202,968) related to Jordan Lube Oil Manufacturing Company as on December 31, 2023. Noting that the Jordan Lube Oil Manufacturing Company has been activated as of April 1, 2022 and the entire lube oil activities and oil factory has been annexed to it.
- i.** This item represents what was paid to the gas stations' owners according to agreements through which Jordan Petroleum Products Marketing Company (a wholly owned subsidiary) supplies these gas stations with their fuel needs. According to these agreements, the Company shall participate in building or modernizing the gas stations and installing pumps. In addition, the gas stations shall bear the trade name for the Jordan Petroleum Products Marketing Company as their authorized distributor, and the related amounts shall be amortized over the contracts period or the useful life of the assets, whichever is lower.

J. The movement on the provision for expected credit loss is as follows:

	December 31,	
	2023	2022
	JD	JD
Balance at the beginning of the year	24,223,875	23,205,635
Addition during the year	426,677	1,451,816
(Released) during the year *	(142,901)	(433,576)
Balance at the End of the Year	24,507,651	24,223,875

- This item includes expected credit losses provision with an amount of JD (4,799,291) related to the refining activity and an amount of JD (2,109,947) related to the oil factory before the beginning of April 2022, and an amount of JD (17,544,549) related to Jordan Petroleum Products Marketing Company, and an amount of JD (53,864) related to Jordan Lube Oil Manufacturing Company as on December 31, 2023. Noting that Jordan Lube Oil Manufacturing Company has been activated as of April 1, 2022, and the different lube oil activities and the lube oil factory were annexed to it and the provision was calculated after taking into consideration the receivables guaranteed by Jordanian Government.

* The amount released in favor of the Ministry of Finance was recorded in the Ministry of Finance's account - the relationship, according to what was agreed upon with the Ministry of Finance to record any amount released from the provision for receivables that a provision was taken for before April 30, 2018 to the Ministry's account, in exchange for the company maintaining the balance of this provision.

10. Crude Oil, Finished Oil Products, and Supplies

This item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Finished oil derivatives and lube oil	241,161,684	273,869,349
Crude oil and materials under process	130,577,732	123,503,424
Raw materials, spare parts, and other supplies	57,881,592	55,060,142
Goods in transit	49,075,497	80,840,381
Less: Provision for slow-moving and obsolete and sediments inventory*	(7,762,509)	(8,188,645)
	470,933,996	525,084,651

* The movement on the provision for slow-moving and obsolete inventory and sediments is as follows:

	December 31,	
	2023	2022
	JD	JD
Balance at beginning of the year	8,188,645	7,238,287
Addition during the year	717,556	963,888
Less: paid during the year	(106,833)	-
Less: written-off items during the year	(1,036,859)	(13,530)
Balance at the End of the Year	7,762,509	8,188,645

11. Financial Assets at Fair Value through Comprehensive Income

This item consists of the following:

Listed Shares	December 31,			
	2023		2022	
	Number of Shares	JD	Number of Shares	JD
Jordan Electricity Company *	760,243	1,459,666	731,003	1,608,207
Safwa Islamic Bank	256,516	497,641	256,516	492,511
Arab Potash Company	47,300	1,235,949	47,300	1,663,541
Jordan Paper and Cardboard Factories Company	33,300	1,665	33,300	1,998
Public Mining Company	27,500	16,225	27,500	19,800
Palestine Development and Investment Company	28,060	23,711	28,060	27,891
Al Motarabita Investment Company	128,259	1,283	128,259	1,283
		3,236,140		3,815,231

* During the year 2023, the Jordanian Electricity Company distributed (4%) in additional free shares for the earnings for the year 2022.

12. Deferred Tax Assets

This item consists of the following:

Items that resulted in Deferred Tax Assets	For the Year Ended December 31, 2023													
	Balance at the Beginning of the Year		Additions		Released		Balance at the End of the Year		Deferred Taxes		Transferred to Consolidated statement of profit or loss During the Year - Net		Value of deferred tax assets as of December 31, 2022	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Expected credit losses provision	24,223,875	426,677	(142,901)	24,507,651	5,076,976	130,750	4,946,226							
Write-off and maintenance of gas cylinders provision	5,000,000	4,239,955	(4,239,955)	5,000,000	1,000,000	50,000	950,000							
Employees' vacations provision	2,135,744	-	(100,283)	2,035,461	407,092	1,301	405,791							
End-of-service indemnity provision	39,802	1,885	-	41,687	8,337	775	7,562							
Slow-moving and obsolete and sediments inventory provision	8,188,645	717,556	(1,143,692)	7,762,509	1,552,502	(3,340)	1,555,842							
Storage fees provision	84,162	1,262,400	(1,230,840)	115,722	23,144	7,153	15,991							
Lawsuits provision	4,234,658	358,758	(66,917)	4,526,499	916,565	88,112	828,453							
Special tax differences provision	7,603,779	-	(7,603,779)	-	-	(1,596,794)	1,596,794							
Acceptable tax (Losses) for the year	119,916	-	(119,916)	-	-	(7,194)	7,194							
Differences from implementing IFRS (16) - a Subsidiary Company	3,763,424	1,882,259	-	5,645,683	1,185,594	239,598	945,996							
	55,394,005	8,889,490	(14,648,283)	49,635,212	10,170,210	(1,089,639)	11,259,849							

- The deferred tax assets for the year 2023 related to the refining activity and Jordan lube oil manufacturing Company and Jordan Liquefied Petroleum Gas Manufacturing and Filling Company were calculated at a rate of (19%), to which the national contribution is added at (1%) and by (20%) for the activity of Jordan petroleum products marketing company, to which the national contribution is added by 1%, according to Income Tax Law.

13. Investment Property - Net

This item consists of the following:

For the Year Ended December 31, 2023	Land	Buildings	Equipment	Total
	JD	JD	JD	JD
Cost:				
Balance at the beginning of the year	1,740,815	1,113,889	42,000	2,896,704
Balance at the End of the Year	1,740,815	1,113,889	42,000	2,896,704
Accumelated Depreciation:				
Balance at the beginning of the year	-	141,680	42,000	183,680
Additions	-	44,555	-	44,555
Balance at the End of the Year	-	186,235	42,000	228,235
Net Book Value	1,740,815	927,654	-	2,668,469
For the Year Ended December 31, 2022				
Cost:				
Balance at the beginning of the year	1,740,815	1,113,889	42,000	2,896,704
Balance at the End of the Year	1,740,815	1,113,889	42,000	2,896,704
Accumelated Depreciation:				
Balance at the beginning of the year	-	97,124	42,000	139,124
Additions	-	44,556	-	44,556
Balance at the End of the Year	-	141,680	42,000	183,680
Net Book Value	1,740,815	972,209	-	2,713,024
Annual Depreciation Rate %		2 - 4	20	

- The fair value of the Group's investment property at December 31, 2023 amounting to JD (2.9) million which was estimated by estimators independent from the Group.

15. Intangible Assets - Net

This item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Jordan Petroleum Products Marketing license *	31,250,000	30,000,000
Goodwill	9,960,314	9,960,314
Operating lease contracts	1,664,164	1,664,164
License agreement - trade name	444,009	444,009
Owned gas stations licenses	1,217,795	1,217,795
	44,536,282	43,286,282
Less: Accumulated amortization**	(30,083,333)	(29,000,000)
	14,452,949	14,286,282

* According to the Council of Ministers, in their Letter No. (58/11/1/26041), dated September 30, 2012, it was agreed to grant Jordan Petroleum Products Marketing Company (a subsidiary company) a license for importing, transporting, storing, loading, unloading and distributing oil derivatives and selling it in bulk and maintaining the facilities of the activity to Jordan Petroleum Products marketing Company, The value of the license was determined to be JD (30) million. Moreover, the Company shall pay the first installment, and the remaining balance shall be paid in five equal annual installments. In this regard, the Company paid the last installment during the year 2018. Moreover, the Company amortizes the license over (10) years starting from the commencement date of its operations on May 1, 2013, based on the agreement signed with the Ministry of Energy and Mineral Resources on February 19, 2013, noting that the license is renewable. The license to practice the activity of importing, exporting, transporting, storing, loading, unloading, distributing and selling petroleum derivatives, and operating and maintaining the activity facilities of the Jordanian Petroleum Products Marketing Company, was renewed for an additional period of ten years, starting from the first of May 2023, with a value of JD (1.25) million.

- Goodwill includes an amount of JD (960,000) resulting from the acquisition by the Jordan Petroleum Products Marketing Company (a subsidiary company) of a (60%) of the shares of Al-Nuzha and Istiqlal Gas Station Fuel and Oil Company, which represents the valuation difference. In this regard, the recoverable amount from the Company has been determined through calculating its expected cash flows based on a 10-year budget approved by its management. Moreover, the expected cash flows for the year 2015 and the following years were determined, using a growth rate of (4%) for revenues and a growth rate of (2.5%) for expenses. In the opinion of the Company's management, the used growth rates for revenues and expenses are reasonable considering the Company's business nature as well as the overall growth of this sector in Jordan. A discount rate of (10%) has been used to discount the expected cash flows at an internal rate of return of (15%).

- Jordan Petroleum Products Marketing Company (a subsidiary Company wholly owned by Jordan Petroleum Refinery Company) has acquired the entire share of Hydron Company LLC on December 26, 2018. This acquisition resulted in intangible assets which were definitively calculated by the management and the financial advisors during 2020 and it's details are as follows:

	December 31, 2023
	JD
Goodwill	9,000,314
Operating lease contracts	1,664,164
License agreement - trade name	444,009
Owned gas stations licenses	1,217,795
Total	12,326,282

- The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each group of CGUs to which the goodwill is allocated. And the management believes that any reasonably possible change in the key assumptions related to the recoverable amount of Goodwill and Operating Lease contacts and License agreement - trade name, and Owned gas stations licenses would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the related CGUs.

