

**IRBID DISTRICT ELECTRICITY COMPANY**

**PUBLIC SHAREHOLDING COMPANY**

**INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

**30 SEPTEMBER 2023**



**ERNST & YOUNG JORDAN**  
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**REPORT ON REVIEW OF THE INTERIM CONDENSED FINANCIAL STATEMENTS  
TO THE BOARD OF DIRECTORS OF IRBID DISTRICT ELECTRICITY COMPANY  
PUBLIC SHAREHOLDING COMPANY  
IRBID - JORDAN**

## **Introduction**

We have reviewed the accompanying interim condensed financial statements of Irbid District Electricity Company Public Shareholding Company (the “Company”) as at 30 September 2023, comprising of the interim statement of financial position as at 30 September 2023 and the related interim statements of comprehensive income, changes in equity and cash flows for the nine-months period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard IAS 34 (Interim Financial Reporting). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

## **Scope of review**

We conducted our review in accordance with International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of Interim financial information consists of making inquiries, primarily of persons responsible for the 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 interim financial statements are not prepared, in all material respects, in accordance with IAS 34.

Amman – Jordan  
30 October 2023

**ERNST & YOUNG**  
Amman - Jordan

**IRBID DISTRICT ELECTRICITY COMPANY - PUBLIC SHAREHOLDING COMPANY**

**INTERIM STATEMENT OF FINANCIAL POSITION**

**AT 30 SEPTEMBER 2023**

	Notes	30 September 2023	31 December 2022
		JD (Unaudited)	JD (Audited)
<b><u>ASSETS</u></b>			
<b>NON-CURRENT ASSETS -</b>			
Property and equipment	3	147,125,708	136,269,818
Subscribers' and rural files contributions assets		93,215,076	92,339,073
Dispute lawsuits payments		48,049	44,417
Right of use assets		259,666	335,055
Projects in progress		7,863,535	6,412,142
Strategic inventories		6,257,013	9,549,151
Deferred tax assets		3,592,053	2,850,707
Financial assets at fair value through other comprehensive income	4	336,719	286,719
		<u>258,697,819</u>	<u>248,087,082</u>
<b>CURRENT ASSETS -</b>			
Accounts receivable		133,700,457	98,521,684
Other current assets		4,614,076	4,672,866
Inventories		7,713,067	5,929,180
Cash and bank balances	8	39,018,930	38,467,208
		<u>185,046,530</u>	<u>147,590,938</u>
<b>Total Assets</b>		<u>443,744,349</u>	<u>395,678,020</u>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>EQUITY -</b>			
Paid-in-capital	1,7	14,000,000	10,000,000
Statutory reserve	7	2,500,000	2,500,000
Voluntary reserve	7	638,778	638,778
Retained earnings		23,928,868	23,999,930
<b>Total equity</b>		<u>41,067,646</u>	<u>37,138,708</u>
<b>LIABILITIES -</b>			
<b>NON-CURRENT LIABILITIES</b>			
Subscribers' and rural files contributions liabilities		93,215,076	92,339,073
Long-term lease liability		148,150	244,907
Advances from subscribers		5,820,408	4,757,566
Provision for end-of-service indemnity		10,624,788	8,839,418
Long-term loan	5	17,111,115	17,111,115
Subscribers' deposits		61,849,140	58,824,793
		<u>188,768,677</u>	<u>182,116,872</u>
<b>CURRENT LIABILITIES</b>			
Accounts payable		132,838,934	129,447,526
Current portion from long-term loan	5	1,555,555	1,555,555
Accrued expenses		4,623,615	4,460,064
Short-term lease liability		94,195	111,909
Other current liabilities		6,888,626	8,014,319
Bank overdrafts		60,826,190	23,648,438
Sundry provisions		2,681,417	1,719,016
Income tax provision	6	4,399,494	7,465,613
		<u>213,908,026</u>	<u>176,422,440</u>
<b>Total Liabilities</b>		<u>402,676,703</u>	<u>358,539,312</u>
<b>Total Equity and Liabilities</b>		<u>443,744,349</u>	<u>395,678,020</u>

The attached notes from 1 to 13 form part of these interim financial statements

**IRBID DISTRICT ELECTRICITY COMPANY - PUBLIC SHAREHOLDING COMPANY**
**INTERIM STATEMENT OF COMPREHENSIVE INCOME**
**FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2023 (UNAUDITED)**

