



**ANNUAL REPORT 2024**  
69<sup>th</sup> Board of Directors Annual Report  
And Consolidated Financial Statements For the Year Ended 31/12/2024









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

<b>Chairman of the Board:</b>	
Eng. Abed Alrahim Fathi Salim Boucai (As of 18/9/2024)*	Representative of Abdel AlRahim Al Boucai & Partners Co.
Eng. Alaa Arif Saad Batayneh (Until 17/9/2024)*	Representative of Al-Arif Energy and Transport Consulting Company
<b>Vice Chairman:</b>	
Eng. Abdel Karim Hussein Abdullah Alawin (As of 18/9/2024)**	
Eng. Abed Alrahim Fathi Salim Boucai (Untill 17/9/2024)*	Representative of Abdel AlRahim Al Boucai & Partners Co.
<b>Board of Directors Members:</b>	
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	
Miss. Reem Yahya Hamto Abzakh	Representative of the Social Security Corporation
Mr. Ali Mohammad Mahmoud Albalawneh	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
Eng. Hussein Abdullah Hussein Mogaibel (As of 22/4/2024)***	Representative of the Islamic Development Bank- Jeddah
Mr. Mohammed Arif Sa'd Batayneh (As of 18/9/2024)****	Representative of Al-Arif Energy and Transport Consulting Company
Mrs. Zain Iyad M Alemam (Until 21/4/2024) ***	Representative of the Islamic Development Bank- Jeddah
Eng. Khair Abdullah Ayad Abu Saalik (Until 17/9/2024)**	
<b>Chief Executive Officer:</b>	
Eng. Hasan Soud Ahmad Alheyari (As of 1/12/2024)*****	
Eng. Abdel Karim Hussein Abdullah Alawin (Until 30/11/2024)*****	
<b>Financial Auditors:</b>	
Deloitte & Touch Company -Middle East / Jordan	

\* Eng. Abed Alrahim Fathi Salim Boucai, representative of Abdel AlRahim Al Boucai & Partners Co., who was holding the position of Vice Chairman of the Board of Directors of the company, was elected as Chairman of the Board of Directors of the company as of 18/9/2024 pursuant to Board of Directors Resolution No. (59) taken in its session held on 18/09/2024, succeeding the Chairman of the Board of Directors of the Company, His Excellency Eng. Alaa Arif Saad Batayneh, who resigned from the Board of Directors of the company following the issuance of the Royal Decree appointing him as Director of the office of His Majesty King Abdullah II Bin Al Hussein.

\* \* Pursuant to Board of directors Resolution No. (58) taken in its session held on 18/09/2024, Eng. Abdel Karim Hussein Abdullah Alawin was elected as a member of the Board of Directors to fill the vacant seat on the Company's Board of Directors, which was occupied by His Excellency Eng. Khair Abdullah Ayad Abu Saalik, who resigned on 17/09/2024 due to the issuance of the Royal Decree appointing him as Minister of State for Public Sector Development, pending his election to be presented to the General Assembly of Shareholders of the Company in its first meeting to approve his election or elect another member according to the rules. Eng. Abdel Karim Hussein Abdullah Alawin was also elected as Vice Chairman of the Company's Board of Directors pursuant to Board of Directors Resolution No. (60) taken in its session held on 18/9/2024.

\*\*\* Eng. Hussein Abdullah Hussein Mogaibel has been appointed as a representative of the Islamic Development Bank / Jeddah on the company's board of directors, replacing Mrs. Zain Iyad M Alemam, as of 22/04/2024, pursuant to letter from the Islamic Development Bank / Jeddah No. (INV-1267).

\*\*\*\* Mr. Mohammed Arif Sa'd Batayneh has been appointed as a representative of Al-Arif Energy and Transport Consulting Company on the company's Board of directors, replacing His Excellency Eng. Alaa Aref Saad Al-Batayneh, as of 18/09/2024, pursuant to the letter from Al-Arif Energy and Transport Consulting Company dated 18/09/2024.

\*\*\*\*\* Given that the Board of Directors of the Company has accepted the resignation of the CEO of the Company, Engineer Abdel Karim Hussein Abdullah Alawin, effective from 3/11/2024, Eng. Hasan Soud Ahmad Alheyari has been appointed as the CEO of the Company effective from 1/12/2024. The Vice Chairman of the Board of Directors, Engineer Abdel Karim Hussein Abdullah Alawin, has been assigned to manage the Company's business from 11/04/2024 until the CEO Eng. Hasan Soud Ahmad Alheyari, assumes his duties, noting that he has assumed his duties as of 01/12/2024.

# Chairman's Statement

شركة مصفاة البترول الأردنية المساهمة المحدودة



## Dear honored shareholders,

My fellow Board members and I are honored to welcome you all. We are pleased to have you attend the 69<sup>th</sup> Ordinary General Assembly Meeting of the Jordan Petroleum Refinery Company. Our primary goal is success and to move forward together, step by step, to achieve development and prosperity for our Company. We are pleased to present the company's 69<sup>th</sup> Annual Report, which includes a brief overview of the Company's most important activities, achievements, performance indicators, and projects implemented during 2024, as well as projects expected to be implemented during 2025 and strategic projects planned for the long term within the Company's strategic plan. Since its inception, the company has strived to be a leading company in the energy sector by developing short- and long-term plans to ensure the achievement of its objectives. The report also includes the consolidated financial statements for the year ended 31<sup>st</sup> December, 2024, and the Company's future plan.

## Dear Shareholders,

Despite the significant challenges the company faced during 2024 due to the critical circumstances facing the world and the region in particular, resulting from the ongoing Russian-Ukrainian war and the Israeli aggression on the Gaza Strip which impacted the supply chain for crude oil, finished petroleum products, liquefied gas, and mineral oils, as well as the fluctuations in the prices of these products. These challenges also had negative repercussions that impacted various sectors in the Kingdom, most notably the economic sector. However, the company continued its successful journey in achieving its objectives, overcoming all the challenges it faced during 2024, this was a result of the strategic plans the company efficiently adopted to achieve its vision and objectives, stemming from its belief in meeting the Kingdom's needs for finished petroleum products, liquefied gas, and various types of mineral oils in a safe and sustainable manner, to maintain energy security in the Kingdom and maximize value for all its stakeholders. During 2024, the company was able to continue diversifying and developing its various activities and strengthening its financial position, which enabled the company to continue achieving higher returns and better profitability levels for its shareholders. The profits of the company and its subsidiaries during the year 2024 amounted to about JD (95) million before tax and about JD (73) million after tax.

The achievements and profits realized during the last years were a proof of the success of the strategic plans pursued by the company's management to develop its various activities through diversifying and developing all its various activities and improving the efficiency of its performance to achieve integration in the refining, transportation, distribution, marketing, storage, import and export sectors, developing its products, improving their quality, reducing the risks that may the company be exposed at all levels, and enhancing its growth and development opportunities to ensure its sustainability and achieve its strategic and sustainable goals. We will continue to take confident and firm steps together to continue the path of success, development, growth and prosperity that we aspire to through planning and diligent work.

## Dear Shareholders,

Regarding the company's fourth expansion project "Refinery upgrade", which is considered as one of the most important goals the company seeks to achieve, due to the fact that its completion guarantees the company's sustainability and prosperity, and as a result of the failure of the preferred joint venture (i.e. Sinopec (GPEG) of China and Itochu of Japan) to reach an agreement to resolve the differences with the American KBR company the owner of process technology, and the JV's declaration of its inability to maintain the bid price due to the significant increase in the prices of raw materials and services. Also due to JPRC inability to meet the requirements of the parties interested in the project financing process regarding project exemptions and the full repayment of the government's debt, and as a result of the political and security conditions in the world and in particular the region, the most important of which is the Israeli aggression on the Gaza Strip and the negative economic effects that accompanied it on the Middle East region, which resulted in financiers' reluctance to invest in large projects, especially in our region, the company has decided to stop negotiations with Sinopec (GPEG) and Itochu JV and to move forward with the company's fourth expansion project "refinery upgrade" with a production capacity for the project of (73) thousand barrels per stream day (instead of (120) thousand barrels per stream day), to cover all the needs of the Jordan Petroleum Products Marketing Company (a wholly-owned subsidiary company of JPRC) for finished petroleum products. The company has also added the necessary units to improve product quality to meet the latest international standards, along with the addition of a unit to convert heavy fuel oil into lighter, more valuable products.

The modified configuration will reduce the total cost of the upgrade project to approximately (1.7) billion US dollars, instead of approximately (3) billion US dollars as was before. A detailed roadmap prepared by the project management consultant, Technip Energies, shall be adopted by the company which outlines the necessary steps and a timeline for project implementation, ensuring the selection of an EPCF contractor so that project implementation will start by the end of November 2025.

The company also decided to contract the American company UOP to obtain licenses for the technologies used in the fourth expansion project "Refinery upgrade". UOP will provide technical and engineering services related to the implementation of "managing licensor" work and basic engineering designs for the new units, in addition to updating the preliminary engineering designs previously prepared for the units included in the company's fourth expansion project and in order to shorten the time required for project documents preparing stages. All major production units were licensed by UOP, both for the upgrade project and those currently operating in the existing refinery.

Technip Energies was contracted to prepare the terms of reference, prepare all bid documents, conduct technical and financial prequalification of the parties to be contacted, conduct a technical and financial study of the bids, select the best technically and financially feasible bid, and discuss all agreements with preferred EPCF contractor prior to signing. Whereas Technip is the entity most familiar with the details of the fourth expansion project and has full knowledge of the project requirements and basic engineering design documents.

The direct contract with UOP and Technip saved approximately twenty months in the upgrade documents preparation plan to the completion phases. JPRC has contacted both the International legal advisor and the environmental advisor for the project to inform them of the company's decision to implement the fourth expansion project "Refinery upgrade" according to the timeline and roadmap prepared for this purpose.

## Dear Shareholders,

After the company activated the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company on January 1, 2023, and annexed all of its various liquefied gas activities (except for gas production) to this company, and assigned the three liquefied gas stations (Amman, Irbid, and Zarqa) and the LPG Cylinders' repair and rehabilitation workshop to this company as operating facilities, it sought to develop and improve the performance of this company's various activities and reduce its costs to the minimum possible by awarding projects to install power generation systems using solar panels at the three gas stations. It completed a portion of these projects during 2024, and the remainder is expected to be completed during 2025. To increase liquefied gas storage capacity, reduce storage costs for third parties, and generate additional revenue from the storage activity for third parties, implementation of a project to establish liquefied gas storage capacities of approximately (10) thousand tons at the company's site in Zarqa has begun. This project is expected to be completed during 2026. During the year 2024, a project was referred to establish new storage capacities for liquefied gas of about (4) thousand tons at the company's site in Aqaba, and work is still ongoing to develop and expand its bulk LPG distribution through the company directly and/or through negotiations to enter into strategic companies with others to activate and develop this business.

The Jordan Petroleum Products Marketing Company, after renewing its license to practice the activity of importing, exporting, transporting, storing, loading, unloading, distributing, selling in bulk, and operating and maintaining its activity facilities for an additional (10) years starting from the beginning of May 2023, continues on the path of development and expansion by opening and managing new stations, as during the year 2024 (25) fuel stations were updated and put into service, and (15) stations for the Royal Jordanian Air Force and Public Security were updated, and the company's transport fleet was increased. To keep pace with the trend of using electric vehicles, during the year 2024, the Renewable Energy Marketing Company was established as a subsidiary and owned by this company for the purpose of establishing electric vehicle charging stations, where (42) electric vehicle chargers were installed in (14) locations in the Kingdom. During the year 2025, it is planned to continue opening and updating (8) fuel stations and installing (19) electric vehicle chargers in (8) new locations. It is also planned during the year 2025 to add the compressed natural gas (CNG) activity to the company's activities by transporting and distributing it to factories and fuel stations after the necessary infrastructure and equipment are prepared for that.

The Jordan Lube Oil Manufacturing Company continues its plan to modernize its production lines to increase production quantities, raise its efficiency and diversify it by adding new products that meet the development of the local market needs by adding new production lines and modernizing the currently operating lines. It is planned during the year 2025 to implement a project to establish storage capacities of about (300) tons, and to maintain the international accreditation of the company's laboratory according to the requirements of the (ISO 17025:2017) certificate by expanding the scope of the laboratory and supplying it with the latest devices that keep pace with the development in the Lube oils industry. Work is currently underway to increase the transport fleet for Lube oils and increase the number of distribution vehicles to ensure customer satisfaction.

The company seeks to continue renewing the ISO 9001:2015 certification, the Jordanian Quality Mark certifications, the Mercedes and MAN accreditation, and to continue exporting to Palestine, Iraq, Lebanon, and Chad, as well as adding new foreign markets, especially exporting to Syria.

## Dear Shareholders,

In order to preserve the rights of the Company's shareholders and maximize their value, the Company re-evaluated its owned lands during the year 2024 and stated them at fair value based on the instructions for establishing value and disposing of revaluation surplus for the year 2022, issued pursuant to the provisions of Article (12) of the Securities Law No. (18) of 2017. Re-evaluating the Company's lands at fair value led to an increase in the value of the Company's assets and the value of its shareholders' equity by approximately JD (274) million.

The total assets of the company for the year 2024 amounted to about JD (1,8) billion compared to about JD (1,438) billion for the year 2023, showing an increase of about JD (362) million, or about (25%) over the year 2023. This is due to the increase in current assets by about JD (78) million - resulting mainly from the increase in the item of debtors and other debit balances by about JD (148) million due to the increase in the indebtedness of the Ministry of Finance, ministries, government and security agencies, and the decrease in the item of crude oil, finished petroleum derivatives, Lobe oils and supplies by about JD (68) million, and a decrease in the item of cash in hand and with banks by JD (2) million - and the increase in non-current assets by about JD (284) million - resulting mainly from the increase in the item of property, land, equipment and projects under construction-

The total company's liabilities for the year 2024 amounted to approximately JD (1,132) billion, compared to approximately JOD (1,070) billion for the year 2023 showing an increase of around JD (62) million, or about (6%) of the year 2023, this is due to the increase in current liabilities by approximately JD (65) million - resulting mainly from the increase in the item of creditor banks by approximately JD (102) million to finance the government's indebtedness, as the government bears its share of financing its debt, and the decrease in the item of creditors and other credit balances by approximately JD (36) million and a decrease in the items of income tax provision and lease obligations, the current part, by approximately JD (1) million - and a decrease in non-current liabilities by approximately JD (3) million, resulting mainly from the decrease in the item of lease obligations, the non-current part, by approximately JD (1) million and a decrease in the requirement for the death, disability, compensation and end-of-service gratuity fund by approximately JD (2) million-

The total shareholders' equity of the company for the year 2024 amounted to about JD (661) million compared to about JOD (360) million for the year 2023 showing an increase of about JD (301) million, or about (84%), over the year 2023, the main reason for this is the construction of a reserve for evaluating land at fair value and the profits achieved by the company during the year 2024.

The company's net sales value during the year 2024 amounted to about JD (1,517) billion compared to about JOD (1,659) billion during the year 2023 showing a decrease of about JD (142) million, or about (9%), compared to the year 2023, the main reason for this is the decrease in the selling prices of finished petroleum products and liquefied gas and the decrease in sales quantities by about (3%) between the two years. The company's sales for the year 2024 resulted in providing the state treasury with about JD (554) million in taxes and fees, according to the finished petroleum products selling prices bulletin (IPP).

The company's sales cost during the year 2024 amounted to about JD (1,356) billion compared to about JD (1,500) billion during the year 2023 showing a decrease of about JD (144) million, or about (10%), compared to the year 2023, the main reason for this is the decrease in the prices of importing crude oil, finished petroleum products, and liquefied gas, and the decrease in the quantities of imported finished petroleum products by about (23%) between the two years, as part of the decrease in the quantities of imports was compensated by increasing the quantities of production by about (9%) between the two years.

The total expenses (industrial, operational, sales, distribution and administrative) of the company during the year 2024 amounted to about JD (125) million, compared to about JD (125) million during the year 2023, as the company maintained its expenses rate during the year 2024 during the year 2023.

## Dear Shareholders,

In conclusion, I would like to express my sincere thanks and gratitude for your kind attendance at the meeting. I would also like to extend my sincere appreciation to the esteemed government for the support it has provided and continues to provide to the company since its inception, enabling it to perform its duties and achieve its goals as a leading national company in the energy sector, which is the main contributor to the national economy and the main driver of economic and social growth in the Kingdom. I also extend my special thanks and appreciation to all our esteemed shareholders for their loyalty, continued support of the company and its management, and for their confidence in us, which we are proud of and cherish as the primary incentive for us to exert greater effort and dedication, and to continue working diligently to serve their interests, develop their investments, and maximize their value. I also extend my sincere thanks to all the company's stakeholders for their precious trust, which remains a source of pride and an additional incentive for us to maintain and enhance this trust.

I would like to extend my sincere thanks, appreciation and gratitude to my fellow board members for all the efforts they have made to ensure the continued development of the company and its achievements. I also extend my full gratitude and respect to the executive management, managers and employees, appreciating their continuous efforts to enhance and raise the company's status to remain lofty and achieve its vision and goals. I hope that they will exert more effort and dedication to achieve further progress and prosperity for the company.

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

والسلام عليكم ورحمة الله وبركاته

**Eng. Abed Alrahim Boucai**  
**Chairman of the Board**

## First: An overview

Jordan Petroleum Refinery Company was established as a public shareholding limited liability company 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, it has the largest market share in marketing ready-made petroleum derivatives from the local market, this 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, and 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 wholly-owned subsidiaries and controlled subsidiaries, of which it owns (60%) or more, a large number of fuel stations in the Kingdom are supplied with finished petroleum products through 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 petroleum products. Its operations are based on a license from the American company UOP, it secures about half of the local market's needs according to its current production capacity. Therefore, the company seeks to establish the fourth expansion project (Refinery upgrade) by adding the necessary production units to improve the quality of products to become compatible with the highest international specifications to be environmentally friendly, with the addition of units to convert the heavy fuel oil into lighter, more valuable products, which will lead to maximizing value and profitability and reducing production costs to a minimum. During the month of March 2022 the company obtained 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 Jordan Lube Oil Manufacturing Company for the manufacture of lube oils.

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 1<sup>st</sup> January 2023, wholly owned by it, all the various liquefied 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 in global prices of crude oil, finished petroleum products, liquefied gas, and mineral oils of all kinds.

## **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. As of May 1, 2018, the company began operating on a commercial basis after its financial relationship with the government ended.
- 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 (457,000,000) 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.

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 (105,000,000) 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 (105,000,000), 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.

Cabinet Resolution No. (1897) was issued in its session held on January 19, 2025, which stipulates that the Jordan Petroleum Refinery Company will borrow an amount of JD (80,000,000) from the banks referred to it by the Ministry of Finance, in exchange for the Ministry of Finance issuing pledges to repay the loans and interest

due to these banks on their due date, with guarantees from the allocations allocated for this purpose in the general budget, the resolution includes authorizing the Minister of Finance to sign the repayment pledges on behalf of the government, and he was also authorized to approve and sign the agreement to repay the loan amount that will be signed between the government and the Jordan Petroleum Refinery Company. Bids have been solicited from banks operating in the Kingdom, and work is currently underway to study these bids.

On June 23, 2022, the company signed a financial settlement agreement with the National Electricity Company to pay the debt owed to it, in addition to late payment interest and installment payments. The agreement included that the due amount be paid in (12) equal installments starting from July 2022. Accordingly, the National Electricity Company committed to paying the installments due to it under the agreement 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 debt owed by Al-Samra Electricity Generation Company, pending for several years in the competent courts, so that it will be settled upon the issuance of the final and final ruling.

- 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.** The Jordan Petroleum Refinery Company shall maintain an amount of JD (5,000,000) as an allocation for writing off, repairing and replacing gas cylinders and transferring the remaining amount of JD (5) million to the account of the Ministry of Finance. If the actual value of writing off, repairing and replacing cylinders exceeds that amount, it shall be transferred from the Ministry of Finance from the deposits item. However, if the actual value is less, the difference shall be transferred to the Ministry of Finance, and this matter shall be addressed in the future through the pricing mechanism. Accordingly, the company released an amount of JD (5,000,000) during the period ending on April 30, 2018 and transferred it to the account of the Ministry of Finance. The Ministry of Finance approved this procedure pursuant to the Ministry of Finance's letter No. (4/18/28669) dated August 29, 2019.
- 4.** The Jordan Petroleum Refinery Company has deleted the interest on the National Electricity Company's borrowing, amounting to JD (79,200,000), and the settlement will be made between the National Electricity Company and the government. It is worth noting that the company has deleted these amounts from the consolidated financial position statement based on the Ministry of Finance's letter to the National Electricity Company No. (18/73/33025) dated November 25, 2018, which included the Ministry of Finance's recording of the interest amount as an advance due from the National Electricity Company to the government at the Ministry of Finance until full payment. The Ministry of Finance also approved the deletion of the National Electricity Company's borrowing interest, amounting to JD (79,200,000), pursuant to the Ministry of Finance's letter No. (4/18/28669) dated August 29, 2019. Accordingly, the company deleted the interest on the National Electricity Company's borrowing 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 pursuant to 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. The Iraqi oil supply agreement was extended until June 26, 2025, at a quantity of (15,000) barrels per day, and the Jordan Petroleum Refinery Company was authorized to implement the contract on behalf of the government.

- **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 for the refining activity obtained (14) certificates of excellence through the participation of the company's laboratories in the international proficiency assessment program between laboratories (Proficiency Test) during the year 2024, where the company's laboratories participated in examining (17) samples of crude oil and finished petroleum products (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 fee).
- 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. (2898) 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 fee).
- Pursuant to Cabinet Resolution No. (16354) taken in its session held on May 19, 2024, the Jordan Petroleum Refinery Company's imports of crude oil and finished petroleum derivatives were exempted from customs duties (Customs fee) until April 30, 2025.

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

The production at Jordan Petroleum Refinery Company of petroleum products is approximately (44%) 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 relevant approved standard.
- The Jordan Petroleum Products Marketing Company (a wholly owned subsidiary) receives a marketing commission of 12 fils per liter of finished petroleum products sold and a retail commission of (15) fils per liter of finished petroleum products sold until August 31, 2018. This commission was amended to become (18) fils per liter sold from September 1, 2018, until May 31, 2024. It was amended as of June 1, 2024, to become (23) fils per liter sold, in addition to other commissions represented by runoff, evaporation, loss, and transportation fees, in accordance with the Finished Petroleum Products 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 (30,000,000).

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, Note that the license is renewable. The license to practice the activity of importing, exporting, transporting, storing, loading, unloading, distributing, and selling petroleum derivatives in bulk, 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 May 1, 2023, at a value of JD (1,250,000), to be amortized over a period of ten years.

#### • **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 Jordan Petroleum Products 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 (401) 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 (6.000.000).

#### • **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) 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. 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 (4) 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.
- Jopetrol oils are distinguished by obtaining (6) approvals from the American Petroleum Institute (API) for oils: Jopetrol Super Diesel 16-15W/40, CI4 performance level, Jopetrol Super Diesel Synthetic- 10W/40, Jopetrol Perfect 10W/40 and 20W/50, Jopetrol Extra 5W/30, and Jopetrol Hyper 5W/20.

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

The company's share of the local market is about (34%), it also exports its various lube oil products to Iraq, Chad, Palestine and Lebanon, and is currently working to open new markets for export based on the high quality of its lube oil products especially exporting to Syria.

- **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 Jordan Standards & Metrology Organization, according to the approved specification in this regard.
- The authorized and paid-up capital of Jordan Liquefied Petroleum Gas Manufacturing and Filling Company is JOD (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.
- According to Council of Minister' Resolution No. (10588) taken at its session held on January 21, 2024, imported petroleum gas was exempted from customs duties for a period of one year, starting from January 1, 2024.
- According Council Minister's Resolution No. (1641) taken at its session held on December 24, 2024, imported petroleum gas was exempted from customs duties for a period of one year, starting from January 1, 2025.

### • 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	100	Amman	January 10, 2016	Operating
Al- Kamel Gas Station for Oil and Fuel Company	50,000	100	Amman	February 26, 2017	Operating
Al-Wadi Al-A'abiad 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	Operating
Al- Failaq station for Fuel and Oil Company	2,115,000	100	Amman	July 7, 2020	Non-Operating under renovation
Renewable Energy Marketing Company	500,000	100	Amman	April 21, 2024	Operating

The table below shows the value of non-controlling interests in the net shareholders' equity of the subsidiaries of Jordan Products Marketing Company (a wholly owned subsidiary) as of December 31, 2024:

Company	Non-controlling Percentage	Non - controlling Share from Net Profit (Loss)	Non-controlling Share from Net Assets
	%	JOD	JOD
Al-Nuzhah and Istiklal Gas Station for Fuel and Oil Company	40	149,974	1,129,887
Al-Karak Central Gas Station for Fuel Company	40	67,201	603,966
Rawaby Al-Qwirah Gas Station for Fuel and Oil Company	40	75,222	791,481
Al-Wadi Al-A'biad Gas Station for Fuel Company	40	25,981	461,940
Al-Tanmwieh Al-A'ola for Fuel Company Gas Stations	40	160,777	1,734,763
Al- Qastal Gas Station for Fuel and Oil Company	40	13,540	488,675
Taj Amoun Gas Station for Fuel and oil Company	10	55,812	843,584
Al- Shira' Gas Station for Fuel and Oil Company	40	110,300	946,392
		658,807	7,000,688

The following table shows the shares owned by the Company as of December 31, 2024 (financial assets at fair value):

Company Name	Number of Shares	Value JOD
Jordan Electricity Company	760,243	1,680,137
Safwa Islamic Bank	307,819	572,543
Arab Potash Company	47,300	1,258,180
Jordan Paper and Cardboard Factories Company	33,300	1,665
Public Mining Company	27,500	15,950
Palestine Development and Investment Company	28,060	19,923
Al Motarabita Investment Company	128,259	1,283
		3,549,681

#### 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 (15,000) 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 forms the link between production, refining and import activities, and all of the company's customers in the various regions of the Kingdom. It is responsible for meeting all customer requests for the company's products of ready-made petroleum derivatives, liquefied gas and mineral oils.
- 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 its fuel oil production (3.5%) over the local market's needs and seeks to begin exporting finished derivatives after securing the local market's needs to the markets of neighboring countries. 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 company's fourth expansion project "refinery upgrade", which is considered as one of the most important goals the company seeks to achieve, due to the fact that its completion guarantees the company's sustainability and prosperity, and as a result of the failure of the preferred joint venture (i.e. Sinopec (GPEG) of China and Itochu of Japan) to reach an agreement to resolve the differences with the American KBR company the owner of process technology, and the JV's declaration of its inability to maintain the bid price due to the significant increase in the prices of raw materials and services. Also due to JPRC inability to meet the requirements of the parties interested in the project financing process regarding project exemptions and the full repayment of the government's debt, and as a result of the political and security conditions in the world and in particular the region, the most important of which is the Israeli aggression on the Gaza Strip and the negative economic effects that accompanied it on the Middle East region, which resulted in financiers' reluctance to invest in large projects, especially in our region, the company has decided to stop negotiations with Sinopec (GPEG) and Itochu JV and to move forward with the company's fourth expansion project "refinery upgrade" with a production capacity for the project of (73) thousand barrels per stream day (instead of (120) thousand barrels per stream day), to cover all the needs of the Jordan Petroleum Products Marketing Company (a wholly-owned subsidiary company of JPRC) for finished petroleum products. The company has also added the necessary units to improve product quality to meet the latest international standards, along with the addition of a unit to convert heavy fuel oil into lighter more valuable products. The modified configuration will reduce the total cost of the upgrade project to approximately (1.7) billion US dollars, instead of approximately (3) billion US dollars as was before. A detailed roadmap prepared by the project management consultant, Technip Energies, shall be adopted by the company which outlines the necessary steps and a timeline for project implementation, ensuring the selection of an EPCF contractor so that project implementation will start by the end of November 2025.