- The Company builds their estimates through calculating the free cash flow to the firm (FCFF) through the forecasted financial statements, then the Company computes the present value of these cash flows and the terminal value through applying the (WACC) and terminal growth, then the book value of the investment is compared to the fair value

** The movement on accumulated amortization for Jordan Petroleum Products Marketing Company license was as follows:

	For the Year Ended December 31	
	2023	2022
	JD	JD
Balance at the beginning of the year	29,000,000	26,000,000
License amortization for the year	1,083,333	3,000,000
Balance at the End of the Year	30,083,333	29,000,000

16. Lease contracts

This item consists of the following:

Right-of-use assets

The following is the movement on the right-of-use assets during the year:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Cost:		
Balance at the beginning of the year	56,761,705	66,679,277
Additions during the year	5,735,946	1,616,343
Disposals during the year	(307,909)	(2,384,767)
Transfers to Property and equipment - Note (14)	(2,700,000)	(9,149,148)
Balance at the End of the Year	59,489,742	56,761,705
(Less): Accumulated Depreciation		
Balance at the beginning of the year	(12,886,567)	(12,091,173)
Additions during the year	(3,423,447)	(3,291,655)
Disposals during the year	107,103	2,496,261
Balance at the End of the Year	(16,202,911)	(12,886,567)
Net Book Value	43,286,831	43,875,138

Amounts recorded in the consolidated statement of profit or loss:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Right-of-use assets depreciation	3,423,447	3,291,655
Lease obligations interest expense	2,682,178	2,803,295
	6,105,625	6,094,950

Lease contracts obligations:

The following is the movement on lease contracts obligations during the year:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Balance at the beginning of the year	41,644,281	48,810,446
Add: Interest during the year	2,682,178	2,803,295
Additions during the year	5,747,311	1,666,390
(Less): Paid During the year	(5,972,673)	(9,619,712)
(Less): Disposal during the year	(184,771)	(2,016,138)
Balance at the End of the Year	43,916,326	41,644,281

Lease contracts accrual obligations analysis:

	As of December 31,	
	2023	2022
	JD	JD
Lease liabilities - current portion	2,455,304	2,238,082
Lease liabilities - non-current portion	41,461,022	39,406,199
	43,916,326	41,644,281

17. Due to Banks

This item consists of an overdraft and short-term loans accounts granted by several local and operating banks in the kingdom to finance the Company's activities and its subsidiary companies, at annual interest and murabaha rates ranging from (4.25%) to (8%) annually, during the year 2023, against the Company's guarantee as a legal personality. This item includes an amount of JD (570,817,625) for the refinery activity, and JD (30,154,807) for Jordan Petroleum Products Marketing Company, and an amount of JD (62,938,891) belongs to the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company, as of December 31, 2023.

18. Payables and Other Credit Balances

This item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Deposits of surplus differences of oil derivatives pricing (a)	5,681,067	1,217,882
Special sales tax deposits on oil derivatives (b)	59,314,478	54,395,225
Suppliers and obligations from purchase orders services and others	147,075,963	168,003,564
Write-off and maintenance of gas cylinders provision (c)	5,000,000	5,000,000
Fees and allowances according to the oil derivatives price bulletin (IPP) (d)	3,544,219	49,561,345
Lawsuits provision (Note 30/b)	4,526,499	4,234,658
Advance payment from customers (e)	10,521,137	8,828,372
Shareholders' deposits	16,928,252	14,066,303
Creditors and other credit balances	18,626,313	28,093,783
Retention deducted from contractors	337,108	462,204
Employees' vacations provision	2,035,461	2,135,744
Subsidiary companies import pricing differences (f)	19,325,182	17,174,463
Storage fees provision (g)	115,722	84,162
Balances retained against acquisition of subsidiary (h)	858,820	874,045
Alia company deposits - Royal Jordanian Airlines (i)	11,253,235	11,253,235
Special tax differences provision (j)	-	7,603,779
	305,143,456	372,988,764

a. This item includes deposits of the differences of oil derivatives pricing and surplus amounted to JD (143,932), related to the refining activities, and JD (5,537,135) related to Jordan Petroleum Products Marketing Company as of December 31, 2023.

- This item includes deposits amounts resulting from oil derivatives pricing and surplus differences between total cost including taxes, fees, and transportation charges; actual selling prices; according to oil derivatives pricing bulletin (IPP) and the published price effective as of March 2, 2008. These differences are considered as the Government's right according to the Ministry of Energy and Mineral Resources' Letter No. (9/4/1/719), dated February 16, 2009 and the Ministry of Finance's Letter No. (18/4/9952), dated April 29, 2009. Consequently, the Company was obliged, effective from March 2008 to record the results of the differences of prices in favor of the Ministry of Finance. Additionally, the Government has claimed the differences in the pricing of oil derivatives effective from December 14, 2008 according to the decision of the oil derivatives pricing committee, in its meeting held on December 13, 2008 provided that the pricing surplus be recorded as deposits under the liabilities within the Company's consolidated financial statements upon the request of the Ministry of Finance.

- Upon the offsetting request of the Jordan Petroleum Refinery Company submitted to the Ministry of Finance, for offsetting part of the Ministry of Finance relationship account due to the company amounted to JD (137,667,786)which includes the balance of the differences of oil derivatives pricing and surplus due to the government in the amount of JD (44,167,683) and the balance of establishing alternative tanks deposit due to the government in the amount of JD (93,500,103) for the balances as of September 30, 2020. the Ministry of Finance letter No. (18/4/694) was received on January 10, 2021, which includes the approval of the above-mentioned offsetting based on the offsetting instructions, and that the offsetting was carried out at the Ministry of Finance on January 4, 2021, and that the offsetting is recorded in the financial statements for the year 2020, according to the balances of the financial relationship between the company and the government contained in the company's letter No. (2/25/51/1/8988) dated December 15, 2020.
- Upon the offsetting request of Jordan Petroleum Refinery Company submitted to the Ministry of Finance, which includes offsetting part of the Ministry of Finance (the relationship) account due to the government amounted to JD (49,002,240) and the balance of deposits of the differences of oil derivatives pricing and surplus due to the government in the amount of JD (153,383), and the Fees and allowances according to oil derivatives pricing bulletin (IPP) in the amounted to JD (48,848,857) for the balances as of September 30, 2022, and the Ministry of Finance's letter No. (18/4/2068) dated January 23, 2023, containing the approval of the mentioned offsetting, was received according to the balances of the financial relationship between the company and the government as of September 30, 2022 contained in the company's letter No. (25/51/1/8969) dated November 16, 2022, and the mentioned offsetting was made during January 2023.
- Subsequent to the financial statements, the company addressed the Ministry of Finance in its letter No. (2/25/51/1/758) dated January 29, 2024, which included the balances of the financial relationship between the company and the government regarding the refining and gas activity as of December 31, 2023, and requested an offsetting between the credit balances in favor of the government. And part of the balance of the Ministry of Finance's main account - the relationship as of December 31, 2023, and accordingly, the Ministry of Finance's letter No. (18/4/4819) dated February 21, 2024 was received, which included an apology for the current offsetting procedure and included a request from Jordan Petroleum Refinery Company to transfer the credit balances in favor of the government amounting to JD (3,688,151) to the government's treasury represented by an amount of JD (143,932) in deposits differences of oil derivatives pricing and surplus, and an amount of JD (3,544,219) in fees and allowances according to the oil derivatives pricing bulletin (IPP), and keeping the balance of the financial relationship in favor of the company in its records as of December 31, 2023. Accordingly, on February 22, 2024, the company transferred the credit balances in favor of the government to the government's treasury, and the balances of the financial relationship between the company and the government regarding the refining and gas activity were maintained as of December 31, 2023.

- The movement on the deposits of oil derivatives pricing differences and surplus is as follows:

	December 31, 2023	December 31, 2022
	JD	JD
Balance at the beginning of the year	1,217,882	5,312,638
Additions during the year	4,616,568	1,324,510
Paid during the year	(153,383)	(5,419,266)
Balance at the End of the Year	5,681,067	1,217,882

- b.** This item includes an amount of JD (1,181,403) related to the refining activity due for income and sales tax department on the company, and an amount of JD (57,724,514) related to the Jordan Petroleum Products Marketing Company due for income and sales tax department on the company, and an amount of JD (264,535) related to the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company due for the Income and Sales Tax Department which was activated as of the beginning of January 2023 after all the different liquefied gas activities have been annexed to it (except for gas production activity), and an amount of JD (144,026) related to Jordan Lube Oil Manufacturing Company due for income and sales tax department on the company as of December 31, 2023. Noting that Jordan Lube Oil Manufacturing Company has been activated as of April 1, 2022, and the entire lube oil activities and oil factory has been annexed to it.
- Under Law No. (107) for the year 2019, the amended Special Tax Law, the general and special taxes, fees and stamps mentioned in the oil derivatives pricing bulletin (IPP) have been combined under special tax and specified for each item as per the above-mentioned law.
 - Upon the offsetting request of the Jordan Petroleum Refinery Company submitted to the Ministry of Finance, for offsetting part of the Ministry of Finance's debt (the Ministry of Finance relationship account) in favor of the company against the general and special tax on the customs' statements held at the Customs Department and it was approved on March 16, 2020, by the Customs Department, and on July 6, 2020, by the Offsetting Committee, for a total amount of JD (58,042,756). The above-mentioned offsetting was completed during July 2020.
 - The company received a letter from Income and Sales Tax Department No. (20/4/347) dated February 16, 2021 which included the approval of the department to collect general and special taxes on the sales of the Jordan Petroleum Refinery Company to the three marketing companies through marketing companies only, and that the Jordan Petroleum Refinery Company is not obligated to pay taxes on its sales to the marketing companies and is only obligated to pay tax on its sales to other customers.

c. The movement on the write-off and maintenance of gas cylinders provision is as follows:

	December 31, 2023	December 31, 2022
	JD	JD
Balance at the beginning of the year	5,000,000	5,000,000
Recorded during the year *	4,239,955	4,373,316
Released during the year *	(4,239,955)	(4,373,316)
Balance at the End of the Year	5,000,000	5,000,000

- * During the year ended December 31, 2023, a provision of JD (4,239,955) was recorded through Jordan Liquefied Petroleum Gas Manufacturing and Filling Company which was activated as of the beginning of January 2023 after all the different liquefied gas activities have been annexed to it (except for gas production activity), against gas cylinders write-off, maintenance and repair cost, according with oil derivatives selling prices bulletin (IPP) amounting to JD (10) for each ton of gas sold. And an amount of JD (4,239,955) has been released during the same period. Moreover, the number of gas cylinders sold during the year ended December 31, 2023 was around (33,9) million cylinders.