	Notes	For the three months ended 30 September		For the nine months ended 30 September	
		2023	2022	2023	2022
		JD	JD	JD	JD
Electricity power sales	10	82,238,312	78,701,986	215,916,770	217,024,107
Cost of electricity power sales		(64,378,507)	(56,398,063)	(169,284,283)	(165,991,842)
<b>Gross profit</b>		<b>17,859,805</b>	<b>22,303,923</b>	<b>46,632,487</b>	<b>51,032,265</b>
Other operating revenues		(104,781)	578,851	1,587,999	1,040,555
General and administrative expenses		(6,263,741)	(7,098,600)	(21,414,936)	(20,499,934)
Depreciation and amortization		(3,110,090)	(2,913,591)	(9,123,332)	(8,679,548)
Expected credit losses provision		-	(359,592)	(845,539)	(656,905)
Provision for slow moving inventories		(178,534)	(160,598)	(1,399,762)	(548,809)
<b>Profit from core activity</b>		<b>8,202,659</b>	<b>12,350,393</b>	<b>15,436,917</b>	<b>21,687,624</b>
Revenues from non-core activities		823,701	1,105,482	2,871,266	3,223,140
Interest income from banks		548,918	51,125	1,616,011	51,153
Interest income on late payments on lighting bills		1,577,220	451,345	3,920,405	4,048,658
Non-core activities expenses		(220,124)	(194,781)	(769,354)	(635,464)
Finance costs		(952,832)	(683,351)	(2,534,582)	(2,202,447)
Interest expense on late payments on energy bills		(1,414,136)	(324,814)	(4,058,329)	(3,170,859)
<b>Profit from non-core activities</b>		<b>362,747</b>	<b>405,006</b>	<b>1,045,417</b>	<b>1,314,181</b>
<b>Profit before income tax expense</b>		<b>8,565,406</b>	<b>12,755,399</b>	<b>16,482,334</b>	<b>23,001,805</b>
Income tax expense	6	(2,357,573)	(3,586,461)	(5,057,559)	(6,516,719)
<b>Profit for the period</b>		<b>6,207,833</b>	<b>9,168,938</b>	<b>11,424,775</b>	<b>16,485,086</b>
Other comprehensive income items		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>6,207,833</b>	<b>9,168,938</b>	<b>11,424,775</b>	<b>16,485,086</b>
		JD/Fils	JD/Fils	JD/Fils	JD/Fils
<b>Basic and diluted earnings per share from profit for the period</b>	12	<b>0/443</b>	<b>0/654</b>	<b>0/816</b>	<b>1/178</b>

The attached notes from 1 to 13 form part of these interim financial statements

**IRBID DISTRICT ELECTRICITY COMPANY - PUBLIC SHAREHOLDING COMPANY**

**INTERIM STATEMENT OF CHANGES IN EQUITY**

**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (UNAUDITED)**

	Paid-in capital	Statutory reserve	Voluntary reserve	Retained earnings	Total
	JD	JD	JD	JD	JD
<b>2023 -</b>					
<b>Balance at 1 January 2023</b>	10,000,000	2,500,000	638,778	24,004,093	37,142,871
Total comprehensive income for the period	-	-	-	11,424,775	11,424,775
Capital increase (note 7)	4,000,000	-	-	(4,000,000)	-
Dividends distribution (note 13)	-	-	-	(7,500,000)	(7,500,000)
<b>Balance at 30 September 2023</b>	<u>14,000,000</u>	<u>2,500,000</u>	<u>638,778</u>	<u>23,928,868</u>	<u>41,067,646</u>
<b>2022 -</b>					
<b>Balance at 1 January 2022</b>	10,000,000	2,500,000	638,778	9,298,282	22,437,060
Total comprehensive income for the period	-	-	-	16,485,086	16,485,086
Dividends distribution (note 13)	-	-	-	(6,000,000)	(6,000,000)
<b>Balance at 30 September 2022</b>	<u>10,000,000</u>	<u>2,500,000</u>	<u>638,778</u>	<u>19,783,368</u>	<u>32,922,146</u>