The company also decided to contract the American company UOP to obtain licenses for the technologies used in the fourth expansion project "refinery upgrade". UOP will provide technical and engineering services related to the implementation of "managing licensor" work and preliminary engineering designs for the new units, in addition to updating the basic engineering designs previously prepared for the units included in the company's fourth expansion project and in order to shorten the time required for project documents preparing stages. All major production units were licensed by UOP, both for the upgrade project and those currently operating in the existing refinery.

Technip Energies was contracted to prepare the terms of reference, prepare all bid documents, conduct technical and financial prequalification of the parties to be contacted, conduct a technical and financial study of the bids, select the best technically and financially feasible bid, and discuss all agreements with preferred EPCF contractor prior to signing. Whereas Technip is the entity most familiar with the details of the fourth expansion project and has full knowledge of the project requirements and basic engineering design documents.

The direct contract with UOP and Technip saved approximately twenty months in the upgrade documents preparation plan to the completion phases. JPRC has contacted both the International legal advisor and the environmental advisor for the project to inform them of the company's decision to implement the fourth expansion project "refinery upgrade" according to the timeline and roadmap prepared for this purpose.

With respect to the financial relationship with the government, the company is still communicating 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 outstanding issues, especially the payment of amounts due from the government. As a result of these negotiations, the Ministry of Finance allocated amounts to pay gas support in the general budget for the year 2025 in the amount of approximately JD (62) million, and paid an amount of approximately JD (47,600,000) during the year 2024 from the gas support balance due from the government. Cabinet Resolution No. (1897) was also issued in its session held on January 19, 2025, which stipulates that the Jordan Petroleum Refinery Company borrow an amount of JD (80,000,000) on behalf of the government to pay the debt owed to the company in exchange for the government issuing pledges to banks to pay the loan amounts and interest due on them. Negotiations with the government are still ongoing to determine the value of the gas activity commission, which reflects a rate of return on investment of (12%) annually, in implementation of what was stated in Cabinet Resolution No. (7633). Taken at its session held on April 30, 2018.

The Jordan Petroleum Products Marketing Company continues its path of development and expansion by opening and managing new stations. During the year 2024, the following stations were added: Jett Station / Ghor Nimrin, Al-Sheraa Station / Aqaba, Wadi Araba Development Station, Jawaher Station / Anas Al-Qudah, Al-Ajlouni Station / Al-Sarih, Al-Mamlaka Station / Al-Younis, Mahmoud Jarid Al-Adwan Station / Jordan Street, Aswar Badr Station, Faisal Al-Hayari Station, Basira Association Station, Al-Khazaleh Al-Dajniya Station, Abdullah Ghosheh Station, Al-Sharafat Station / Mafraq, Al-Majali Station / Al-Saad, Al-Shishani Station / Sweileh, Al-Zawaid Station / Jaber Road, Al-Aoun Station / Al-Jubaiha, Al-Aoun Station / Abu Alanda, Ahed Al-Adayleh Station / Karak, Martyr Muwaffaq Al-Salti Base Station / Al-Azraq, Zaid Al-Qunais Station / Mafraq, Al-Hallabat Municipality Station, Jamal Hamouda Station, Ayl Municipality Station, and Marka Station / Al-Jisr After it has been updated to service, and the electric vehicle charging station project has been launched at Al-Assaf Station/Gardens Street.

Surveillance cameras have also been installed at the gates of the transportation and maintenance departments at the Jordan Petroleum Refinery Company site. The system has been installed at various company sites, including the company's site in Aqaba, to audit and evaluate transportation trips and set performance standards for carriers and transportation operations in general. Cameras have also been installed on a mobile tanker for testing, in preparation for installing cameras on the rest of the transportation fleet, this was after obtaining approval from the Ministry of Interior and Public Security to install these cameras. It is worth noting that the company's fleet of finished petroleum derivatives has been increased.

The Renewable Energy Marketing Company was also established for the purpose of establishing electric vehicle charging stations within the company's stations and outside them. It has begun its activities, as (42) electric vehicle chargers have been installed in (14) locations.

During the year 2024, the Aqaba Warehouses Project was completed, and the construction work for the Hashemite Warehouses Project was completed. The modernization of the old stations, including (15) stations for the Royal Jordanian Air Force and the Public Security stations, was also completed.

During the year 2025, it is planned to open and manage the Al-Hizam/Al-Salman station, the Menwer Al-Wazzan station, the Zain/Ajloun station, and the Karak/Al-Hijazin station. It is also expected to start constructing the Al-Shidiya internal station, the North Development Station, the Al-Hurra/Al-Jaish station, and the Jordan Street station, and to install (19) electric vehicle chargers in (8) new locations.

It is also planned to add the compressed natural gas (CNG) activity to the company's activities during the 2025, through its transportation and distribution to factories and fuel stations, after the necessary infrastructure and equipment are in place.

By 2025, the company plans to complete the automation of inventory and e-commerce systems at all stations managed and supplied by the company. It also plans to continue installing solar-powered power generation systems at a number of stations, expand the company's fleet of finished petroleum products, and automate all of the company's financial information so that it can be displayed on a real-time screen.

It also plans to continue increasing the number of fast-charging stations for electric vehicles, both within the company's stations and outside them, by installing them at various stations and customer locations, such as malls and parking lots. The company is also currently working on automating fuel requests from stations through electronic interconnection between systems. Work is also underway to implement an energy consumption audit system using artificial intelligence, which monitors load behavior and generation sources.

The Jordan Lube Oil Manufacturing Company is planning to increase its share of the local market by increasing sales of various types of lube oils and greases. The company is moving towards keeping pace with the latest technologies and globally recognized technical developments in the manufacturing, packaging, and testing of lube oils, ensuring continued excellence in producing the best and most efficient types of lube oils in the local market.

It is planned to increase the storage capacity of base oils and improvers by (300) tons during the year 2025, and it is planned to continue updating the lube oil filling lines and updating the tanks.

The company plans to maintain the international accreditation of its lube oil laboratory in accordance with the requirements of the (ISO 17025:2017) certification by expanding the laboratory's scope and equipping it with the latest equipment to keep pace with developments in the lube oil industry. Work is currently underway to increase the lube oil transport fleet and the number of distribution vehicles to ensure customer satisfaction.

During 2025, it is planned to continue renewing the ISO 9001:2015 certification, the Jordanian Quality Mark certificates, and the Mercedes and MAN accreditation. It is also expected to continue exporting to Palestine, Iraq, Lebanon, and Chad. Work is currently underway to add new markets, especially exporting to Syria.

Jordan Liquefied Petroleum Gas Manufacturing and Filling Company, after being activated at the beginning of 2023, continues to develop and improve the performance of its various activities and reduce its costs to the minimum possible, as projects were referred to install energy generation systems using solar panels in the three gas stations. The implementation of these projects began during the year 2023, and the company completed part of these projects during the year 2024. Work will be done to complete the remaining projects during the year 2025. In order to increase the company's storage capacities to meet the increase in demand for liquefied gas and to ensure the security of the Kingdom's needs and to reduce storage costs for others and to achieve additional revenue resulting from practicing the storage activity for others, the company awarded a tender to establish storage capacities for liquefied gas of about (10,000) tons at the company's site in Zarqa. Construction work for these tanks began during the month of October 2023, and work to complete the project is still ongoing. The company also awarded a new tender during the year 2024 to establish new storage capacities at its site in Aqaba with storage capacities of about (4,000) tons. The company is currently working on developing and expanding its bulk LPG distribution, either directly or through entering into strategic partnerships with third parties, to ensure the development and activation of this business.

## Sixth: Analysis of the Financial Position and Outcome of Activities in 2024:

### a. Consolidated statement of profit or loss:

The company was able to achieve net profit after tax for the year ended December 31, 2024 which amounted to around JD (73) million, this profit is considered as a result of the strategic plans that the company has efficiently adopted to achieve

its vision and goals, especially in light of the critical circumstances that the world and the region are going through in particular, resulting from the continuation of the Russian-Ukrainian war and the Israeli aggression on the Gaza Strip and their repercussions on the supply chain of crude oil, finished petroleum products, liquefied gas, and lube oils, and the fluctuations in the prices of these materials, and the negative effects that accompanied them that were reflected in various sectors in the Kingdom, the most important of which is the economic sector. By comparing the profit after tax for the year ended December 31, 2024 with the profit after tax for the year ending December 31, 2023, amounting to around JD (83) million, it becomes clear that there is a decrease of JD (10) million, or (12%), between the two years. The main reason for this decrease is the decline in the value of the goods at the end of the year due to the decline in the prices of crude oil and finished petroleum products at the end of 2024, as the company is committed to applying international accounting standards, which stipulate that the value of the goods at the end of the year be evaluated, at cost or market, whichever is lower.

**The following is a brief analysis of the items in the consolidated statement of profit or loss for the year 2024 compared to the year 2023:**

#### 1. Net Sales:

The company's net sales value during the year 2024 amounted to about JD (1,517) billion compared to about JD (1,659) billion during the year 2023, showing a decrease of about JD (142) million, or about (9%), compared to the year 2023, the main reason for this is the decrease in the selling prices of finished petroleum products and liquefied gas and the decrease in sales quantities by about (3%) between the two years. The company's sales for the year 2024 resulted in providing the state treasury with about JD (554) million in taxes and fees, according to the finished petroleum products selling prices bulletin (IPP).

#### 2. Cost of sales:

The company's sales cost during the year 2024 amounted to about JOD (1,356) billion dinars compared to about JOD (1,500) billion during the year 2023, showing a decrease of about JOD (144) million, or about (10%), compared to the year 2023. The main reason for this is the decrease in the prices of importing crude oil, finished petroleum products, and LPG, and the decrease in the quantities of imported finished petroleum products by about (23%) between the two years, as part of the decrease in the quantities of imports was compensated by increasing the quantities of production by about (9%) between the two years.

The average purchase price of a barrel of crude oil for the year 2024 decreased compared to the year 2023 by USD (4.49) per barrel, showing a decrease of about (5%) between the two years, as the average purchase price of one barrel reached about USD (81.84) for the year 2024 compared to about USD (86.33) per barrel for the year 2023.

#### 3. Total profits:

The company's total profit for the year 2024 amounted to about JD (174) million compared to about JD (175) million for the year 2023, showing a decrease of about JD (1) million and a percentage of about (0.6%) compared to the year 2023, as a result of a decrease in the value of net sales by about JD (142) million and a decrease in the value of the cost of sales by about JD (144) million in addition to a decrease in the item of operating and other revenues by about JD (3) million, compared to the two years.

#### 4. Expenses:

Industrial and operating expenses for the year 2024 amounted to about JD (64) million compared to about JD (67) million for the year 2023, showing a decrease of about JD (3) million and a percentage of about (4%) compared to the year 2023, the main reason for this is the decrease in employee salaries and benefits as a result of the incentive system for resignations adopted by the company and the decrease in transportation fees for import operations.

Sales and distribution expenses for the year 2024 amounted to about JD (47) million compared to about JD (44) million for the year 2023 showing an increase of about JD (3) million and a percentage of about (7%) compared to the year 2023, and the main reason for this is due to the increase in fuel station management services expenses, the increase in the government fees item, the increase in the transportation fees item and other expenses related to the distribution process.

The administrative and general expenses for the year 2024 amounted to about JD (14) million, compared to about JD (14) million for the year 2023.

Therefore, the total expenses (industrial, operational, sales, distribution and administrative) of the company during the year 2024 amounted to about JD (125) million, compared to about JOD (125) million during the year 2023, as the company maintained the rate of its total expenses during the year 2024 during the year 2023.

## **b. The Consolidated Statement of Financial Position:**

The total assets of the company as of December 31, 2023 amounted to about JD (1,8) billion, the total liabilities of the company amounted to about JD (1,132) billion, and the total equity amounted to about JD (661) million.

**The following is a brief analysis of the most important items in the consolidated statement of financial position for the year 2024 compared to the year 2023:**

### **1. Current Assets:**

The total assets of the company for the year 2024 amounted to about JD (1,8) billion compared to about JD (1,438) billion for the year 2023, showing an increase of about JD (362) million, or about (25%) over the year 2023, this is due to the increase in current assets by about JD (78) million - resulting mainly from the increase in the debtors item and other debit balances by about JD (148) million due to the increase in the indebtedness of the Ministry of Finance, ministries, government and security agencies, and the decrease in the item of crude oil, finished petroleum products, mineral oils and supplies by about JD (68) million due to the decrease in the quantities and value of goods at the end of the year due to the decrease in the prices of crude oil and finished petroleum derivatives at the end of the year 2024, as the company is committed to applying international accounting standards, which stipulate that goods at the end of the year are evaluated at cost or market, whichever is lower, and a decrease in the item of cash in hand and with banks JD (2) million - and an increase in non-current assets by about JD (284) million - resulting mainly from the increase in the property item Lands, equipment and projects under construction due to the company during the year 2024 re-evaluating the lands owned by it and showing them at fair value based on the instructions for establishing value and disposing of the re-evaluation surplus for the year 2022 issued based on the provisions of Article (12) of the Securities Law No. (18) of 2017, as the re-evaluation of the company's lands at fair value led to an increase in the value of the company's assets and the value of its shareholders' rights by about JD (274) million dinars and due to the increase in its payments on its projects under implementation.

### **2. Liabilities:**

The company's total liabilities for the year 2024 amounted to around JD (1.132) billion, compared to approximately JD (1,070) billion for the year 2023, showing an increase of approximately JD (62) million, or about (6%) of the total, compared to the year 2023, this increase is due to an increase in current liabilities of approximately JD (65) million, resulting primarily from an increase in the item of creditor banks by approximately JD (102) million due to financing the government's debt, noting that the government bears its share of financing its debt. The decrease in the item of creditors and other credit balances by approximately JD (36) million due to the settlement of accounts payable to the company's suppliers, and a decrease in the items of the income tax provision and lease obligations, the current portion, by approximately JD (1) million. The decrease in non-current liabilities by approximately JD (3) million, resulting primarily from a decrease in the item of lease obligations, the non-current portion, by approximately JD (1) million, and a decrease in the liabilities for the death, disability, compensation, and end-of-service benefits fund by approximately JD (2) million.

### **3. Owners' Equity:**

The total shareholders' equity of the company for the year 2024 amounted to approximately JD (661) million compared to approximately JD (360) million for the year 2023, showing an increase of around JD (301) million, representing approximately (84%) of the year 2023. The main reason for this is the construction of a reserve for evaluating land at fair value and the profits achieved by the company during the year 2024.

## **c. Consolidated Cash Flow Statement:**

Cash on hand and at banks decreased for the year 2024 by about JD (2) million compared to the year 2023, i.e. a decrease of about (6%) compared to the year 2023, as net cash flows from operating activities and investment operations amounted to about JD (53) million, and net cash flows from financing operations amounted to about JD (51) million.

## Seventh: Company's Risk Management:

The company has formed a risk management committee emanating from the company's Board of Directors, which in turn has developed comprehensive policies and procedures to manage the risks that the company may be exposed to. The committee identifies the expected strategic, political, legislative, legal, operational, health and safety, environmental, social and economic risks, which are analyzed and evaluated to deal with them, either by avoiding them, transferring their impact to another party, or reducing them to an acceptable level. Priority is given according to the relative importance of the risks and the extent of their impact on the company's objectives and achievements, so that they remain within acceptable risk levels.

The company has also established a department specialized in risk management, affiliated with the Risk Management Committee of the Board of Directors. This department, in turn, identifies, measures, monitors and manages the main risks that the company may face and submits periodic reports to the Risk Committee, which in turn works to develop the necessary corrective measures and instructs the Executive Management to implement them and submit periodic reports to it in the event of violations or breaches.

The Risk Management Committee, established by the Company's Board of Directors, periodically reviews all risk management policies and procedures to ensure their improvement, updating, and development in line with regulatory authorities' instructions and with changes in the challenges and risks facing the Company at all levels. The Company attaches utmost importance to training employees responsible for risk management to develop their skills and capabilities, enhance their awareness of the risks the Company may be exposed to, and improve and enhance their performance in implementing risk management procedures to avoid or reduce risks to an acceptable level.

## Expected risks covered by insurance policies

The company transfers the impact of all risks that exceed its expectations and whose losses are greater than it can bear to external parties to protect itself and its stakeholders, this is achieved by insuring these risks with local insurance companies in accordance with the applicable laws, regulations, and instructions in the Kingdom. The company also requires that the local reinsurance companies it insures with be classified as first-class. The following are the most prominent insurance policies offered by local insurance companies and the risks covered by them:

- Asset Insurance Policy: Under which all risks that may be exposed to all the company's assets in all its locations are covered, with an insurance coverage limit for a single accident of USD (600) million, and in the event of earthquakes of JD (250) million.
- Insurance policy for all the company's imports: Under which covers all risks that may be exposed to all the company's imports, starting from their shipment and reaching the company's warehouses and in all shipping locations and means, with an insurance coverage limit for a single shipment of USD (150) million, and the insurance coverage includes the risks of war, unrest, piracy and terrorism.
- Third Party Civil Liability Insurance Policy: Under which all risks that the company may be exposed to are covered as a result of its liability towards a third party for all of the company's main activities, with an insurance coverage limit for a single accident of JD (40) million for liability towards others and an amount of JD (40) million for an accident resulting from product liability and pollution.
- Civil Liability Insurance Policy against all risks of refueling aircraft: Under which covers the company's liability towards a third party for all risks of refueling aircraft at all airports in the Kingdom, with an insurance coverage limit for a single accident of JD (100) million for liability towards persons and property and an amount of JD (100) million for a single accident resulting from product liability.
- Deposited and Transferred Cash Insurance Policy: Under which covers the risks of cash theft by non-employees and the risks of its transfer to banks, with an insurance coverage limit for a single incident of JD (10) million.
- Group Insurance Policy for Company Employees Insurance Policy: Under which covers the risks of injuries to company employees both inside and outside of work.

- Theft Insurance Policy: Under which covers all the risks of theft to which the company may be exposed.
- General Accident Insurance Policy: Under which covers the company's liability to third parties for all risks related to the company's non-core (subsidiary) activities.
- Elevator All Risks Liability Insurance Policy: Under which covers the company's liability to third parties resulting from elevator accidents.
- Comprehensive Auto Insurance Policy: Under which covers the company's vehicles against all types of accidents, regardless of the culprit, including the risks of theft, fire, and total loss.

It is worth noting that the company obliges its contractors, before commencing project implementation, to submit an insurance policy against third-party civil liability risks at a rate of (50%) of the project value. It also obliges them to submit an insurance policy that covers all risks resulting from contractors' activities, such that it includes insurance on works and equipment at a rate of (115%) of the project value, and insurance against earthquake risks and against all natural hazards at a rate of (115%) of the project value. It also obliges them to submit policies to cover workers affiliated with contractors or through their subcontractors, such that these policies include insurance coverage for work-related accidents and injuries.

## The Company's Financial Risk Management Policy

The Company follows financial policies to manage various risks within a defined strategy. The Company's management is responsible for monitoring and controlling risks and implementing the optimal strategic allocation of both financial assets and financial liabilities. Risks include capital risk management, liquidity risk, credit risk, and market risk (currency and interest rate risk).

### a. Capital Risk Management:

The company manages its capital to ensure its continued viability and maximize shareholder returns by achieving the optimal balance between equity and debt. No changes have been made to the company's policy since last year.

The group's management reviews the capital structure annually as part of this review. Management also considers the cost of capital and the risks associated with each capital category. The table below shows the net debt-to-equity ratio:

	Year	
	2024	2023
	JD	JD
Total Liabilities	1,132,292,387	1,069,908,793
Total Equity	668,204,967	368,081,325
Debt-to-equity ratio	169%	291%

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 30<sup>th</sup> 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 30<sup>th</sup> 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 two tables below detail the comparison between 2024 and 2023 in terms of the remaining contractual maturity date of the company's non-derivative financial liabilities and the agreed repayment periods. Note that the two tables below were prepared based on the undiscounted cash flows of the financial liabilities based on the earliest date on which the company can be required to pay:

Year 2024	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*	-	765,781,773	-	-	765,781,773
Payables and other credit balances	174,072,438	95,159,664	-	-	269,232,102
Income tax provision	-	18,665,224	-	-	18,665,224
Lease Liability	-	2,242,705	40,761,411	-	43,004,116
Due to death, compensation, end-of-service indemnity fund and End-of-service indemnity provision	-	-	-	35,609,172	35,609,172

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

\* 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.
- A change in the financial market index ratio for traded financial assets as of the date of the consolidated financial statements by a 5% increase and/or a 5% decrease, and the following is the effect of the change on the company's equity:

	2024	2023
	JD	JD
5% Increase	177,484	161,807
5% (Decrease)	(177,484)	(161,807)

#### d. Market Risk:

Market risk is the loss in value resulting from changes in market prices, such as changes in interest rates, foreign exchange rates, and equity instrument prices, and consequently changes in the fair value of cash flows of financial instruments on and off the consolidated statement of financial position.

#### 1. Currency Risk:

The Company's principal operations are in Jordanian dinars and US dollars. The following are the carrying amounts of the Company's financial assets and financial liabilities in foreign currencies as of December 31:

	2024	2023
	JD	JD
Assets - US Dollar	934,360	1,988,400
Liabilities - US Dollar	684,816,645	711,110,963

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.

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 sensitivity analyses below are determined according to the exposure to interest rates related to creditor banks at the date of the consolidated financial statements. The analysis was prepared assuming that the outstanding obligation amount at the date of the consolidated financial statements was outstanding throughout the year. An increase or decrease of half a percentage point (0.5%) is used, which represents the company's management's assessment of the possible and acceptable change in market interest rates, as follows:

	2024	2023
	JD	JD
0/5% Increase	3,828,909	3,319,557
0/5% Decrease	(3,828,909)	(3,319,557)

## **Eighth: Achievements and Activities of the Company**

### **1. Import:**

#### **a. Crude Oil:**

The quantities of crude oil supplied to the company's site in Zarqa during the year 2024 amounted to a total of (1,870,790) tons compared to (1,776,470) tons during the year 2023 showing an increase of (94,320) tons and a percentage of about (5%) over the year 2023.

It should be noted that during the years 2023 and 2024, 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 (15,000) barrels per day instead of (10) thousand barrels per day as of August 2023. The Iraqi oil supply agreement was extended until June 26, 2025, at a quantity of (15,000) barrels per day, and the Jordan Petroleum Refinery Company was authorized to implement the contract on behalf of the government.

The company also purchases from the government all quantities of crude oil extracted from the Hamza oil well (Azraq oil) based on the monthly average price of Brent crude oil.

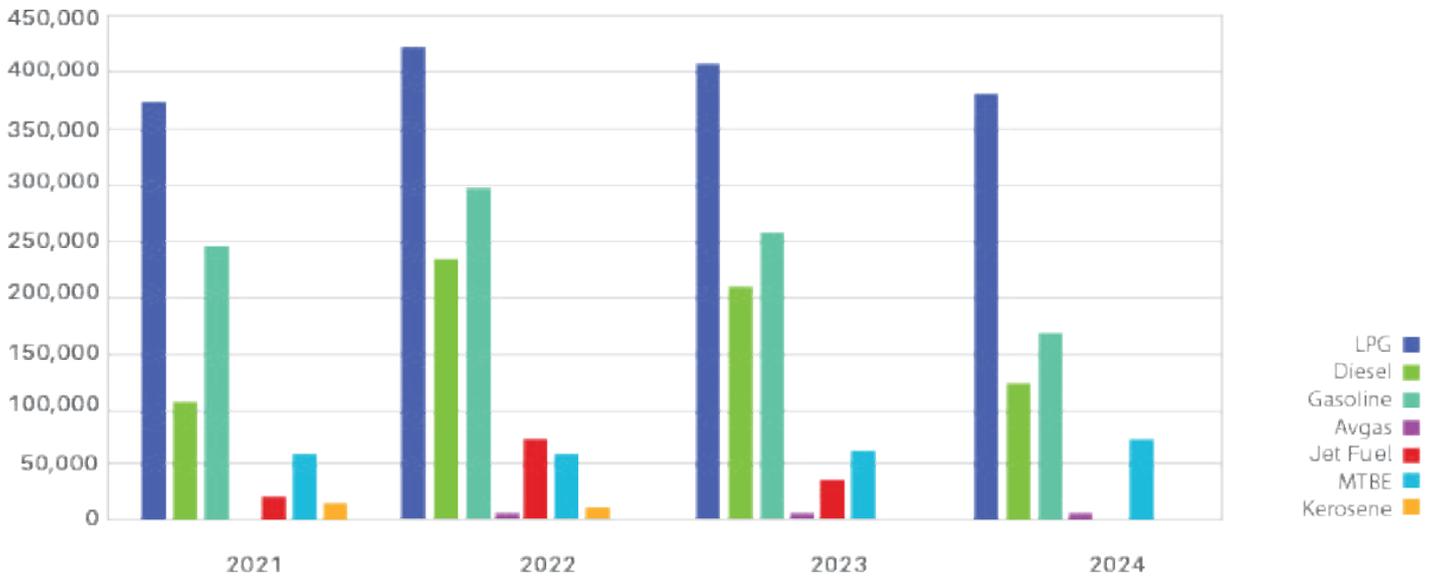
#### **b. Finished Petroleum Products and LPG:**

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.