- d. This item represents fees, allowances, and the deposits for the Ministry of Finance's included in the oil derivatives selling prices bulletin (IPP) relating to the refining and gas activity only.

The movement on this item is as follows:

	December 31,	
	2023	2022
	JD	JD
Balance at the beginning of the year	49,561,345	46,680,255
Recorded during the year	2,839,105	2,887,033
Paid during the year	(48,856,231)	(5,943)
Balance at the End of the Period/Year	3,544,219	49,561,345

- Upon the offsetting request of Jordan Petroleum Refinery Company submitted to the Ministry of Finance, which includes offsetting part of the Ministry of Finance (the relationship) account due to the government amounted to JD (49,002,240) and the balance of deposits of the differences of oil derivatives pricing and surplus due to the government in the amount of JD (153,383), and the Fees and allowances according to oil derivatives pricing bulletin (IPP) in the amount of JD (48,848,857) for the balances as of September 30, 2022, and the Ministry of Finance's letter No. (18/4/2068) dated January 23, 2023, containing the approval of the mentioned offsetting, was received according to the balances of the financial relationship between the company and the government as of September 30, 2022 contained in the company's letter No. (25/51/1/8969) dated November 16, 2022, and the mentioned offsetting was made during January 2023.
 - Subsequent to the financial statements, the company addressed the Ministry of Finance in its letter No. (2/25/51/1/758) dated January 29, 2024, which included the balances of the financial relationship between the company and the government regarding the refining and gas activity as of December 31, 2023, and requested an offsetting between the credit balances in favor of the government. And part of the balance of the Ministry of Finance's main account - the relationship as of December 31, 2023, and accordingly, the Ministry of Finance's letter No. (18/4/4819) dated February 21, 2024 was received, which included an apology for the current offsetting procedure and included a request from Jordan Petroleum Refinery Company to transfer the credit balances in favor of the government amounting to JD (3,688,151) to the government's treasury represented by an amount of JD (143,932) in deposits differences of oil derivatives pricing and surplus, and an amount of JD (3,544,219) in fees and allowances according to the oil derivatives pricing bulletin (IPP), and keeping the balance of the financial relationship in favor of the company in its records as of December 31, 2023. Accordingly, on February 22, 2024, the company transferred the credit balances in favor of the government to the government's treasury, and the balances of the financial relationship between the company and the government regarding the refining and gas activity were maintained as of December 31, 2023.
- e. This item represents advance payments from fuel, gas and lube oil clients against finished oil derivatives, liquefied petroleum gas and lube oil purchases.
- f. This item represents pricing differences from imported finished oil derivatives between the cost of imported finished oil derivatives during the years from 2017 until the year 2023 and the Refinery Gate price included in the oil derivatives pricing bulletin (IPP) concerning the imports of Jordan Petroleum Products Marketing Company (a wholly owned subsidiary) related to finished oil derivatives. In this regard, the Company recorded the difference between the actual import cost and the refinery gate price of oil derivatives as per the oil derivatives of prices bulletin (IPP) under the item of import pricing differences within payables and other credit balances, as the Company is uncertain as to whether it is the right for the Company or for the Ministry of Finance, and therefore, If it was the company's rights, this balance becomes a revenue for the company, and If it was really for the Ministry of Finance, it is transferred from the deposits account without affecting the consolidated statement of profit or loss.

- g.** The Company has recorded a provision for storage fees against the claim of the Jordan Oil Terminals Company (JOTC) under its Letter No. (1/64/2018), dated April 3, 2018. In the letter, JOTC claimed storage fees on fuel oil at (3.5%) and (1%), by JD (3.5) per cubic meter stored as of May 25, 2017. However, Jordan Petroleum Refinery Company rejected this claim. Based on this rejection, Letter No. (2/20/408), dated January 3, 2019, from the Energy & Minerals Regulatory Commission (EMRC) was received. The letter specified the initial storage fees at JD (2) per month, instead of JD (3.5) per cubic meter stored. However, the fees shall be studied by the Energy & Minerals Regulatory Commission (EMRC) during the first half of the year 2019. Moreover, the claim shall be re-examined for the period from May 25, 2017 until the end of the financial relationship between the Company and the Government, together with the related impact on the Government.
- The Company received Letter No. (18/4/12022), dated September 23, 2020, from the Ministry of Finance, which includes the Ministry of Finance's request to the Company to pay the fuel oil storage fees for JOTC for the period from May 25, 2017, until April 30, 2018, as the government has borne the cost of storage fees according to the financial relationship between the Company and the government for that period. In this respect, the Company paid the amount recorded until the end of the financial relationship with the government.
 - The company signed a settlement with the JOTC on June 6, 2021, included matching the balance between the two companies and record the due amount for the JOTC which include that it has to be paid on six equal monthly instalments, In Addition, the payment of storage fees of fuel oil (3.5%) on a monthly basis and to request the storage fees on the Fuel Oil (1%) from the National Electricity Company. Moreover, the company through April 2021 exported the Fuel Oil (1%) which was imported for The national Electricity Company since the Egyptian Oil was interrupted, The National Electricity pledged the Company to purchase the fuel oil and to pay all the costs, but it did not commit the pledge and as a result of that the Company sent a judicial warning including their claim for the difference of Importing and exporting values, Included in claimed costs the cost of the material storage in JOTC tanks. As a result of the non-response of the National Electric Company, the company filed a case against the National Electric Company to collect the difference in the value of fuel oil (1%) exported and all the costs of importing and storing it with the competent courts and the case is still being considered by the competent court.

- The movement on this item is as follows:

	December 31	
	2023	2022
	JD	JD
Balance at the beginning of the year	84,162	84,162
Recorded during the year	1,262,400	1,009,920
Paid during the year	(1,230,840)	(1,009,920)
Balance at the end of the Year	115,722	84,162

- h.** This item represents the amount retained by Jordan Petroleum Products Marketing Company (a wholly owned subsidiary) against any future liabilities that may arise on the Hydron Energy Company LLC, after wholly acquiring it in accordance with the agreement between both parties.
- i.** Based on the agreement between Jordan Petroleum Refinery Company and Alia Company - Royal Jordanian Airlines signed on November 26, 2019, and after all the balances between the two Companies had been matched, both parties agreed to offset the accrued outstanding balance due from Alia Company - Royal Jordanian Airlines related to the refining and gas activity against the discount deposits balances and interest deposit balances of Alia Company - Royal Jordanian Airlines. Accordingly, the offsetting took place and resulted in an amount of JD (11,253,235), payable to Alia Company - Royal Jordanian Airlines and booked in the Company's records for the refining activity.
- j.** The Income and Sales Tax Department imposed a special tax differences, upon auditing the Jordan Petroleum Products Marketing Company (subsidiary), on the company's sales for the Al-Masar and Al-Tarawneh coalition, the Saad Al-Mobti and Partners coalition, the Al-Aoun and BCM coalition, despite the presence of decisions issued by the council of ministers exempting the withdrawals of these coalitions from the tax on diesel, and accordingly the company filed a case with the competent courts to respond to the claim of the Income and Sales Tax Department based on the Income and Sales Tax Department subjecting the sales of exempt entities under the council of ministers' decisions to the Tax Department. Accordingly, a reconciliation was presented to the Income and Sales Tax Department, including the company's payment of (50%) of the value of the special sales tax differences in return for exempting the company from the fines represented by a fine that doubles the tax amount, penal fines, and late payment fines, and after that, a decision was made by the Prime Ministry in its letter No. (13/4/5/55372), dated October 8, 2023 for the full exemption of any fines which are represented by the delay fine, penal fine, double tax fine and any other fines and that is for the period starting from October 10, 2016 up to November 12, 2022 and accordingly the provision was reversed throughout the year 2023.

19. Provision for Income Tax

The movement on the provision for income tax is as follows:

	2023	2022
	JD	JD
Balance at the beginning of the year	22,251,354	6,414,333
Add: Income tax expense for the year	22,468,082	30,938,298
Less: Income tax paid	(25,723,844)	(15,101,277)
Balance at the end of the Year	18,995,592	22,251,354

The income tax expense for the year shown in the consolidated statement of profit or loss represents the following:

	2023	2022
	JD	JD
Income tax for the year	22,468,082	30,938,298
Deferred tax assets impact for the year - note (12)	1,089,639	(2,976,182)
	23,557,721	27,962,116

- The company obtained a final and definitive settlement from the Income and Sales Tax Department until the end of the year 2021, and the tax declaration were submitted for the year 2022, and The tax expense was calculated for the year 2023, in accordance with Jordanian income tax law, and in the opinion of the company's management and tax consultant, the provisions taken in the consolidated financial statements are sufficient for the purposes of tax obligations.

- The Jordan Petroleum Products Marketing Company (a wholly owned subsidiary) reached a final and irrevocable tax settlement with the Income and Sales Tax Department until the end of the year 2021. In addition, the company submitted its tax returns for 2022, and the tax expense for the year 2023, has been calculated in accordance with Jordanian Income Tax Law. In the opinion of the company's management and tax advisor, the provisions stated in the consolidated financial statements are sufficient to cover its tax obligations.

- Jordan Lube Oil Manufacturing Company (a wholly owned subsidiary) reached a final and irrevocable tax settlement with the Income and Sales Tax Department until the end of the year 2021. In addition, the company submitted its tax returns for 2022, and the tax expense for the year 2023, has been calculated in accordance with Jordanian Income Tax Law. In the opinion of the company's management and tax advisor, the provisions stated in the consolidated financial statements are sufficient to cover its tax obligations.

- Jordan Liquefied Petroleum Gas Manufacturing and Filling Company (a wholly owned subsidiary) reached a final and irrevocable tax settlement with the Income and Sales Tax Department until the end of the year 2022, and the tax expense for the year 2023, has been calculated in accordance with Jordanian Income Tax Law. In the opinion of the company's management and tax advisor, the provisions stated in the consolidated financial statements are sufficient to cover its tax obligations.