The attached notes from 1 to 13 form part of these interim financial statements

**IRBID DISTRICT ELECTRICITY COMPANY - PUBLIC SHAREHOLDING COMPANY**

**INTERIM STATEMENT OF CASH FLOWS**

**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (UNAUDITED)**

	Notes	For the nine months ended 30 September	
		2023 JD	2022 JD
<b><u>OPERATING ACTIVITIES</u></b>			
Profit before income tax		16,482,334	23,001,805
<b>Adjustments for:</b>			
Gain from sale of property and equipment		(22,853)	(26,171)
Interest income on late payments on lighting bills		(3,920,405)	(4,048,658)
Interest income from banks		(1,616,011)	(51,153)
Interest expense on late payments on energy bills		4,058,329	3,170,859
End-of-service indemnity		2,195,489	2,057,474
Depreciation and amortization		9,123,332	8,679,548
Depreciation portion related to non-core activities		106,130	112,499
Right of use assets depreciation		75,387	75,386
Lease liability finance cost		17,530	23,766
Interest expense		2,534,582	2,202,447
Amortization of excess of subscribers' contributions		-	(78,122)
Sundry provisions		1,013,476	686,983
Provision for slow moving inventories		1,399,762	548,809
Expected credit losses provision		845,539	656,905
<b>Working capital changes:</b>			
Inventories		1,290,315	(3,944,580)
Accounts receivable		(32,099,742)	41,552,378
Other current assets		58,790	38,594
Advances from subscribers		7,426,059	7,424,691
Subscribers' deposits		3,024,347	2,828,874
Provisions paid		(77,682)	(493,039)
Accounts payable		(666,920)	(26,748,502)
Accrued expenses and other current liabilities		(1,610,367)	(3,018,295)
End-of-service indemnity paid		(1,015,921)	(385,010)
Income tax paid	6	(8,865,024)	(4,796,195)
<b>Net cash flows (used in) from operating activities</b>		<b>(243,524)</b>	<b>49,471,293</b>
<b><u>INVESTING ACTIVITIES</u></b>			
Projects in progress		(8,476,349)	(8,390,019)
Dispute lawsuits payments		(16,072)	(14,475)
Proceeds from sale of property and equipment		31,174	27,084
Interest income from banks		1,616,011	51,153
Deposits in bank - net		(15,000,000)	(15,015,000)
Purchase of property and equipment	3	(19,968,911)	(10,931,713)
<b>Net cash flows used in investing activities</b>		<b>(41,814,147)</b>	<b>(34,272,970)</b>
<b><u>FINANCING ACTIVITIES</u></b>			
Dividends paid		(7,235,610)	(5,974,675)
Banks interest paid		(2,150,749)	(1,979,018)
Lease liability and finance cost paid		(132,000)	(132,000)
<b>Net cash flows used in financing activities</b>		<b>(9,518,359)</b>	<b>(8,085,693)</b>
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>(51,576,030)</b>	<b>7,112,630</b>
Cash and cash equivalents at beginning of the period		(5,231,230)	(51,527,875)
<b>Cash and cash equivalents at end of the period</b>	8	<b>(56,807,260)</b>	<b>(44,415,245)</b>

The attached notes from 1 to 13 form part of these interim financial statements

**IRBID DISTRICT ELECTRICITY COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 SEPTEMBER 2023 (UNAUDITED)**

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**(1) GENERAL**

Irbid District Electricity Company (the "Company") was established in 1957 as a public shareholding company and registered in the Ministry of Industry and Trade under the registration number (17) on 27 February 1964.

During 2008 and under the privatization initiative of the electric sector, the government of the Hashemite Kingdom of Jordan has resolved to sell its entire ownership of 55.46% in the Company's capital to Kingdom Electricity Company. During 2009, Kingdom Electricity Company sold its share in the Company's capital to Electricity Distribution Company Public Shareholding Company ("Parent Company").

The main activities of the Company are to distribute electric power and to provide it to retail consumers who live in the north of Jordan (Irbid, Jerash, Ajloun and Mafraq), in accordance with the distribution license granted to the Company on 30 June 2008 for 25 years.

The Company's financial statements are with the financial statements of Electricity Distribution Company, Public Shareholding Company (Parent Company) and with Social Security Corporation (Ultimate Parent Company).

The interim condensed financial statements have been approved by the Board of Directors in their meeting held on 30 October 2023.

**(2) BASIS OF PREPARATION AND ACCOUNTING POLICIES**

**Basis of Preparation**

The interim condensed financial statements for the nine-months period ended 30 September 2023 have been prepared in accordance with International Accounting Standard number 34 "Interim Financial Reporting".

The interim condensed financial statements have been prepared on a historical cost basis except for the financial assets at fair value through other comprehensive income which are measured based on fair value as of the date of these interim condensed financial statements.