- It is worth noting that the company imports various finished petroleum products and liquefied petroleum gas in accordance with locally and internationally approved specifications.
- The quantities of finished petroleum products and liquefied petroleum gas imported during the year 2024 amounted to a total of (737,250) tons compared to (960,453) tons imported during the year 2023, a decrease of (223,203) tons, or about (23%) compared to the year 2023. The decrease in the quantities of imported jet fuel, liquefied petroleum gas, gasoline and diesel was covered through the company's stock of these products and through the increase in the quantities of production of these products that took place during the year 2024.

The following table and graph show finished petroleum products and LPG quantities imported in 2024 compared with 2021 and 2023:

Product /Year	Quantities in tons				Percent increase or decrease 2024 & 2023
	2021	2022	2023	2024	
LPG	373,720	420,118	406,005	384,188	( 5%)
Diesel	106,478	233,769	208,722	122,639	(41%)
Gasoline	244,701	295,751	255,696	165,237	(35%)
Avgas	-	479	337	191	(43%)
Jet Fuel	15,729	74,172	27,971	-	(100%)
MTBE	59,670	60,684	61,722	64,995	5%
Kerosene	17,713	11,549	0	-	-
<b>Total</b>	<b>818,011</b>	<b>1,096,522</b>	<b>960,453</b>	<b>737,250</b>	<b>(23%)</b>



### **c. Base Oils:**

Base oils are imported through the Jordan Lube Oil Manufacturing Company (a wholly-owned subsidiary), where the quantities of imported base oils during the year 2024 amounted to a total of (19,157) tons compared to (14,859) tons during the year 2023 showing an increase of (4,298) tons or about (29%) over the year 2023.

## **2. Production and Refining:**

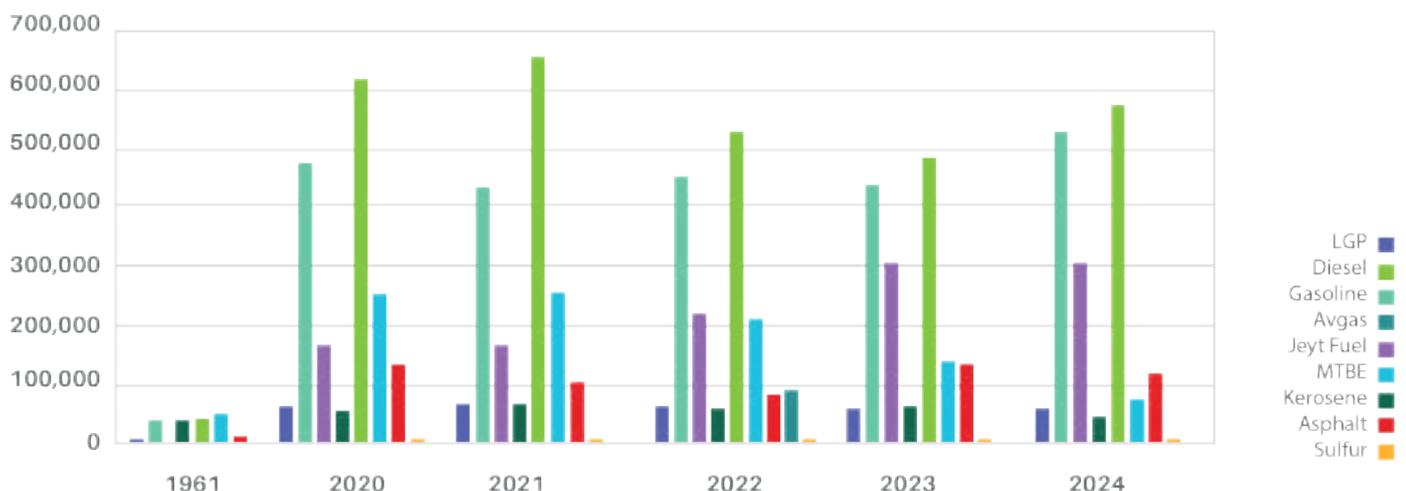
### **a. Crude Oil and Finished Petroleum Products and LPG:-**

- 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 various finished petroleum products and liquefied petroleum gas during the year 2024 amounted to (1,783,356) tons, compared to (1,636,509) tons produced during the year 2023 showing an increase of (146,847) tons, or about (9%), over the year 2023.
- 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, It will also cover the full needs of the Jordan Petroleum Products Marketing Company (a wholly owned subsidiary) for finished, low-carbon petroleum products at a lower cost.
- 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 (44%) 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, Accordingly, the Jordan Petroleum Refinery Company seeks to establish the fourth expansion project to cover the full needs of the Jordan Petroleum Products Marketing Company (a wholly owned subsidiary) for finished, low-carbon petroleum products at a lower cost. The Jordan Petroleum Refinery Company is also the main source of heavy petroleum products (fuel oil and asphalt) for the local market.

The following table and graph show the Company's production of finished petroleum products and LPG for the base year and during the years (2020-2024):

Product/Year	1961	2020	2021	2022	2023	2024	Percent increase or decrease 2022/2023
LPG	615	62,570	50,431	62,604	59,304	77,886	31 %
Gasoline	37,179	467,355	433,589	453,464	439,764	548,538	25 %
Jet Fuel	-	165,179	167,904	220,489	306,158	316,457	3 %
Kerosene	39,620	54,714	55,252	61,332	65,813	55,020	(16 %)
Diesel	41,209	621,583	658,609	528,490	485,421	580,346	20 %
Fuel Oil 3.5%	50,605	253,904	256,835	210,872	140,658	77,205	(45 %)
Asphalt	11,897	135,010	103,451	86,433	136,745	124,529	(9 %)
Sulfur	-	3,840	3,726	2,566	2,646	3,375	28 %
<b>Total</b>	<b>181,125</b>	<b>1,773,155</b>	<b>1,729,797</b>	<b>1,626,250</b>	<b>1,636,509</b>	<b>1,783,356</b>	<b>9 %</b>

Note: In addition to the above production quantities, the quantities consumed in the refinery's steam generation and production units during the year 2024 amounted to (209,482) tons of fuel oil, fuel gas and naphtha, compared to (187,587) tons during the year 2023 showing an increase of (21,895) tons, or about (12%) over the year 2023.

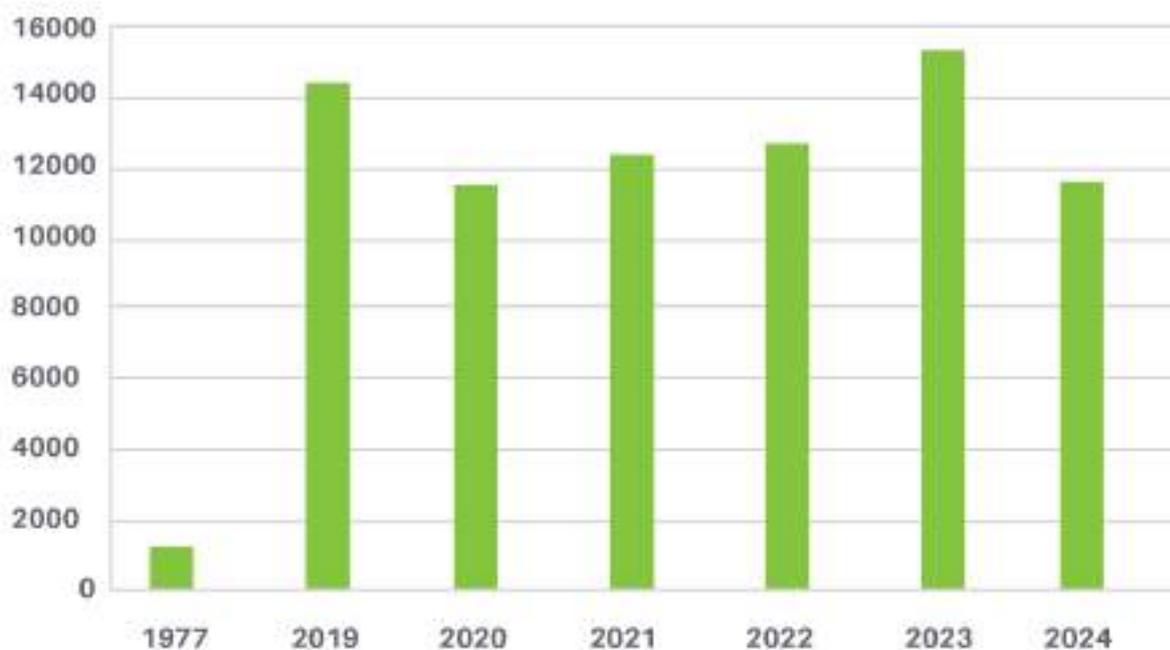


## b. Lubricating Oils (Jopetrol):

- 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 Automobile 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 production quantities of mineral oils amounted to (11,627) tons during the year 2024, compared to (15,022) tons during the year 2023 showing a decrease of (3,395) tons, or about (23%) compared to the year 2023.

The following table and graph show the lube-oils production in tons for the base year and during the years (2019-2024):

Product Year	1977	2019	2020	2021	2022	2023	2024	Percent increase /decrease 2024/2023
Lube Oils	1,191	14,393	11,703	12,282	12,535	15,022	11,627	(23%)



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

During the year 2024, the company imported empty LPG cylinders with a capacity of (12.5) kg from the Turkish company AYGAZ and imported LPG Cylinders' valves from the Italian company ENNE PI. The company also imported LPG to fill the gap between demand and production from BB ENERGY, after tenders were issued to import these materials and supplies. During the year 2024, about (34,9) million LPG cylinders with a capacity of (12.5) kg were filled, compared to the filling of about (33,9) million LPG cylinders with a capacity of (12.5) kg during the year 2023 showing an increase of about (1) million cylinders, or about (3%), compared to the year 2023. During the year 2024, the equivalent of (2,989) LPG cylinders with a capacity of (50) kg were filled, compared to (3,961) LPG cylinders in 2023 showing a decrease of (972) cylinders, or about (25%), compared to the year 2023.

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:

During the year 2024, the company filled and sold (4,492) barrels of asphalt compared to (3,629) barrels during the year 2023 showing an increase of (863) barrels, or about (24%) over the year 2023.

### 3. Sales:

#### a. Finished Petroleum Products:

Finished petroleum products Sales during 2024 reached (2,523,195) tons compared with (2,596,079) tons in 2023 showing a decrease of (72,884) tons or (3%).

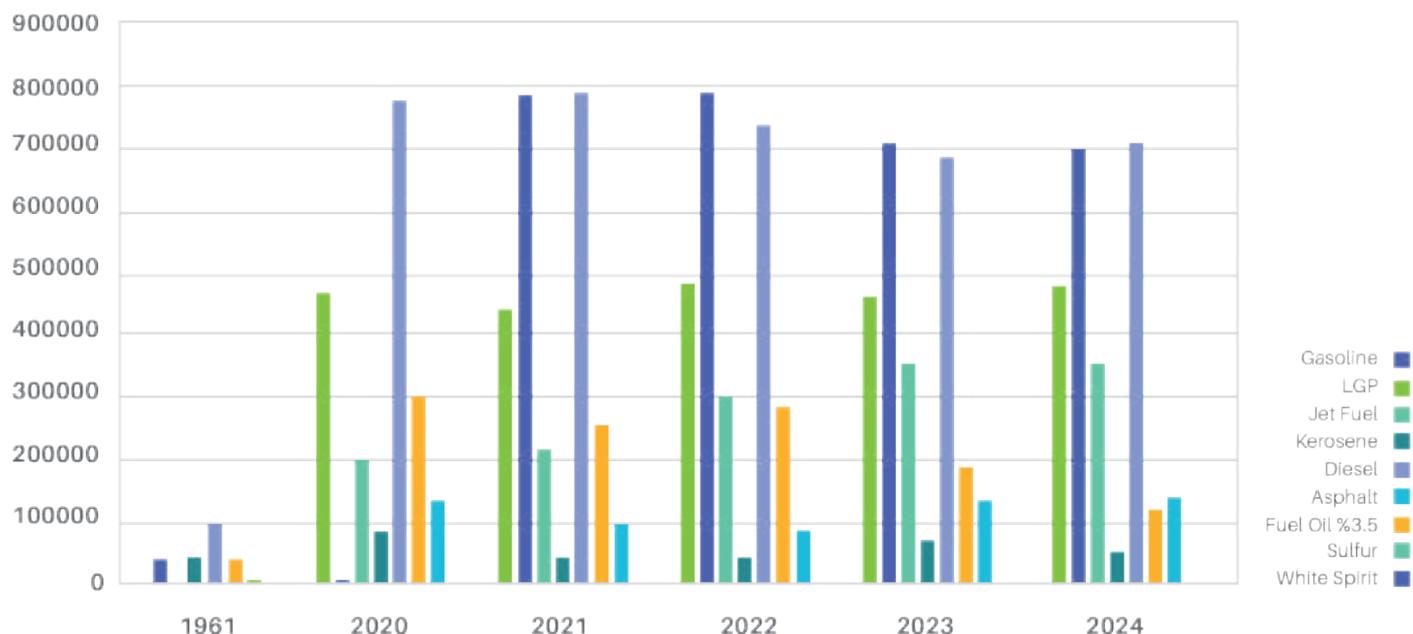
**The following shows the rates of change in the company's sales quantities of various petroleum products in tons between 2024 and 2023: -**

Product	% Change
Gasoline sales decreased	(2%)
Kerosene sales decreased	(26%)
White Spirit sales increased	7%
Diesel sales increased	3%
LPG sales increased	3%
Fuel Oil 3.5% sales decreased	( 37%)
Jet Fuel sales decreased	(1%)
Asphalt sales decreased	(3%)
Sulfur sales increased	28%

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 (2020-2024) :

Product Year	1961	2020	2021	2022	2023	2024	Percent increase or decrease 2023 / 2024
LPG	673	464,235	437,652	480,171	454,083	468,026	3%
Gasoline	39,301	632,600	778,851	784,006	709,519	696,644	(2%)
Jet Fuel	-	207,683	228,005	292,847	334,208	329,876	(1%)
Kerosene	50,824	83,759	62,358	53,190	83,522	61,671	(26%)
Diesel	98,428	764,168	789,924	737,530	690,996	714,931	3%
Fuel Oil 3.5%	36,179	309,254	261,035	275,131	185,396	116,959	(37%)
Asphalt	11,101	134,658	95,184	90,534	135,445	131,430	(3%)
White Spirit	-	405	340	278	264	283	7%
Sulfur	-	3,841	3,726	2,566	2,646	3,375	28 %
<b>Total</b>	<b>236,506</b>	<b>2,600,603</b>	<b>2,657,075</b>	<b>2,716,253</b>	<b>2,596,079</b>	<b>2,523,195</b>	<b>(3%)</b>

\* Note that the 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.

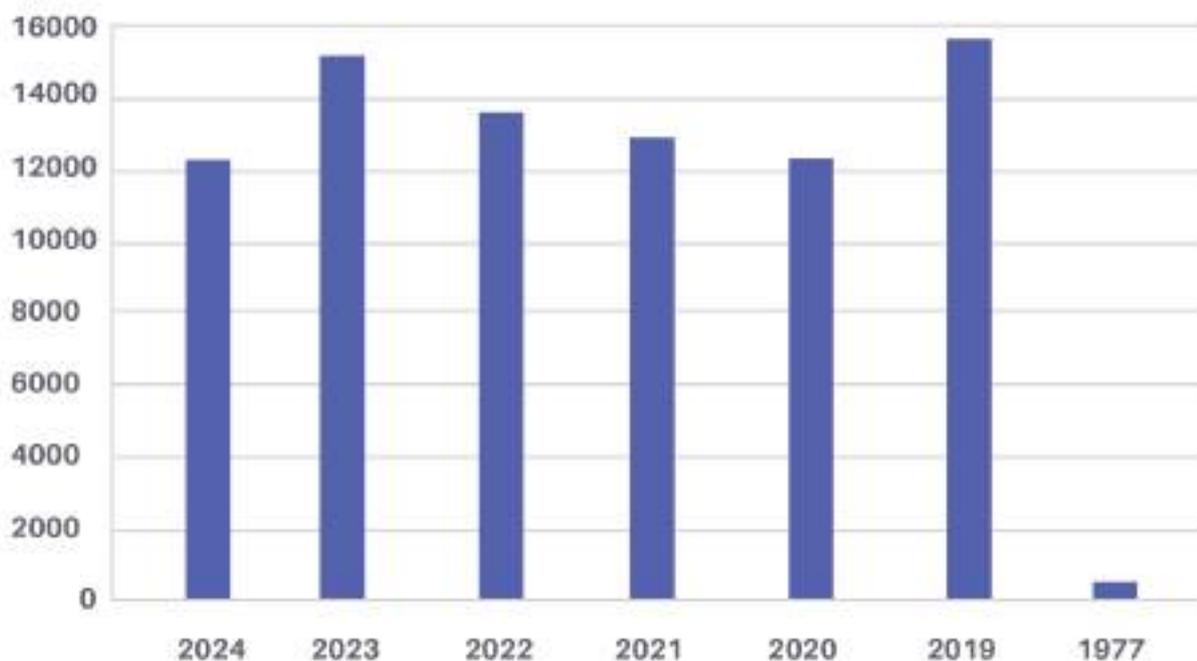


## b. Sales of Lube Oils (Jopetrol):

The sales quantities of Jordan Lube Oil Manufacturing Company (a wholly-owned subsidiary) during the year 2024 of various Lube oils amounted to a total of (12,171) tons compared to a total of (15,009) tons during the year 2023 showing a decrease of (2,838) tons or about (19%) compared to the year 2023.

The following table and graph show the sales of the Lube-Oil (in ton) for the base year and during the years (2019-2024) :

Type \ Year	1977	2019	2020	2021	2022	2023	2024	Increase Percentage 2024 / 2023
Lube Oils	535	15,568	12,302	13,446	13,972	15,009	12,171	(19%)



## c. Sales of empty LPG cylinders with a capacity of (12.5) kg and 9(50) kg:

Jordan Liquefied Petroleum Gas Manufacturing and Filling Company (a wholly-owned subsidiary) sold a total of (108,890) empty LPG cylinders with a capacity of (12.5) kg during the year 2024, compared to a total of (117,485) cylinders during the year 2023, showing a decrease of (8,595) cylinders, or about (7%), compared to the year 2023. Also, during the year 2024, (37) empty LPG cylinders with a capacity of 50 kg were sold, compared to (19) cylinders during the year 2023 showing an increase of (18) cylinders, or about (95%), compared to the year 2023.

During the year 2024, about (34,9) million LPG cylinders with a capacity of (12.5) kg were sold, compared to the filling of about (33,9) million LPG cylinders with a capacity of (12.5) kg during the year 2023 showing an increase of about (1) million cylinders, or about (3%), compared to the year 2023. During the year 2024, the equivalent of (2,989) gas cylinders with a capacity of (50) kg were filled, compared to (3,961) gas cylinders with a capacity of (50) kg showing a decrease of (972) cylinders, or about (25%), compared to the year 2023.

It is worth noting that the Jordan Petroleum Refinery Company has activated the operations of the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company (a wholly-owned subsidiary) as of January 1, 2023, and it has integrated all its various gas activities (except for the liquefied gas production activity) and the three gas stations (Amman, Irbid, Zarqa) to this company. It has also transferred the licenses to practice the various gas activities and the licenses for the central distribution of liquefied gas to the Jordan Liquefied Petroleum Gas Manufacturing and Filling 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 finished petroleum products, and the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company (a wholly owned subsidiary) fills, distributes markets and sells 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 (401) stations at the end of year 2024.
- The number of LPG storage centers supplied by Jordan Liquefied Petroleum Gas Manufacturing and Filling Company (a wholly owned subsidiary) reached (160) centers at the end of year 2023, in addition to (26) LPG distribution centers located in the southern governorates and (9) Central gas distribution companies located in Amman, It is worth 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 2024:

Governorate	No. of Fuel Station	No. of LPG Distribution Centers	No. of LPG Storage Centers	Central Gas Distribution Companies
Amman	118	-	40	9
Zarqa	46	-	16	-
Balqa	27	-	15	-
Madaba	18	-	5	-
Irbid	81	-	30	-
Mafraq	40	-	23	-
Jerash	13	-	5	-
Ajloun	9	-	4	-
Karak	17	-	10	-
Ma'an	16	16	6	-
Tafeela	4	-	4	-
Aqaba	12	10	2	-
<b>Total</b>	<b>401</b>	<b>26</b>	<b>160</b>	<b>9</b>

#### 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 2024 amounted to (1,787,251) tons compared to (1,197,170) tons during the year 2023, showing an increase of (590,081) tons or (49%), over the year 2023.

## 6. Aviation fueling stations in the Kingdom Airports:

The company owns three stations for supplying aviation fuel (Avtur and Afgaz) at the Kingdom's airports (Queen Alia International Airport station, Amman Civil Airport station, and King Hussein International Airport station / Aqaba). During the year 2024, the company provided aviation fuel (Avtur) supply service to (34,105) flights, compared to supplying (35,828) flights during the year 2023 showing a decrease of (1,723) flights, or about (5%), compared to the year 2023. The company also provided aviation fuel (Afgaz) supply service to (1,051) flights during the year 2024, compared to supplying (1,072) flights during the year 2023 showing a decrease of (21) flights, or about (2%), compared to the year 2023.

## 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.

In order to increase the company's storage capacities to meet the increase in demand for liquefied gas and to ensure the security of the Kingdom's needs and to reduce storage costs for others and to achieve additional revenue resulting from practicing the storage activity for others, the company awarded a tender to establish storage capacities for liquefied gas of about (10) thousand tons at the company's site in Zarqa.

Construction work for these tanks began during the month of October 2023, and work to complete the project is still ongoing. The company also awarded a new tender during the year 2024 to establish new storage capacities at its site in Aqaba with storage capacities of about (4) thousand tons.

### 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 2024 were (1,334,940) tons, LPG quantities received were (384,188) tons, diesel quantities received for the three distribution companies were (310,616) tons, gasoline quantities received for the three distribution companies were (110,303) tons, and lube oil quantities received in rented storage tanks were (19,157) tons.

The total received quantities in 2024 were (2,159,204) tons compared to (2,370,006) tons in 2023 with a decrease of (210,802) tons or (9%) %, compared to the year 2023.

### 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, and no quantity of 3.5% fuel oil was exported during the year 2024.

## 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 2024:**

**a. Jet Fuel Product:**

- The Royal Jordanian Air Force, whose withdrawals are equivalent to about (32%) of the total sales of aviation fuel.
- Alia Company - Royal Jordanian Airlines, whose withdrawals are equivalent to about (42%) of the total sales of aviation fuel.
- Total Company-Jordan, whose withdrawals are equivalent to approximately (14%) of the total sales of jet fuel.

**b. Fuel Oil Product:**

- Qatrana Cement Company, whose withdrawals are equivalent to approximately (18%) of the total sales of fuel oil.

**c. Asphalt Product:**

- Safwan Al Saqa & Brothers Company, whose withdrawals are equivalent to approximately (31%) of the total asphalt sales.
- Fares Al Saqa & Brothers Company, whose withdrawals are equivalent to approximately (13%) of the total asphalt sales.
- Greater Amman Municipality, whose withdrawals are equivalent to approximately (13%) of the total asphalt sales.

**d. Finished Petroleum Products:**

- Jordan Petroleum Products Marketing Company, whose withdrawals are equal to about (88%) of the total sales of finished petroleum products.
- Hydron Energy Company, whose withdrawals are equivalent to about (19%) of the total sales of finished petroleum products.

**e. Liquefied Petroleum Gas:**

- Jordan Liquefied Petroleum Gas Manufacturing and Filling Company, which draws the company's entire LPG production.
- Jordan Liquefied Petroleum Gas Manufacturing and Filling Company has no customers whose withdrawals constitute (10%) or more of the company's sales.

**f. Lube Oils:**

- Raed Mahmoud Shaker Odeh Company, whose withdrawals are equivalent to approximately (13%) of the total sales of lube oils.

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

All of the company's various purchases of goods and services are made through local and international referrals, purchase orders, and tenders, governed by a strict and effective supplies and works system implemented within the company. This system respects all human rights and is characterized by transparency, integrity, fairness, and equality, ensuring equal opportunities.

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 2024 reached a total of (222) as follows:**

- (110) Tenders for supplying Petroleum Products, Base Oils, Compressors, Pumps, Laboratory Equipment and various Spare Parts.
- (91) Tenders for various works.
- (5) Tenders for transportation.
- (11) Tenders for Sale of Scrap cars and different materials.
- (4) Tender for insurance.
- (1) Tender for ship inspection.

The number of local and foreign purchase orders issued in 2024 was (1,589), where the number of local orders reached (1,061) orders with a percentage of (67%) from the total number of purchase orders, and the number of foreign orders reached (528) order with a percentage of (33%) 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	ADDISOL ENDLESS-IDAFAT	Nalco, UAE	Renault, France	KOCH, Italy	John Crane
	Petredec	Solvochem Netherlands	UOP-UK	Osaka, Japan,	UTON Romania	Burekhardt Compression
	BP Oil	Chevron France	Oil DRI USA	HTB Germany	Man Energy solution	Sulzer pump
	B.B.ENERGY	AFTON UK	Suez water technologies & solutions	Acerbi-Italy	Godrej, India	BLUTEK SRL
	Gulf Interstate	Infineum UK Ltd	AFTON	MAN Germany	Dalmin	Tuben Cap S.A
	VITOL	PROJEX TRADE	Dow Chemical	Oryx Oman	-	AYGAZ A.S.
	Litasco	Taj Al Mu-look-UAE	Veolia water tech	-	-	Flowserve
-	Trafigura	Kempex Innovation Solution	Johnson Matthey	-	-	ITT Goulds Pumps Co, Ltd
-	Shell	-	BASF MIDDLE EAST LLC	-	-	HOWDEN THOMASSEN COMPRESSOR B.V
	Total					Siemens Energy LLC
	SOCAR					Ingersoll- Rand
	BGN INT DMCC					Elliott Group
	NAFTOMAR Greece					Atlas Copco air power n.v
	IPG Group 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 2024:

- Saudi Aramco is the main supplier of crude oil, and it represents (74%) 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 (15,000) barrels per day representing (26%) of the company's purchases of crude oil.
- B.B Energy supplied (100%) of the company's purchases of (LPG).
- B. B. Energy supplied (100%) of the company's purchases of Gasoline.
- IPG Company supplied (100%) 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.
- The technical laboratories for the refining activity obtained (14) certificates of excellence through the participation of the company's laboratories in the international proficiency assessment program between laboratories (Proficiency Test) during the year 2024, where the company's laboratories participated in examining (17) samples of crude oil and finished petroleum derivatives (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 Mark Certificate for lube oils (Perfect grade 20W/ 50) and (Super Diesel Oil 16 grade 15W/40) 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.
- Accreditation 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.
- (4) 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.
- (6) approvals from the American Petroleum Institute (API) for oils: Jopetrol Super Diesel 16 Grade 15W/40, CI4 performance level, Jopetrol Super Diesel Synthetic Grade 10W/40, Jopetrol Perfect Grades 10W/40 and 20W/50, Jopetrol Extra Grade 5W/30, and Jopetrol Hyper Grade 5W/20.