- The income tax rate for the refining activity and the Jordan Lube Oil Manufacturing Company and the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company is (19%) plus a national contribution of (1%), and income tax rate for Jordan Petroleum Products Marketing Company and its subsidiaries is (20%) plus a national contribution of (1%).

20. Capital and Reserves

A. Capital

In its extraordinary meeting held on April 29, 2015, the General Assembly approved to increase the Company's capital to JD (75) million through capitalizing JD (12/5) million from retained earnings and to distribute it as stock dividends at (20%). Moreover, the Company's General Assembly, approved in its extraordinary meeting held on April 28, 2016, to increase the company's capital through capitalizing JD (25) million and distributing it to the shareholders so that the company's authorized and paid-up capital becomes JD (100)million.

B. Statutory Reserve

In accordance with the Jordanian Companies Law, (10%) of annual net income shall be allocated to the statutory reserve. The allocation shall not be stopped before the total amount allocated to this account is equivalent to one quarter of the Company's authorized capital. However, upon the approval of the Company's General Assembly, in its ordinary meeting dated April 30, 2018, the statutory reserve deduction has been discontinued for the Company, while (10%) of net income related to the subsidiary's companies' activities shall continue to be deducted and allocated to the statutory reserve for the subsidiaries. In this regard, the said deduction for the subsidiary companies may not be discontinued before the total amounts accumulated in this account reach the amount of their authorized capital. Moreover, the deduction has been discontinued based on the resolution of the General Assembly decision taken in its meeting held on April 27, 2019, Its session held on June 15, 2020, its session held on April 27, 2022, and its session held on April 5, 2023.

C. Voluntary Reserve

This item represents what is allocated from the annual net profits at a maximum rate of (20%), and this reserve will be used for the purpose approved by the Board of Directors. Moreover, the General Assembly of Shareholders has the right to capitalize or distribute the whole reserve or any part of it as dividends to shareholders. In its ordinary meeting dated April 27, 2019, the General Assembly decided to allocate JD (8,538,579) to the voluntary reserve from retained earnings, and to use the accumulated voluntary reserve balance for the Fourth Expansion Project. In its ordinary meeting held on June 15, 2020, the General Assembly decided to allocate an amount of JD (10,428,215) to the voluntary reserve account from the retained earnings account, and also decided to use the accumulated voluntary reserve balance for the purposes of the Fourth Expansion Project. Moreover, the ordinary General Assembly decided, at its ordinary meeting held on April 28, 2021, to continue using the accumulated voluntary reserve balance for the purposes of the fourth expansion project, and as the General Assembly decided in its ordinary meeting held on April 27, 2022, to allocate an amount of JD (12,896,118) to the voluntary reserve account from the retained earnings and decided to use the accumulated voluntary reserve balance for the purposes of the fourth expansion project, and as the General Assembly decided in its ordinary meeting held on April 5, 2023, to allocate an amount of JD (26,608,733) to the voluntary reserve account from the retained earnings and decided to use the accumulated voluntary reserve balance for the purposes of the fourth expansion project.

D. Fourth Expansion Reserve

This item represents what is allocated from the annual net profits at a maximum rate of (20%). the General Assembly decided in its ordinary meeting held on April 30, 2018, to allocate an amount of JD (7,836,292) from retained earnings to the Fourth Expansion Project reserve. In its ordinary meeting held on April 27, 2019, the General Assembly decided to allocate an amount of JD (8,538,579) from retained earnings to the Fourth Expansion Project reserve. In its ordinary meeting held on June 15, 2020, the General Assembly decided to allocate an amount of JD (10,428,215) from the retained earnings account to the Fourth Expansion Project reserve, and as the General Assembly decided, in its ordinary meeting held on April 27, 2022, to allocate an amount of JD (12,896,118) to the fourth expansion project reserve account from the retained earnings account In its regular meeting held on April 5, 2023, and as the General Assembly decided in its ordinary meeting held on April 5, 2023, to allocate an amount of JD (26,608,733) to the voluntary reserve account from the retained earnings.

- During the year 2023, an amount of JD (4,092,259) was paid as payments for technical, financial, legal and environmental services and consultations related to the fourth expansion project.

21. Financial Assets at Fair Value Reserve - net

This item represents the fair value reserve for the financial assets at fair value through comprehensive income which resulted from assets revaluation at fair value as of December 31, 2023.

22. Retained Earnings

In its extraordinary meeting held on April 29, 2015, the General Assembly approved to increase the Company's capital to JD (75) million through capitalizing JD (12/5) million from retained earnings and to distribute it as free shares at (20%). Moreover, the Company's General Assembly, in its extraordinary meeting held on April 28, 2016, decided to increase the company's capital through capitalizing JD (25) million and to distribute dividends to the shareholders. Consequently, the Company's authorized and paid-up capital has become JD (100) million.

In its ordinary meeting held on April 27, 2019, the General Assembly approved the distribution of cash dividends at a rate of (25%) from the Company's paid-up capital as dividends to shareholders, and to deduct (20%) from annual net profits to the voluntary reserve, and (20%) to the Fourth Expansion Project reserve.

In its ordinary meeting held on June 15, 2020, the General Assembly approved the distribution of cash dividends at a rate of (17%) from the Company's authorized and paid-up capital as dividends to shareholders, and to deduct (20%) from annual net profits allocated to the voluntary reserve, and (20%) allocated to the Fourth Expansion Project reserve.

And the General Assembly also decided, in its ordinary meeting held on April 28, 2021, to approve the distribution of (5%) of the company's capital as cash dividends to shareholders.

And the General Assembly decided to approve in its ordinary meeting held on April 27, 2022, the distribution of (30%) of the company's capital as cash dividends to shareholders and deduct (20%) of the net annual profits for the voluntary reserve and (20%) for the reserve for the fourth expansion project.

The General Assembly also decided, in its ordinary meeting held on April 5, 2023, to approve the distribution of (50%) of the company's capital as cash dividends to shareholders, and to deduct (20%) of the net annual profits for the voluntary reserve, and (20%) for the reserve for the fourth expansion project.

23. Sales - Net

This item consists of the following:

	2023	2022
	JD	JD
Refining activity sales*	256,155,572	528,895,472
Lube-oil factory sales**	-	7,202,735
Jordan Petroleum Products Marketing Company sales	1,698,364,564	1,719,903,666
Jordan lube-Oil Manufacturing Company sales**	29,589,831	20,497,998
Jordanian Liquefied Petroleum Gas Manufacturing and Filling Company sales***	219,525,790	-
(Less): Fees, taxes and allowances according to selling prices of oil derivatives bulletin (IPP)	(544,634,340)	(570,292,922)
	1,659,001,417	1,706,206,949

* Refining activity sales for the year ending December 31, 2022 (comparison) include sales of the gas activity.

- The total sales of the Jordan Petroleum Refinery Company to the Jordan Petroleum Products Marketing Company (a wholly owned subsidiary) of finished oil derivatives amounted to JD (749,270,098) and the total sales of Jordan Liquefied Petroleum Gas Manufacturing and Filling Company (a wholly owned subsidiary) from the liquefied petroleum gas amounted to JD (43,482,547) during the period ending on December 31, 2023.

** Jordan Lube Oil Manufacturing Company has been activated as of April 1, 2022, and the entire activity and oil factory has been annexed to it.

*** Jordan Liquefied Petroleum Gas Manufacturing and Filling Company has been activated as of the beginning of January 2023, and the different liquefied gas activities (except for gas production activity), gas filling stations and repair and maintenance workshop for gas cylinders have been annexed to it.

24. Cost of Sales

This item consists of the following:

	2023				2022	
	Refining Activity	Jordan Liquefied Petroleum Gas Manufacturing and Filling Company	Jordan Petroleum Products Marketing Company	Jordan Lube Oil Manufacturing Company	Total	Total
Raw Materials:	JD	JD	JD	JD	JD	JD
Crude oil and materials under process at the beginning of the year	123,289,244	-	-	214,180	123,503,424	80,349,582
Purchases of crude oil and raw materials used in production	71,561,976	-	-	14,466,798	86,028,774	243,064,315
Crude oil and materials under process at the end of the year	(130,277,829)	-	-	(299,903)	(130,577,732)	(123,503,424)
	64,573,391	-	-	14,381,075	78,954,466	199,930,473
Industrial and Operating Expenses:						
Employees' salaries and other benefits	21,925,448	5,665,328	2,829,543	1,149,003	31,569,322	27,954,502
Property and equipment depreciation	1,899,330	906,895	1,200,680	76,118	4,083,023	3,516,862
Depreciation of right-of-use lease - Subsidiary	-	-	-	-	-	33,023
Raw Materials, spare parts, and other supplies	5,119,438	2,801,581	508,815	246,510	8,676,344	7,135,364
Transportation fees and other expenses	8,679,937	3,241,150	10,533,586	352,458	22,807,131	21,339,641
Total Industrial Expenses	37,624,153	12,614,954	15,072,624	1,824,089	67,135,820	59,979,392
Total Production Cost	102,197,544	12,614,954	15,072,624	16,205,164	146,090,286	259,909,865
Add: Finished oil derivatives and lube oil at the beginning of the year	226,441,021	-	46,173,668	1,254,660	273,869,349	218,959,468
Purchases of finished goods during the year	53,402,543	252,071,670	1,096,104,976	-	1,401,579,189	1,646,896,920
Total Goods Available for Sale	382,041,108	264,686,624	1,157,351,268	17,459,824	1,821,538,824	2,125,766,253
Less: Finished oil derivatives and lube oil at the end of the year	(205,613,334)	(10,871,527)	(23,683,936)	(992,887)	(241,161,684)	(273,869,349)
	176,427,774	253,815,097	1,133,667,332	16,466,937	1,580,377,140	1,851,896,904
Subsidy of oil derivatives recorded on the Ministry of Finance account	(25,448)	(82,280,298)	(3,074,394)	-	(85,380,140)	(371,645,246)
Surplus of oil derivatives pricing difference recorded to the Ministry of Finance account	118,463	-	4,498,105	-	4,616,568	1,324,510
	176,520,789	171,534,799	1,135,091,043	16,466,937	1,499,613,568	1,481,576,168

- The average cost of purchasing a Saudi barrel of crude oil amounted to 86/33 USD for the year ending December 31, 2023 (compared to 101/68 USD for the year 2022).

