

JORDAN TELECOMMUNICATIONS COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – THE HASHEMITE KINGDOM OF JORDAN

CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION FOR THE
NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024
TOGETHER WITH THE REVIEW REPORT

JORDAN TELECOMMUNICATIONS COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD
ENDED SEPTEMBER 30, 2024

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Report on the Review of the Condensed Consolidated Interim Financial Information

AM/ 20268-002-003

**To the Board of Directors of
Jordan Telecommunications Company
(A Public Shareholding Limited Company)
Amman - Jordan**

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Jordan Telecommunications Company (a Public Shareholding Limited Company) as of September 30, 2024 and the related condensed consolidated interim statement of profit and loss and other comprehensive income for the three and nine months period ended September 30, 2024, and the statements of changes in shareholder's equity and cash flows for the nine-month period then ended, and a summary of material accounting policy information and other explanatory information. Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard No. (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared in all material respects, in accordance with International Accounting Standard No. (34) relating to interim financial reporting.

Other Matters

The accompanying condensed consolidated interim financial information are a translation of the condensed consolidated interim financial information in Arabic language to which reference should be made.

Amman – Jordan
October 30, 2024

Deloitte & Touche (M.E.) – Jordan

Deloitte & Touche (M.E.)
ديلويت آند توش (الشرق الأوسط)
010103

JORDAN TELECOMMUNICATIONS COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
(AMMAN – THE HASHEMITE KINGDOM OF JORDAN)
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

<u>ASSETS</u>	Note	September 30, 2024 (Reviewed)	December 31, 2023 (Audited)
Non-Current Assets		JD	JD
Property and equipment	6	295,888,353	287,879,892
Intangible assets	8	214,599,666	220,990,020
Contract assets	9.b	670,371	763,335
Right-of-use assets	10.a	39,584,137	36,993,974
Renewable energy assets	11	30,535,133	32,119,390
Deferred tax assets		3,958,477	3,900,621
Total Non-Current Assets		585,236,137	582,647,232
Current Assets			
Inventories		12,101,888	12,142,645
Trade receivables and other current assets		119,854,892	117,558,432
Balances due from telecom operators		2,609,141	5,200,552
Contract assets	9.b	2,607,536	2,621,294
Cash and short-term deposits	18	84,076,025	66,787,549
Total Current Assets		221,249,482	204,310,472
TOTAL ASSETS		806,485,619	786,957,704
<u>SHAREHOLDERS' EQUITY AND LIABILITIES</u>			
Shareholders' Equity			
Paid in capital	14	187,500,000	187,500,000
Statutory reserve		62,500,000	62,500,000
Retained earnings		44,549,410	54,762,352
Total Shareholders' Equity		294,549,410	304,762,352
Liabilities			
Non-Current Liabilities			
Telecommunications license payable	13	58,462,440	58,462,440
Interest bearing loans	16	71,100,570	634,696
Lease liabilities	10.b	36,678,891	35,035,663
Renewable energy liability	11	30,725,407	31,104,175
Employees' end of service benefits		454,187	453,611
Total Non-Current Liabilities		197,421,495	125,690,585
Current Liabilities			
Orange Money - units in circulation	15	30,974,614	24,472,459
Trade payables and other current liabilities		147,322,428	126,410,597
Balances due to telecom operators		26,460,302	27,982,263
Income tax payable	12	14,343,359	19,640,065
Telecommunications license payable	13	8,109,111	64,280,190
Current portion of interest-bearing loans	16	4,339,614	14,064,482
Due to banks	17	61,475,726	58,399,258
Lease liabilities	10.b	7,495,674	6,160,100
Renewable energy liability	11	4,377,597	5,038,668
Contract liabilities	9.c	9,598,427	10,038,761
Employees' end of service benefits		17,862	17,924
Total Current Liabilities		314,514,714	356,504,767
Total Liabilities		511,936,209	482,195,352
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		806,485,619	786,957,704

The accompanying notes constitute an integral part of these condensed consolidated interim financial information and should be read with them and with the accompanying review report.

JORDAN TELECOMMUNICATIONS COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
(AMMAN - THE HASHEMITE KINGDOM OF JORDAN)
CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
(REVIEWED NOT AUDITED)

	Note	For the three-Month Period		For the Nine-Month Period	
		Ended September 30,		Ended September 30,	
		2024	2023	2024	2023
		JD	JD	JD	JD
Net revenues	5,9.a	90,752,039	93,870,728	269,994,218	268,184,147
Direct operating cost		(30,192,033)	(34,797,086)	(93,908,362)	(97,992,186)
Gross Margin		60,560,006	59,073,642	176,085,856	170,191,961
Administrative expenses		(4,951,555)	(4,696,014)	(15,219,634)	(15,480,193)
Selling and distribution expenses		(10,998,689)	(10,915,089)	(32,779,343)	(32,153,768)
Government revenue share	13.a	(1,950,000)	(1,770,000)	(5,600,000)	(5,060,000)
Business support fees and brand fees		(2,176,553)	(2,100,229)	(6,481,174)	(6,154,906)
Expected credit losses		(2,650,000)	(150,000)	(2,950,000)	(450,000)
Depreciation of property and equipment	6	(14,926,763)	(14,456,221)	(41,924,947)	(47,157,832)
Amortization of intangible assets	8	(4,457,352)	(3,929,819)	(12,077,846)	(10,142,721)
Depreciation of right-of-use assets	10.a	(2,048,848)	(1,775,561)	(6,123,274)	(5,231,559)
Depreciation of renewable energy assets	11	(528,086)	(528,086)	(1,584,257)	(1,584,257)
Operating Profit		15,872,160	18,752,623	51,345,381	46,776,725
Net foreign currency exchange differences		(30,658)	38,227	61,122	23,736
Leases interest expense	10.b	(699,535)	(616,119)	(2,074,454)	(1,829,440)
Finance cost on renewable energy assets	11	(850,203)	(866,414)	(2,018,511)	(2,046,914)
Finance costs on Banks's loans		(2,824,206)	(1,226,280)	(6,037,322)	(3,500,510)
Finance cost of telecommunications license	13.d	(627,448)	(870,143)	(2,477,335)	(2,357,651)
Finance income		488,735	734,438	1,392,264	2,093,263
Gain on sale of property and equipment	6	40,164	936,683	705,555	3,455,193
Other Income	22	2,500,000	-	2,500,000	-
Profit before Income Tax		13,869,009	16,883,015	43,396,700	42,614,402
Income tax expense	12	(4,081,757)	(5,056,585)	(12,359,642)	(11,916,825)
Profit for the Period		9,787,252	11,826,430	31,037,058	30,697,577
Other comprehensive income		-	-	-	-
Total Comprehensive Income for the Period		9,787,252	11,826,430	31,037,058	30,697,577
Earnings per share		JD/Fils	JD/Fils	JD/Fils	JD/Fils
Basic and diluted earnings per share	19	0.052	0.063	0.166	0.164