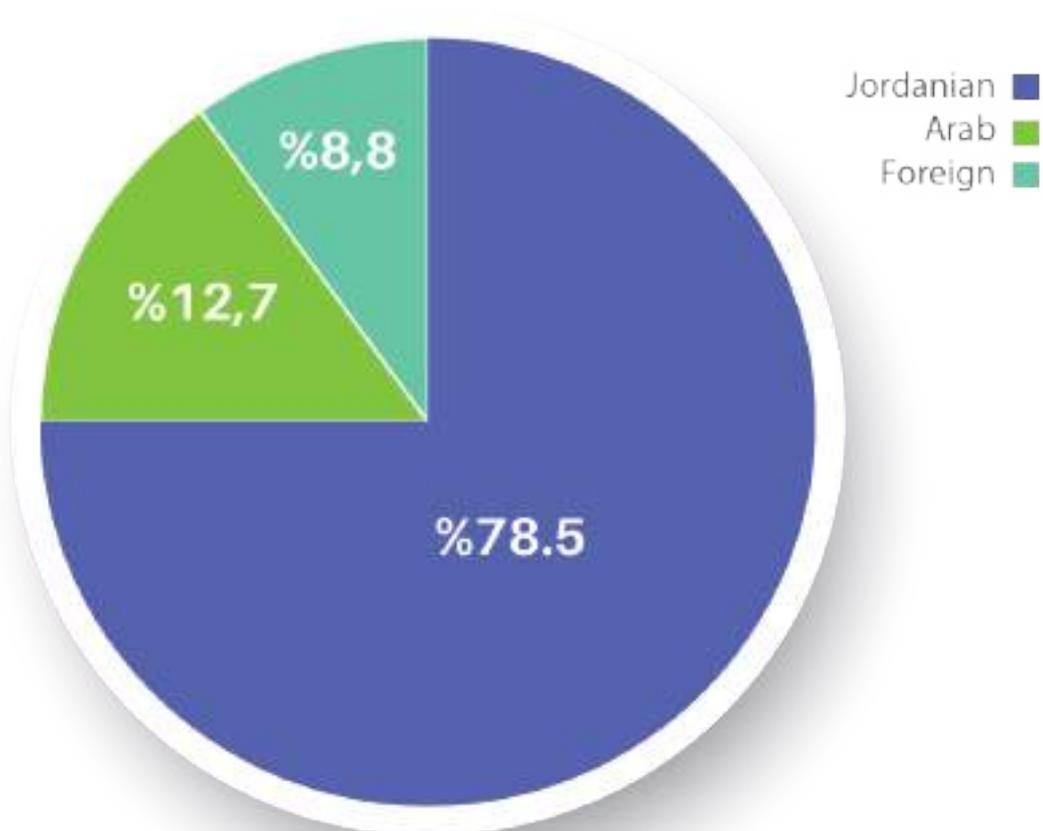
It is worth to mention that the Jordan Petroleum Products Marketing Company have obtained during the year 2023 ISO quality certificates in managing the quality of services and products, occupational health and safety systems, and environmental management systems (ISO 9001:2015, ISO 14001:2015, and ISO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

## Twelfth: Shareholders:

The declared paid capital is JD (100) million (100 million shares of 1 JD each). number of shareholders as on 31/12/2024 was (39,722) shareholders.

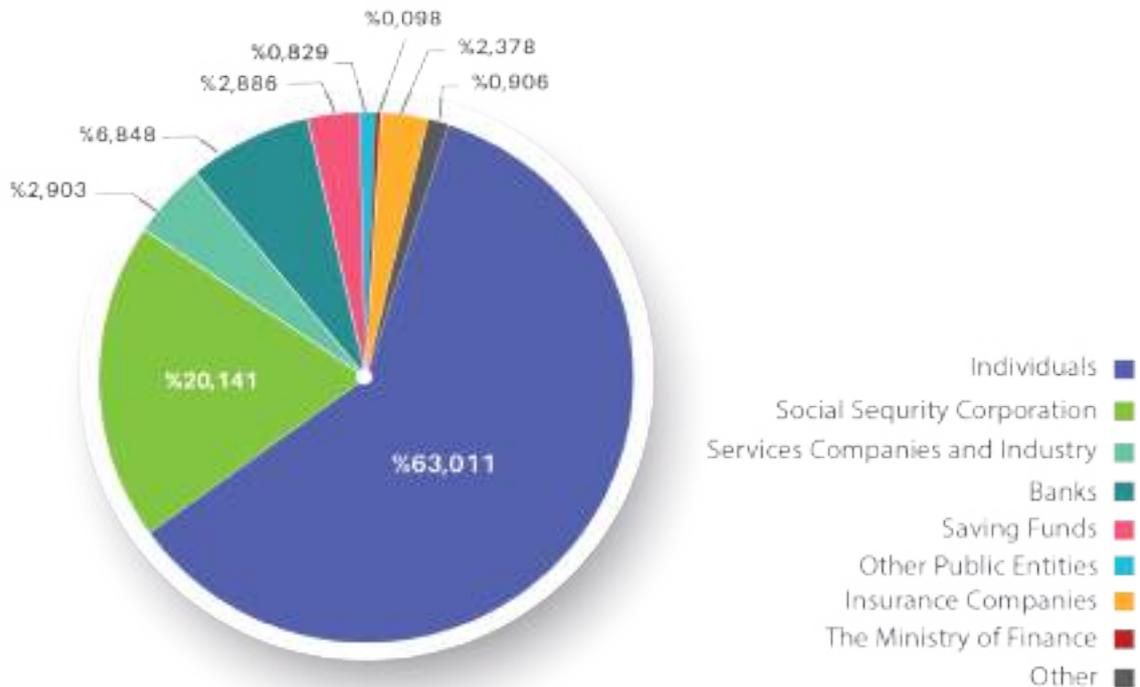
The following table and pie show the distribution of shareholders according to their nationalities and Number of Shares as on 31/12/2024:

Nationality	Number of Shareholders	Percentage of shareholders %	Number of Shares	Percentage of number of shares %
Jordanian	33,822	85.1	78,449,045	78.5
Arab	5,185	13.1	12,729,630	12.7
Foreign	715	1.8	8,821,325	8.8
<b>Total</b>	<b>39,722</b>	<b>100</b>	<b>100,000,000</b>	<b>100</b>



The following table and pie show the distribution of the Company's shares according to the shareholders' categories as on 31/12/2024:

Category	Number of Shareholders	Percentage %	Number of Shares	Percentage %
Individuals	39,610	99.718	63,010,659	63.011
Social Security Corporation	1	0.003	20,140,624	20.141
Services Companies and Industry	39	0.098	2,903,014	2.903
Banks	5	0.013	6,848,357	6.848
Saving Funds	16	0.040	2,885,988	2.886
Other Public Entities	26	0.065	829,388	0.829
Insurance Companies	11	0.028	98,195	0.098
The Ministry of Finance	1	0.003	2,378,180	2.378
Others	13	0.032	905,595	0.906
<b>Total</b>	<b>39,722</b>	<b>100</b>	<b>100,000,000</b>	<b>100</b>



## Shareholders who own more than (5%) of the company's shares for the years 2024 and 2023:

Name of Shareholder	Number of shares		Percentage Total Shares %	
	2024	2023	2024	2023
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
<b>Total</b>	<b>26,390,624</b>	<b>26,390,624</b>	<b>26.391</b>	<b>26.391</b>

## Trading the Company's Shares in the Amman Stock Exchange for the years (2020-2024):

The number of shares transacted during 2024 in the Amman Stock Exchange amounted to (15,430,677) shares valued at JD (76,012,977) executed through (28,716) transfer contracts at an average price of JD (4,93) for each share.

Data / Year	2020	2021	2022	2023	2024
Number of traded shares	17,918,716	48,464,847	54,496,783	24,682,632	<b>15,430,677</b>
Trading Volume (JD)	51,586,289	156,719,140	291,096,910	141,400,119	<b>76,012,977</b>
Number of executive contracts	21,337	65,833	88,038	51,118	<b>28,716</b>
Market value of authorized and subscribed shares for in (JD)	250,000,000	343,000,000	535,000,000	470,000,000	<b>500,000,000</b>
Closing price (JD)	2,50	3,43	535	4,70	<b>5,00</b>
Average share price (JD)	2,88	3,23	5,34	5,73	<b>4,93</b>
Rate of share turnover (%)	17,92	48,46	54,50	24,68	<b>15,43</b>

The following table shows the number of shareholders according to the share slides they own, as of December 31, 2024:

Share Range	Shareholders		Shares	
	Number	Percentage %	Number	Percentage %
1-100	13,378	33.68	589,746	0.59
101-500	13,854	34.88	3,410,571	3.41
501-1000	4,628	11.65	3,359,979	3.36
1001-5000	5,874	14.79	12,839,934	12.84
5001-10000	954	2.40	6,788,407	6.79
More than 10001	1,034	2.60	73,011,363	73.01
<b>Total</b>	<b>39,722</b>	<b>100</b>	<b>100,000,000</b>	<b>100</b>

The following table shows the development of the percentage of cash dividends distributed to shareholders for the last four years from (2020 to 2023) and proposed to be distributed for the year 2024:

Year	2020	2021	2022	2023	2024*
Percentage (%)	5%	30%	50%	45%	50%
Dividend of one share (Fills)	50	300	500	450	500

\* 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 27, 2025, that cash dividends be distributed at a rate of (50%) of the company's capital

The following table shows the net profits or loss and dividends and shareholders' Equity for the last five years 2020-2024:

Year	Net profits	Total Distributed Divedend	Shareholders' equity
	JD	JD	JD
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
2024*	72,415,110	50,000,000	661,204,279

\* 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 27, 2025, that cash dividends be distributed at a rate of (50%) 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 2024 compared to 2023:**

**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 2024 compared to the year 2023:

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 2024 (Share)	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 2024 (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)	Companies controlled by a board of directors or a relative of the member during 2023-2024	Contracts or projects that were awarded to board members of directors during 2023-2024	Transportation allowance and membership of committees for 2024 (JD)	Transportation allowance and membership of committees for 2023 (JD)
1.	Chairman of the Board (As of 18/9/2024) & Vice Chairman of the Board (Until 17/9/2024) Eng. Abed AlRahim Fathi Salim Boucal Representative of Abdel AlRahim Al Boucal & Partners Co. *	1959	B.Sc. in Civil Engineering Fresno University/ USA	1983	- Former Member of the Senate - Former Member of Parliament - Member of a number of Board of Directors. - Former Mayor Deputy of Greater Amman.	30/04/2007	28,393	28,393	Non	Non	Abdel Alrahim Boucal & Partners Co.	Non	118,950	83,392
2.	Chairman of the Board (Until 17/9/2024) Eng. Alaa Arif Saad Batayneh 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	- Director of the Office of His Majesty King Abdullah II Bin Al Hussein - 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	70,000	12,000 (sons)	12,000 (sons)	Al-Arif Energy and Transport Consulting Company	Non	134,350	159,011
3.	Vice Chairman of the Board (As of 18/9/2024) Eng. Abdel Karim Hussein Abdallah Alawm **	1955	BS in Chemical Engineering/I.I.T University/India	1978	- CEO of the Jordan Petroleum Refinery Company from 1/2010 to 11/ 2024. - Member of the Engineers Association. - Member of the International Liquefied Petroleum Gas Association. - Former Vice President of the Jordanian Engineers Association. - Former member of the Chemical Engineering Council of Jordan. - Chaired the Energy and Environment Committees of the Engineers Association several times. - Participated as a speaker in numerous conferences related to water and energy.	18/9/2024	41,267	41,267	Non	Non	Non	Non	24,675	Non

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 2024 (Share)	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 2024 (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)	Companies controlled by a board of directors members or a relative of the member during 2023-2024	Contracts or projects that were awarded to board members during 2023-2024	Transportation allowance and membership of committees for 2024 (JD)	Transportation allowance and membership of committees for 2023 (JD)
4	Mr. Bassam Rashad Rashid Snokriot	1954	Bachelor of Business Administration/ Beirut Arab University	1978	-Member of Board of Directors of several companies  - Member of the Senate - 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	67,700
5	Mr. Ahmad Adnan Saleh Alkhdari	1958	Bachelor in Business Management/ Lebanese University	1981	- Owner and Chairman of Tamnia 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	58,000
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 Tashheelat 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	130,000	60,000	Non	Non	Tamnia Securities Co.	Non	55,650	58,000
7	Mr. Jamal M. F. Fariz	1958	Bachelor of Business Administration / University of Jordan	1980	- 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	28,495	13,800 (sons)	13,700 (sons)	Non	Non	60,650	67,500

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 2024 (Share)	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 2024 (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)	Companies controlled by a board of directors or a relative of the member during 2023-2024	Contracts or projects that were awarded to board members during 2023-2024	Transportation allowance and membership of committees for 2024 (JD)	Transportation allowance and membership of committees for 2023 (JD)
8	Mr. Ibrahim A. A. AbuDayyeh	1953	Bachelor of Law/ Beirut Arab University	1979	- Member of Board of Quds Bank - Chairman of Board of Alshahm Aldawil Securities & Financial Consultants. - Chairman of Board of Dohlen 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	615,000	515,000	194,052 (sons)	369,152 (sons)	Non	58,000	55,650	
9	(Representative of Social Security Corporation) Ms. Reem Yahya Hamto Abzakh	1973	- Master of Law / Middle East University - Bachelor of Law / University of Jordan	2010 1995	- Legal Department Manager / Social Security Investment Fund. - Pleading Assessor in Income Tax Department (Until 2003). - Auditor in Legal Department of State Audit & Administrative Control Bureau (until 2001) - Represent Social Security Corporation in various companies.	10/7/2019	Non	Non	Non	Non	Non	58,000	55,650	
10	(Representative of Social Security Corporation) Mr. Ali Mohammad Mahmoud Al Balawneh	1967	- Master of Business Administration - Bachelor of Business Administration	2006 2003	- Internal Control Department Manager / Social Security Corporation. - Administrative Affairs Department Manager / Social Security Corporation. - Member of Board of Directors of several companies.	17/2/2021	Non	Non	Non	Non	Non	58,000	55,650	
11	Dr. Mohamad Moh'd K. Thneibat	1950	Ph.D. in Administration-Workforce Planning/ University of Southern California USA	1982	- 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	Non	23,586 (son)	Non	58,000	55,650	
12	(Representative of the Pension Fund of the Engineers Association) Eng. Ahmad Qassem 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	Non	Non	544 (wife)	Non	58,000	35,600	

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 2024 (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 2024 (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)	Companies controlled by a board of directors or a relative of the member during 2023-2024	Contracts or projects that were awarded to board members during 2023-2024	Transportation allowance and membership of committees for 2024 (JD)	Transportation allowance and membership of committees for 2023 (JD)
13	Representative of the Islamic Development Bank- Jeddah (As of 22/4/2024) Etq. Hussein Abdullah Hussein Mogalbel ***	1972	- Bachelor's degree in Electrical Engineering, King Fahd University of Petroleum and Minerals - Master's degree in Engineering and Construction Management, King Fahd University of Petroleum and Minerals	1996 1999	- Director of Private Infrastructure at the Islamic Development Bank (ISDB) in Jeddah - Experience in development and finance - Head of the Energy, Transport, Urban Development, and Information and Communications Technology (ICT) Sector at the ISDB in Jeddah - Member of the Project Procurement Review Committee at the ISDB in Jeddah	22/4/2024	Non	Non	Non	Non	14,525	Non	
14.	Representative of Al-Arif Energy and Transport Consulting Company (As of 18/9/2024) Mr. Mohammed Arif Sa'd Batayneh ****	1976	- Bachelor of Arts / George Washington University - USA. Bachelor of International Business Administration / George Washington University - USA.	1999	- Member of the Board of Directors of Al-Thiqqa Company. - Member of the Board of Directors of Suwayma Development Company. - Member of the Board of Directors of the Global Company for Investments and Medical Services. - General Manager of the Global Company for Facilities Management. - General Manager of Suwayma Development Company. - Executive Director of Services and Real Estate Management. - Head of the Investment Department, National Corporation for Investment and Resources Development. - Business Development Manager for the Information Technology and Education Curriculum. - Head of Business Development, Al-Ajdal Limited for Consulting and Fleet Management Technology.	18/9/2024	Non	Non	Non	Non	Non	13,600	Non
15.	(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 Abdulaziz University	2008 2003	- Senior Private Equity Investment Specialist at the Islamic Development Bank, Jeddah. - Board Member of GIB Capital. - Board Member and Chair of the Audit Committee of Caspian International Investment Company in Azerbaijan. - Investment Analyst in the Direct Investment and Finance Department of the Islamic Corporation for the Development of the Private Sector.	5/4/2023	Non	Non	Non	Non	Non	11,475	16,212

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 2024 (Share)	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 2024 (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)	Companies controlled by a board of directors members or a relative of the member during 2023-2024	Contracts or projects that were awarded to board of directors members during 2023-2024	Transportation allowance and membership of committees for 2024 (JD)	Transportation allowance and membership of committees for 2023 (JD)
16.	Eng. Khair Abdullah Ayad Abu Saalik (Until 17/09/2024) **	1971	Master in Industrial Engineering Jordan University	2004	- Minister of State for Public Sector Development - Member of the 17th, 18th and 19th Jordanian Parliament. - Member of the Board of Directors of the Pension Fund - Jordan 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. - President of the Jordan Economic Forum. - 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	69,967	91,650

- Transportation allowance, committee membership, and bonuses for representatives of the General Organization for Social Security, the Islamic Development Bank/Jeddah, the Pension Fund for Members of the Engineers Syndicate, Al-Arif Energy and Transport Consulting Company, and Abdel AlRahim Al Boucai & Partners Co. are paid to the entities they represent.

\* Eng. Abed Alrahim Fathi Salim Boucai, representative of Abdel AlRahim Al Boucai & Partners Co., who was holding the position of Vice Chairman of the Board of Directors of the company, was elected as Chairman of the Board of Directors of the company as of 18/9/2024 pursuant to Board of Directors Resolution No. (59) taken in its session held on 18/9/2024, succeeding the Chairman of the Board of Directors of the Company, His Excellency Eng. Alaa Arif Saad Batayneh, who resigned from the Board of Directors of the company following the issuance of the Royal Decree appointing him as Director of the office of His Majesty the King Abdullah II Bin Al Hussein.

\*\* Pursuant to Board of Directors Resolution No. (58) taken in its session held on 18/9/2024, Eng. Abdel Karim Hussein Abdullah Alawin was elected as a member of the Board of Directors to fill the vacant seat on the Company's Board of Directors, which was occupied by His Excellency Eng. Khair Abdullah Ayad Abu Saalik, who resigned on 17/09/2024 due to the issuance of the Royal Decree appointing him as Minister of State for Public Sector Development, pending his election to be presented to the General Assembly of Shareholders of the Company in its first meeting to approve his election or elect another member according to the rules. Eng. Abdel Karim Hussein Abdullah Alawin was also elected as Vice Chairman of the Company's Board of Directors pursuant to Board of Directors Resolution No. (60) taken in its session held on 18/9/2024.

\*\*\* Eng. Hussein Abdullah Hussein Mogaibel has been appointed as a representative of the Islamic Development Bank / Jeddah on the company's Board of Directors, replacing Mrs. Zain Iyad M. Alemam, effective from 22/4/2024, pursuant to letter from the Islamic Development Bank / Jeddah No. (INV-1267).

\*\*\*\* Mr. Mohammed Arif Sa'd Batayneh has been appointed as a representative of Al-Arif Energy and Transport Consulting Company on the company's Board of Directors, replacing His Excellency Eng. Alaa Arif Saad Batayneh, effective from 18/9/2024, pursuant to the letter from Al-Arif Energy and Transport Consulting Company dated 18/9/2024.

The following table shows the number of shares owned by Members of the Board of Directors and whom they represent as on 31/12/2024 compared with 2023:

Name	Number of shares owned personally 2024	No. of shares owned by the organization and the member who represents. 2024	Number of shares owned personally 2023	No. of shares owned by the organization and the member who represents. 2023
Chairman of the Board (As of 18/9/2024) & Vice Chairman of the Board (Until 17/9/2024) Representative of Abdel AlRahim Al Boucai & Partners Co. Eng. Abed AlRahim Fathi Salim Boucai *	28,393	600	28,393	600
Chairman of the Board (Until 17/9/2024) Representative of Al-Arif Energy and Transport Consulting Company Eng. Alaa Arif Saad Batayneh *	70,000	1,000	70,000	1,000
Vice Chairman of the Board (As of 18/9/2024) Eng. Abdel Karim Hussein Abdallah Alawin **	41,267	-	41,267	-
Mr. Bassam Rashad Rashid Sinokrot	72,358	-	72,358	-
Mr. Ahmad Adnan Saleh Alkhudari	1,200	-	1,200	-
Mr. Walid Yacoub Mahmoud Al Najjar	130,000	-	60,000	-
Mr. Jamal M. F. Fariz	28,495	-	25,495	-
Mr. Ibrahim A. A. AbuDayyeh	615,000	-	515,000	-
(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 Al Balawneh	-	20,140,624	-	20,140,624
Dr. Mohammad Moh'd K. Thneibat	3,122	-	3,122	-
(Representative of the Pension Fund of the Engineers Association) Eng. Ahmad Qasem Mohammad Al Sammarah	-	422,500	-	400,665
Representative of the Islamic Development Bank-Jeddah Eng. Hussein Abdullah Hussein Mogaibel ***	-	6,250,000	-	6,250,000
Mr. Mohammed Arif Sa'd Batayneh ****	-	1,000	-	1,000

The following table shows the number of shares owned by Members of the Board of Directors and whom they represent as on 31/12/2024 compared with 2023:

Name	Number of shares owned personally 2024	No. of shares owned by the organization and the member who represents. 2024	Number of shares owned personally 2023	No. of shares owned by the organization and the member who represents. 2023
Representative of the Islamic Development Bank-Jeddah) Mrs. Zain Iyad M Alemam (Until 21/04/2024) ***	-	6,250,000	-	6,250,000
Eng. Khair Abdullah Ayad Abu Saalik (Until 17/09/2024) **	11,023	-	11,023	-

\* Eng. Abed Alrahim Fathi Salim Boucai, representative of Abdel AlRahim Al Boucai & Partners Co., who was holding the position of Vice Chairman of the Board of Directors of the company, was elected as Chairman of the Board of Directors of the company as of 18/9/2024 pursuant to Board of Directors Resolution No. (59) taken in its session held on 18/9/2024, succeeding the Chairman of the Board of Directors of the Company, His Excellency Eng. Alaa Arif Saad Batayneh, who resigned from the Board of Directors of the company following the issuance of the Royal Decree appointing him as Director of the office of His Majesty the King Abdullah II Bin Al Hussein.

\*\* Pursuant to Board of Directors Resolution No. (58) taken in its session held on 18/9/2024, Eng. Abdel Karim Hussein Abdullah Alawin was elected as a member of the Board of Directors to fill the vacant seat on the Company's Board of Directors, which was occupied by His Excellency Eng. Khair Abdullah Ayad Abu Saalik, who resigned on 17/9/2024 due to the issuance of the Royal Decree appointing him as Minister of State for Public Sector Development, pending his election to be presented to the General Assembly of Shareholders of the Company in its first meeting to approve his election or elect another member according to the rules. Eng. Abdel Karim Hussein Abdullah Alawin was also elected as Vice Chairman of the Company's Board of Directors pursuant to Board of Directors Resolution No. (60) taken in its session held on 18/9/2024.

\*\*\* Eng. Hussein Abdullah Hussein Mogaibel has been appointed as a representative of the Islamic Development Bank / Jeddah on the company's Board of Directors, replacing Mrs. Zain Iyad M Alemam, effective from 22/4/2024, pursuant to letter from the Islamic Development Bank / Jeddah No. (INV-1267).

\*\*\*\* Mr. Mohammed Arif Sa'd Batayneh has been appointed as a representative of Al-Arif Energy and Transport Consulting Company on the company's Board of Directors, replacing His Excellency Eng. Alaa Arif Saad Batayneh, effective from 18/9/2024, pursuant to the letter from Al-Arif Energy and Transport Consulting Company dated 18/9/2024.

**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 2024 compared to the year 2023

No.	Name	Date of Birth	Academic Degree	Graduation Year	Current Position	Date of Appointment	Number of Shares Held 2024 (Share)	Number of Shares Held 2023 (Share)	Number of Shares Held by Relatives (wife & children) 2024	Number of Shares Held by Relatives (wife & children) 2023	Companies controlled by senior management staff & their relatives during in 2023 & 2024	Contracts, projects and Links that the company has made with senior employees and their relatives For 2023 & 2024	Salaries, benefits, bonuses and travel allowances in 2024 (JD)	Salaries, benefits, bonuses and travel allowances in 2023 (JD)
1	Eng. Hasan Soud Ahmad Alheyari *	1971	Bachelor of Mechanical Engineering University of Basra, Iraq	1993	Chief Executive Officer as of 1/12/2024	01/12/2024	Non	Non	Non	Non	Non	Non	8,500	Non
2	Eng. Abdel Karim Hussein Abdallah Alawin *	1955	BS in Chemical Engineering/I.I.T University/India	1978	Chief Executive Officer Until 30/11/2024	28/10/1978	41,267	41,267	Non	Non	Non	Non	269,806	347,118
3	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
4	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	99,022	95,906
5	Eng. Sultan Mohammad Suboh Mutleg **	1965	BS in Chemical Engineering / University of Jordan	1992	Acting Refinery Executive Director / Acting Deputy Chief Executive Officer for Technical Affairs as of 13/11/2024	25/6/1994	5,000	5,000	Non	Non	Non	Non	43,214	41,473
6	Eng. Kamal Waleed Khalaf Al-Tall **	1959	Masters in Petroleum Engineering/ Ploiesti - Romania	1982	Refinery Executive Director / Deputy Chief Executive Officer for Technical Affairs Until 12/11/2024	9/10/1982	Non	Non	Non	Non	Non	Non	65,724	77,764

\* Given that the Board of Directors of the Company has accepted the resignation of the CEO of the Company, Eng. Abdel Karim Hussein Abdullah Alawin, effective from 3/11/2024, Eng. Hasan Soud Ahmad Alheyari has been appointed as the CEO of the Company, effective from 1/12/2024. The Vice Chairman of the Board of Directors, Eng. Abdel Karim Hussein Abdullah Alawin, has been assigned to manage the Company's business, effective from 4/11/2024, until the CEO, Eng. Hasan Soud Ahmad Alheyari, assumes his duties, noting that he has assumed his duties, effective from 1/12/2024.