25. Operating Income and Other

This item consists of the following:

	2023	2022
	JD	JD
Income from Ports Corporation *	1,440,000	1,440,000
Dividends shares income	158,241	137,941
Tanks rent, evaporation, and loading and unloading fees for marketing companies **	3,089,759	2,125,594
Delay interests from customers	5,721,682	739,056
Foreign currency differences gains	568,472	382,641
Rental Income	2,179,072	1,162,922
Services Income	1,403,351	1,256,341
Transportation fees Income	59,652	107,317
Various other income	895,742	212,755
	15,515,971	7,564,567

* This item represents revenues to the Jordan Petroleum Refinery Company from the Ports Corporation resulting from the employment of Jordan Petroleum Refinery Company employees for the port of crude oil, finished petroleum derivatives and gas in Aqaba.

** This item represents the allowance for storage and handling fees, the allowance for losses, and the fees for loading and unloading the quantities imported by the marketing companies, and the storage allowance for the operational inventory of the marketing companies in the company's tanks in Aqaba, airports and Zarqa.

26. Selling and Distribution Expenses

This item consists of the following:

	2023	2022
	JD	JD
Salaries and other employees' benefits	14,496,945	19,603,352
Company's contribution to the Death, compensation and end of service indemnity Fund	1,149,805	1,914,696
Property and equipment depreciation	6,707,224	7,444,707
Right of use assets depreciation (a subsidiary company)	3,423,447	3,257,939
Raw materials, spare parts and other supplies	2,034,325	4,064,940
Insurance fees	514,629	735,664
Governmental fees, taxes, and stamps	1,598,952	1,938,088
Security and safety expenses	339,200	2,152,842
Rents	5,203,864	4,534,740
Gas stations management service fees	5,189,361	5,064,813
Advertisement fees	1,712,673	1,625,579
Water and electricity fees	1,035,322	1,613,967
Loading, Unloading and handling fees	284,188	930,961
Transportation fees and other expenses	597,460	2,134,465
	44,287,395	57,016,753

27. General and Administrative Expenses

This item consists of the following:

	2023	2022
	JD	JD
Salaries and other employees' benefits	7,527,591	7,970,884
Executive management and members of the Board of Directors allowances and benefits	865,119	685,000
Company's contribution to the Death, compensation and end of service indemnity Fund	546,931	484,151
Cash and in-kind donations	724,760	1,120,210
Postage and telephone	62,665	54,570
Stationery and printing	68,280	90,488
Property and equipment depreciation	300,406	287,155
Right of use assets depreciation (a subsidiary company)	-	693
Technical and legal consultations and fees	543,817	295,110
Advertisements	166,131	162,539
Maintenance and repairs	233,315	158,941
Rents	191,208	190,049
Subscriptions	302,803	190,007
Insurance fees	101,464	109,657
Water and electricity	137,792	154,887
Professional fees	206,063	168,724
Fees, taxes, and stamps	705,047	657,419
Various expenses	856,533	546,296
	13,539,925	13,326,780

28. Earnings per Share from profit for the year attributed to the Company's Shareholders- basic and diluted

Earnings per share for the Company's shareholders - basic and diluted is calculated by dividing profit for the year attributable to the Company's shareholders by the weighted-average number of shares during the year.

It is calculated as follows:

	2023	2022
	JD	JD
Profit for the year company's-shareholders - income Statement - (JD)	81,553,523	103,952,875
Weighted-average number of shares - (share)	100,000,000	100,000,000
Earnings per share from profit for the year - Basic and Diluted - (fils / dinar)	-/816	-/1040

29. Non-Controlling Interests

This item represents the value of the non-controlling interests in the net rights of the partners of the companies affiliated to the Jordan Products Marketing Company (a subsidiary company), the details of which are as follows:

Company	December 31, 2023				December 31, 2022			
	Non-controlling Percentage	Non-controlling Share from Net Profit (Loss)	Non-controlling Share from Net Assets	Non-controlling Percentage	Non-controlling Share from Net Profit (Loss)	Non-controlling Share from Net Assets	Non-controlling Share from Net Profit (Loss)	Non-controlling Share from Net Assets
Al-Nuzha and Istiklal Gas Station for Fuel and Oil Company	40	138,015	1,107,143	40	158,294	1,368,276		
Al-Karak Central Gas Station for Fuel Company	40	81,679	618,347	40	100,246	636,577		
Rawaby Al-Qwrah Gas Station for Fuel and Oil Company	40	60,534	771,161	40	111,589	822,216		
Al-Aon for Marketing and Distributing Fuel products Company	40	315,914	(124,325)	40	114,484	(440,239)		
Jordanian German for Fuel Company *	-	-	-	40	32,813	651,806		
Al Kamel Gas Station for Fuel and Oil Company	40	199,888	1,524,887	40	318,881	1,247,816		
Al-Wadi Al-'abiad Gas Station for Fuel Company	40	28,536	461,832	40	44,809	478,104		
Al- Tammwih Al-'ola for Fuel Company Gas Stations	40	158,630	1,764,572	40	170,511	1,959,795		
Al Oastal Gas Station for Fuel and Oil Company	40	18,894	503,638	40	27,924	484,744		
Taj Amoun Gas Station for Fuel and oil Company	10	49,755	847,788	10	50,326	848,359		
Al Shira' Gas Station for Fuel and Oil Company	40	(1,595)	469,760	40	(1,202)	471,355		
		1,050,250	7,944,803		1,128,675	8,528,809		

* The Jordan Petroleum Products Marketing Company (a wholly owned subsidiary) sold its share in the Jordanian German for Fuel Company on August 23, 2023.

30. Contingent Liabilities and Financial Commitments

a. There are obligations may arise to the Company and financial commitments on the date of the consolidated statement of financial position, the details are as follows:

	December 31,	
	2023	2022
	JD	JD
Letters of credit and bills of collections*	976,878,220	968,586,603
Letters of guarantee	6,340,805	6,556,362
Contracts for projects under construction	44,154,898	15,257,702

*This item includes letter of credits (Standby L/Cs) in the amount of JD163 million which is equivalent to USD 230 million in favor of Saudi Aramco Company as of December 31, 2023 (JD 163 million, equivalent to USD 230 million as of December 31, 2022).

b. There are lawsuits filed against the company in the courts for claims amounting of JD (4,526,499) as of December 31, 2023, of which an amount of JD (3,400,000) is related to the refining activity and an amount of JD (1,126,499) is related to the Jordan Petroleum Products Marketing Company (JD 4,234,658 as on December 31, 2022). Outstanding lawsuits were estimated and the required provision for the outstanding lawsuit has been recorded within payables and other credit balances item, and in the opinion of the company's management and the legal advisor, the provisions taken are sufficient to meet any future obligations.

c. According to the record of the company's meetings with the Ministry of Finance held on November 8, 9 and 16, 2017 in order to determine the balances of the financial relationship between the Jordan Petroleum Refinery Company and the government (except for the Jordan Petroleum Products Marketing Company and the Oil Factory) for the balances as of September 30, 2017, and the following was agreed upon:

1. To confirm the balance of the Ministry of Finance's main account of JD (195,194,153), and the balance of the general sales tax deposits of JD (97,388,860), and the balance of special sales tax deposits of JD (937,034) as of September 30, 2017 as a right for Jordan Petroleum Refinery Company for the refining and gas activity. Moreover, the Ministry of Finance has also taken a pledge for all of the debt balances of the Armed Forces, Royal Air Force, Public Security Directorate, the General Directorate of the Gendarmerie, other security forces, and governmental departments, within its budget as well as the debts of the National Electric Power Company for refining and gas activities of JD (319,468,856) as of September 30, 2017. While the two parties have agreed that no provision would be recorded for the debts of Royal Jordanian Company, municipalities, governmental universities, and administratively and financially independent governmental institutions during the relationship period, provided that if those amounts are not collected through the judiciary, and the Company is required to write them off, the Ministry of Finance pledges to pay those debts and any related costs.
2. To confirm the deposits balances of price differences and surplus of JD (43,488,857), and deposits for setting up alternative tanks of JD (93,500,103) as well as stamps fees and allowances according to (IPP) of JD (9,051,757) as of September 30, 2017 as a right for the Government.
3. The two parties have not reached an agreement on the value of the strategic inventory deposits, as the Government is claiming the amount of valuation in 2008 of JD (156,787,303). Meanwhile, Jordan Petroleum Refinery Company is objecting to this amount since these quantities of inventory are deposits booked by the Company and will be refunded as quantities in case the relationship with the Government is terminated.
4. The two parties have not reached an agreement as to which party will maintain the write-off and maintenance of gas cylinders provision balance of JD (10) million.
5. The two parties have agreed that the provision for lawsuits and other liabilities balance of JD (6.3) million as of September 30, 2017 is a right to Jordan Petroleum Refinery Company. In this regard, if any amount for a lawsuit was won by the Company, the booked amount will be transferred to the Government. On the other hand, any judicial expense incurred by the Company during the period of its relationship with the Government will be borne by the Ministry of Finance except for the booked provision.
6. The two parties have agreed that the other provisions balance of JD (234) thousand as of September 30, 2017 is the right of Jordan Petroleum Refinery Company.
7. The two parties have agreed that the income tax provision as of September 30, 2017 is the right of the Government and shall be transferred to the Income and Sales Tax Department on the due date in accordance with the Income and Sales Tax Law.