The Condensed Financial Statements are presented in Jordanian Dinars, which represent the functional currency of the Company.

The interim condensed financial statements do not contain all information and disclosures required for financial statements prepared in accordance with International Financial Reporting Standards, and should be read in conjunction with the Company's annual financial statements as of 31 December 2022. In addition, results for the nine-months period ended 30 September 2023 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2023.

### **Changes in accounting policies –**

The accounting policies used in the preparation of the interim condensed financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2022 except for the adoption of new amendments on the standards effective as of 1 January 2023 shown below:

#### **IFRS 17 Insurance Contracts**

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) which was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach),
- A simplified approach (the premium allocation approach) mainly for short-duration contracts.

This standard is not applicable to the Company.

#### **Definition of Accounting Estimates - Amendments to IAS 8**

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective from 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

These amendments had no material impact on the interim condensed financial statements.

#### **Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2**

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments are effective from 1 January 2023. and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

These amendments had no material impact on the interim condensed financial statements.



**Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12**

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

The amendments are effective from 1 January 2023. and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

These amendments had no material impact on the interim condensed financial statements.

**(3) Property and Equipment**

The Company purchases of property and equipment amounted to JD 19,968,911 for the nine months period ended 30 September 2023 (30 September 2022: JD 10,931,713).

**(4) Financial Assets at Fair Value Through Other Comprehensive Income**

This item represents the Company investment in the following Companies:

	Ownership percentage	30 Spetember 2023	31 December 2022
	%	JD	JD
<b>Unquoted shares- Jordan</b>			
Electrical Equipment Industries Company LLC	11.47	286,719	286,719
Nour Al Shamal for Commercial Projects and Services*	20	50,000	-
		<u>336,719</u>	<u>286,719</u>

\* On 12 July 2023, the Board of Directors of Irbid District Electricity Company Public Shareholding Company has approved the investment of Electricity Distribution Company PLC and Kingdom for Energy Investments company in Nour Al Shamal for Commercial Projects and Services Company which was owned 100% by Irbid Electricity Distribution Company PLC. Subsequent to the date of this decision and on 31 August 2023, the General Assembly of Noor Al Shamal for Commercial Projects and Services has approved the increase of the subscribed and paid in capital of the Company from 50,000 JD/Share to 250,000 JD/Share where the share of Irbid District Electricity Company has remained 20% of the paid in capital of the company. Subsequent to the date of these interim condensed financial statements, the name of Nour Al Shamal for Commercial Projects and Services has been change to Sama Al Mamlaka for Commercial Projects and Services Company.

**IRBID DISTRICT ELECTRICITY COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 SEPTEMBER 2023 (UNAUDITED)**

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Below is a summary of the statement of financial position of Noor Al Shamal for commercial and services company at the date of disposal:

	12 July 2023
	<u>JD</u>
<b>Assets-</b>	
Cash and bank balances	50,000
Total assets	<u>50,000</u>
<b>Liabilities-</b>	
Due to related party	<u>21,143</u>
<b>Net assets directly associated with the disposed entity</b>	<u><u>28,857</u></u>

No gain or loss incurred as a result of the new investors entered in Noor Al Shamal company for Commercial And Services.

The company did not engage in any business activity since its establishment in 2022 till 12 July 2023.

**(5) LONG-TERM LOAN**

During May 2015, the Company signed a loan agreement with Jordan Kuwait Bank amounting to JD 28,000,000 including a grace period of three years from the date of first withdrawal for the purpose of financing the Company working capital projects and its operations. The entire loan was utilized during 2015. The loan is repayable over 18 semi-annual instalments of JD 1,555,555 each. The loan bears an interest rate similar to interest rate applicable on the Central Bank of Jordan deposits plus 2.65% margin ratio with a minimum gross interest rate of 5.3% per annum.

During 2021, the Company signed a loan restructuring agreement whereby the Company was given a grace period of three years for instalments only without interest starting from 17 January 2021. The loan is repayable over 12 semi-annual instalments of JD 1,555,555 each, except for the last instalment of JD 1,555,565, whereby the first instalment will be due on 3 December 2023. A fixed rate interest of 5% per annum was applied for the first year, which was later adjusted to become 4.75% starting from 6 June 2022 till 4 December 2022, and on 5 December 2022 the interest rate increased to become 6,50% till 3 June 2023 and on 4 June 2023 the interest rate increased to become 7,75% after which a variable interest rate similar to the interest rate applicable from 4 December 2023 on the Central Bank of Jordan deposits plus 2.5% margin ratio with a minimum gross interest rate of 4.75% over the period of the loan.