\*\* The Board of Directors of the Company decided in its meeting No. (9/2024) held on 4/11/2024 to terminate the services of Eng. Kamal Waleed Khalaf Al-Tall / Deputy CEO for Technical Affairs - Executive Director of the Refinery, effective from 13/11/2024, and to appoint Eng. Sultan Mohammad Suboh Mutleg, Acting Deputy CEO for Technical Affairs / Acting Executive Director of the Refinery, effective from 13/11/2024.

## Fourteenth: Board of Directors Meetings and Committees:

### A. Board of Directors meetings:

The number of meetings of the Board of Directors were (10) meetings during the year 2024, 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 / Representative of Abdel AlRahim Al Boucai & Partners Co. *	Chairman of the Board (As of 18/9/2024) & Vice Chairman of the Board Until 17/9/2024)	10	10	100%
2.	Eng. Alaa Arif Saad Batayneh/ Representative of Al-Arif Energy and Transport Consulting Company *	Chairman of the Board (Until 17/9/2024)	6	6	100%
3.	Eng. Abdel Karim Hussein Abdallah Alawin **	Vice Chairman of the Board (As of 18/9/2024)	4	4	100%
4.	Mr. Bassam Rashad Rashid Sinokrot	Board Member	10	10	100%
5.	Mr. Ahmad Adnan Saleh Alkhudari	Board Member	10	9	90%
6	Mr. Walid Yacoub Mahmoud Al Najjar	Board Member	10	9	90%
7.	Mr. Jamal M. F. Fariz	Board Member	10	10	100%
8.	Mr. Ibrahim A. A. AbuDayyeh	Board Member	10	10	100%
9.	Ms. Reem Yahya Hamto Abzakh / Representative of Social Security Corporation	Board Member	10	10	100%
10.	Mr. Ali Mohammad Mahmoud Al Balawneh / Representative of Social Security Corporation)	Board Member	10	10	100%
11.	Dr. Mohammad Moh'd K. Thneibat	Board Member	10	8	80%
12.	Eng. Ahmad Qasem Mohammad Al Sammarah / Representative of the Pension Fund of the Jordanian Engineers Association)	Board Member	10	7	70%
13.	Eng. Hussein Abdullah Hussein Mogaibel / Representative of the Islamic Development Bank-Jeddah (As of 22/04/2024) ***	Board Member	7	6	86%
14.	Mr. Mohammed Arif Sa'd Batayneh/ Representative of Al-Arif Energy and Transport Consulting Company (As of 18/9/2024) ****	Board Member	4	4	100%
15.	Mrs. Zain Iyad M Alemam./ Representative of the Islamic Development Bank-Jeddah (Until 21/04/2024) ***	Board Member	3	1	33%
16.	Eng. Khair Abdullah Ayad Abu Saalik	Board Member	6	6	100%

\* Eng. Abed Alrahim Fathi Salim Boucai, representative of Abdel AlRahim Al Boucai & Partners Co., who was holding the position of Vice Chairman of the Board of Directors of the company, was elected as Chairman of the Board of Directors of the company as of 18/9/2024 pursuant to Board of Directors Resolution No. (59) taken in its session held on 18/9/2024, succeeding the Chairman of the Board of Directors of the Company, His Excellency Eng. Alaa Arif Saad Batayneh, who resigned from the Board of Directors of the company following the issuance of the Royal Decree appointing him as Director of the office of His Majesty the King Abdullah II Bin Al Hussein.

\*\* Pursuant to Board of Directors Resolution No. (58) taken in its session held on 18/9/2024, Eng. Abdel Karim Hussein Abdallah Alawin was elected as a member of the Board of Directors to fill the vacant seat on the Company's Board of Directors, which was occupied by His Excellency Eng. Khair Abdullah Ayad Abu Saalik, who resigned on 17/9/2024 due to the issuance of the Royal Decree appointing him as Minister of State for Public Sector Development, pending his election to be presented to the General Assembly of Shareholders of the Company in its first meeting to approve his election or elect another member according to the rules. Eng. Abdel Karim Hussein Abdallah Alawin was also elected as Vice Chairman of the Company's Board of Directors pursuant to Board of Directors Resolution No. (60) taken in its session held on 18/9/2024.

\*\*\* Eng. Hussein Abdullah Hussein Mogaibel has been appointed as a representative of the Islamic Development Bank / Jeddah on the company's Board of Directors, replacing Mrs. Zain Iyad M Alemam, effective from 22/4/2024, pursuant to letter from the Islamic Development Bank / Jeddah No. (INV-1267).

\*\*\*\* Mr. Mohammed Arif Sa'd Batayneh has been appointed as a representative of Al-Arif Energy and Transport Consulting Company on the company's Board of Directors, replacing His Excellency Eng. Alaa Arif Saad Batayneh, effective from 18/9/2024, pursuant to the letter from Al-Arif Energy and Transport Consulting Company dated 18/9/2024.

## 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 2024, 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 (As of 18/09/2024 & Vice Chairman (Until 17/9/2024)	9	8	89%
2.	Eng. Alaa Arif Saad Batayneh *	Chairman of the committee (Until 17/9/2024)	7	7	100%
3.	Eng. Abdel Karim Hussein Abdallah Alawin **	Vice Chairman of the committee (As of 18/9/2024) & Member (Until 17/9/2024)	9	9	100%
4.	Mr. Bassam Rashad Rashid Sinokrot	Member	9	5	56%
5.	Mr. Mohammed Arif Sa'd Batayneh ***	Member (As of 18/9/2024)	2	2	100%
6.	Eng. Khair Abdullah Ayad Abu Saalik **	Member (Until 17/9/2024)	7	6	86%
7.	Eng. Hasan Soud Ahmad Alheyari ****	Member (As of 12/12/2024)	-	-	-

- The Central Tenders Committee was reconstituted pursuant to Board of Directors Resolution No. (62) taken in its session held on 2024/9/18.

\* The Central Tenders Committee was reconstituted pursuant to Board of Directors Resolution No. (62) taken in its session held on 18/9/2024, and Eng. Abed AlRahim Fathi Salim Boucai became Chairman of the Committee as of 18/9/2024, succeeding the Chairman of the Committee, His Excellency Engineer Alaa Arif Saad Batayneh, who resigned from the Board of Directors of the company following the issuance of the Royal Decree appointing him as Director of the office of His Majesty the King Abdullah II Bin Al Hussein.

\*\* Pursuant to Board of Directors Resolution No. (58) taken in its session held on 18/9/2024, Eng. Abdel Karim Hussein Abdallah Alawin was elected as a member of the Board of Directors to fill the vacant seat on the Company's Board of Directors, which was occupied by His Excellency Engineer Eng. Khair Abdullah Ayad Abu Saalik, who resigned on 17/09/2024 due to the issuance of the Royal Decree appointing him as Minister of State for Public Sector Development, pending his election to be presented to the General Assembly of Shareholders of the Company in its first meeting to approve his election or elect another member according to the rules. Eng. Abdel Karim Hussein Abdallah Alawin also became Vice Chairman of the Committee pursuant to Board of Directors Resolution No. (62) taken in its session held on 18/9/2024.

\*\*\* Mr. Mohammed Arif Sa'd Batayneh has been appointed as a representative of Al-Arif Energy and Transport Consulting Company on the company's Board of Directors, replacing His Excellency Eng. Alaa Arif Saad Batayneh, effective from 18/9/2024, pursuant to the letter from Al-Arif Energy and Transport Consulting Company dated 18/9/2024, and he became a member of the Committee pursuant to the Board of Directors Solution No. (62) in its session held on 18/9/2024.

\*\*\*\* Given that the Board of Directors of the Company has accepted the resignation of the CEO of the Company, Eng. Abdel Karim Hussein Abdallah Alawin, effective from 3/11/2024, Eng. Hasan Soud Ahmad Alheyari has been appointed as the CEO of the Company, effective from 1/12/2024, the Vice Chairman of the Board of Directors, Eng. Abdel Karim Hussein Abdallah Alawin, has been assigned to manage the Company's business, effective from 4/11/2024, until the CEO, Eng. Hasan Soud Ahmad Alheyari, assumes his duties, noting that he has assumed his duties, effective from 01/12/2024, and he became a member of the Committee pursuant to the Board of Directors taken in its session No. (10/2024) held on 12/12/2024.

### • Finance Committee:

The number of meetings of the Finance Committee were (7) meetings during the year 2024, and the following table shows the attendance:

No.	Member	Position	Number of invitations to convene	Number of attendances	Attendance Percentage
1	Eng. Abed Alrahim Boucai	Chairman of the committee	7	7	100%
2	Mr. Jamal M. F. Fariz	Vice Chairman of the committee (As of 18/09/2024) & Member (Until 17/09/2024)	7	7	100%
3	Eng. Khair Abdullah Ayad Abu Saalik *	Vice Chairman of the committee (Until 17/09/2024)	5	4	80%
4	Mr. Bassam Rashad Rashid Sinokrot	Member	7	4	57%
5	Eng. Abdel Karim Hussein Abdallah Alawin	Member	7	7	100%
6	Mr. Mohammed Arif Sa'd Batayneh **	Member	2	2	100%
7	Eng. Hasan Soud Ahmad Alheyari **	Member	-	-	-

- The Finance Committee was reconstituted pursuant to Board of Directors Resolution No. (62) taken in its session held on 18/9/2024.

\* Eng. Khair Abdullah Ayad Abu Saalik resigned on 17/9/2024 due to the issuance of the Royal Decree appointing him as Minister of State for Public.

\* Mr. Mohammed Arif Sa'd Batayneh has been appointed as a representative of Al-Arif Energy and Transport Consulting Company on the company's Board of Directors, replacing His Excellency Eng. Alaa Arif Saad Batayneh, effective from 18/9/2024, pursuant to the letter from Al-Arif Energy and Transport Consulting Company dated 18/9/2024, and he became a member of the Committee pursuant to the Board of Directors Resolution No. (62) taken in its session held on 18/9/2024.

\* Given that the Board of Directors of the Company has accepted the resignation of the CEO of the Company, Eng. Abdel Karim Hussein Abdallah Alawin, effective from 3/11/2024, Eng. Hasan Soud Ahmad Alheyari has been appointed as the CEO of the Company, effective from 1/12/2024. The Vice Chairman of the Board of Directors, Eng. Abdel Karim Hussein Abdallah Alawin, has been assigned to manage the Company's business, effective from 4/11/2024, until the CEO, Eng. Hasan Soud Ahmad Alheyari, assumes his duties, noting that he has assumed his duties, effective from 1/12/2024, and he became a member of the Committee pursuant to the Board of Directors taken in its session No. (10/2024) held on 12/12/2024.

### • Nominations and Remuneration Committee:

The number of Nomination and Remuneration Committee meetings were (6) meetings during the year 2024, 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	6	6	100%
2	Mr. Ibrahim A. A. AbuDayyeh	Vice Chairman of the committee	6	5	83%
3	Mr. Ali Mohammad Mahmoud Al Balawneh	Member	6	6	100%

- The formation of the Nominations and Remuneration Committee was maintained pursuant to Board of Directors Resolution No. (62) in its session held on 18/9/2024 without any amendment.

• **Internal Audit and Control Committee:**

The number of meetings of the Internal Audit and Control Committee were (7) meetings during the year 2024, 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	7	7	100%
2	Mr. Walid Yacoub Mahmoud Al Najjar	Vice Chairman of the committee	7	7	100%
3	Eng. Ahmad Qasem Mohammad Al Sammarah	Member	7	4	57%

- The composition of the Internal Audit and Control Committee was maintained, pursuant to Board of Directors Resolution No. (62) of its meeting held on 18/9/2024 without any amendment.

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

• **Governance Committee:**

The number of meetings of the Governance Committee were (3) meetings during the year 2024, 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	3	100%
3.	Ms. Reem Yahya Hamto Abzakh	Member	3	3	100%
4.	Eng. Khair Abdullah Ayad Abu Saalik *	Member (Until 17/09/2024)	1	1	100%

- The Governance Committee was reconstituted pursuant to Board of Directors Resolution No. (62) at its meeting held on 2024/9/18.

\* Eng. Khair Abdullah Ayad Abu Saalik resigned on 17/9/2024, following the issuance of a Royal Recree appointing him Minister of State for Public Sector Development.

• **Risk Management Committee:**

The number of meetings of the Risk Management Committee were (2) meetings during the year 2024, 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	2	2	100%
2	Mr. Jamal M. F. Fariz	Vice Chairman of the committee	2	2	100%
3	Eng. Abdel Karim Hussein Abdallah Alawin	Member	2	2	100%

- The formation of the Risk Management Committee was maintained, pursuant to Board of Directors Resolution No. (62) of its meeting held on 2024/9/18 without any amendment.

## 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"> <li>• 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.</li> <li>• 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.</li> </ul>	<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 implementation of corporate governance rules, the decisions of the Board of Directors and the applicable regulations in this regard, and the committees emanating from the Company's Board of Directors (the Governance Committee and the Risk Management Committee).</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"> <li>1. Company's Internal Regulation.</li> <li>2. Supplies and Works System.</li> <li>3. Financial System.</li> <li>4. Employees System.</li> <li>5. System and Guidance Manual for the Control Unit.</li> <li>6. Governance System and Corporate Governance Framework.</li> <li>7. Risk System, Risk Management Policies and Risk Management Manual.</li> </ol>	<p>The regulations/systems in force at the company:</p> <ol style="list-style-type: none"> <li>1. Company's Internal regulation.</li> <li>2. Supplies and Works System.</li> <li>3. Financial System.</li> <li>4. Employees System.</li> <li>5. System and Guidance Manual for the Control/Audit Unit.</li> <li>6. Governance System and Corporate Governance Framework.</li> <li>7. Risk System, Risk Management Policies and Risk Management Manual.</li> </ol>
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 By-laws and corporate governance instructions.</p>	<p>Companies Law, Company's Internal Regulations and Corporate Governance Instructions.</p>

Board of Directors	Supporting Documents
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4	<p>Determine the responsibility of Executive members in the Board of directors (if any). There are no Executive Members (Not applicable).</p>	-
5	<p>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.</p>	<p>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.</p>
6	<p>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.</p>	<p>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.</p>
7	<p>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.</p>	-

**List the number of Board meetings and the attendance: The number of meetings of the Board of Directors were (10) meetings during the year 2024, the following table show the attendance:**

No.	Member name	Position	Number of Meeting	Number of Attendances	Attendance Percentage
1	Eng. Abed AlRahim Fathi Salim Boucai / Representative of Abdel AlRahim Al Boucai & Partners Co. *	Chairman of the Board	10	10	100%
2	Eng. Alaa Arif Saad Batayneh/ Representative of Al-Arif Energy and Transport Consulting Company *	Vice Chairman	6	6	100%
3	Eng. Abdel Karim Hussein Abdallah Alawin **	Vice Chairman of the Board (As of 18/9/2024)	4	4	100%
4	Mr. Bassam Rashad Rashid Sinokrot	Board Member	10	10	100%
5	Mr. Ahmad Adnan Saleh Alkhudari	Board Member	10	9	90%
6	Mr. Walid Yacoub Mahmoud Al Najjar	Board Member	10	9	90%
7	Mr. Jamal M. F. Fariz	Board Member	10	10	100%
8	Mr. Ibrahim A. A. AbuDayyeh	Board Member	10	10	100%
9	Ms. Reem Yahya Hamto Abzakh / Representative of Social Security Corporation	Board Member	10	10	100%
10	Mr. Ali Mohammad Mahmoud Al Balawneh / Representative of Social Security Corporation)	Board Member	10	10	100%
11	Dr. Mohammad Moh'd K. Thneibat	Board Member	10	8	80%
12	Eng. Ahmad Qasem Mohammad Al Sammarah / Representative of the Pension Fund of the Jordanian Engineers Association)	Board Member	10	7	70%
13	Eng. Hussein Abdullah Hussein Mogai-bel / Representative of the Islamic Development Bank- Jeddah (As of 22/04/2024) ***	Board Member	7	6	86%
14	Mr. Mohammed Arif Sa'd Batayneh/ Representative of Al-Arif Energy and Transport Consulting Company (As of 18/9/2024) ****	Board Member	4	4	100%

	NO.	Member Name	Position	Number of meeting	Number of attendances	Attendance Percentage
	15	Mrs. Zain Iyad M Alemam./ Representative of the Islamic Development Bank- Jeddah (Until 21/04/2024) ***	Board Member	3	1	33%
	16	Eng. Khair Abdullah Ayad Abu Saalik	Board Member	6	6	100%
<p>* Eng. Abed Alrahim Fathi Salim Boucai, representative of Abdel AlRahim Al Boucai &amp; Partners Co., who was holding the position of Vice Chairman of the Board of Directors of the company, was elected as Chairman of the Board of Directors of the company as of 18/9/2024 pursuant to Board of Directors Resolution No. (59) taken in its session held on 18/9/2024, succeeding the Chairman of the Board of Directors of the Company, His Excellency Eng. Alaa Arif Saad Batayneh , who resigned from the Board of Directors of the company following the issuance of the Royal Decree appointing him as Director of the office of His Majesty the King Abdullah II Bin Al Hussein.</p> <p>** Pursuant to Board of Directors Resolution No. (58) taken in its session held on 18/9/2024, Eng. Abdel Karim Hussein Abdullah Alawin was elected as a member of the Board of Directors to fill the vacant seat on the Company's Board of Directors, which was occupied by His Excellency Eng. Khair Abdullah Ayad Abu Saalik, who resigned on 17/09/2024 due to the issuance of the Royal Decree appointing him as Minister of State for Public Sector Development, pending his election to be presented to the General Assembly of Shareholders of the Company in its first meeting to approve his election or elect another member according to the rules. Eng. Abdel Karim Hussein Abdullah Alawin was also elected as Vice Chairman of the Company's Board of Directors pursuant to Board of Directors Resolution No. (60) taken in its session held on 18/9/2024.</p> <p>*** Eng. Hussein Abdullah Hussein Mogaibel has been appointed as a representative of the Islamic Development Bank / Jeddah on the company's Board of Directors, replacing Mrs. Zain Iyad M Alemam, effective from 22/4/2024, pursuant to letter from the Islamic Development Bank / Jeddah No. (INV-1267).</p> <p>**** Mr. Mohammed Arif Sa'd Batayneh has been appointed as a representative of Al-Arif Energy and Transport Consulting Company on the company's Board of Directors, replacing His Excellency Eng. Alaa Arif Saad Batayneh, effective from 18/9/2024, pursuant to the letter from Al-Arif Energy and Transport Consulting Company dated 18/9/2024.</p>						
	9	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).				Companies Law Article No. (132).
	10	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.				Employees System
	11	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.				-
Committees emanating from the Board of Directors					Supporting Documents	
	1	<p><b>Committees emanating from the Board of Directors and the responsibilities of each committee:</b></p> <ol style="list-style-type: none"> <li>1. Central tenders committee: Its responsibility is determined in the supplies and works system</li> <li>2. Financial committee: its responsibility is determined in financial system.</li> <li>3. Remuneration and nominations committee: its responsibility determined in Employee's system.</li> <li>4. Internal audit and control committee: its responsibility is defined by the system and guide for the control and audit unit.</li> <li>5. Governance committee: its responsibility determined in the code of corporate governance issued by Jordan Securities Commission.</li> <li>6. Risk management committee: Its responsibility is specified in the risk policies and procedures manual.</li> </ol>				Board of Directors resolutions to form committees. 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.

## Committees emanating from the Board of Directors

## Supporting Documents

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

### Central Tenders Committee:

The number of meetings of the Central Tenders Committee were (9) meetings during the year 2024, and the following table shows the attendance:

No.	Member Name	Position	Number of invitations to convene	Number of attendances	Attendance Percentage
1	Eng. Abed AlRahim Fathi Salim Boucai *	Chairman of the committee (As of 18/09/2024 & Vice Chairman (Until 17/9/2024)	9	8	89%
2	Eng. Alaa Arif Saad Batayneh *	Chairman of the committee (Until 17/9/2024)	7	7	100%
3	Eng. Abdel Karim Hussein Abdallah Alawin **	Vice Chairman of the committee (As of 18/09/2024) & Member (Until 17/9/2024)	9	9	100%
4	Mr. Bassam Rashad Rashid Sinokrot	Member	9	5	56%
5	Mr. Mohammed Arif Sa'd Batayneh ***	Member (As of 18/9/2024)	2	2	100%
6	Eng. Khair Abdullah Ayad Abu Saalik **	Member (Until 17/9/2024)	7	6	86%
7	Eng. Hasan Soud Ahmad Alheyari ****	Member (As of 12/12/2024)	-	-	-

-The Central Tenders Committee was reconstituted pursuant to Board of Directors Resolution No. (62) taken in its session held on 18/9/2024.

\* The Central Tenders Committee was reconstituted pursuant to Board of Directors Resolution No. (62) taken in its session held on 18/9/2024, and Eng. Abed AlRahim Fathi Salim Boucai became Chairman of the Committee as of 18/9/2024, succeeding the Chairman of the Committee, His Excellency Engineer Alaa Arif Saad Batayneh, who resigned from the Board of Directors of the company following the issuance of the Royal Decree appointing him as Director of the office of His Majesty the King Abdullah II Bin Al Hussein.

\*\* Pursuant to Board of Directors Resolution No. (58) taken in its session held on 18/9/2024, Eng. Abdel Karim Hussein Abdallah Alawin was elected as a member of the Board of Directors to fill the vacant seat on the Company's Board of Directors, which was occupied by His Excellency Engineer Eng. Khair Abdullah Ayad Abu Saalik, who resigned on 17/09/2024 due to the issuance of the Royal Decree appointing him as Minister of State for Public Sector Development, pending his election to be presented to the General Assembly of Shareholders of the Company in its first meeting to approve his election or elect another member according to the rules. Eng. Abdel Karim Hussein Abdallah Alawin also became Vice Chairman of the Committee pursuant to Board of Directors Resolution No. (62) taken in its session held on 18/9/2024.

\*\*\* Mr. Mohammed Arif Sa'd Batayneh has been appointed as a representative of Al-Arif Energy and Transport Consulting Company on the company's Board of Directors, replacing His Excellency Eng. Alaa Arif Saad Batayneh, effective from 18/9/2024, pursuant to the letter from Al-Arif Energy and Transport Consulting Company dated 18/9/2024, and he became a member of the Committee pursuant to the Board of Directors Solution No. (62) in its session held on 18/9/2024.

\*\*\*\* Given that the Board of Directors of the Company has accepted the resignation of the CEO of the Company, Eng. Abdel Karim Hussein Abdallah Alawin, effective from 3/11/2024, Eng. Hasan Soud Ahmad Alheyari has been appointed as the CEO of the Company, effective from 1/12/2024, the Vice Chairman of the Board of Directors, Eng. Abdel Karim Hussein Abdallah Alawin, has been assigned to manage the Company's business, effective from 4/11/2024, until the CEO, Eng. Hasan Soud Ahmad Alheyari, assumes his duties, noting that he has assumed his duties, effective from 01/12/2024, and he became a member of the Committee pursuant to the Board of Directors taken in its session No. (10/2024) held on 12/12/2024.

Minutes of committee meetings emanating from the Board of Directors

## Committees emanating from the Board of Directors

## Supporting Documents

### Finance Committee:

The number of meetings of the Finance Committee were (7) meetings during the year 2024, and the following table shows the attendance:

No.	Member Name	Position	Number of invitations to convene	Number of attendances	Attendance Percentage
1	Eng. Abed Alrahim Boucai	Chairman of the committee	7	7	100%
2	Mr. Jamal M. F. Fariz	Vice Chairman of the committee (As of 18/9/2024) & Member (Until 17/09/2024)	7	7	100%
3	Eng. Khair Abdullah Ayad Abu Saalik *	Vice Chairman of the committee (Until 17/9/2024)	5	4	80%
4	Mr. Bassam Rashad Rashid Sinokrot	Member	7	4	57%
5	Eng. Abdel Karim Hussein Abdallah Alawin	Member	7	7	100%
6	Mr. Mohammed Arif Sa'd Batayneh **	Member (As of 18/9/2024)	2	2	100%
7	Eng. Hasan Soud Ahmad Alheyari ***	Member (As of 12/12/2024)	-	-	-

- The Finance Committee was reconstituted pursuant to Board of Directors Resolution No. (62) taken in its session held on 18/9/2024.

\* Engineer Eng. Khair Abdullah Ayad Abu Saalik resigned on 17/9/2024 due to the issuance of the Royal Decree appointing him as Minister of State for Public.

\*\* Mr. Mohammed Arif Sa'd Batayneh has been appointed as a representative of Al-Arif Energy and Transport Consulting Company on the company's Board of Directors, replacing His Excellency Eng. Alaa Arif Saad Batayneh, effective from 18/9/2024, pursuant to the letter from Al-Arif Energy and Transport Consulting Company dated 18/9/2024, and he became a member of the Committee pursuant to the Board of Directors Resolution No. (62) taken in its session held on 18/9/2024.

\*\*\* Given that the Board of Directors of the Company has accepted the resignation of the CEO of the Company, Eng. Abdel Karim Hussein Abdallah Alawin, effective from 3/11/2024, Eng. Hasan Soud Ahmad Alheyari has been appointed as the CEO of the Company, effective from 1/12/2024. The Vice Chairman of the Board of Directors, Eng. Abdel Karim Hussein Abdallah Alawin, has been assigned to manage the Company's business, effective from 4/11/2024, until the CEO, Eng. Hasan Soud Ahmad Alheyari, assumes his duties, noting that he has assumed his duties, effective from 1/12/2024, and he became a member of the Committee pursuant to the Board of Directors taken in its session No. (10/2024) held on 12/12/2024.

### Nominations and Remuneration Committee:

The number of Nominations and Remuneration Committee meetings were (6) meetings during the year 2024, and the following table shows attendance:

No.	Member Name	Position	Number of invitations to convene	Number of attendances	Attendance Percentage
1	Dr. Mohammad Moh'd K. Thneibat	Chairman of the committee	6	6	100%
2	Mr. Ibrahim A. A. AbuDayyeh	Vice Chairman	6	5	83%
3	Mr. Ali Mohammad Mahmoud Al Balawneh	Member	6	6	100%

- The formation of the Nominations and Remuneration Committee was maintained pursuant to Board of Directors Resolution No. (62) in its session held on 18/09/2024 without any amendment.