8. The two parties have agreed that the labor provisions balance (provision for work injuries compensation; provision for employees' vacation; provision for end-of-service indemnity; and provision for death, compensation, and end-of-service indemnity) as of September 30, 2017 is the right of Jordan Petroleum Refinery Company.
 9. The two parties have not reached an agreement as to which party will maintain the provision for doubtful debts balance (expected credit losses provision) of JD (10.5) million as of September 30, 2017.
 10. The two parties have agreed that the provision for the legal compensation balance of JD (6.27) million as of September 30, 2017 is a right to the Jordanian Government. Meanwhile, the full amount has been paid before the end of 2017.
 11. The two parties have agreed that the penalty and delay in payments provision balance of JD (2.74) million as of September 30, 2017 is a right to the Jordanian Government. Meanwhile, the full amount has been paid before the end of 2017.
 12. The two parties have not reached an agreement as to who will maintain the provision for slow-moving and obsolete and sediments inventory balance of JD (19.9) million as of September 30, 2017.
- d. In accordance with the Council of Ministers' Decision No. (7633), taken in its meeting held on April 30, 2018, the financial relationship between the company and the government has ended and the company has been operating on a commercial basis as of May 1, 2018 (Note 3).

31. Death, Compensation, and End-of-Service Indemnity Fund

According to the Board of Directors' decision to merge the death, disability, and indemnity fund with the staff end-of-service indemnity into one fund, namely the (death, compensation and end-of-service indemnity fund), and according to the General Announcement No. (11/2012), issued by Jordan Petroleum Refinery Company, dated March 3, 2012, the employee shall receive, at the end of his service, (150%) of their monthly gross salary based on the last salary received. However, this amount may not exceed JD (2,000) for every work year for those whose gross monthly salaries do not exceed JD (2,000). If the monthly gross salary exceeds JD (2,000), the employee shall be paid a one-month gross salary for every work year as an end-of-service compensation according to the last salary paid. Moreover, there is no shortage in the required provision balance as of December 31, 2023.

32. Related party transaction and Balances

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

Balances	December 31,	
	2023	2022
	JD	JD
Ministry of Finance - the relationship (Note 9/e)	320,091,020	328,281,832
Ministry of Finance - derivatives pricing difference deposits and surpluses (note 18/a)	(5,681,067)	(1,217,882)

Transactions	2023	2022
	JD	JD
	Subsidy for oil derivatives charged on the Ministry of Finance (Note 24)	85,380,140
Interest Delay Income from the Government debt	27,722,684	14,326,337
Ministry of Finance - surplus from differences of pricing oil derivatives (Note 24)	(4,616,568)	(1,324,510)

- Executive management and members of the Board of Directors' salaries and remunerations amounted to JD 1,774,108 for the year 2023 JD (1,615,373 for the year 2022).

33. Risk Management

The Company adopts financial policies for managing the various risks within a specific strategy. Moreover, the Company's management controls, and monitors risks and performs the optimal strategic allocation of financial assets and financial liabilities, and the risks include managing capital risk, liquidity risk, credit risk and market risk (currency and interest rates).

a. Capital Risk Management

The Company manages its capital to ensure its ability to continue as a going concern and maximize the return to shareholders through achieving an optimal balance between equity and debt, noting that no change in the Company's overall policy has occurred since the prior year.

The Group's management reviews the capital structure on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital.

The table below shows the ratio of net debt to equity:

	December 31,	
	2023	2022
	JD	JD
Total Debt	1,069,908,793	1,172,498,160
Total Equity	368,081,325	337,690,899
Debt to Equity Ratio	291%	347%

- The increase in the rate is the result of the company financing the government's debt due in favor of the company (the financial relationship between the company and the government) through borrowing from banks, knowing that the government has committed to paying the balance of its financial relationship with the company according to the council of ministers decision No. (7633) taken in its session held on the 30th of April 2018 and according to the letter from the Ministry of Finance addressed to the company No. (12/1/16/2854) dated January 30, 2021, and the government is the one who bears the bank interest resulting from the company's borrowing from banks for loans related to financing its debts that are due and unpaid in favor of The company, according to the council of ministers decision No. (7633) taken in its session held on 30 April 2018.

b. Liquidity Risk

Liquidity risk, also known as financing risk, represents the difficulty that the Company will encounter in making available the necessary funds to fulfill its obligations. Moreover, the Company manages its liquidity risk through keeping adequate reserves, continuously monitoring the expected and actual cash flows, and matching the maturities of financial assets and financial liabilities.

The following table detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay:

December 31, 2023	1 month - 3 months	3 months - 12 months	1 year - 5 Years	More than > 5 years	Total
	JD	JD	JD	JD	JD
Due to banks*	-	663,911,323	-	-	663,911,323
Payables and other credit balances	217,027,300	88,116,156	-	-	305,143,456
Income tax provision	-	18,995,592	-	-	18,995,592
Lease Liability	-	2,455,304	41,461,022	-	43,916,326
Due to death, compensation, and end-of-service indemnity fund	-	-	-	37,900,409	37,900,409
End-of-service indemnity provision	-	-	-	41,687	41,687

December 31, 2022	1 month- 3 months	3 months- 12 months	1 year- 5 Years	More than > 5 years	Total
	JD	JD	JD	JD	JD
Due to banks*	-	696,356,404	-	-	696,356,404
Payables and other credit balances	231,311,323	141,677,441	-	-	372,988,764
Income tax provision	-	22,251,354	-	-	22,251,354
Lease Liability	-	2,238,082	39,406,199	-	41,644,281
Due to death, compensation, and end-of-service indemnity fund	-	-	-	39,217,555	39,217,555
End-of-service indemnity provision	-	-	-	39,802	39,802

* Noting that most of the due to banks are bank facilities (current accounts) and short-term revolving loans that renew automatically after being paid.

c. Credit Risk

Credit risk relates to the other party's inability to meet its contractual obligations leading to the incurrence of credit losses by the Company. Moreover, the Company adopts a policy of dealing with creditworthy parties in order to reduce the financial losses arising from failure to fulfill the commitment.

The Company's financial assets consisting mainly of receivables and other debit balances, financial assets at fair value through the consolidated comprehensive income statement and cash and it does not represent important concentrations of credit risk where the debtors are widely spread among the clients' categories and their geographic areas and most of them are from government and security agencies in addition to a strict credit control that is maintained over the credit limits granted to each customer separately and on a continuous basis, and an expected credit losses provision is taken for it, in addition to this, there are real estate guarantees provided by the partners in the subsidiaries with guarantees to transfer the profits resulting from the operations of the subsidiaries to the company and that most of the sales operations and the credit policy focus on cash sales or in exchange for bank checks with the guarantee of non-return guarantees for these checks.

All of the Company's investments are classified as financial assets at fair value through the consolidated comprehensive income.

- The risk of investing in shares is related to the change in the value of the financial instrument as a result of changes in the closing prices of those shares.

- The change in the percentage of the financial market index for traded financial assets as of the date of the consolidated financial statements by 5% ncrease and/or 5% decrease, and the following is the impact of the change on the company's equity:

	2023	2022
	JD	JD
5% Increase	161,807	190,762
5% (Decrease)	(161,807)	(190,762)

d. Market Risk

Market risk is the loss in value resulting from the change in market prices such as interest rate, foreign exchange rates, and equity instruments prices, and consequently, the change in the fair value of the financial instruments cash flows inside and outside the consolidated statement of financial position.

1. Currencies Risk

The Company's major transactions are in Jordanian Dinar and US Dollar. The following are the book values of the Company's financial assets and financial liabilities denominated in foreign currencies as of December 31:

	2023	2022
	JD	JD
Assets - US Dollar	1,988,400	2,118,543
Liabilities - US Dollar	711,110,963	799,908,478

Currency risk is related to the changes in the exchange rates of currencies that apply to payments in foreign currencies, and that the Jordanian Dinar (the main currency of the company) is linked to the US dollar; therefore, the company's management believes that the risk of foreign currencies is immaterial.

2. Interest Rates Risk

Interest rates risk is the risk of change in the value of the financial instrument due to changes in market interest rates.

Moreover, the Company continuously manages its exposure to interest rate risk and considers the various scenarios such as refinancing, renewal of the present positions, and alternative financing.

The below-mentioned sensitivity analysis is determined according to the exposure to interest rate risk related to the creditor banks as of the consolidated financial statements date, the analysis was also prepared assuming that the liability amount at the consolidated financial statements date was outstanding during the whole year. An increase or decrease of half a percentage point (0/5%) is used, which represent the evaluation of the Company's management of the potential and acceptable change at market interest rates, and it is as follows:

	2023	2022
	JD	JD
0/5% Increase	3,319,557	3,481,782
0/5% (Decrease)	(3,319,557)	(3,481,782)

34. Distribution of assets liabilities and operations results by sector

The information regarding the disclosed sectors of the Company is explained below in accordance with IFRS (8) where IFRS (8) requires the identification of reportable sectors on the basis of internal reports that are regularly reviewed by the main operating decision maker in the Company and are used to allocate Resources for sectors and assess their performance. The company's main activity is to engage in activities related to crude oil, oil derivatives, gas and lube-oil. The majority of the company's revenues, profits and assets relate to its operations within the Hashemite Kingdom of Jordan, and sales between segments are restricted to selling prices in normal conditions.

- The company is organized for management purposes through four main business sectors, which are as follows:

a) Refining: This sector imports, separates and transforms the components of imported crude oil into a group of different oil derivatives. and relies in most of its operations on a license from the American UOP company, the company also imports oil derivatives and liquefied gas to meet the increasing demand for production.

b) Distribution: Distribution constitutes the link between the production and refining activities within the company and imports from abroad on the one hand, and between all customers in the different regions of the Kingdom on the other hand, as it is responsible for meeting all customers' requests for the company's products of oil derivatives and gas and lube-oil.

c) Manufacturing of Lube-oil: This sector includes the manufacture, production, filling, and marketing of many types of lube-oil required in the local and foreign markets.

d) Manufacturing and Filling of Liquefied Gas: This sector includes the production, importation and filling of liquefied gas, manufacture, repair and maintenance of gas cylinders, as it is filled in three gas filling stations belonging to the company.

- All of the Company's assets, liabilities, and operations are inside the Hashemite Kingdom of Jordan.