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JORDAN TELECOMMUNICATIONS COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
(AMMAN - THE HASHEMITE KINGDOM OF JORDAN)
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN SHAREHOLDER'S
EQUITY
(REVIEWED NOT AUDITED)

	<u>Note</u>	<u>Share Capital</u>	<u>Statutory Reserve</u>	<u>Retained Earnings</u>	<u>Total Shareholders' Equity</u>
		<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>
<u>For the Nine Months Period Ended September 30, 2024</u>					
Balance beginning of the period (Audited)		187,500,000	62,500,000	54,762,352	304,762,352
Total comprehensive income		-	-	31,037,058	31,037,058
Dividends	21	-	-	(41,250,000)	(41,250,000)
Balance - End of the Period (Reviewed)		<u>187,500,000</u>	<u>62,500,000</u>	<u>44,549,410</u>	<u>294,549,410</u>
<u>For the Nine Months Period Ended September 30, 2023</u>					
Balance beginning of the period (Audited)		187,500,000	62,500,000	48,389,097	298,389,097
Total comprehensive income		-	-	30,697,577	30,697,577
Dividends	21	-	-	(39,375,000)	(39,375,000)
Balance - End of the Period (Reviewed)		<u>187,500,000</u>	<u>62,500,000</u>	<u>39,711,674</u>	<u>289,711,674</u>

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JORDAN TELECOMMUNICATIONS COMPANY
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CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
(REVIEWED NOT AUDITED)

	Note	For the Nine-Month Period Ended September 30,	
		2024	2023
Cash Flows from Operating Activities		JD	JD
Profit for the period before income tax		43,396,700	42,614,402
Adjustments for:			
Finance costs on Banks's loans		6,037,322	3,500,510
Finance cost of telecommunications license	13.d	2,477,335	2,357,651
Finance income		(1,392,264)	(2,093,263)
Leases interest expense	10.b	2,074,454	1,829,440
Finance cost on renewable energy assets	11	2,018,511	2,046,914
Provision for expected credit losses		2,950,000	450,000
Depreciation of property and equipment	6	41,924,947	47,157,832
Amortization of intangible assets	8	12,077,846	10,142,721
Depreciation of right-of-use assets	10.a	6,123,274	5,231,559
Depreciation of renewable energy assets	11	1,584,257	1,584,257
Employees' end of service benefits		35,778	30,813
Other revenue	22	(2,500,000)	-
(Gain) from sale of property and equipment	6	(705,555)	(3,455,193)
Cash Flows Generated from Operations before Changes in Working Capital		116,102,605	111,397,643
Decrease (increase) in assets:			
Contract assets		106,722	(40,590)
Inventories		40,757	(3,139,377)
Trade receivables and other current assets		(5,212,406)	(20,825,090)
Balances due from telecom operators		2,591,411	(63,938)
(Decrease) increase in liabilities:			
Trade payables and other current liabilities		989,291	13,130,653
Balances due to telecom operators		(1,521,961)	3,872,160
Contract liabilities		(440,334)	(626,840)
Employees' end of service paid		(35,264)	(14,943)
Cash Flow Generated from Operating Activities Before Income Tax Paid		112,620,821	103,689,678
Income tax paid	12	(17,462,338)	(14,966,993)
Net Cash Flows from Operating Activities		95,158,483	88,722,685
Cash Flows from Investing Activities			
(Purchases) of property and equipment	6	(49,987,626)	(50,946,523)
(Purchases) of intangible assets		(5,687,492)	(4,633,322)
Proceeds from sale of property and equipment		759,773	3,546,755
Finance income received		1,300,354	1,891,662
Net Cash Flows (used in) Investing Activities		(53,614,991)	(50,141,428)
Cash Flows from Financing Activities			
Proceeds of interest-bearing loans		70,650,000	-
Repayment of interest-bearing loan		(9,986,896)	(6,767,180)
Payments on capital reduction		(13,848)	(11,332)
Finance costs paid		(6,037,322)	(3,500,510)
Dividends paid		(19,941,870)	(19,003,905)
Payments of lease liabilities	10.b	(7,809,089)	(6,493,032)
Payments of renewable energy liability	11	(3,058,350)	(3,101,385)
Payments of finance cost from telecommunication licenses	13	(57,714,166)	(5,448,625)
Cash (received) paid from restricted grants		99,277	(1,761,171)
Net Cash Flows (used in) Financing Activities		(33,812,264)	(46,087,140)
Net Increase (Decrease) in Cash		7,731,228	(7,505,883)
Net foreign currency exchange difference		77,902	(78,939)
Cash and cash equivalent - beginning of the period		(17,067,617)	7,234,904
Cash and Cash Equivalent - End of the Period	18	(9,258,487)	(349,918)

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JORDAN TELECOMMUNICATIONS COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
(AMMAN - THE HASHEMITE KINGDOM OF JORDAN)
NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION

1 Incorporation and Activities

Jordan Telecommunications Company (Jordan Telecom) (the "Company") was established as a Public Shareholding Company on October 8, 1996, and adopted the Orange brand in 2007. The Company's authorized and paid in capital amounted to JD 187,500,000 divided into 187,500,000 shares. The interim condensed consolidated financial information of the Company as of September 30, 2023 comprise the Company and its subsidiaries (collectively referred to as the "Group").