The aggregate amounts and maturities of the term loan instalments are as follows:

<u>Year</u>	<u>Amount</u>
	JD
2023	1,555,555
2024	3,111,110
2025	3,111,110
2026-2029	<u>10,888,895</u>
	<u><u>18,666,670</u></u>

**IRBID DISTRICT ELECTRICITY COMPANY - PUBLIC SHAREHOLDING COMPANY****NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS****30 SEPTEMBER 2023 (UNAUDITED)**

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**(6) INCOME TAX**

Income tax provision was calculated for the periods ended 30 September 2023 and 2022 in accordance with the Income Tax Law No. (34) of 2014 and its amendments. The Company is subject to a statutory income tax rate of 24% in addition to a 3% National Contribution tax in accordance with Income Tax Law No. (34) of 2014 and its amendments.

The Company obtained a final clearance from the Income and Sales Tax Department up to the year 2020. The Company submitted the income tax returns for the years 2022 and 2021 which has not been reviewed by The Income and Sales Tax Department up to the date of these interim condensed financial statements.

Movement on income tax provision is as follows:

	30 September 2023	31 December 2022
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the period / year	7,465,613	3,499,056
Income tax for the period / year	5,798,905	8,762,752
Income tax paid	(8,865,024)	(4,796,195)
Balance at the end of the period / year	<u>4,399,494</u>	<u>7,465,613</u>

Income taxes shown in the interim statement of comprehensive consist of the following:

	For the nine months ended 30 September	
	2023	2022
	JD	JD
	(Unaudited)	(Unaudited)
Income tax for the period	5,798,905	7,107,762
Additions from deferred tax assets	(741,346)	(591,043)
	<u>5,057,559</u>	<u>6,516,719</u>

**(7) EQUITY****Paid-in capital -**

The General Assembly decided in its extraordinary meeting held on 9 April 2023 to increase the Company's capital by an amount of JD 4,000,000 by capitalizing the increase amount from retained earnings balance, so that the Company's capital reaches JD 14,000,000.

**Statutory reserve -**

The Company did not deduct statutory reserve according to the Companies' Law since these financial statements are interim financial statements.

**IRBID DISTRICT ELECTRICITY COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
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**(8) CASH AND CASH EQUIVALENTS**

Cash and bank balances included in the interim statements of financial position consist of the following:

	30 September 2023	31 December 2022
	JD	JD
	(Unaudited)	(Audited)
Cash on hand and at banks	4,018,930	18,467,208
Short-term deposits with maturities of more than three months up to one year*	35,000,000	20,000,000
	<u>39,018,930</u>	<u>38,467,208</u>

\* This item represents deposits in Arab Jordan Investment Bank which maturities in more than three months up to one year with an interest 7.2% (31 December 2022: interest 5.65%).

For the purpose of preparing the interim condensed statements of cash flows, cash and cash equivalents details shows as follow:

	30 September 2023	31 December 2022
	JD	JD
	(Unaudited)	(Unaudited)
Cash on hand and at banks	39,018,930	15,278,338
Less: Short-term deposits with maturities of more than three months up to one year	(35,000,000)	(15,015,000)
Bank overdrafts*	(60,826,190)	(44,678,583)
	<u>(56,807,260)</u>	<u>(44,415,245)</u>

\* This item represents the balance of the credit facilities granted to the Company from several local banks with ceilings of JD 102,000,000, holding an average interest rate of 6.7% annually (30 September 2022: 4.79%).

**(9) RELATED PARTIES**

Related parties represent major shareholders, Parent Company, Sister companies, Board of Directors, key management personnel of the Company and companies where the Company is a major shareholder. Such pricing policies and transactions' terms are approved by the Company's management.