- The following are the Company's activities distributed according to activity type:

	December 31, 2023				
	Refining Activity	Jordan Petroleum Products Marketing Company	Jordan Lube Oil Manufacturing Company*	Jordan Liquefied Petroleum Gas Manufacturing and Filling Company**	Total
	JD	JD	JD	JD	JD
Profit for the year before tax	57,896,191	35,338,954	10,280,644	2,645,705	106,161,494
Total sector's assets	928,950,520	353,161,000	18,347,543	137,531,055	1,437,990,118
Total sector's liabilities	704,881,014	229,584,374	3,438,425	132,004,980	1,069,908,793

	December 31, 2022					
	Refining activity and gas cylinders filling	Lube Oil Factory*	Jordan Petroleum Products Marketing Company	Jordan Lube Oil Manufacturing Company*	Other	Total
	JD	JD	JD	JD	JD	JD
Profit for the year before tax	87,013,168	3,073,392	36,433,495	6,444,609	79,002	133,043,666
Total sector's assets	1,120,988,247	6,025,379	362,405,517	15,810,221	4,959,695	1,510,189,059
Total sector's liabilities	917,686,621	2,951,987	247,539,749	4,098,074	221,729	1,172,498,160

- The following are the Company's business results analysis according to activity type (before consolidating the business results):

	Note	For the year Ended December 31, 2023				
		Refining Activity	Jordan Lube Oil Manufacturing Company *	Jordan Petroleum Products Marketing Company	Jordan Liquefied Petroleum Gas Manufacturing and Filling Company**	Total
		JD	JD	JD	JD	JD
Net Sales	23	1,031,977,123	29,589,831	1,198,416,853	191,770,255	2,451,754,062
Less: Cost of sales	24	(969,273,434)	(16,815,951)	(1,135,448,559)	(182,713,683)	(2,304,251,627)
Gross profit from sales		62,703,689	12,773,880	62,968,294	9,056,572	147,502,435
Add: Operating income and other		33,407,845	13,590	3,853,600	94,043	37,369,078
Gross profit		96,111,534	12,787,470	66,821,894	9,150,615	184,871,513
Less: Selling and distribution expenses		(17,345,591)	(1,833,658)	(28,798,406)	-	(47,977,655)
General and administrative expenses		(8,245,865)	(480,371)	(4,349,042)	(2,131,663)	(15,206,941)
Bank interest and commissions		(38,030,290)	(192,797)	(1,891,850)	(4,373,247)	(44,488,184)
(Provision of) released from lawsuits	18	(358,758)	-	66,917	-	(291,841)
Expected credit losses (provision)	9/j	(77,850)	-	(348,827)	-	(426,677)
slow-moving and obsolete inventory and sediments (provision)	10	(717,556)	-	-	-	(717,556)
Storage fees (provision)	18/g	(1,262,400)	-	-	-	(1,262,400)
Released from employees' vacations	18	100,283	-	-	-	100,283
Interest income resulting from government's debt delay		27,722,684	-	-	-	27,722,684
Lease liabilities interest	16	-	-	(2,682,178)	-	(2,682,178)
Released from special tax differences	18/j	-	-	7,603,779	-	7,603,779
Amortization of intangible assets	15	-	-	(1,083,333)	-	(1,083,333)
Profit for the Year before Income Tax		57,896,191	10,280,644	35,338,954	2,645,705	106,161,494
Income tax (expense) for the year	19	(12,930,527)	(2,076,129)	(7,271,924)	(1,279,141)	(23,557,721)
Profit for the Year		44,965,664	8,204,515	28,067,030	1,366,564	82,603,773

	Note	For the year Ended December 31, 2022					
		Refining activity and gas cylinders filling	Lube Oil factory*	Jordan Lube Oil Manufacturing Company *	Jordan Petroleum Products Marketing Company	Other	Total
		JD	JD	JD	JD	JD	JD
Net Sales	23	1,293,026,504	7,202,735	20,497,998	1,192,500,155	-	2,513,227,392
Less: Cost of sales	24	(1,165,947,840)	(4,095,606)	(12,089,051)	(1,106,464,114)	-	(2,288,596,611)
Gross profit from sales		127,078,664	3,107,129	8,408,947	86,036,041	-	224,630,781
Add: Operating income and other		10,233,016	4,223	4,277	3,233,042	-	13,474,558
Gross profit		137,311,680	3,111,352	8,413,224	89,269,083	-	238,105,339
Less: Selling and distribution expenses		(30,373,512)	(379,450)	(1,401,034)	(30,195,398)	-	(62,349,394)
General and administrative expenses		(8,398,387)	(92,086)	(417,162)	(4,419,145)	-	(13,326,780)
Bank interest and commissions		(21,471,018)	-	(96,555)	(3,135,389)	79,002	(24,623,960)
Lawsuits (provision)	18	(2,327,960)	-	-	(307,636)	-	(2,635,596)
Expected credit losses (provision)	9/j	-	433,576	(53,864)	(1,370,946)	-	(991,234)
(Provision) of slow-moving and obsolete inventory and sediments	10	(963,888)	-	-	-	-	(963,888)
Storage fees (provision)	18/g	(1,009,920)	-	-	-	-	(1,009,920)
Employees' vacations (provision)	18	(80,164)	-	-	-	-	(80,164)
Interest income resulting from government's debt delay		14,326,337	-	-	-	-	14,326,337
Lease liabilities interest	16	-	-	-	(2,803,295)	-	(2,803,295)
Special tax differences (provision)	18/j	-	-	-	(7,603,779)	-	(7,603,779)
Amortization of intangible assets	15	-	-	-	(3,000,000)	-	(3,000,000)
Profit for the Year before Income Tax		87,013,168	3,073,392	6,444,609	36,433,495	79,002	133,043,666
Income tax (expense) for the year	19	(18,194,841)	(501,565)	(1,224,476)	(8,041,234)	-	(27,962,116)
Profit for the Year		68,818,327	2,571,827	5,220,133	28,392,261	79,002	105,081,550

* The Jordan Lube-Oil Manufacturing Company started its commercial activities as of the first of April 2022, and the entire activity of lube-oil and the Lube-oil factory was annexed to it.

** The Jordan Liquefied Petroleum Gas Manufacturing and Filling Company has been activated as of the first of January 2023 after all the liquefied gas activities have been annexed to it (except for the gas production activity) including the three gas filling station and workshop for maintaining and rehabilitating cylinders as facilities in which it operates.

35. The Future Plan

Regarding the fourth expansion project, the company, in coordination with all project consultants, completed providing the consortium - that has the best offer which consisted of Italian, Chinese and Japanese companies (Tecnimont-Sinopec (GPEC) - Itochu) - with the necessary information to fill out the necessary financing application forms for submission to Export Credit Agencies (ECAs). The Italian company (one of the members of the consortium) requested a significant increase in the price of the submitted offer, in violation of what had been agreed upon and the terms of the bid. After several meetings and communications with the Italian company to try to dissuade them since increasing the price after opening the bids constitutes a violation of the company's regulations, and in light of the Italian company's insistence on its position on price increase, they were informed that price increase is not acceptable, and thus this company withdrew from the consortium.

As for the other two members of the consortium, they have expressed their ongoing interest in continuing working to cover the gap resulting from the withdrawal of the Italian company.

Accordingly, Jordan Petroleum Refinery Company informed the two members of the consortium of its acceptance to negotiate with them and to set the necessary conditions to be taken them into consideration to continue. It is planned that a face-to-face meeting will be held during March 2024 with the two members of the consortium, in the presence of the company's advisors, to agree on a mechanism for completing all technical and financial matters to ensure the continuation of the project through the construction stage.

As for Japanese financing, the Japanese Export Credit Agency (NEXI) has obtained approval from the Japanese Ministry of Economy, Trade and Industry to finance the company's project, while financing through the Japan Bank for International Cooperation (JBIC) is still under evaluation by the Japanese Ministry of Finance.

The work of due diligence consultants (technical, environmental, market,..etc.) will continue immediately after the approval of the new structure of the joint venture and determining the ways to complete the project.

After the company obtained at the beginning of March 2022 all the necessary licenses from the Energy and Minerals Regulatory Commission to continue performing all its various activities, as it obtained a license to practice the activity of refining and storage, licenses to perform all various LPG activities, central distribution of LPG, and a license to perform various lube oil activities, in addition to a permit to build the company's fourth expansion project, the company activated Jordan Lube Oil Manufacturing Company as of the first of April 2022 and annexed the lube oil factory and all the various lube oil activities to this company. The company transferred the licenses granted to it to perform the various lube oil activities of this company on July 27, 2022 after the approval of the Energy and Minerals Regulatory Authority. The company is currently working on developing the activities of this company, diversifying its products, expanding its share in the local market, opening new foreign markets for its products, and reducing their costs to the minimum possible.

The company also activated Jordan Liquefied Petroleum Gas Manufacturing and Filling Company as of the first of January 2023 and annexed all the various LPG activities (except LPG production activity) to this company and included the three LPG filling stations (Amman, Irbid and Zarqa) and LPG Cylinders' repair and rehabilitation workshop to this company as operating facilities in it, and the company transferred the licenses granted to it to perform various gas activities and the central distribution activity of liquefied Petroleum Gas to this company on November 2, 2022 after the approval of Energy and Minerals Regulatory Authority, the company is currently working on developing the activities of this company, minimizing its costs and expanding its share in the central distribution market for LPG.

With respect to the financial relationship with the Government, the company is still negotiating with the relevant ministries and Government agencies to agree on the remaining matters related to the financial relationship between the company and the Government and to resolve all remaining obstacles. Especially the payment of the amounts due from the Government after the company concluded during June 2022 with the National Electric Power Company a financial settlement agreement to pay its debt, the interest of late payment and the interests of the installment process, within a year in equal installments, starting from July 2022. The full amount of the agreement was paid by the National Electric Power Company during the month of June 2023, and negotiations with the Government are still continuing to agree on the value of the commission for LPG activity which reflects a rate of return on investment of (12%) annually in implementation of the Council of Ministers' Resolution No. (7633) adopted in its session held on April 30, 2018, to pay gas subsidy amounts and financial relationship balances due from the Government, During the year 2023 the company made clearings between the accounts of the Ministry of Finance and the accounts of the Income and Sales Tax Department and balances due from ministries and government and security agencies in the amount of JD (71,417,857). Noting that the Resolution of the Council of Ministers' No. (11231) adopted in its session held on April 2, 2023 during May 2023 which included the approval of the Jordan Petroleum Refinery Company to borrow an amount equivalent to JD (105) million in US dollars on behalf of the government in exchange for issuing pledges by the Government to pay loan installments and interest due on them, as this amount was credited to the company's accounts.