The principal activities of the Group comprise introduction of a variety of telecommunication, internet, data and mobile payment services. These services include among other services fixed line services, prepaid, and postpaid mobile services, ADSL, fiber optics internet services, mobile payment services and establishing non-profitable academic centers and initiatives.

The Company is 51% owned by The Joint Investments Telecommunications Company (JIT CO.) a fully owned subsidiary of Orange Group (France).

The head office of the Group is located in Abdali, the Boulevard, Amman - Jordan.

The interim condensed consolidated financial information of the Group for the nine months ended September 30, 2024 were authorized for issue in accordance with the Board of Directors' resolution on October 24, 2024.

2. Basis of Preparation

The accompanying condensed consolidated interim financial information have been prepared in accordance with International Accounting Standard (IAS) 34 relating to Interim Financial Reporting.

The condensed consolidated interim financial information is stated in Jordanian Dinar.

The condensed consolidated interim financial information has been prepared on the historical cost basis.

The accompanying condensed consolidated interim financial information do not include all the information and disclosures required for the annual financial statements, which are prepared in accordance with the International Financial Reporting Standards and should be read with the annual report of the Group as of December 31, 2023. In addition, the results of the Group's operations for the nine months ended September 30, 2024 do not necessarily represent indications of the expected results for the year ending December 31, 2024. The Group did not deduct any statutory reserves from the profit of the nine months period ended September 30, 2024 in accordance with the Companies Laws and Regulations issued, as these financial statements are an interim information and the deductions are made at the end of the fiscal year.

The interim condensed consolidated financial information comprises the financial information of Jordan Telecom and its wholly owned subsidiaries, which are all incorporated in Jordan are as follows:

Name of subsidiary	Principal activity	Capital	Shareholding percentage
		JD	%
Petra Jordanian Mobile Telecommunications	GSM Operator	70,000,000	100%
Jordan Data Communications	Internet service provider (ISP)	750,000	100%
Dimension Company for Digital Development of Data	Development of Renewable Energy Projects	220,000	*100%
	Electronic Payment Services through Mobile Phone		
Petra Mobile Payment Services Company	Orange Foundation	5,000,000	**100%
Future Pioneers for Development and Initiatives	Distribution	15,000	**100%
Jordan Forefront for Electronic Commerce		100,000	***100%

* Jordan Telecommunications owns 51% of the shares of Dimension Company for Digital Development of Data and the remaining 49% of the shares are owned by Petra Jordanian Mobile Telecommunications Company (wholly owned subsidiary).

** Wholly owned subsidiaries of Petra Jordanian Mobile Telecommunications.

*** Wholly owned subsidiary of Jordan Data Communications established on December 20, 2023.

3. Summary of Material Accounting Policy Information

The accounting policies used in the preparation of the condensed consolidated interim financial information for the period ended on September 30, 2024 are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2023. However, the Group has adopted the following amendments and interpretations that apply for the first time in 2024 and have not materially affected the amounts and disclosures in the condensed consolidated interim financial information for the period and prior years, which may have an impact on the accounting treatment of future transactions and arrangements:

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, 2024, 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.

- Amendments to IFRS 16 Leases – Lease Liability in as Sale and Leaseback
- Amendments to IAS 1 Presentation of Financial Statements relating to classification of liabilities as current or non-current
- Amendments to IAS 1 Presentation of Financial Statements - Non-current Liabilities with Covenants
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements
- IFRS S1 - General Requirements for Disclosure of Sustainability – related financial information*
- IFRS S2 - Climate Related Disclosures*

* Provided that the regulatory authorities in the countries in which the Group operates approve its application, noting that no instructions have been issued regarding it until the date of the condensed interim consolidated financial information.

b. New IFRS Accounting Standards in issue but not yet effective

The Group has not applied the new and revised IFRS Accounting Standards that have been issued but are not yet effective, management is in the process of assessing the impact of the new requirements.

New and revised IFRS Accounting Standards	Effective for annual periods beginning on or after
Amendments to IAS 21 - Lack of Exchangeability	January 1, 2025
IFRS 18 Presentation and Disclosures in Financial Statements	January 1, 2027
Amendment to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures relating to treatment of sale or contribution of assets from investors	Effective deferred indefinitely.
IFRS 19 Subsidiaries without Public Accountability	January 1, 2027

* The management anticipates adopting these new standards, interpretations, and amendments in the Group's consolidated financial statements during the initial application period. Furthermore, they expect that adopting these new standards, interpretations, and amendments will not have any significant impact on the Group's consolidated financial statements during the initial application period.

4. Significant Accounting Judgments and key Sources of Uncertainty Estimates and Risk Management

The preparation of the condensed consolidated interim financial information and application of the accounting policies require the group management to make judgments, estimates, and assumptions that affect the amounts of financial assets and financial liabilities and to disclose the contingent liabilities. Moreover, these estimates and judgments affect revenue, expenses and provisions in general and the expected credit losses. In particular, the Group management requires judgments to be made to estimate the amounts and timing of future cash flows. These mentioned estimates are necessarily based on multiple hypotheses and factors with varying degrees of estimation and uncertainty. The actual results may differ from estimates due to the changes arising from the conditions and circumstances of those estimates in the future.