**Internal Audit and Control Committee:**

The number of meetings of the Internal Audit and Control Committee were (7) meetings during the year 2024, and the following table shows the attendance:

No.	Member Name	Position	Number of invitations to convene	Number of attendances	Attendance Percentage
1	Mr. Ahmad Adnan Saleh Alkhudari	Chairman of the committee	7	7	100%
2	Mr. Walid Yacoub Mahmoud Al Najjar	Vice Chairman of the committee	7	7	100%
3	Eng. Ahmad Qasem Mohammad Al Sammarah	Member	7	4	57%

- The composition of the Internal Audit and Control Committee was maintained, pursuant to Board of Directors Resolution No. (62) of its meeting held on 18/9/2024 without any amendment.

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

**Governance Committee:**

The number of meetings of the Governance Committee were (3) meetings during the year 2024, and the following table shows the attendance

No.	Member Name	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 of the committee	3	3	100%
3.	Ms. Reem Yahya Hamto Abzakh	Member	3	3	100%
4.	Eng. Khair Abdullah Ayad Abu Saalik *	Member (Until 17/09/2024)	1	1	100%

- The Governance Committee was reconstituted pursuant to Board of Directors Resolution No. (62) at its meeting held on 18/9/2024.

\* Eng. Khair Abdullah Ayad Abu Saalik resigned on 17/9/2024, following the issuance of a Royal Decree appointing him Minister of State for Public Sector Development.

**Risk Management Committee:**

The number of meetings of the Risk Management Committee were (2) meetings during the year 2024, and the following table shows the attendance:

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

-The composition of the Risk Management Committee was maintained, pursuant to Board of Directors Resolution No. (62) of its meeting held on 18/9/2024, without any amendment.

## Committees emanating from the Board of Directors

## Supporting Documents

3 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. Abed AlRahim Fathi Salim Boucai *	Chairman of the committee (As of 18/9/2024 & Vice Chairman (Until 17/09/2024)
2	Eng. Alaa Arif Saad Batayneh *	Chairman of the committee (Until 17/9/2024)
3	Eng. Abdel Karim Hussein Abdallah Alawin **	Vice Chairman (As of 18/9/2024) & Member (Until 17/9/2024)
4	Mr. Bassam Rashad Rashid Sinokrot	Member
5	Mr. Mohammed Arif Sa'd Batayneh ***	Member (As of 18/9/2024)
6	Eng. Khair Abdullah Ayad Abu Saalik **	Member (Until 17/9/2024)
7	Eng. Hasan Soud Ahmad Alheyari ****	Member (As of 12/12/2024)

- The Central Tenders Committee was reconstituted pursuant to Board of Directors Resolution No. (62) taken in its session held on 18/9/2024.

\* The Central Tenders Committee was reconstituted pursuant to Board of Directors Resolution No. (62) taken in its session held on 18/9/2024, and Eng. Abed AlRahim Fathi Salim Boucai became Chairman of the Committee as of 18/9/2024, succeeding the Chairman of the Committee, His Excellency Engineer Alaa Arif Saad Batayneh, who resigned from the Board of Directors of the company following the issuance of the Royal Decree appointing him as Director of the office of His Majesty the King Abdullah II Bin Al Hussein.

\*\* Pursuant to Board of Directors Resolution No. (58) taken in its session held on 18/9/2024, Eng. Abdel Karim Hussein Abdallah Alawin was elected as a member of the Board of Directors to fill the vacant seat on the Company's Board of Directors, which was occupied by His Excellency Engineer Eng. Khair Abdullah Ayad Abu Saalik, who resigned on 17/09/2024 due to the issuance of the Royal Decree appointing him as Minister of State for Public Sector Development, pending his election to be presented to the General Assembly of Shareholders of the Company in its first meeting to approve his election or elect another member according to the rules. Eng. Abdel Karim Hussein Abdallah Alawin also became Vice Chairman of the Committee pursuant to Board of Directors Resolution No. (62) taken in its session held on 18/9/2024.

\*\*\* Mr. Mohammed Arif Sa'd Batayneh has been appointed as a representative of Al-Arif Energy and Transport Consulting Company on the company's Board of Directors, replacing His Excellency Eng. Alaa Arif Saad Batayneh, effective from 18/9/2024, pursuant to the letter from Al-Arif Energy and Transport Consulting Company dated 18/9/2024, and he became a member of the Committee pursuant to the Board of Directors Solution No. (62) in its session held on 18/9/2024.

\*\*\*\* Given that the Board of Directors of the Company has accepted the resignation of the CEO of the Company, Eng. Abdel Karim Hussein Abdallah Alawin, effective from 3/11/2024, Eng. Hasan Soud Ahmad Alheyari has been appointed as the CEO of the Company, effective from 1/12/2024, the Vice Chairman of the Board of Directors, Eng. Abdel Karim Hussein Abdallah Alawin, has been assigned to manage the Company's business, effective from 4/11/2024, until the CEO, Eng. Hasan Soud Ahmad Alheyari, assumes his duties, noting that he has assumed his duties, effective from 01/12/2024, and he became a member of the Committee pursuant to the Board of Directors taken in its session No. (10/2024) held on 12/12/2024.

No.	Member Name	Position
1	Eng. Abed Alrahim Boucai	Chairman of the committee
2	Mr. Jamal M. F. Fariz	Vice Chairman of the committee (As of 18/9/2024) & Member (Until 17/9/2024)
3	Eng. Khair Abdullah Ayad Abu Saalik *	Vice Chairman of the committee (Until 17/9/2024)
4	Mr. Bassam Rashad Rashid Sinokrot	Member
5	Eng. Abdel Karim Hussein Abdallah Alawin	Member
6	Mr. Mohammed Arif Sa'd Batayneh **	Member (As of 18/9/2024)
7	Eng. Hasan Soud Ahmad Alheyari ***	Member (As of 12/12/2024)

- The Finance Committee was reconstituted pursuant to Board of Directors Resolution No. (62) taken in its session held on 18/9/2024.

\* Engineer Eng. Khair Abdullah Ayad Abu Saalik resigned on 17/9/2024 due to the issuance of the Royal Decree appointing him as Minister of State for Public.

\*\* Mr. Mohammed Arif Sa'd Batayneh has been appointed as a representative of Al-Arif Energy and Transport Consulting Company on the company's Board of Directors, replacing His Excellency Eng. Alaa Arif Saad Batayneh, effective from 18/9/2024, pursuant to the letter from Al-Arif Energy and Transport Consulting Company dated 18/9/2024, and he became a member of the Committee pursuant to the Board of Directors Resolution No. (62) taken in its session held on 18/9/2024.

\*\*\* Given that the Board of Directors of the Company has accepted the resignation of the CEO of the Company, Eng. Abdel Karim Hussein Abdullah Alawin, effective from 3/11/2024, Eng. Hasan Soud Ahmad Alheyari has been appointed as the CEO of the Company, effective from 1/12/2024. The Vice Chairman of the Board of Directors, Eng. Abdel Karim Hussein Abdullah Alawin, has been assigned to manage the Company's business, effective from 4/11/2024, until the CEO, Eng. Hasan Soud Ahmad Alheyari, assumes his duties, noting that he has assumed his duties, effective from 1/12/2024, and he became a member of the Committee pursuant to the Board of Directors taken in its session No. (10/2024) held on 12/12/2024.

#### 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 of the committee
3	Mr. Ali Mohammad Mahmoud Al Balawneh	Member

- The formation of the Nominations and Remuneration Committee was maintained pursuant to Board of Directors Resolution No. (62) in its session held on 18/09/2024 without any amendment.

#### Internal Audit and Control Committee:

No.	Member Name	Position
1	Mr. Ahmad Adnan Saleh Alkhudari	Chairman of the Committee
2	Mr. Walid Yacoub Mahmoud Al Najjar	Vice Chairman of the Committee
3	Eng. Ahmad Qasem Mohammad Al Sammarah	Member

## Committees emanating from the Board of Directors

## Supporting Documents

- The composition of the Internal Audit and Control Committee was maintained, pursuant to Board of Directors Resolution No. (62) of its meeting held on 18/9/2024 without any amendment.

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

### Governance Committee:

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

- The Governance Committee was reconstituted pursuant to Board of Directors Resolution No. (62) at its meeting held on 18/9/2024.

\* Eng. Khair Abdullah Ayad Abu Saalik resigned on September 17, 2024, following the issuance of a royal decree appointing him Minister of State for Public Sector Development.

### Risk Management Committee:

No.	Member Name	Position
1	Eng. Abed AlRahim Fathi Salim Boucai	Chairman of the committee
2	Mr. Jamal M. F. Fariz	Vice Chairman of the committee
3	Eng. Abdel Karim Hussein Abdallah Alawin	Member

- The composition of the Risk Management Committee was maintained, pursuant to Board of Directors Resolution No. (62) of its meeting held on 18/9/2024 without any amendment.

## Risk Management

## Supporting Documents

1

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.

1. Through the 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 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.

2

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.

An evaluation form for the Internal Control System of the company is prepared and submitted annually according to the concept of COSO.

Evaluation form for the company's internal control system according to the concept of COSO and audit reports.

Risk Management		Supporting Documents
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"> <li>To implement the principles stipulated in the Guide/Code of Corporate Governance of Listed Companies on the Amman Stock Exchange.</li> <li>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</li> <li>Implement the recommendations of the investigation committees to prevent repetition of mistakes and abuses committed.</li> <li>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.</li> </ol>	<p>Reports of the Internal Control and Audit Unit and the recommendations of the investigation committees as well as reports from the external auditing company.</p>

## 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		
<b>1. Commitment to Corporate Governance Principles</b>					
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			
<b>2. Shareholders rights and relations with stakeholder</b>					
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, 28/4/2021, 27/04/2022 and 05/04/2023 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.

Criteria	Answers			Comments	
	Yes	To some extent	No		
<b>2. Shareholders rights and relations with stakeholder</b>					
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			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 05/04/2023.
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 05/04/2023.
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 05/04/2023, 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.
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	

Criteria	Answers			Comments
	Yes	To some extent	No	
<b>2. Shareholders rights and relations with stakeholder</b>				
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		
2-15	Are all stakeholders, including staff and their representatives, available with clear channels of communication with the Board of Directors?	X		
<b>3. Disclosure and transparency of information</b>				
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.
3-2	Does the company disclose its financial statements and the reports of the external auditors on time in the legislation?	X		Committed
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.

Criteria		Answers			Comments
		Yes	To some extent	No	
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
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.

Criteria		Answers			Comments
		Yes	To some extent	No	
<b>4. The role and responsibilities of the Board of Directors and Senior Management</b>					
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	
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			

Criteria		Answers			Comments
		Yes	To some extent	No	
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
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.
<b>5. Risk Management and Control</b>					
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

Criteria		Answers			Comments
		Yes	To some extent	No	
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 4 times during year 2024
5-7	Is the internal audit function independent and does the internal audit of the Board's Audit Committee have direct technical dependency?	X			
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 31/12/2024.

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 : 27/1/2025

## Thirdly: Governance Report for 2024 :

### 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 69th 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 2024 (number of meetings is 10):**

No.	Member name	Position	Number of meeting	Number of Attendances	Attendance Percentage
1	Eng. Abed ALRahim Fathi Salim Boucai / Representative of Abdel ALRahim Al Boucai & Partners Co. *	Chairman of the Board (As of 18/9/2024) & Vice Chairman of the Board Until 17/9/2024)	10	10	100%
2	Eng. Alaa Arif Saad Batayneh/ Representative of Al-Arif Energy and Transport Consulting Company *	Chairman of the Board (Until 17/9/2024)	6	6	100%
3	Eng. Abdel Karim Hussein Abdallah Alawin **	Vice Chairman of the Board (As of 18/9/2024)	4	4	100%
4	Mr. Bassam Rashad Rashid Sinokrot	Board Member	10	10	100%
5	Mr. Ahmad Adnan Saleh Alkhudari	Board Member	10	9	90%
6	Mr. Walid Yacoub Mahmoud Al Najjar	Board Member	10	9	90%
7	Mr. Jamal M. F. Fariz	Board Member	10	10	100%
8	Mr. Ibrahim A. A. AbuDayyeh	Board Member	10	10	100%
9	Ms. Reem Yahya Hamto Abzakh / Representative of Social Security Corporation	Board Member	10	10	100%

No.	Member name	Position	Number of meeting	Number of Attendances	Attendance Percentage
10	Mr. Ali Mohammad Mahmoud Al Balawneh / Representative of Social Security Corporation)	Board Member	10	10	100%
11	Dr. Mohammad Moh'd K. Thneibat	Board Member	10	8	80%
12	Eng. Ahmad Qasem Mohammad Al Sammarah / Representative of the Pension Fund of the Jordanian Engineers Association)	Board Member	10	7	70%
13	Eng. Hussein Abdullah Hussein Mogaibel / Representative of the Islamic Development Bank-Jeddah (As of 22/04/2024) ***	Board Member	7	6	86%
14	Mr. Mohammed Arif Sa'd Batayneh/ Representative of Al-Arif Energy and Transport Consulting Company (As of 18/9/2024) ****	Board Member	4	4	100%
15	Mrs. Zain Iyad M Alemam./ Representative of the Islamic Development Bank-Jeddah (Until 21/04/2024) ***	Board Member	3	1	33%
16	Eng. Khair Abdullah Ayad Abu Saalik **	Board Member	6	6	100%

\* Eng. Abed Alrahim Fathi Salim Boucai, representative of Abdel AlRahim Al Boucai & Partners Co., who was holding the position of Vice Chairman of the Board of Directors of the company, was elected as Chairman of the Board of Directors of the company as of 18/9/2024 pursuant to Board of Directors Resolution No. (59) taken in its session held on 18/9/2024, succeeding the Chairman of the Board of Directors of the Company, His Excellency Eng. Alaa Arif Saad Batayneh, who resigned from the Board of Directors of the company following the issuance of the Royal Decree appointing him as Director of His Majesty the King Abdullah II Bin Al Hussein' Office.

\*\* Pursuant to Board of Directors Resolution No. (58) taken in its session held on 18/9/2024, Eng. Abdel Karim Hussein Abdallah Alawin was elected as a member of the Board of Directors to fill the vacant seat on the Company's Board of Directors, which was occupied by His Excellency Engineer Eng. Khair Abdullah Ayad Abu Saalik, who resigned on 17/09/2024 due to the issuance of the Royal Decree appointing him as Minister of State for Public Sector Development, pending his election to be presented to the General Assembly of Shareholders of the Company in its first meeting to approve his election or elect another member according to the rules. Eng. Abdel Karim Hussein Abdallah Alawin also became Vice Chairman of the Committee pursuant to Board of Directors Resolution No. (62) taken in its session held on 18/9/2024.

\*\*\* Eng. Hussein Abdullah Hussein Mogaibel has been appointed as a representative of the Islamic Development Bank / Jeddah on the company's Board of Directors, replacing Mrs. Zain Iyad M Alemam, effective from 22/4/2024, pursuant to letter from the Islamic Development Bank / Jeddah No. (INV-1267).

\*\*\*\* Mr. Mohammed Arif Sa'd Batayneh has been appointed as a representative of Al-Arif Energy and Transport Consulting Company on the company's Board of Directors, replacing His Excellency Eng. Alaa Arif Saad Batayneh, effective from 18/9/2024, pursuant to the letter from Al-Arif Energy and Transport Consulting Company dated 18/9/2024.

### 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. Abed AlRahim Fathi Salim Boucai / Representative of Abed Alrahim Boucai & Partners Co.*	Chairman of the Board (As of 18/9/2024) & Vice Chairman of the Board Until 17/9/2024)	1. Jordan Pipe Manufacturing Company (as a natural Person). 2. Jordan Islamic Bank (as a natural Person). 3. The Industrial Commercial & Agricultural Company LTD.- ICA (as a representative of a legal entity). 4. Petra Education Company - Petra University (as a representative of a legal entity).
2	Eng. Alaa Arif Saad Batayneh / A representative of Al-Arif Energy and Transport Consulting Company *	Chairman of the Board (Until 17/9/2024)	N/A

No.	Member	Position	Member in Board of Directors of other companies
3	Eng. Abdel Karim Hussein Abdallah Alawin **	Vice Chairman of the Board (As of 18/9/2024)	N/A
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)
7	Mr. Jamal M. F. Fariz	Board Member	1- United Cables Industries Co. (as a natural person) 2- Jordan international for insurance (as a natural person)
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 Social Security Corporation)	Board Member	N/A
11	Dr. Mohammad Moh'd K. Thneibat	Board Member	Jordan Phosphate Mines Co. (as a 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	Eng. Hussein Abdullah Hussein Mogaibel / Representative of the Islamic Development Bank- Jeddah (As of 22/04/2024) ***	Board Member	N/A
14	Mr. Mohammed Arif Sa'd Batayneh/ Representative of Al-Arif Energy and Transport Consulting Company (As of 18/9/2024) ****	Board Member	N/A
15	Mrs. Zain Iyad M Alemam./ Representative of the Islamic Development Bank- Jeddah (Until 21/04/2024) ***	Board Member	
16	Eng. Khair Abdullah Ayad Abu Saalik **	Board Member	Jordan Pipes Manufacturing Co. (as a natural Person)

\* Eng. Abed Alrahim Fathi Salim Boucai, representative of Abdel AlRahim Al Boucai & Partners Co., who was holding the position of Vice Chairman of the Board of Directors of the company, was elected as Chairman of the Board of Directors of the company as of 18/9/2024 pursuant to Board of Directors Resolution No. (59) taken in its session held on 18/9/2024, succeeding the Chairman of the Board of Directors of the Company, His Excellency Eng. Alaa Arif Saad Batayneh, who resigned from the Board of Directors of the company following the issuance of the Royal Decree appointing him as Director of His Majesty the King Abdullah II Bin Al Hussein' Office.

\*\* Pursuant to Board of Directors Resolution No. (58) taken in its session held on 18/9/2024, Eng. Abdel Karim Hussein Abdullah Alawin was elected as a member of the Board of Directors to fill the vacant seat on the Company's Board of Directors, which was occupied by His Excellency Eng. Khair Abdullah Ayad Abu Saalik, who resigned on 17/09/2024 due to the issuance of the Royal Decree appointing him as Minister of State for Public Sector Development, pending his election to be presented to the General Assembly of Shareholders of the Company in its first meeting to approve his election or elect another member according to the rules. Eng. Abdel Karim Hussein Abdullah Alawin was also elected as Vice Chairman of the Company's Board of Directors pursuant to Board of Directors Resolution No. (60) taken in its session held on 18/9/2024.

\*\*\* Eng. Hussein Abdullah Hussein Mogaibel has been appointed as a representative of the Islamic Development Bank / Jeddah on the company's Board of Directors, replacing Mrs. Zain Iyad M Alemam, effective from 22/4/2024, pursuant to letter from the Islamic Development Bank / Jeddah No. (INV-1267).

\*\*\*\* Mr. Mohammed Arif Sa'd Batayneh has been appointed as a representative of Al-Arif Energy and Transport Consulting Company on the company's Board of Directors, replacing His Excellency Eng. Alaa Arif Saad Batayneh, effective from 18/9/2024, pursuant to the letter from Al-Arif Energy and Transport Consulting Company dated 18/9/2024.

#### **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:

<b>Central Tenders Committee: its responsibilities were specified in Supplies and Works System</b>					
The number of meetings of the Central Tenders Committee is (9) meetings in the year 2024, 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 (As of 18/9/2024 & Vice Chairman (Until 17/9/2024)	9	8	89%
2	Eng. Alaa Arif Saad Batayneh *	Chairman of the committee (Until 17/9/2024)	7	7	100%
3	Eng. Abdel Karim Hussein Abdallah Alawin **	Vice Chairman of the committee (As of 18/9/2024) & Member (Until 17/9/2024)	9	9	100%
4	Mr. Bassam Rashad Rashid Sinokrot	Member	9	5	56%
5	Mr. Mohammed Arif Sa'd Batayneh ***	Member (As of 18/9/2024)	2	2	100%
6	Eng. Khair Abdullah Ayad Abu Saalik **	Member (Until 17/9/2024)	7	6	86%
7	Eng. Hasan Soud Ahmad Alheyari ****	Member (As of 12/12/2024)	-	-	-

- The Central Tenders Committee was reconstituted pursuant to Board of Directors Resolution No. (62) taken in its session held on 18/9/2024.

\* The Central Tenders Committee was reconstituted pursuant to Board of Directors Resolution No. (62) taken in its session held on 18/9/2024, and Eng. Abed ALRahim Fathi Salim Boucai became Chairman of the Committee as of 18/9/2024, succeeding the Chairman of the Committee, His Excellency Engineer Alaa Arif Saad Batayneh, who resigned from the Board of Directors of the company following the issuance of the Royal Decree appointing him as Director of His Majesty the King Abdullah II Bin Al Hussein' Office.

\*\* Pursuant to Board of Directors Resolution No. (58) taken in its session held on 18/9/2024, Eng. Abdel Karim Hussein Abdallah Alawin was elected as a member of the Board of Directors to fill the vacant seat on the Company's Board of Directors, which was occupied by His Excellency Engineer Eng. Khair Abdullah Ayad Abu Saalik, who resigned on 17/09/2024 due to the issuance of the Royal Decree appointing him as Minister of State for Public Sector Development, pending his election to be presented to the General Assembly of Shareholders of the Company in its first meeting to approve his election or elect another member according to the rules. Eng. Abdel Karim Hussein Abdallah Alawin also became Vice Chairman of the Committee pursuant to Board of Directors Resolution No. (62) taken in its session held on 18/9/2024.

\*\*\* Mr. Mohammed Arif Sa'd Batayneh has been appointed as a representative of Al-Arif Energy and Transport Consulting Company on the company's Board of Directors, replacing His Excellency Eng. Alaa Arif Saad Batayneh, effective from 18/9/2024, pursuant to the letter from Al-Arif Energy and Transport Consulting Company dated 18/9/2024, and he became a member of the Committee pursuant to the Board of Directors Solution No. (62) in its session held on 18/9/2024.

\*\*\*\* Given that the Board of Directors of the Company has accepted the resignation of the CEO of the Company, Eng. Abdel Karim Hussein Abdallah Alawin, effective from 3/11/2024, Eng. Hasan Soud Ahmad Alheyari has been appointed as the CEO of the Company, effective from 1/12/2024, the Vice Chairman of the Board of Directors, Eng. Abdel Karim Hussein Abdallah Alawin, has been assigned to manage the Company's business, effective from 4/11/2024, until the CEO, Eng. Hasan Soud Ahmad Alheyari, assumes his duties, noting that he has assumed his duties, effective from 01/12/2024, and he became a member of the Committee pursuant to the Board of Directors taken in its session No. (10/2024) held on 12/12/2024.

### Finance Committee: its responsibilities were specified in Financial System

The number of meetings of the Financial Committee is (7) meetings in the year 2024, and the following table shows the attendance:

No.	Member	Position	Number of invitations to convene	Number of attendances	Attendance Percentage
1	Eng. Abed Alrahim Boucai	Chairman of the committee	7	7	100%
2	Mr. Jamal M. F. Fariz	Vice Chairman of the committee (As of 18/9/2024) & Member (Until 17/9/2024)	7	7	100%
3	Eng. Khair Abdullah Ayad Abu Saalik *	Vice Chairman of the committee (Until 17/9/2024)	5	4	80%
4	Mr. Bassam Rashad Rashid Sinokrot	Member	7	4	57%
5	Eng. Abdel Karim Hussein Abdallah Alawin	Member	7	7	100%
6	Mr. Mohammed Arif Sa'd Batayneh **	Member	2	2	100%
7	Eng. Hasan Soud Ahmad Alheyari ***	Member	-	-	-

- The Finance Committee was reconstituted pursuant to Board of Directors Resolution No. (62) taken in its session held on 18/9/2024.

\* Engineer Eng. Khair Abdullah Ayad Abu Saalik resigned on 17/9/2024 due to the issuance of the Royal Decree appointing him as Minister of State for Public.

\*\* Mr. Mohammed Arif Sa'd Batayneh has been appointed as a representative of Al-Arif Energy and Transport Consulting Company on the company's Board of Directors, replacing His Excellency Eng. Alaa Arif Saad Batayneh, effective from 18/9/2024, pursuant to the letter from Al-Arif Energy and Transport Consulting Company dated 18/9/2024, and he became a member of the Committee pursuant to the Board of Directors Resolution No. (62) taken in its session held on 18/9/2024.

\*\*\* Given that the Board of Directors of the Company has accepted the resignation of the CEO of the Company, Eng. Abdel Karim Hussein Abdullah Alawin, effective from 3/11/2024, Eng. Hasan Soud Ahmad Alheyari has been appointed as the CEO of the Company, effective from 1/12/2024. The Vice Chairman of the Board of Directors, Eng. Abdel Karim Hussein Abdullah Alawin, has been assigned to manage the Company's business, effective from 4/11/2024, until the CEO, Eng. Hasan Soud Ahmad Alheyari, assumes his duties, noting that he has assumed his duties, effective from 1/12/2024, and he became a member of the Committee pursuant to the Board of Directors taken in its session No. (10/2024) held on 12/12/2024.

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

The number of Nomination and Remuneration Committee meetings is (6) meetings in year 2024, 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 of the committee	6	6	100%
2	Mr. Ibrahim A. A. AbuDayyeh	Vice Chairman	6	5	83%
3	Mr. Ali Mohammad Mahmoud Al Balawneh	Member	6	6	100%

- The formation of the Nominations and Remuneration Committee was maintained pursuant to Board of Directors Resolution No. (62) in its session held on 18/9/2024 without any amendment.