**IRBID DISTRICT ELECTRICITY COMPANY - PUBLIC SHAREHOLDING COMPANY**  
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Related parties' balances included in the interim statement of financial position are as follow:

	30 September 2023	31 December 2022
	JD (Unaudited)	JD (Audited)
Amounts due from Electrical Equipment Industries Company LLC (Sister Company)	361	-
Amounts due from Electricity Distribution Company – Public Shareholding Company (Parent Company)	90,377	10,249
Amounts due from Noor Al Shamal for Commercial Projects and Services (Sister Company)	21,143	-

Transactions with related parties included in the interim statement of comprehensive income are as follow:

	For the nine months ended 30 September	
	2023	2022
	JD (Unaudited)	JD (Unaudited)
Purchases from Electricity Distribution Company– Public Shareholding Company (Parent Company)	336,350	338,150
Purchases from Electrical Equipment Industries Company LLC (Sister Company)	658,615	394,668

Salaries and other benefits for key management personnel of the Company are as follow:

	For the nine months ended 30 September	
	2023	2022
	JD (Unaudited)	JD (Unaudited)
Salaries and other benefits	427,517	406,756
Transportation and remuneration of Board of Directors	183,177	184,500
	610,694	591,256

**(10) ELECTRICITY POWER SALES**

The presentation of major segments was determined based on risk and benefits associated with the Company which are directly related to the services of these segments. These segments are organized and managed separately according to the nature of its services, so that each one of them represent a separate unit, which is measured based on the reports used by the chief executive officer and the chief decision maker for the Company.

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The Company is organized for administrations purposes through the following business segments based on the power sales:

	For the nine months ended 30 September	
	2023	2022
	JD	JD
	(Unaudited)	(Unaudited)
Normal subscribers' sales – Housing	89,889,347	86,194,491
Government departments and normal non-housing subscribers' sales	19,568,339	21,475,416
Normal subscribers' sales – Employee housing	181,912	200,593
Commercial sector sales	28,472,551	27,342,597
Temporary meters sales	369,382	400,990
Telecommunication sector sales	2,222,487	3,926,480
Banking sector sales	1,440,865	1,492,568
Media sector sales	63,700	98,777
Hotels sector sales	96,881	115,128
Manufacturing sector sales / Small	4,170,778	4,287,226
Manufacturing sector sales / Medium	11,916,873	12,275,426
Water pumps sales	17,049,623	17,353,837
Agricultural sector sales	11,821,307	12,365,122
Street lighting sales	10,426,606	12,046,899
Commercial / Agricultural sales	535,270	576,056
Jordan Armed Forces sales	7,377,523	7,537,297
Consumption differences sales	2,056,884	1,665,112
Agricultural / Trio tariff sales	7,575,225	7,279,395
Private hospitals sales	365,397	288,584
Electric charging cars sales	315,820	102,113
	<u>215,916,770</u>	<u>217,024,107</u>

**IRBID DISTRICT ELECTRICITY COMPANY - PUBLIC SHAREHOLDING COMPANY**  
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**(11) CONTINGENT LIABILITIES**

**Guarantees and letters of credit -**

As at the date of the interim condensed financial statements, the Company has contingent liabilities representing bank guarantees and letters of credit in an amount of JD 2,049,848 (31 December 2022: JD 2,030,072).

**Litigations -**

The Company is a defendant in a number of lawsuits in the ordinary course of business representing legal claims amounting to JD 2,597,276. The Company's management and its legal advisor believe that the provision taken against these claims in the amount of JD 1,370,830 is adequate to meet any obligations that may arise.

**Dispute with National Electricity Power Company -**

National Electricity Power Company (Company's electricity provider) claiming an amount of JD 717,357 which mainly represents a difference of interest on late payments. The Company and its legal advisor believe that the Company will not have any obligation as per the electricity tariff (Wholesale Tariff) issued by Energy and Minerals Regulatory Commission.

**(12) EARNINGS PER SHARE FROM THE PROFIT OF THE PERIOD**

	For the nine months ended 30 September	
	2023	2022
	(Unaudited)	(Unaudited)
Profit for the period (JD)	11,424,775	16,485,086
Weighted average of number of shares (share)	14,000,000	14,000,000
	<u>JD/Fils</u>	<u>JD/Fils</u>
Basic and diluted earnings per share from the profit of the period	<u>0/816</u>	<u>1/178</u>

**(13) DIVIDENDS DISTRIBUTION**

The General Assembly approved in its' ordinary meeting held on 9 April 2023, to distribute an amount of JD 7,500,000 as dividends to the shareholders for the profits of 2022 of 75% of the Company's subscribed and paid in on the meeting date.

The General Assembly approved in its' ordinary meeting held on 10 April 2022, to distribute an amount of JD 6,000,000 as dividends to the shareholders for the profits of 2021 of 60% of the Company's subscribed and paid in on the meeting date.