The management believe that the estimates used in the preparation of these condensed consolidated interim financial information are reasonable and consistent with those used in the preparation of the consolidated financial statements for the year ended December 31, 2023.

The Group's financial risk management objectives and policies are consistent with those disclosed in the audited consolidated financial statements as of December 31, 2023.

5. Segment Information

The Group's operating businesses are organized and managed separately according to the nature of the services provided, with each segment representing a strategic business unit that offers different services.

The fixed-line voice segment constructs, develops, maintains fixed telecommunication network services and provides fiber services to homes.

The mobile communications segment installs, operates and manages a cellular network in Jordan.

The data services segment provides, furnishes, installs, maintains, engineers and operates communication facilities for the provision of data network and internet access services to its customers and helping companies to be more efficient in the way they do their business on internet.

The renewable energy segment provides the Group with its need from electricity through managing the solar farms and renewable energy projects.

The mobile payments segment provides the customers with electronic wallets services which enable them to execute financial payments through their mobile phones.

The non-for-profit segment supports the local socio-economic development through academic initiatives in the areas of sustainable economics, social responsibility, environment, health, culture and science. This segment is not operating up to the date of this condensed consolidated interim financial information.

The distribution segment provide wholesale electronic, telecommunication equipment, device spare parts, retail trade of mobile phones and accessories, retail sale and wholesale of mobile phones lines in addition to e-shopping and e-trading activities.

The Group's management monitors the operating results of the operating segment separately for making decisions about performance assessment; segment performance is calculated based on operating profit or loss.

The following tables represent revenue, profit, certain asset, and liability information regarding the Group's business segments for the three and nine months ended September 30, 2024 and 2023.

For the three-Months Period Ended September 30, 2024:

	Fixed-line Voice	Mobile Communications	Data Services	Renewable Energy	Payment Services	Non-for-Profit Activities	Distribution	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Net revenues								
External customers	35,732,762	46,610,137	7,049,717	-	1,359,423	-	-	90,752,039
Inter-segment revenues	8,180,807	794,431	-	1,892,566	266,030	-	-	11,133,834
	43,913,569	47,404,568	7,049,717	1,892,566	1,625,453	-	-	101,885,873

Segment Results

Operating Profit (Loss)	9,607,570	25,725,644	4,153,795	(249,023)	1,137,393	(2,006)	-	40,373,373
Depreciation and amortization								(21,961,049)
Finance costs and income, net								(4,512,657)
Net foreign currency exchange Differences								(30,658)
Profit before Income Tax								13,869,009
Income tax expense								(4,081,757)
Profit and Comprehensive Income for the Period								9,787,252

For the three-Months Period Ended September 30, 2023:

	Fixed-line Voice	Mobile Communications	Data Services	Renewable Energy	Payment Services	Non-for-Profit Activities	Distribution	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Net revenues								
External customers	37,045,245	47,896,634	8,006,781	-	922,068	-	-	93,870,728
Inter-segment revenues	9,615,533	733,471	-	1,891,983	219,065	-	-	12,460,052
	46,660,778	48,630,105	8,006,781	1,891,983	1,141,133	-	-	106,330,780

Segment Results

Operating Profit (Loss)	9,345,092	26,109,281	4,884,240	(229,512)	270,671	(779)	-	40,378,993
Depreciation and amortization								(20,689,687)
Finance costs and income, net								(2,844,518)
Net foreign currency exchange Differences								38,227
Profit before Income Tax								16,883,015
Income tax expense								(5,056,585)
Profit and Comprehensive Income for the Period								11,826,430

For the Nine-Months Period Ended September 30, 2024:

For the nine-Month Period Ended September 30, 2024:	Fixed-line Voice	Mobile Communications	Data Services	Renewable Energy	Payment Services	Non-for-Profit Activities	Distribution	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Net revenues								
External customers	105,891,199	136,218,944	24,182,605	-	3,701,470	-	-	269,994,218
Inter-segment revenues	24,578,441	2,120,858	-	5,008,733	747,617	-	-	32,455,649
	130,469,640	138,339,802	24,182,605	5,008,733	4,449,087	-	-	302,449,867
Segment Results								
Operating Profit (Loss)	26,902,887	73,144,200	14,063,891	(617,936)	2,771,741	(3,523)	-	116,261,260
Depreciation and amortization								(61,710,324)
Finance costs and income, net								(11,215,358)
Net foreign currency exchange differences								61,122
Profit before Income Tax								43,396,700
Income tax expense								(12,359,642)
Profit and Comprehensive Income for the Period								31,037,058

Assets and Liabilities as of September 30, 2024

Segment Assets	293,420,243	380,819,846	40,403,304	33,774,380	52,120,186	966,747	4,980,913	806,485,619
Segment Liabilities	236,703,094	192,305,375	10,945,014	37,429,041	33,521,194	863,541	168,950	511,936,209
Other Segment Information								
Property and equipment	190,396,137	97,257,684	6,407,613	1,765,315	48	61,556	-	295,888,353
Intangible assets	14,845,427	193,569,141	5,107,721	-	1,077,377	-	-	214,599,666
Renewable energy assets	-	-	-	30,535,133	-	-	-	30,535,133
Right-of-use assets	9,100,570	29,469,411	-	1,014,156	-	-	-	39,584,137

For the Nine-Months Period Ended September 30, 2023:

For the nine-Month Period Ended September 30, 2023:	Fixed-line Voice	Mobile Communications	Data Services	Renewable Energy	Payment Services	Non-for-Profit Activities	Distribution	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Net revenues								
External customers	105,390,266	136,067,248	24,361,573	-	2,365,060	-	-	268,184,147
Inter-segment revenues	28,347,746	2,080,919	-	5,160,928	612,906	-	-	36,202,499
	133,738,012	138,148,167	24,361,573	5,160,928	2,977,966	-	-	304,386,646
Segment Results								
Operating Profit (Loss)	25,801,191	72,751,049	15,858,329	(733,830)	673,852	(2,304)	-	114,348,287
Depreciation and amortization								(64,116,369)
Finance costs and income, net								(7,641,252)
Net foreign currency exchange differences								23,736
Profit before Income Tax								42,614,402
Income tax expense								(11,916,825)
Profit and Comprehensive Income for the Period								30,697,577

Assets and Liabilities as of Dec 31, 2023

Segment Assets	287,231,796	396,566,197	28,820,269	35,405,171	37,810,745	1,123,526	-	786,957,704
Segment Liabilities	168,274,532	241,118,928	7,709,373	38,039,019	26,063,169	990,331	-	482,195,352
Other Segment Information								
Property and equipment	185,940,567	92,314,985	7,679,813	1,873,792	2,169	68,566	-	287,879,892
Intangible assets	14,543,301	201,797,091	3,746,397	-	903,231	-	-	220,990,020
Renewable energy assets	-	-	-	32,119,390	-	-	-	32,119,390
Right-of-use assets	5,736,590	30,195,690	-	1,061,694	-	-	-	36,993,974

6. Property and Equipment

During the nine-month period ended September 30, 2024, the Group acquired property and equipment with a total cost of JD 49,987,626 (JD 50,946,523 during the nine months period ended September 30, 2023).

Assets at net book value of JD 54,218 were disposed by the Group during the nine months ended September 30, 2024 (JD 91,562 during the nine months ended September 30, 2023) resulting in a net gain on disposal of JD 705,555 and JD 3,455,193 respectively.

The depreciation expense for the nine-months period ended September 30, 2024 is amounted to JD 41,924,947 (JD 47,157,832 during the nine-months period ended September 30, 2023).

7. Land Expropriation

Trade receivables and other current assets category includes the cost of plots of land with a total amount of JD 90,000 as of September 30, 2024 (JD 90,000 as of December 31, 2023) that were expropriated by Greater Amman Municipality (GAM) in previous years.

During 2018, the Group signed an agreement with GAM to settle the land expropriation lawsuit and due to delay in payment, a memorandum of understanding was signed during April 2021 with GAM in which GAM agreed to settle the remaining amounts due to Jordan Telecom Group through monthly equal payments starting from 2022 to 2025. The Group did not receive any amount during the nine-months period ended September 30, 2024 (JD 9,204,675 during the year 2023 as a partial settlement).

8. Intangible Assets

During the nine-month period ended September 30, 2024, the Group acquired intangible assets with a total cost of JD 3,866,383 (JD 2,833,118 during the nine-month period ended September 30, 2023). In addition, The Group capitalized costs of software and applications developed internally is JD 1,821,109 for the nine-month period ended September 30, 2024 (JD 1,800,204 for the nine-month period ended September 30, 2023).

During the year 2023, the Group acquired two new spectrum licenses, one with a band of 2100 MHz by JD 100,701 for one year and the other with a band of 2600 MHz by JD 19.5 million for 25 years and will be paid over 10 equal annual installments. The present value of the band of 2600 MHz frequency is JD 13,210,276 as of September 30, 2024 (JD 12,487,196 as of December 31, 2023).

The amortization expense for the nine-month period ended September 30, 2024, is amounted to JD 12,077,846 (JD 10,142,721 during the nine-month period ended September 30, 2023).

9. Customer Contracts

a. Revenues

Revenues are presented by strategic business unit in the segment information (refer to note 5). Revenues are broken down by type of customers and product line as follows:

Voice Services

Voice services revenue is generated through incoming and outgoing calls on mobile network in addition to revenue from fixed narrowband services including roaming revenues from customers of other networks (national and international), and from network sharing.

Data Services

Data services revenue is generated from providing communication facilities for the provision of data network and internet access services on both fixed and mobile networks.

Other Services

Other services revenues represent all equipment sales (mobile phones, broadband equipment, connected objects and accessories) revenues from infrastructure services, applications services, security services, sales of equipment and mobile payment services related to the above products and services.

The details of revenues per business unit are as follows:

For the Nine Months Period Ended September 30, 2024 (Reviewed)

	Consumer Business Unit	Enterprise Business Unit	Whole Sales Business Unit	Total Revenues
	JD	JD	JD	JD
Voice services	52,263,910	23,949,794	25,036,055	101,249,759
Data services	110,295,853	20,053,926	7,822,134	138,171,913
Other services	11,087,134	16,140,462	3,344,950	30,572,546
	173,646,897	60,144,182	36,203,139	269,994,218

For the Nine Months Period Ended September 30, 2023 (Reviewed)

	Consumer Business Unit	Enterprise Business Unit	Whole Sales Business Unit	Total Revenues
	JD	JD	JD	JD
Voice services	54,339,052	24,160,330	27,887,424	106,386,806
Data services	108,635,625	19,605,170	7,787,806	136,028,601
Other services	9,135,944	13,545,612	3,087,184	25,768,740
	172,110,621	57,311,112	38,762,414	268,184,147

b. Contract Assets

Pursuant to IFRS 15 “Revenue from contracts with customers” application and due to the timing of revenue recognition that may differ from that of customer invoicing which is mainly related to the bundled offering combining the sale of equipment and other services for a fixed-period, where the equipment is invoiced at a reduced price leading to the reallocation of a portion of amounts invoiced for the other services to the supply of the equipment. The excess of the amount allocated to the equipment over the price invoiced is recognized as a contract asset.