## 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 (7) in year 2024. The following table shows the attendance:

No.	Member	Position	Number of invitations to convene	Number of attendances	Qualifications	Practical experiences
1	Mr. Ahmad Adnan Saleh Alkhudari	Chairman of the Committee	7	7	Bachelor in Business Management/ Lebanese University	<ul style="list-style-type: none"> <li>- Member of the Senate.</li> <li>- Vice Chairman of Jordan Exporters Association.</li> <li>- Member of Amman and Jordan Chambers of Industry.</li> <li>- Member of the Association of Small and Medium Enterprises.</li> <li>- Board Member of Jordan Exports Institution.</li> <li>- Member of Board of Directors of several companies.</li> <li>- Vice Chairman of the EuroJordanian Advanced Business Institute.</li> <li>- Member of American Chamber of Commerce in Jordan.</li> </ul>
2	Mr. Walid Yacoub Mahmoud Al Najjar	Vice Chairman of the Committee	7	7	Bachelor of Economy & Politics/ Beirut Arab University	<ul style="list-style-type: none"> <li>- Owner and Chairman of Tanmia Securities Co.</li> <li>- Vice Chairman of Amman Stock Exchange</li> <li>- Member of Board of Palestine Investment Bank</li> <li>- Former Chairman of Financial Services Companies Association</li> <li>- Founder of several public shared companies (Banks, insurance, services and co management as chairman, member and vice president</li> <li>- Former Member of the Board of Directors of the Securities Depository Center.</li> <li>- Founder of the Amman Financial Market Brokers Association and Chairman of its Board of Directors for more than one session.</li> <li>- Member of the Board of Directors of Jordan Iron &amp; Steel Industries Co.</li> <li>-Chairman of Winter Valley Tourism Investment Co.</li> </ul>

### 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 (7) in year 2024. The following table shows the attendance:

No.	Member	Position	Number of invitations to convene	Number of attendances	Qualifications	Practical experiences
3	Eng. Ahmad Qasem Mohammad Al Sammarah	Member	7	4	Bachelor Degree in architecture /Damascus University	<ul style="list-style-type: none"> <li>- Head of the Jordanian Engineers Association.</li> <li>- Chairman of the Board of Directors of the Professional Real Estate Company.</li> <li>- Member of the Supreme Organization Council at the Ministry of Municipalities.</li> <li>- Former member of the Board of Directors / Jordan University of Science and Technology.</li> <li>- Member of the Board of Directors of Housing and Urban Development.</li> <li>- Executive Director, Eng. Ahmed Sammarah Office.</li> <li>- Executive Director, Mada Consulting Engineers Office.</li> </ul>

- The composition of the Internal Audit and Control Committee was maintained, pursuant to Board of Directors Resolution No. (62) of its meeting held on 18/9/2024 without any amendment.
- Internal Audit and Control Committee met with the company's external auditor four times without the presence of executive management or its representative, in accordance with the provisions of Article (7/C) of the Governance Instructions.

### Governance Committee: its responsibilities were specified in the Code of Corporate Governance:

The number of meetings of the Governance Committee were (3) meetings during the year 2024, 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 of the committee	3	3	100%
3	Ms. Reem Yahya Hamto Abzakh	Member	3	3	100%
4	Eng. Khair Abdullah Ayad Abu Saalik *	Member (Until 17/9/2024)	1	1	100%

- The Governance Committee was reconstituted pursuant to Board of Directors Resolution No. (62) at its meeting held on 18/9/2024.

\* Eng. Khair Abdullah Ayad Abu Saalik resigned on 17/9/2024, following the issuance of a Royal Decree appointing him Minister of State for Public Sector Development.

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

The number of meetings of the Risk Management Committee were (2) meetings during the year 2024, 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	2	2	100%
2	Mr. Jamal M. F. Fariz	Vice Chairman	2	2	100%
3	Eng. Abdel Karim Hussein Abdallah Alawin	Member	2	2	100%

- The formation of the Risk Management Committee was maintained, pursuant to Board of Directors Resolution No. (62) of its meeting held on 18/9/2024 without any amendment.

## 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. Hasan Soud Ahmad Alheyari	Chief Executive Officer (As of 1/12/2024)	1/12/2024
Eng. Abdel Karim Hussein Abdallah Alawin	Chief Executive Officer (Until 30/11/2024)	28/10/1978
Eng. Khaled Mohammad Yousef Al-Zoubi	General Manager of the Jordan Petroleum Products Marketing Co.	21/9/2013
Eng. Hani Ahmad Elias Shawash	Technical Advisor to the Chief Executive Officer for Technical Affairs	9/7/2008
Eng. Sultan Muhammad Suboh Mutlaq	Deputy Refinery Executive Director (Until 12/11/2024) Acting Refinery Executive Director (As of 13/11/2024)	25/6/1994
Eng. Kamal Waleed Khalaf Al-Tall *	Refinery Executive Director (Until 12/11/2024)	9/10/1982

\*His services with the company ended as of 13/11/2024.

## 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. Abed Alrahim Boucai 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 2024:

#### 1. Training of employees:

- a. Delegating (1,010) employees to attend training courses (technical, administrative, financial) and other activities inside Jordan executed through (52) training programs.
- b. Delegating (25) employees to attend various courses, exhibitions, conferences, and official assignments outside Jordan executed through (12) 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	13	135	6	13
2	Technical Courses	26	329	3	6
3	Occupational Safety and Health Courses	6	529	-	-
4	Conferences, Seminars & Workshops Exhibitions	7	17	3	6
Total		52	1010	12	25

## 2. Training for University Students and Fresh Graduates

As part of the company's social responsibility, it annually trains new university graduates from all specializations with the aim of qualifying them and providing them with practical experience to enter the labor market. During the year 2024, the company trained (29) new graduates. Based on cooperation with various Jordanian universities, colleges and institutes, in addition to delegates from the IAESTE organization and the Arab Council for the Exchange of Students from Arab Universities within the student exchange program for the purpose of completing graduation requirements, the company trained (80) students during the year 2024.

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:

a. The total number of employees in the company as on December 31, 2024 reached (2156) 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	Percentage Subsidiary- Jordan Petroleum Products Marketing Company	Percentage %
Classified	1,260	95.38%	57	93.44%	192	100%	8	1.37%	1,517	70.36%
Annual contract	61	4.62%	4	6.56%	-	-	475	81.62%	540	25.05%
Temporary contract*	-	-	-	-	-	-	99	17.01%	99	4.59%
<b>Total</b>	<b>1,321</b>	<b>100%</b>	<b>61</b>	<b>100%</b>	<b>192</b>	<b>100%</b>	<b>582</b>	<b>100%</b>	<b>2,156</b>	<b>100%</b>

\* Temporary contracts (6) months.

The Following table shows a comparison between numbers of staff and workers in the Company for the years 2023 - 2024:

Year  Employment type	2024				2023			
	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 Liquefied Petroleum Gas Manufacturing & Filling Company	Subsidiary/ Jordan Petroleum Products Marketing Company
Classified/permanent	1,260	57	192	8	1,342	59	216	8
Annual contract	61	4	-	475	70	4	-	463
* Temporary contract	-	-	-	99	-	-	-	101
<b>Total</b>	<b>1,321</b>	<b>61</b>	<b>192</b>	<b>582</b>	<b>1,412</b>	<b>63</b>	<b>216</b>	<b>572</b>
	<b>2,156</b>				<b>2,263</b>			

\* Temporary contract (6) months

The table and pie chart below illustrate the distribution of the company employees aside with their grades as on 31st December 2024:

Category	Mother company/Jordan petroleum refinery company		Total Mother company/Jordan petroleum refinery company	Subsidiary/Jordan Lube Oil Manufacturing Company		Percent Subsidiary/Jordan Lube Oil Manufacturing Company %	Total Subsidiary/Jordan Lube Oil Manufacturing Company		Subsidiary/Jordan Liquefied Petroleum Gas Manufacturing & Filling Company		Total Subsidiary/Jordan Liquefied Petroleum Gas Manufacturing & Filling Company	Subsidiary-Jordan Petroleum Marketing Company			Total Subsidiary/Jordan Petroleum Products Marketing Company	Percent/Jordan Petroleum Products Marketing Company %	Total for mother and subsidiary	Percent for mother and subsidiary
	Permanent	Annual contract		Permanent	Annual contract		Permanent	Annual contract	Permanent	Annual contract		Temporary contracts						
Special	7	2	9	0	0	0	0	0	1	0	1	0	1	0	0.17	11	0.51	
First	128	1	129	8	0	13.12	3	0	3	0	3	5	1	0	1.03	146	6.77	
Second	958	53	1011	21	4	40.98	126	0	126	0	126	16	3	0	3.26	1,181	54.78	
Third	167	5	172	28	0	45.90	62	0	62	0	62	65	4	0	11.86	331	15.35	
Fourth	0	0	0	0	0	0	0	0	0	0	0	388	0	99	83.68	487	22.59	
<b>Total</b>	<b>1260</b>	<b>61</b>	<b>1321</b>	<b>57</b>	<b>4</b>	<b>100</b>	<b>192</b>	<b>0</b>	<b>192</b>	<b>0</b>	<b>192</b>	<b>475</b>	<b>8</b>	<b>99</b>	<b>100</b>	<b>2,156</b>	<b>100</b>	

\* Temporary contract (6) months.

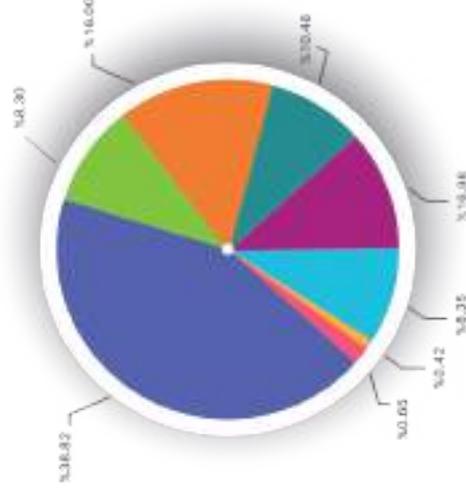
### Distribution of employees according to their Categories



The table and chart below show the distribution of employees according to their academic qualifications as of December 31, 2024:

Category	Mother company/Jordan petroleum refinery company		Total 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 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	Percent/ Jordan Petroleum Products Marketing Company %	Total for mother and subsidiary	Percent for mother and subsidiary
	Permanent	Annual contract		Permanent	Annual contract	Permanent	Annual contract			Permanent	Annual contract			Temporary contract*						
Engineering/all disciplines	94	31	125	9.46%	3	2	4	4	6.56%	4	0	4	2.08%	1	43	2	46	7.90%	179	8.30%
University degrees except engineering	108	11	119	9.01%	10	0	12	3	19.67%	3	0	3	1.56%	4	186	21	211	36.25%	345	16.00%
Diploma degrees	158	0	158	11.96%	6	1	6	11	9.84%	11	0	11	5.73%	3	43	5	51	8.76%	226	10.48%
High school degrees	304	11	315	23.85%	1	0	2	6	3.28%	6	0	6	3.13%	0	33	10	43	7.39%	366	16.98%
Vocational centers	135	3	138	10.45%	3	0	3	11	4.91%	11	0	11	5.73%	0	27	1	28	4.81%	180	8.35%
Vocational competency	2	2	4	0.30%	0	0	0	0	0	0	0	0	0	0	4	1	5	0.86%	9	0.42%
Craftsman centers	13	0	13	0.98%	0	0	0	1	0	1	0	1	0.52%	0	0	0	0	0	14	0.65%
Less than high school degrees	446	3	449	33.99%	34	4	34	156	55.74%	156	0	156	81.25%	0	139	59	198	34.03%	837	38.82%
<b>Total</b>	<b>1260</b>	<b>61</b>	<b>1321</b>	<b>100%</b>	<b>57</b>	<b>4</b>	<b>61</b>	<b>192</b>	<b>100%</b>	<b>192</b>	<b>0</b>	<b>192</b>	<b>100%</b>	<b>8</b>	<b>475</b>	<b>99</b>	<b>562</b>	<b>100%</b>	<b>2,156</b>	<b>100%</b>

\* Temporary contract (6) months.



# Sulfur Recovery Unit

وحدة استخلاص الكبريت

Sulphur  
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 concept 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 2024 to raise the level of safety:

#### **The following are the most important works carried out by the company during the year 2024 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. The company has enrolled a number of its employees at various levels in occupational health and safety supervisor certification courses held at the Occupational Health and Safety Institute. This certification is intended to certify them as safety specialists and technicians, in accordance with the regulations and instructions of the Ministry of Labor.
6. The company conducted periodic medical examinations for workers in production units, in accordance with the medical examination instructions issued by the Ministry of Labor.
7. The company has formed an occupational health and safety committee.
8. The company monitors the issuance and implementation of work permits and ensures full compliance with safety requirements.
9. The company monitors contractors, subcontractors, and stakeholders at various work sites and ensures their compliance with occupational health and safety requirements.
10. The company has held a series of training courses related to occupational health and safety, firefighting, first aid, personal protection, and the proper handling of chemical materials, among others.
11. Participation in specialized safety courses outside the company, such as the Occupational Health and Safety Supervisor Certification Course and radiation protection courses.
12. The company issues smoking permits, permits for the use of electric heaters, and permits for driving vehicles at various company sites.
13. The company publishes annual accident statistics, analyzes their results, and takes the necessary preventive measures to ensure their non-recurrence.
14. The company obtains the necessary licenses for radiation devices from the relevant authorities and conducts periodic medical examinations for employees working on them.
15. The company registers its employees with the Social Security Institution and the Hazardous Occupations System.

16. The company provides health insurance for employees in countries where they are assigned on official missions.
17. The company issues permits for all third-party vehicles, vehicles, and tankers before they enter the company's premises to ensure they meet occupational health and safety requirements.
18. The company has formed a specialized internal committee of senior safety and occupational medicine officials to investigate occupational accidents, determine the nature of the accident, its severity, and its causes, and analyze it to develop preventive solutions to ensure its non-recurrence.
19. The company has provided appropriate protective equipment, clothing, and occupational safety tools to protect its employees and workers from the risks of occupational injuries and diseases that may occur during work.
20. All company-owned tankers are subject to the requirements and conditions of the ADR (European Agreement concerning the International Carriage of Dangerous Goods by Road). These tankers feature safety braking systems and a tracking and monitoring system that monitors their movement, routes, and permitted speeds.
21. The company's tanks are designed according to the highest international standards and specifications that ensure occupational and public health and safety, they are equipped with the latest technology to deal with emergencies such as fires effectively and quickly.
22. The occupational health, safety, and environment policy has been updated to comply with the requirements of the Ministry of Labor.
23. A series of Occupational Health and Safety Committee meetings were held, chaired by the Executive Management and attended by department managers and a number of worker representatives, in accordance with Ministry of Labor instructions.
24. A set of safety-related instructions and guidelines was developed and disseminated to various company sites, including instructions for the safe use of certain equipment, such as the Sandblasting Water Jet, among others.
25. HAZOP & SIL risk analysis studies were completed for several units on-site.
26. The company has increased its stock of personal protective equipment in accordance with the latest international specifications.
27. The company is currently working to implement the requirements of the Process Safety Management System.

## **Second: The environment**

The company recognizes that the oil and finished petroleum products sector is the primary driver of economic growth and a major contributor to sustainable economic development. At the same time, it recognizes that greenhouse gas emissions and air pollutants associated with the production of petroleum products have negative environmental impacts. Therefore, it considers the greatest challenge it faces to be reducing greenhouse gas emissions and air pollutants associated with its production processes while simultaneously meeting the growing local market demand for finished petroleum products. The following is a summary of the most important measures the company has taken to protect the environment:

1. The company is currently studying the use of treated water in industrial processes in refining units instead of using groundwater.
2. The company is currently conducting several environmental measurements and air quality studies surrounding the refining unit sites through specialized laboratories.
3. The company has conducted environmental audits of its sites at the three airports.
4. The company has disposed of hazardous waste in accordance with the Ministry of Environment's instructions.
5. Relevant employees have been sent to several specialized courses on environmental and sustainability topics, such as the Green Chemistry and Sustainability course.

6. The company monitors gas emission levels and the environmental situation in the refining units and surrounding areas.
7. The company monitors noise levels at various sites.
8. The company has actively participated in technical meetings and meetings specialized in environmental safety outside the company.
9. Specialized employees have been sent to participate in a Kingdom-wide working group to study the impact of climate change on energy facilities.
10. The company provides support to the Friends of the Environment Society and the Jordanian Environment Society.
11. The company joined associations and organizations dedicated to environmental protection and supported conferences and seminars in this field.
12. The company utilized renewable energy as much as possible to reduce its use of non-renewable energy. In several phases, the company installed and operated solar power generation systems.
13. The company worked to expand the green area of its sites and surrounding areas by initiating afforestation to reduce the impact of these emissions and air pollutants.
14. The company continuously monitors the quality of the surrounding air using portable air quality monitoring devices, in addition to gas monitoring equipment deployed throughout the company's sites, which detects gases that exceed permissible limits.
15. The company conducted a comprehensive environmental audit of its facilities and activities in the Aqaba region, examining general safety procedures, periodic maintenance, firefighting, accident prevention, soil stability at storage sites and warehouses, leak containment methods, and gas emission control.
16. The company periodically cleans the marine intake at the crude oil and finished petroleum derivatives dock of sand and stones, paints the filters, cleans the protective net, cleans the intake water, and withdraws water exposed to pollution. It also removes dirt, dust, and rocks resulting from the cleaning process.

### **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 2024, the Company donated JD (569,098) to the following entities:

	<b>Recipients of donations</b>	<b>Donation (JD)</b>
1.	Distribution of food coupons to support needy families	100,000
2.	Hashimiya Municipality (cash support, asphalt barrels, Pickup truck, and safety materials).	89,521
3.	General Union of Petroleum and Chemical Workers	41,600
4.	Waqf Thareed - Meals to Support Gaza	37,500
5.	Himmatna Charity Association - Supporting the Health Sector	30,000
6.	Al-Amal Charity Association	25,000
7.	Caucasian Sports Club - Supporting the construction of the first green sports club in the Middle East	20,000
8.	The Goodwill Campaign	20,000
9.	University Scholarship for Hashimiya Region Residents	18,077
10.	Haya Cultural Center	15,000
11.	King Hussein Cancer Foundation	15,000
12.	Jordanian Engineers Association - Supporting the Jordanian Mining Conference, Supporting the 9th Civil Engineering Conference, Supporting the Cyber Conference, Supporting the Chemical Engineering Conference, Supporting the Mechanical Engineering Conference, Supporting the Consulting Engineering Conference.	16,000
13.	Iraqi Business Council - Supporting the Investment and Energy Conference	10,000

	Recipients of donations	Donation (JD)
14.	Al- Hashimiya Sports Club	10,000
15.	Jordan Media Institute - Covering part of the master's program taught at the institute	10,000
16.	The General Federation of Jordanian Trade Unions - Supporting maintenance work on the Federation building	10,000
17.	Royal Marine Conservation Society - Supporting the annual Clean Up the World initiative	10,000
18.	Royal Society of Fine Arts	10,000
19.	Al-Aman Fund for the Future of Orphans	10,000
20.	Amman Chamber of Industry - Contributing to sponsoring the Jordanian Industry Day celebration	10,000
21.	Al-Risala Mosque	10,000
22.	Al-Salt Secondary School Alumni Club - Maintenance of the Al-Salt Secondary School Building	10,000
23.	Jordanian Environment Society	7,500
24.	Jordanian Medical Aid for Palestinians	5,000
25.	Prince Ali Bin Al-Hussein Club for the Deaf - (Umrah Campaign, Contributing to the Distribution of Sacrificial Animals to Poor Deaf Families)	4,000
26.	Owais Al-Qarni Mosque	3,000
27.	Jordanian Political Science Association	2,000
28.	Janat Al-Khair Charitable Society	2,000
29.	Jordanian Marathon Association - Supporting the Red Sea Marathon	2,000
30.	Jordanian Club for the Deaf - Contributing to covering the costs of building the club's headquarters	2,000
31.	Jordanian Aid Society - Financial support for the association's various activities	2,000
32.	Islamic Culture Society	2,000
33.	Jordanian Geologists Syndicate - Supporting the 11th International Geological Conference	2,000
34.	Northern Mazar Youth Club - Supporting the club's sports activities	1,500
35.	Jordanian Society for the Prevention of Road Accidents	1,000
36.	Al-Diaa Charitable Society	1,000
37.	International Youth, Environment, and Development Association - Supporting the 10th Conference on Giftedness and Excellence Research in the Arab World	1,000
38.	Supporting programs for children with special needs and cerebral palsy in Aqaba Governorate	1,000
39.	The Jordanian Hashemite Fund for Human Development - Support for the Queen Alia Competition 2024	500
40.	The Jordanian Society for the Preservation and Protection of the Environment - Financial support for the association's various activities	500
41.	Nefertiti Magazine - Sponsorship of the High School Toppers Ceremony	500
42.	Al-Yasmine Foundation - Support for training courses for the Arab Parliamentary Conference	500
43.	Bani Shaiba Charity Society	400
44.	<b>Total</b>	<b>569,098</b>

## Nineteenth: Capital Projects:

### First : The most important capital projects that have been completed during the year 2024:

- Establishing and modernizing (25) fuel stations in various locations in the Kingdom and modernizing (15) stations for the Royal Jordanian Air Force and Public Security.
- Installing a 950-kilowatt solar energy system at the Zarqa LPG Filling station and installing a 1,140-kilowatt solar energy system at Amman LPG Filling station at a cost of approximately JD (1,1) million.
- Installation of alarm and fire-fighting systems in Aqaba South Installations at a cost of approximately JD (800) thousand.
- Supply and implementation of passive fire-prevention works for the structural metal elements of the Unibon and Hydrogen units at a cost of approximately JD (400) thousand.
- Modifications to the alarm and fire-fighting systems at the crude oil receiving station at the Zarqa site at a cost of approximately JD (266) thousand.
- Purchase of (4) forklifts for use in LPG Filling stations at a cost of approximately JD (240) thousand.
- Supply, installation, operation, and calibration of two (100) ton (Pitless) electronic scales in the loading and crude oil area at a cost of approximately JD (169) thousand.

- Supply of two diesel-powered air compressors at a cost of approximately JD (106) thousand.
- Supply of two Instrument Air compressors for liquefied petroleum gas (LPG) facilities at a cost of approximately JD (100) thousand.
- Replacement of electrical circuit breaker panels at a cost of approximately JD (100) thousand.
- Supply and installation of a hydrostatic inspection Machine with a production capacity of 120 cylinders per hour to inspect the Rehabilitated domestic LPG cylinders at rehabilitation workshop at a cost of approximately JD (95) thousand.
- Supply of four diesel-powered welding machines at a cost of approximately JD (94) thousand.
- Supplying of uninterruptible power supplies to the power plant at a cost of approximately JD (79) thousand.
- Replacing the gas moisture meter in the rotary gas of the Platforming Unit /Sixth Area at a cost of approximately JD (60) thousand.
- Purchasing (12) mobile huts for the refinery's departments at a cost of approximately JD (40) thousand.
- Supply and installation of 12.5 kg LPG cylinder washing machines at the Irbid and Zarqa LPG Filling stations, with a production capacity of 2,800 cylinders per hour, at a cost of approximately JD (23) thousand.
- Supply of an Avgas pump in Amman Civil Airport to replace the current pump at a cost of approximately JD (20) thousand.

### **Second : The important capital projects currently under implementation and which will be implemented and/or begin implementation during the year 2025:**

- Establishing a storage capacity for liquefied Petroleum gas (LPG) at the company's site in Zarqa amounting to (10) thousand tons, at an estimated cost of JD (33) million.
- Establishing a storage capacity for liquefied Petroleum Gas (LPG) at the company's site in Aqaba amounting to (4) thousand tons, at an estimated cost of JD (15) million.
- Installing and operating two (2) steam boilers, each with a capacity of 40 tons, at an estimated cost of JD (10) million.
- Implementing the proposed modifications to Hydrogen Gas Compressor, at an estimated cost of JD (2) million.
- Establishing a commercial building consisting of eleven floors with an approximate area of (6,000) square meters at an estimated cost of JD (1.5) million.
- Replacing the main servers for the company's main computer systems at an estimated cost of JD (1,461,000).
- Upgrading the fire-fighting system network at the Refinery site/Phase II: Upgrading the fire-fighting system network in the Crude oil and Naphtha storage tank area (Area Located within west of Street No. 4 & south of Street No. 5) at an estimated cost of JD (1,000,000).
- Purchasing a spare Rotor for the FCC unit Main Turbo Blower at an estimated cost of JD (800,000).
- Modifications to the alarm and fire-fighting systems in the South Aqaba facilities at an estimated cost of JD (800,000).
- Supplying of seven pumps to replace existing pumps in the Zarqa refinery units at an estimated cost of JD (700,000).
- Upgrading and Modernization of the crude oil loading system in the Aqaba warehouses at an estimated cost of JD (600,000).
- Installation of a solar energy system (Renewable Energy) for Salah al-Din LPG Filling Station in Irbid, at an estimated cost of JD (500,000).
- Purchase of (3) Aviation Fuel Bowser for AVTUR to Serve Air Port Services Station, at an estimated cost of JD (500,000).

- Purchase & implementation of RBI (Risk Based Inspection) Software to the refinery equipment, from a specialized company, at an estimated cost of JD (500,000).
- Installation and operation of a tank overflow prevention system at the company's site in Aqaba, at an estimated cost of JD (500,000).
- Construction of an additional 5000 m3 fire-fighting water tank at an estimated cost of JD (500,000).
- Upgrading and expanding the automation system (PLC system) at Queen Alia International Airport, at an estimated cost of JD (400,000).
- Construction of four crude oil loading platforms in Aqaba South installations, at an estimated cost of JD (400,000).
- Purchasing a Fire Fighting and Rapid Intervention Vehicle (RIV) for the company's site in Aqaba at an estimated cost of JD (400,000).
- Replacing (11) main filters at Queen Alia International Airport at an estimated cost of JD (350,000).
- Purchasing of (6) Pumps to replace old ones used to feed Aircraft Fuel Hydrant System at Queen Alia International Airport at an estimated cost of JD (300,000).
- Purchasing valves for the piping system relevant to the two LPG Sphere tanks in the Aqaba South installations at estimated cost of JD (250,000).
- Installing solar-powered electrical generation systems (Renewable Energy) in Aqaba South Petroleum installations at an estimated cost of JD (250,000).
- Installing solar-powered electrical generation systems (Renewable Energy) for aircraft fuel station located at Queen Alia International Airport at an estimated cost of JD (200,000).
- Rehabilitation of the TG3 generator's turbine Rotor at an estimated cost of JD (200,000).
- Supply of two new ASME pressure vessels to replace the two existing ones in the FCC unit at an estimated cost of JD (200,000).
- Purchase of (2) Aviation Fuel Bowser for AVGAS to serve aircraft fuel station located at Amman Civil Airport at an estimated cost of JD (150,000).
- Installation/replacement of a weighbridge in aircraft fuel station located at Queen Alia International Airport at an estimated cost of JD (150,000).
- Conducting a detailed design study for a project to utilize wastewater from Samra Wastewater Treatment Plant at an estimated cost of JD (150,000).
- Construction of storage capacities for Lube oil at an estimated cost of JD (150,000).
- Supply of two (Reduced Crude) pumps in the CDU-3 unit at an estimated cost of JD (150,000).
- Purchase of Testing apparatus for testing of oxidation stability of aircraft fuel, at an estimated cost of JD (120,000)
- Purchase of Uninterruptible Power Supply (UPS) systems to serve Area 6 Units as well as Unipon Unit at an estimated cost of JD (120,000).
- Supply of a Kerosene and Diesel injection system at an estimated cost of JOD (120,000).
- Supply and installation of a booster pump with a capacity of 1,500 m<sup>3</sup>/hr for crude oil at an estimated cost of JD (120,000)
- Upgrading the cathodic protection system to protect the tanks' bottoms, aircraft fuel lines, and underground fire lines at Queen Alia Airport at an estimated cost of JD (100,000).
- Fabrication & manufacturing of columns and vessels in CDU-1 at an estimated cost of JD (100,000).
- Supply of Safety Valves & Shut-off valves Testing Machine for use in the Valves Section at an estimated cost of JD (95,000).