After the renewal of the Jordan petroleum products marketing license for the Jordan Petroleum Products Marketing Company for additional (10) years starting from the beginning of May 2023 the Company continues its development and expansion path by opening and managing new stations namely Al-Karak station / Al-Qasr, Qatraneh station / Ruba al-Amir, Zaid Al-Fawair station/ Ein Al-Basha, Fendi Al-Faouri station, Yazan Megdadi station/ Bayt Idis, Athamneh Station/ Jerash, Al-laith Plaza station, Umm Uthainah station, Ibbin station/ Amer Al-Momani, Al-Qaisi/ At-Tafilah, Malka station/ Mohammad Al-Ali, Benno station/ Sweileh, Bain Al-Darbain station / Sakhrah, Haif station/Al-Nashmi, Yarqa station/ Al-Shenekat, Municipality Lup and Melih station, Al-Sakhir Al-Zaiti station, Al-Mansi station/ Beit Ras, Mahmoud Al-Faouri station/ Baqa'a, Al Al-Bayt University station/ Al-Mafraq, Emdad station/ Dayr as Si'nah, Elena station/ Imad Al-Jamal and The company's site station in Zarqa after rehabilitation during 2023.

After passing the international external audit, the company obtained international quality certificates in the management of quality of services and products, occupational health and safety systems and environmental management systems (ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018) and continued to train all employees intensively on the latest quality management systems and occupational health and safety.

The eFAWATEERcom electronic payment system service for the company and its subsidiaries has also been activated, smart applications have been activated to provide technical support to customers at their stations, and an accounting system has been implemented that includes customers following up on their accounts through electronic application on their mobile phones.

The latest systems have also been applied in protecting facilities against theft and risks in stations classified as high risk, and pre-warning systems for flooding and water detection have been applied in the stations' tanks.

Until the end of 2024, it is planned to open and manage the Abdullah Ghosheh station, Al-Shera' station, Aswar Bader station, Wadi Araba Development Station, Jareed Al-Adwan station / Jordan Street, Mahmoud Al-Faouri station, Jett station / Ghor Nimrin, Basira station/ At-Tafilah, Jurf Eddarawish station, Al-Sarih station/ Al-Ajlouni, Hamm station/ Sayyaf Al-Youness, Al-Khazaleh station/ Al-Dajaniyya, Al-Shorafat station/ Al-Mafraq, Jawaher station/ Ajloun, and it is expected to complete the Aqaba Store, the Hashemiya Stores, and the Shishani station, and the construction will begin for the Shidiya station, Jordan Street station, Muwaffaq Al-Salti Al-Azraq base station, and the Potash station, in addition to continuing to rehabilitate the old stations including fifteen stations for Royal Jordanian Air Force as well as Public Security Stations.

Also, the television monitoring system will be applied to the domestic transport and distribution fleet tanks through the central control room, in addition to the automation of tank meters and inventory, and proceeding in inventory automation and electronic sales systems in all stations managed and supplied by the company, as well as increasing fast electric charging stations at the company's stations, installing systems to generate electric power using solar panels in selected stations, increasing the oil products transport fleet owned by the company and automating all the company's financial information and reflecting them on screens instantaneously.

The Jordan Lube Oil Manufacturing Company continues its plan to modify its production lines for increasing production, increasing its efficiency, and diversification by adding new products that meet the needs of the local market, new lines for filling (209) drums will be added, in addition to upgrading existing operation lines.

The company is studying the possibility of using solar energy to heat base lube oils and improvers in the tanks of the lube oil factory to reduce costs to the minimum possible.

It is planned to purchase modern forklifts and handling equipment for lube oil, and purchase additional cargo vehicles to develop and improve the sales service to gain customer satisfaction.

It should be noted that the company was able to install a system to dissolve the viscosity improver and to operate it during the last quarter of 2023. Thus, will reduce production costs. Moreover, it is planned that this system will be developed to cover the entire needs of the lube oil factory of the viscosity plant improver.

It is planned to install two new tanks at the company's site in Zarqa to increase the storage capacity, and it is also planned to construct five tanks, with a storage capacity of approximately (5) thousand metric tons, at the company's site in Aqaba. The aim is to increase storage capacities in order to reduce rented storage costs and to benefit from fluctuations in lube oil prices.

In order to expand the company's share in the local market, the company will renovate, develop and produce new types of lube oils according to needs of the market and global trends, as the company is currently heading to develop its products by improving performance levels of oils and producing new types such as gasoline engine oil with a performance level (API SP) and diesel engine oils with performance levels (CK4 and CJ4), where the related improvers have been purchased. It is expected to start production during the second quarter of 2024.

Work is currently proceeding to renew the accreditation of the company's lube oils laboratory (ISO 17025) through the Accreditation Unit at the Jordan Standards and Metrology Organization and the International ILAC Organization. There is a follow up on obtaining international accreditations for Jopetrol oils (such as Mercedes-Benz, API and others) to support the marketing campaigns and keeping both the (ISO 9001) certificate and the Jordanian Quality Mark.

As for exports, it is part of the plan of Jordan Lube Oil Manufacturing Company to continue exporting to Palestine, Iraq and Lebanon and expand exports to Chad to include all regions of Chad in addition to neighboring areas such as Cameroon.

As for the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company, after it was activated and began to perform its work as of the first of January 2023, work is currently proceeding to develop and improve the performance of the activities of this company and reduce its costs to the minimum possible. Projects have been awarded to install solar energy systems at the LPG filling stations, and the implementation of these projects has been started during 2023. In order to increase storage capacities and reduce rented storage, and achieve additional revenue from leasing some storage company to others, the company awarded a tender to construct storage capacities for liquefied petroleum gas by approximately (10) thousand tons at the company's site in Zarqa, and construction work for these tanks began in October 2023. The company is also in the process of constructing new storage capacities at its location in Aqaba. Also the company is also currently working on developing and practicing the activity of the central distribution process for LPG directly through the company itself or through entering into strategic agreement with others to develop this activity.

36. Fair Value Hierarchy

A. Fair value of financial assets and financial liabilities measured at fair value on a continuous basis:

Some of the financial assets and financial liabilities are measured at fair value at the end of each reporting year.

The following table illustrates information on how the fair value of these financial assets and financial liabilities is determined (valuation techniques and key inputs):

Financial Assets	Fair Value as at December 31,		Fair Value Hierarch	Valuation Techniques and Key Inputs	Significant Unobservable Inputs	Relationship of Unobservable Inputs to Fair Value
	2023	2022				
Financial assets at fair value:	JD	JD				
Financial assets at fair value through comprehensive income						
Companies' shares	3,236,140	3,815,231	Level 1	Stated prices in financial markets	Not applicable	Not applicable
Total financial assets at fair value	3,236,140	3,815,231				

-There were no transfers between level 1 and level 2 during the financial year.

B. The fair value of financial assets and financial liabilities of the Company not specified at fair value on an ongoing basis:

Financial assets and liabilities that are not determined at fair value	December 31, 2023		December 31, 2022		
	Book Value	Fair Value	Book Value	Fair Value	Fair Value Level
Financial Assets	JD	JD			
Receivables	171,530,556	172,388,209	228,007,516	229,147,554	Second Level
Total financial assets that are not determined at fair value	171,530,556	172,388,209	228,007,516	229,147,554	
Financial Liabilities					
Bank Loan's	663,911,323	667,230,880	696,356,404	699,838,186	Second Level
Total financial Liabilities that are not determined at fair value	663,911,323	667,230,880	696,356,404	699,838,186	

- For the items listed above, the fair value of the second level financial assets and liabilities has been determined according to agreed pricing models that reflect the credit risks of the parties with which they are dealt.

37. Subsequent Events

- a. The company addressed the Ministry of Finance in its letter No. (2/25/51/1/758) dated January 29, 2024, which included the balances of the financial relationship between the company and the government regarding the refining and gas activity as of December 31, 2023, and requested an offsetting between the credit balances in favor of the government. And part of the balance of the Ministry of Finance's main account - the relationship as of December 31, 2023, and accordingly, the Ministry of Finance's letter No. (18/4/4819) dated February 21, 2024 was received, which included an apology for the current offsetting procedure and included a request from Jordan Petroleum Refinery Company to transfer the credit balances in favor of the government amounting to JD (3,688,151) to the government's treasury represented by an amount of JD (143,932) in deposits differences of oil derivatives pricing and surplus, and an amount of JD (3,544,219) in fees and allowances according to the oil derivatives pricing bulletin (IPP), and keeping the balance of the financial relationship in favor of the company in its records as of December 31, 2023. Accordingly, on February 22, 2024, the company transferred the credit balances in favor of the government to the government's treasury, and the balances of the financial relationship between the company and the government regarding the refining and gas activity were maintained as of December 31, 2023.
- b. The Council of Ministers Decision No. (10588) adopted in its session held on January 21, 2024, imported petroleum gas has been exempted from customs fees for a period of one year, starting from January 1, 2024.
- c. Proposed dividends: the Company's Board of Directors decided in its meeting held on March 6, 2024, to recommend to General Assembly of Shareholders to distribute cash dividends of (45%) of the Company's Paid-up capital.
- d. Reserves: the Company's Board of Directors decided In its meeting held on March 6, 2024, to recommend to General Assembly to allocate an amount of JD (15,924,224) to voluntary reserve, and an amount of JD (21,232,299), to the fourth expansion project reserve, and to deduct (10%) from net annual profits of the activities of Jordan Petroleum Products Marketing Company and Jordan Lube Oil manufacturing Company and Jordan Liquefied Petroleum Gas Manufacturing and Filling Company to the statutory reserve, and to continue ceasing to deduct (10%) as statutory reserve from the net annual profits of the Company's activities.



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