Movement on the contract assets for the period ended is as follows:

	September 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
As of January 1,	3,384,629	3,254,639
Additions	2,383,966	3,348,965
Amortization	<u>(2,490,688)</u>	<u>(3,218,975)</u>
	<u>3,277,907</u>	<u>3,384,629</u>

The allocation of the short and long-term contract assets is as follows:

	September 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Non-current portion of contract assets	670,371	763,335
Current portion of contract assets	<u>2,607,536</u>	<u>2,621,294</u>
	<u>3,277,907</u>	<u>3,384,629</u>

Set out below the maturities pattern of the long-term contract assets as of September 30, 2024:

	JD
2025	<u>323,525</u>
2026	<u>346,846</u>
	<u>670,371</u>

c. Contract Liabilities

Contract liabilities represent amounts paid by customers before receiving the goods and/or services promised in the contract. This is typically the case for advances received from customers or amounts invoiced and paid for goods or services not yet transferred, such as contracts payable in advance or prepaid packages (previously recorded in deferred revenues).

10. Leases

The Group has lease contracts for various items of shops, buildings, network sites and other items used in its operations. Leases of shops and buildings generally have lease terms between 2 and 15 years, while network sites and others generally have lease terms between 2 and 20 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

The Group also has certain leases of apartments for expatriate employees with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemption for these leases.

a. Right-of-use Assets

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period/year:

	Shops and Buildings	Network Sites (Fixed and Mobile)	Others	Total
	JD	JD	JD	JD
As of January 1, 2024	7,177,988	29,600,555	215,431	36,993,974
Additions	379,978	8,333,459	-	8,713,437
Depreciation	(1,345,701)	(4,749,877)	(27,696)	(6,123,274)
As of September 30, 2024 (Reviewed)	6,212,265	33,184,137	187,735	39,584,137
As of January 1, 2023	7,535,954	29,934,328	25,522	37,495,804
Additions	1,346,690	4,930,803	226,335	6,503,828
Depreciation	(1,704,656)	(5,264,576)	(36,426)	(7,005,658)
As of December 31, 2023 (Audited)	7,177,988	29,600,555	215,431	36,993,974

b. Lease Liabilities

Lease liabilities related to Right of Use assets are discounted in line with the Group's policy. Liabilities are discounted at rates ranging between 6.88% - 7.29% (2023: 5.69% - 8.58%) depending on the liabilities contract terms which range between 2-20 years.

Set out below are the carrying amounts of lease liabilities and the movements during the period/year:

	September 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
As of January 1,	41,195,763	41,107,436
Additions	8,713,437	6,503,828
Interest expense	2,074,454	2,457,754
Payments	(7,809,089)	(8,873,255)
	44,174,565	41,195,763

The allocation of short and long term lease liabilities was as follows:

	September 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Current portion	7,495,674	6,160,100
Non-current portion	36,678,891	35,035,663
	44,174,565	41,195,763

11. Renewable Energy Assets

The net book value of the renewable energy assets and the movement on it were as follows:

	September 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
As of January 1	32,119,390	34,231,733
Depreciation	(1,584,257)	(2,112,343)
	30,535,133	32,119,390

The movements on the renewable energy liability were as follows:

	September 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
As of January 1,	36,142,843	37,441,502
Interest expense	2,018,511	2,520,926
Payments	(3,058,350)	(3,819,585)
	35,103,004	36,142,843

Future payments under the finance agreement together with the present value of the payments were as follows:

	September 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Within one year	4,377,597	5,038,668
After one year but not more than five years	16,625,614	16,724,953
More than five years	37,678,198	39,976,138
Total minimum payments	58,681,409	61,739,759
<u>Less:</u> amounts representing finance charges	(23,578,405)	(25,596,916)
Present value of liability	35,103,004	36,142,843

During the nine-month period ended September 30, 2024, an amount of JD 2,018,511 (September 30, 2023: JD 2,046,914) was recognized as a finance cost in the condensed consolidated interim statement of profit or loss and other comprehensive income.

The allocation for the renewable energy liabilities between current and non-current were as follows:

	September 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Current portion	4,377,597	5,038,668
Non-current portion	30,725,407	31,104,175
	35,103,004	36,142,843

12. Income Tax

The provision for income tax for the nine-month period ended September 30, 2024 and 2023 were calculated in accordance with the income tax law No. (38) of 2018 which includes statutory tax rate of 24% and national contribution of 2% for the Company. The tax rate on subsidiaries ranges from 20% to 24% and national contribution ranges from 2% to 4%.

The movement on the income tax provision is as follows:

	September 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
Balance - beginning of the period/year	19,640,065	18,447,714
Income charge for the period/ year	12,359,642	17,111,383
Accrued income tax on current period/year profit	31,999,707	35,559,097
<u>Less: Income tax paid</u>	(17,462,338)	(15,772,189)
Withholding tax on interest income	(194,010)	(146,843)
Balance – End of the Period/Year	14,343,359	19,640,065

The major components of income tax expense in the interim condensed consolidated statement of comprehensive income are:

	For the Nine-Month Period Ended September 30,	
	2024	2023
	JD	JD
Current income tax charge	11,415,482	10,865,133
Social contribution fees	1,002,015	940,315
Deferred income tax	(57,855)	111,377
	12,359,642	11,916,825

Tax Status

The below table represents the tax status for the Company and its subsidiaries:

Company's Name	Final Settlements Up To
Jordan Telecommunications	2021
Petra Jordanian Mobile Telecommunications	2020
Jordan Data Communications	2022
Dimension Company for Digital Development of Data	2020
Petra Mobile Payment Services Company	2020
Future Pioneers for Development and Initiatives	2021

13. Telecommunication License Payable

The details of this item are as follows:

	September 30, 2024 (Reviewed)	December ,31 2023 (Audited)
	JD	JD
Government revenue share payable – (a)	5,600,000	6,371,613
900 MHz spectrum license (b)	-	51,492,490
3500MHz spectrum license (c)	47,761,275	52,391,331
2600MHz spectrum license (d)	13,210,276	12,487,196
	66,571,551	122,742,630

The allocation of the short and long-term Telecommunications license payable was as follows:

	September 30, 2024 (Reviewed)	December ,31 2023 (Audited)
	JD	JD
Non-current telecommunications license payable	58,462,440	58,462,440
Current telecommunications license payable	8,109,111	64,280,190
	66,571,551	122,742,630

The maturity analysis as follows

	September 30, 2024 (Reviewed)	December ,31 2023(Audited)
	JD	JD
Within one year	8,109,111	64,280,190
After one year but not more than five years	28,867,180	28,867,180
Later than 5 years	29,595,260	29,595,260
	66,571,551	122,742,630

The maturity analysis of undiscounted liability as follows

	September 30, 2024 (Reviewed)	December ,31 2023(Audited)
	JD	JD
Within one year	7,150,000	65,644,036
After one year but not more than five years	32,556,664	32,556,664
Later than 5 years	52,989,166	52,989,166
	92,695,830	151,189,866

a. Government revenue share payable.

In accordance with the agreement signed with the Telecommunications Regulatory Commission (TRC), a percentage of certain telecommunications services revenues is payable to TRC as revenue share.

b. Deferred payments for the renewal of the 900 MHz spectrum license

During October 2016, the Group, entered into a settlement agreement with the Government of Jordan, in which the parties have agreed to renew the 900MHz spectrum license. The license was renewed for an additional period of 10 years starting from May 9, 2019 for an amount of JD 104,250,000, to be paid in two equal instalments of JD 52,125,000 by May 8, 2019, and the same amount by May 8, 2024.

The Group has calculated the cash price equivalent of the deferred payments amounting to JD 86,595,425 using a discount rate of 4%, which represents the average borrowing rate for the Group at the date of the agreement. The last instalment amount was paid on May 8, 2024.

c. 3500MHz spectrum license

On August 11, 2022, the Group was granted spectrum licenses in the 3500MHz band with total amount of JD 30 million, specifically for 5G services. This includes a substantial 100MHz bandwidth allocation for a duration of 25 years.

The Group has calculated the cash price equivalent of the deferred payments for the annual license fees for "5G services" of JD 2 million per year during the license period using a discount rate of 6%, which represents the average borrowing rate for the Group at the date of the agreement.

d. 2600MHz spectrum license

On September 9, 2023, the Group acquired a new spectrum license with a band of 2600 MHz by JD 19.5 million for 25 years and will be paid over 10 equal annual installments. The Group has calculated the cash price equivalent of the deferred payments for using a discount rate of 7.87%, which represents the average borrowing rate for the Group at the date of the agreement.

e. Finance cost of telecommunications license

Finance cost reported in the consolidated statement of profit and loss and comprehensive income as follows:

	For the Nine -Month Period Ended September 30,	
	2024	2023
	JD	JD
900 MHz spectrum license	632,510	1,331,920
3500MHz spectrum license	1,121,745	1,025,731
2600MHz spectrum license	723,080	-
	2,477,335	2,357,651

14. Paid in Capital

Jordan Telecommunications Company (Jordan Telecom) authorized and paid in capital consists of 187,500,000 shares as of September 30, 2024 (December 31, 2023: 187,500,000 shares) with par value of one Jordanian Dinar each.

15. Orange Money – Units in Circulation

This account represents customers' electronic unit accounts in Petra Mobile Payment Service Company (Orange Money). Orange Money is a money transfer and payment solution through an electronic money (e-units) account that can be initiated using a valid mobile phone number.

As at September 30, 2024, customers' account balances of e-units in circulation amounted to JD 30,974,614 (December 31, 2023: JD 24,472,459).

As per the Central Bank of Jordan's requirements, the Company is required to deposit an amount that equals the e-units in circulation to restricted bank account which is monitored by the Central Bank of Jordan (Note 18).

16. Loans

This item consists of the following:

Loan	Loan Amount	Currency	Annual Interest Rate	Agreement Date	Number of Instalments	Principal and Interest Payment Terms	Grace Period	Due Date
			%				Months	
French Government Protocol	52,000,000	FRF	1.00	February 23, 1995	40	Semi-annual	126	2029
Arab Bank	22,800,000	JD	6.50	December 24, 2017	14	Semi-annual	-	2024
Capital Bank	6,000,000	JD	7.35	December 26, 2017	14	Semi-annual	-	2024
Cairo Amman Bank	20,000,000	JD	6.50	May 9, 2019	10	Semi-annual	-	2024
Arab Bank	30,000,000	JD	6.90	April 30, 2024	2	Semi-annual	30	2027
Cairo Amman Bank	30,000,000	JD	6.85	April 16, 2024	6	Semi-annual	24	2028
Proparco	15,000,000	USD	SOFR+2.50%	June 2, 2024	6	Semi-annual	24	2028

The amounts as of the reporting date are as follows:

Loan	As of September 30, 2024 (Reviewed)			As of December 31, 2023 (Audited)		
	Current Portion	Non – Current Portion	Total	Current Portion	Non – Current Portion	Total
	JD	JD	JD	JD	JD	JD
French Government Protocol	222,399	450,570	672,969	312,426	634,696	947,122
Arab Bank	1,623,000	30,000,000	31,623,000	3,252,000	-	3,252,000
Capital Bank	494,215	-	494,215	1,525,750	-	1,525,750
Housing Bank for Trade and Finance	-	-	-	4,974,306	-	4,974,306
Cairo Amman Bank	2,000,000	30,000,000	32,000,000	4,000,000	-	4,000,000
Proparco	-	10,650,000	10,650,000	-	-	-
	4,339,614	71,100,570	75,440,184	14,064,482	634,696	14,699,178

The amounts of annual principal maturities of non-current portion loans are as follows:

	2025	2026	2027 and after	Total
	JD	JD	JD	JD
As of September 30, 2024	251,693	3,702,214	67,146,663	71,100,570
As of December 31, 2023	354,546	214,415	65,735	634,696

17. Due to Banks

This item represents the utilized amount of the credit facilities granted to the Group from Jordanian commercial banks with a ceiling of JD 69 million as of September 30, 2024 (JD 65 million as of December 31, 2023). Interest rates on the credit facilities granted ranges from 7.00% to 8.00% during the nine-months period ended September 30, 2024 (7.00% to 8.00% during the year 2023). These overdrafts are unsecured.

18. Cash and Cash Equivalents

The cash and cash equivalents in the interim condensed consolidated statement of cash flows represent the balance of cash and short-term deposits netted by the balance of the overdrafts and restricted cash as follows:

	September 30, (Reviewed)	
	2024	2023
	JD	JD
Cash and short-term deposits	84,076,025	61,748,566
<u>Less:</u> Due to banks	(61,475,726)	(40,728,295)
Restricted cash / Customers accounts -E-units*	(30,974,614)	(19,514,139)
Restricted cash / Grants funds**	(884,172)	(1,856,050)
	<u>(9,258,487)</u>	<u>(349,918)</u>

Cash and short-term deposits include deposits with commercial banks in Jordan for periods that ranges between one to three months in Jordanian Dinars and US Dollars amounting to JD 84,159,069 as of September 30, 2024 (September 30, 2023: JD 61,602,831) with an effective interest rate of JD 5.09%, and USD 3.94%, respectively (September 30, 2023: JD 4.97%, and USD 2.49%).

- * The balance in this account represents restricted cash relating to e-units in circulation in Petra Mobile Payment Service Company (Orange Money) in compliance with the requirements of Central Bank of Jordan's (Note 15).
- ** The Group obtained five grants (two in 2020, two in 2021 and one in 2024) for the purpose of providing fund to promote Jordan Telecom's innovation initiatives, including the Group's coding academy and other academic programs. The Grants are restricted as per the conditions of the contracts.

19. Earnings Per Share

This item consists of the following:

	For the Three-Month Period Ended September 30, (Reviewed)		For the Nine-Month Period Ended September 30, (Reviewed)	
	2024	2023	2024	2023
	JD	JD	JD	JD
Profit for the period	9,787,252	11,826,430	31,037,058	30,697,577
Weighted average number of shares (Share)	187,500,000	187,500,000	187,500,000	187,500,000
Basic and Diluted Earnings Per Share (JD) from the Profit for the Period	<u>0.052</u>	<u>0.063</u>	<u>0.166</u>	<u>0.164</u>

20. Related Party Balances and Transactions

Related parties are shareholders, senior management of the Group, and companies of which they are principal owners. Pricing policies and terms of these transactions are approved according to the commercial practices.

Balances and transactions with related parties included in the interim condensed consolidated statement of financial positions and interim condensed consolidated statement of comprehensive income, respectively, were as follows:

	September 30, 2024 (Reviewed)	December 31, 2023 (Audited)
	JD	JD
<u>Interim Condensed Consolidated Statement of Financial Position:</u>		
Government of Jordan & Orange Group and its subsidiaries (Shareholders)		
Amounts due from related parties	1,721,381	6,855,435
Amounts due to related parties	7,482,328	11,848,765
For the Nine-Month Period Ended September 30, (Reviewed)		
	2024	2023
	JD	JD
<u>Interim Condensed Consolidated Statement of Comprehensive Income:</u>		
Orange Group and its subsidiaries (Shareholders)		
Business support fees and brand fees	6,481,174	6,154,906
Operating expenses	5,427,359	5,277,001
Revenues	2,212,815	4,595,490
Government of Jordan (Shareholder)		
Government revenue share	5,600,000	5,060,000
Revenues	8,359,006	7,603,352
Key management personnel		
Executives' salaries and bonus	1,259,838	1,453,984

21. Dividends

The Generals Assembly approved in its ordinary meeting held on April 25, 2024 to distribute cash dividends of JD 0.220 per share totaling JD 41,250,000 for the year 2023.

On April 26, 2023, the General Assembly approved cash dividends for JD 0.210 per share totaling JD 39,375,000 for the year 2022.

22. Contingent Liabilities

Capital Commitments

The Group enters into commitments in the ordinary course of business for major capital expenditures, primarily in connection with network expansion projects. The outstanding capital expenditure amounted to JD 41,793,951 as of September 30, 2024 (December 31, 2023: JD 37,848,094).

Legal Claims

The Group is a defendant in a number of lawsuits with a value of JD 12,313,649 as of September 30, 2024 (December 31, 2023: JD 12,313,649) representing legal actions and claims in the ordinary course of business. Related risks have been analyzed as to likelihood of occurrence. Accordingly, a provision of JD 1,838,985 has been made as of September 30, 2024. (December 31, 2023. JD 1,838,985).

In addition to the cases mentioned above, during the first quarter of 2024, the Group raised two cases filed against the Telecommunications Regulatory Commission (TRC) for the prevention of claiming total amounts of JD 1,611,989. In the opinions of the management and the Group legal advisor, the Company's position in these cases is good and the provision booked against these cases of JD 450,680 is sufficient.

Guarantees

The Group has issued letters of guarantee amounting to JD 18,596,969 as of September 30, 2024 (December 31, 2023: JD 18,086,512) in respect of legal claims and performance bonds.

Provision of Contingent Liabilities

During the nine-month period ending September 30, 2024, new information became available to the Group's management. Consequently, a previously recorded provision for contingent liabilities of JD 2.5 million has been reversed. Management is confident that the remaining provision for contingent liabilities is sufficient to address any potential liabilities that may arise.

23. Comparative Figures

The 2023 figures have been reclassified in order to conform to the presentations in 2024. Such reclassification does not affect previously reported profit or equity.