- Installation of a fire Fighting system at King Hussein International Airport and Amman Civil Airport at an estimated cost of JD (80,000).
- Supply of New Vacuum Car with a capacity of 12 cubic meter at an estimated cost of JD (75,000).

### 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 (51,906,398) until the date of December 31, 2024, and an estimated amount equivalent to JD (12,000,000) is expected to be paid during the year 2025.

Regarding the company's fourth expansion project "Refinery upgrade", which is considered as one of the most important goals the company seeks to achieve, due to the fact that its completion guarantees the company's sustainability and prosperity, and as a result of the failure of the preferred joint venture (i.e. Sinopec (GPEG) of China and Itochu of Japan) to reach an agreement to resolve the differences with the American KBR company the owner of process technology, and the JV's declaration of its inability to maintain the bid price due to the significant increase in the prices of raw materials and services. Also due to JPRC inability to meet the requirements of the parties interested in the project financing process regarding project exemptions and the full repayment of the government's debt, and as a result of the political and security conditions in the world and in particular the region, the most important of which is the Israeli aggression on the Gaza Strip and the negative economic effects that accompanied it on the Middle East region, which resulted in financiers' reluctance to invest in large projects, especially in our region, the company has decided to stop negotiations with Sinopec (GPEG) and Itochu JV and to move forward with the company's fourth expansion project "refinery upgrade" with a production capacity for the project of (73) thousand barrels per stream day (instead of (120) thousand barrels per stream day), to cover all the needs of the Jordan Petroleum Products Marketing Company (a wholly-owned subsidiary company of JPRC) for finished petroleum products. The company has also added the necessary units to improve product quality to meet the latest international standards, along with the addition of a unit to convert heavy fuel oil into lighter more valuable products. The modified configuration will reduce the total cost of the upgrade project to approximately (1.7) billion US dollars, instead of approximately (3) billion US dollars as was before. A detailed roadmap prepared by the project management consultant, Technip Energies, shall be adopted by the company which outlines the necessary steps and a timeline for project implementation, ensuring the selection of an EPCF contractor so that project implementation will start by the end of November 2025.

The company also decided to contract with the American company UOP to obtain licenses for the technologies used in the fourth expansion project "Refinery upgrade". UOP will provide technical and engineering services related to the implementation of "managing licensor" work and basic engineering designs for the new units, in addition to updating the basic engineering designs previously prepared for the units included in the company's fourth expansion project and in order to shorten the time required for project documents preparing stages. All major production units were licensed by UOP, both for the upgrade project and those currently operating in the existing refinery.

Technip Energies was contracted to prepare the terms of reference, prepare all bid documents, conduct technical and financial prequalification of the parties to be contacted, conduct a technical and financial study of the bids, select the best technically and financially feasible bid, and discuss all agreements with preferred EPCF contractor prior to signing. Whereas Technip is the entity most familiar with the details of the fourth expansion project and has full knowledge of the project requirements and preliminary engineering design documents.

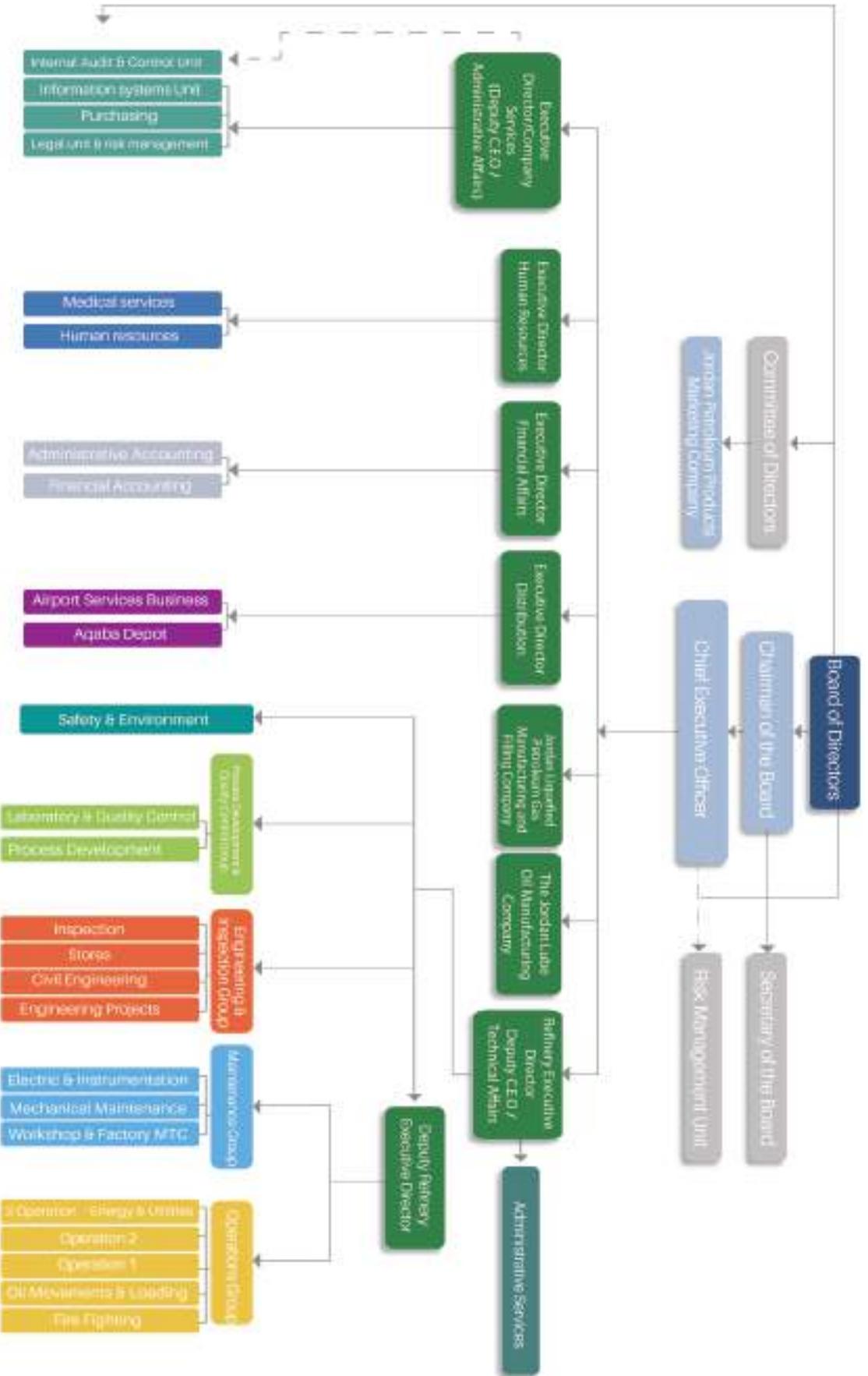
The direct contract with UOP and Technip saved approximately twenty months in the upgrade documents preparation plan to the completion phases. JPRC has contacted both the International legal advisor and the environmental advisor for the project to inform them of the company's decision to implement the fourth expansion project "Refinery upgrade" according to the timeline and roadmap prepared for this purpose.

## Twenty: The Geographical Distribution of the Company's Property and Equipment and its Employees as on 31/12/2024

The following table shows the geographical distribution of the company's fixed assets and the employees working at each location as on 31<sup>st</sup> December 2024:

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	164,749,777	60,191,514	104,558,263	276	237	19	532
Al-Zarqa	506,438,633	276,320,900	230,117,733	963	239	67	1,269
Irbid	23,231,513	13,904,674	9,326,839	44	14	2	60
Karak	7,369,396	2,347,268	5,022,128	-	11	3	14
Ajloun	659,070	175,016	484,054	-	--	-	-
Jerash	1,824,921	892,705	932,216	-	5	1	6
Ma'an	1,092,621	430,850	661,771	-	-	-	-
Tafelah	1,851,256	865,987	985,269	-	-	-	-
AlMafraq	3,238,924	1,351,859	1,887,065	-	8	-	8
Madaba	106,788	93,605	13,183	-	1	1	2
Al-Balqa	4,670,947	2,231,585	2,439,362	-	6	5	11
Aqaba	113,658,701	35,171,616	78,487,085	234	19	1	254
<b>Total</b>	<b>828,892,547</b>	<b>393,977,579</b>	<b>434,914,968</b>	<b>1,517</b>	<b>540</b>	<b>99</b>	<b>2,156</b>

Twenty One : Company's Organization Chart :



## Twenty-Two: Other Explanatory Notes:

1. During the year 2024, 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 2024 paid to the independent auditors Deloitte & Touche Company amounted to of JD (212,554).
3. The total capital investment for the Company's activities in 2024 reached JD (88,111,428) as explained in item "Third " in this report "Investments of the parent company, its subsidiaries, and non-controlling interests.
4. There are lawsuits filed against the company in the courts to claim an amount of JD (3,189,542 ) as of December 31, 2024, of which JD (2,070,000) are related to the refining activity, JD (1,086,542) are related to the Jordan Petroleum Products Marketing Company, JD (23,000) are related to the Jordan Mineral Oil Manufacturing Company, and JD (10,000) are related to the Jordan Liquefied Gas Manufacturing and Filling Company (JD (4,526,499) as of December 31, 2023). The obligations that may arise from the company's existing lawsuits have been estimated and the necessary provisions have been taken for them under the item of creditors and other credit balances. In the opinion of the company's management and legal advisor, the provisions taken are sufficient to meet any future obligations.
5. The company's Board of Directors expects that the company's financial position and the results of its business outcome for the following year 2025 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 the prices of crude oil and finished petroleum products in light of the political and security conditions that the region is experiencing and subject to the government's commitment to paying the amounts due from it.
6. During 2024, the company did not enter into contracts or agreements with subsidiaries, affiliates, or sister companies. It did not enter into contracts or agreements with the Chairman and members of the Board of Directors, the Chief Executive Officer, executive managers, employees, or their relatives, and this applies to relatives of the mentioned parties.
7. The company's management confirms the continuation of the company work as well as does not intend to liquidate it 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.
8. Despite that the Council of Ministers' Resolution No. (7633) taken in its session held on April 30, 2018, has set the commissioning of gas activity for the period from May 1,2018 to December 31, 2018 at rate at JD (43) per ton 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 the year 2019. Where any surplus /shortage arising from the increase or 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 the above mechanism may not cause any increase in the cylinder cost charged to customers 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 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, the Ministry of Energy and Mineral Resources appointed an auditor and an external studies company to determine the commission value for the years 2019 and 2020. Accordingly, the company provided the entities which were appointed by the Ministry of Energy and Mineral Resources with all the required data, at the same time these entities provided the Ministry of Energy and Mineral Resources and the Energy and Minerals Regulatory Commission with the 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 above mentioned Council of Ministers' Resolution No. (7633). As a result, the company is still negotiation 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 report to the Ministry of Energy and Mineral Resources. Accordingly, the Ministry informed the company of the commission that has been proposed, and the company objected to this value because it did not reflect the fair commission according to the aforementioned Council of Ministers' Resolution. Accordingly, a committee was formed of representatives of the Ministry of Energy and Mineral Resources, the Ministry of Finance, the Energy and Minerals Regulatory Commission, the External Studies Company, and the Jordan Petroleum Refinery Company in order to arrive at the fair commission value, which reflects the 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 appointed 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 agencies to obtain a fair commission in accordance with the Council of Ministers' Resolution No. (7633) mentioned above.

9. The Council of Ministers' Resolution No. (1897) was issued in its session held on January 19, 2025, which stipulates that the Jordan Petroleum Refinery Company shall borrow an amount of JD (80,000,000) from the banks referred to it by the Ministry of Finance, in exchange for the Ministry of Finance issuing pledges to repay the loans and the interest due on them to these banks on their due date, with guarantees from the allocations allocated for this purpose in the general budget. The resolution includes authorizing the Minister of Finance to sign the repayment pledges on behalf of the government, and he has also been authorized to approve and sign the agreement to repay the loan amount that will be signed between the government and the Jordan Petroleum Refinery Company. Offers have been solicited from banks operating in the Kingdom, and work is currently underway to study these offers.
10. The company recorded delay interest on the Ministry of Finance's "The Relationship" balance due and unpaid balances at the effective borrowing rate starting from May 1, 2018, pursuant to the Council of Ministers' Resolution No. (7633) taken in its session held on April 30, 2018.
11. Jordan Petroleum Products Marketing Company (a wholly-owned subsidiary) purchased the entire share of the partner in the Jordanian Aoun Company for Marketing and Distribution of Petroleum Products for Fuels on November 11, 2024.
12. The capital of Al-Kamel Fuel and Oil Station Company was increased to JD (50,000) instead of JD (5,000) pursuant to the decision of the General Assembly in its extraordinary meeting held on April 22, 2024, and the Jordan Petroleum Products Marketing Company (a wholly-owned subsidiary) purchased the entire share of the partner on December 30, 2024.
13. The capital of Al-Filaq Fuel and Lube Oil Station Company was increased to JD (1,513,993) instead of JD (5,000) dinars pursuant to the decision of the General Assembly of this company taken at its extraordinary meeting held on August 19, 2023, and its capital was increased to JD (2,115,000) instead of JD (1,513,993) pursuant to the decision of the General Assembly taken at its extraordinary meeting held on March 10, 2024.
14. In order to preserve the rights of the company's shareholders and maximize the value, the company during the year 2024 re-evaluated its owned lands and showed them at fair value based on the instructions for establishing value and disposing of the re-evaluation surplus for the year 2022 issued based on the provisions of Article (12) of the Securities Law No. (18) of 2017, as the re-evaluation of the company's lands at fair value led to an increase in the value of the company's assets and the value of its shareholders' rights by approximately JD (274) million.
15. Based on the clearing request submitted by the Jordan Petroleum Products Marketing Company to the Ministry of Finance to offset the debt owed by the Jordanian Armed Forces - the Arab Army in the amount of JD (5,000,000) against part of the taxes owed by the company, the offset Committee approved and the aforementioned offset which was conducted during the month of February 2024.
16. Based on the clearing request submitted by the Jordan Petroleum Products Marketing Company to the Ministry of Finance to offset the debt owed by the Public Security in the amount of JD (3,983,370) against part of the taxes owed by the company, the offset Committee approved and the aforementioned offset which was conducted during the month of February 2024.
17. Based on the clearing request submitted by the Jordan Petroleum Products Marketing Company to the Ministry of Finance to clear the debt owed by the Royal Medical Services in the amount of JD (1,809,620) against part of the taxes owed by the company, the offset Committee approved and the aforementioned offset which was conducted during the month of February 2024.
18. Based on the clearing request submitted by the Jordan Petroleum Products Marketing Company to the Ministry of Finance to clear the debt owed by the Jordanian Armed Forces - the Arab Army in the amount of JD (1,000,000) against part of the taxes owed by the company, the offset Committee approved and the aforementioned offset which was conducted during the month of July 2024.
19. A new supply agreement was signed between Alia - Royal Jordanian Airlines and the Jordan Petroleum Products Marketing Company (a wholly-owned subsidiary). The agreement is valid until February 11, 2024 and was extended until the end of May 2024. A new two-year agreement was signed between the two companies, with the agreement commencing on June 1, 2024.

20. The Iraqi oil supply agreement concluded between the Government of the Republic of Iraq and the Government of the Hashemite Kingdom of Jordan has been extended until June 26, 2025, at a quantity of (15,000) barrels per day, and the Jordan Petroleum Refinery Company has been authorized to implement the contract on behalf of the government.
21. Pursuant to the Council of Ministers' Resolution No. (12135) taken in its session held on June 18, 2023, the Council 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 (the unified fee).
22. Pursuant to the Council of Ministers' Resolution No. (16354) taken in its session held on May 19, 2024, the Jordan Petroleum Refinery Company's imports of crude oil and finished petroleum products were exempted from customs duties (the unified fee) until April 30, 2025.
23. Pursuant to the Council of Ministers' Resolution No. (15028) taken in its session held on January 21, 2024, imported petroleum gas was exempted from customs duties for a period of one year, starting from January 1, 2024.
24. Pursuant to the Council of Ministers' Resolution No. (1641) taken in its session held on December 24, 2024, imported petroleum gas was exempted from customs duties for a period of one year, starting from January 1, 2025.

### **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 27, 2025:**

**The following shows the recommendations of the General Assembly to approve the following in the meeting which will be on 27/4/2025:**

1. The consolidated financial statements of the company as of 31/12/2024, the report of the board of directors, the future plan and exonerate the chairman and the Board of Directors members from their liabilities.
2. Distribution of cash dividends at (50%) of the paid up capital (500 fils per share) after tax for the registered shareholder in the company's records on the date of General Assembly meeting in which it 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 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 ( 4,000,000 ) for voluntary reserve account to be use as determined by the Board of Directors of the company .
6. Allocate JD (18.927.259) 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.
8. Approved on the Board of Directors decision to Election Eng. Abdel Karim Hussein Abdallah Alawin as member of the company's Board of Directors as of 18/9/2024.

**The following shows the agenda of the General Assembly meeting scheduled to be held on 27/4/2025, in accordance with what was determined by the company's Board of Directors pursuant to its Resolution No. (21/2025) taken in its session held on March 25, 2025:**

1. Recite the minutes of the previous meeting of the general assembly held on 7/4/2024.
2. Approve the report of the Board of Directors on the activities of the company for the year ended 31/12/2024 and the future plan.

3. Hear the company's auditors report regarding its financial statement, final accounts and financial situation for the year 2024 .
4. Vote on Annual Consolidated Financial Statements for consolidated statement of profit or loss and approve the Consolidated Financial Statements.
5. Distribution of cash dividends at (50 %) of the paid up capital (500 fils per share) after tax for the registered shareholder in the company's records on the date of General Assembly meeting in which it 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 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 (4,000,000) for voluntary reserve account to be use as determined by the Board of Directors of the company.
9. Allocate JD (18.927.259) 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. Approved on the Board of Directors decision to election Eng. Abdel Karim Hussein Abdallah Alawin as member of the company's Board of Directors as of 18/9/2024.
12. Exonerate the Chairman and the Board of Directors members from their liabilities in respect of the financial year ended 31/12/2024.
13. Election the company's auditors for the fiscal year 2025 according to the provisions of the companies law and article no (67) of the company by-laws and fix their fees or authorized the board of directors to fix it.
14. Any other matters proposed by the General Assembly to be included in the agenda, which shall be approved by shareholders owning not less than (10%) of the shares represent in the meeting.

## Twenty Four: Declaration of the Board of Directors:

1. The company's Board of Directors declares that no significant issues are expected to impact the company's continuity in the upcoming fiscal year.
2. The company's Board of Directors acknowledges its responsibility for preparing the financial statements and providing an effective control system within the company.

Name	<b>Chairman of the Board</b>	<b>Vice chairman</b>	<b>Member</b>
	Eng. Abed AlRahim Fathi Salim Boucai	Eng. Abdel Karim Hussein Abdallah Alawin	Mr. Bassam Rashad Rashid Sinokrot
Signature			

Name	<b>Member</b>	<b>Member</b>	<b>Member</b>
	Mr. Ahmad Adnan Saleh Alkhudari	Mr. Walid Yacoub Mahmoud Al Najjar	Mr. Jamal M. F. Fariz
Signature			

Name	<b>Member</b>	<b>Member</b>	<b>Member</b>
	Mr. Ibrahim A. A. AbuDayyeh	Ms. Reem Yahya Hamto Abzakh	Mr. Ali Mohammad Mahmoud Al Balawneh
Signature			

Name	<b>Member</b>	<b>Member</b>	<b>Member</b>
	Dr. Mohammad Moh'd K. Thneibat	Eng. Ahmad Qasem Mohammad Al Sammarah	Eng. Hussein Abdullah Hussein Mogaibel
Signature			

Name	<b>Member</b> Mr. Mohammed Arif Sa'd \ Batayneh
Signature	

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

Name	<b>Financial Department Manager</b>	<b>Chief Executive Officer</b>	<b>Chairman of the Board</b>
	Abdel - Rahman Y.A As'ad	Eng. Hasan Soud Ahmad Alheyari	Eng. Abed AlRahim Fathi Salim Boucai
Signature			



# Independent Auditor's Report

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AM / 000573

To the Shareholders of  
Jordan Petroleum Refinery Company  
(A Public Shareholding Limited Company)  
Amman - Jordan

## 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, 2024, 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 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, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

### Basis for Opinion

We conducted our audit in accordance with 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 Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Jordan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## 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	How our audit addressed the key audit matter
<p><b>Revenue recognition</b></p> <p>The Group reported revenue of JD 1.517 billion during the year ended December 31, 2024 related to the sale of products derived from the processing of oil. The prices charged to customers for the products are based on government approved prices.</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 abovementioned 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"> <li>• Obtaining an understanding of the significant revenue processes and identifying the relevant controls in this process;</li> <li>• Evaluating the design and testing the implementation and operating effectiveness of the abovementioned relevant controls;</li> <li>• Evaluating the Group's method for recognizing revenue against the requirements of IFRSs;</li> <li>• Performing substantive analytical procedures on significant revenue streams based on expectations derived from industry knowledge and external market data, and investigating variances from our expectation.</li> <li>• Performing test of details to verify occurrence and accuracy of revenue transactions on a sample basis;</li> <li>• Determining, on a sample basis, that the Group had charged the government approved rates, to its customers;</li> <li>• Assessing the disclosures in the consolidated financial statements relating to this matter against the requirements of IFRS Accounting Standards.</li> </ul>

## 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	How our audit addressed the key audit matter
<p><b>Valuation of land</b></p> <p>Property, plant and equipment, which is carried in the consolidated statement of financial position at JD 510 million, includes land of JD 332 million.</p> <p>Land is measured at fair value with changes in fair value being presented as part of other comprehensive income. The Group recognised a gain on fair value of land of JD 274 million during the year. Land was measured at cost in previous years.</p> <p>The fair value of land is determined using the direct comparison methodology which results in land being valued based on recent selling prices of similar plots of land located in the same area. This required the significant judgements to be applied and estimates to be made which included the following:</p> <ul style="list-style-type: none"> <li>• Selection of the appropriate valuation methodology;</li> <li>• Identification and selection of comparable plots of land;</li> <li>• Adjustments for differences between the plots of land subject to valuation and the comparable plots of land, for example, size, location, and zoning rights.</li> <li>• Consideration of current market conditions and trends</li> </ul> <p>Management engaged an external valuer to assist them in determining the fair value of land.</p> <p>We have identified the determination of the fair value of land as a key audit matter due to the level of judgements applied and estimates made relating to this matter as well as the quantitative significance of this amount and the fair value gain to the consolidated financial statements.</p> <p>The Group's accounting policies relating to this matter are disclosed in note 5 to the consolidated financial statements and details about the Group's land are disclosed in note 12.</p>	<p>We performed the following procedures, inter alia, to address the key audit matter:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of the process adopted by management to determine the fair value of land and identified the relevant controls in this process.</li> <li>• Assessing the abovementioned controls to determine if they had been appropriately designed and implemented.</li> <li>• Assessing the skills, independence, objectivity and capabilities of the external valuer and reading their terms of engagement with the Group to determine if the scope of their work was sufficient for audit purposes.</li> <li>• Testing the data provided to the external valuer on a sample basis by agreeing it to the Group's accounting records and other supporting documentation.</li> <li>• Utilizing our internal valuation experts to assist us in evaluating the work of the external valuer, including the valuation methodology selected and key estimates used in the valuation process, and reviewing the results of their valuation.</li> <li>• Reperforming the mathematical accuracy of the valuation.</li> <li>• Agreeing the results of the valuation to the amounts and disclosures reported in the consolidated financial statements.</li> <li>• Assessing the disclosures in the consolidated financial statements relating to this matter against the requirements of IFRS Accounting Standards.</li> </ul>

## 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.

## Other Information

Management is responsible for the other information. The other information comprises the other information in the annual report but does not include the consolidated financial statements and the independent auditors' report thereon. That the other information is expected to be made available to us after the date of this auditor's 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 thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available 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 as issued by the IASB, 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 ISAs, 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 risks, 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 Company'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 Company 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.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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 27, 2025

Deloitte & Touche (Middle East) – Jordan





# Jordan Petroleum Refinery Company

(A Public Shareholding Limited Company)

Amman - Jordan

## Consolidated Statement Of Financial Position

ASSETS	Note	December 31,	
		2024	2023
		JD	JD
<b>Current Assets:</b>			
Cash on hand and at banks	8	32,235,765	33,760,040
Receivables and other debit balances	9	781,983,789	633,901,537
Crude oil, finished oil derivatives and Lube oil and supplies	10	402,582,262	470,933,996
Total Current Assets		1,216,801,816	1,138,595,573
<b>Non-Current Assets:</b>			
Deferred tax assets	12	10,551,203	10,170,210
Financial assets at fair value through other comprehensive income	11	3,549,681	3,236,140
Investment property - net	13	3,547,840	2,668,469
Right of use assets - net	16	42,149,878	43,286,831
Property, plants, equipment and projects under construction - net	14	509,568,987	225,579,946
Intangible assets - net	15	14,327,949	14,452,949
Total Non-Current Assets		583,695,538	299,394,545
<b>TOTAL ASSETS</b>		<b>1,800,497,354</b>	<b>1,437,990,118</b>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Due to banks	17	765,781,773	663,911,323
Lease Liability - current portion	16	2,242,705	2,455,304
Income tax provision	19	18,665,224	18,995,592
Payables and other credit balances	18	269,232,102	305,143,456
Total Current Liabilities		1,055,921,804	990,505,675
<b>Non-Current Liabilities:</b>			
Lease liability - non-current portion	16	40,761,411	41,461,022
End-of-service indemnity provision		-	41,687
Due to death, compensation, and end-of-service indemnity fund	31	35,609,172	37,900,409
Total Non-Current Liabilities		76,370,583	79,403,118
<b>TOTAL LIABILITIES</b>		<b>1,132,292,387</b>	<b>1,069,908,793</b>
<b>EQUITY</b>			
<b>Shareholders' equity:</b>			
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	60,384,430	57,048,125
Voluntary reserve	20/C	82,213,632	66,289,408
Financial assets at fair value reserve - net	21	3,169,957	2,856,416
Fourth expansion project reserve	20/D	57,555,984	36,600,708
Land valuation reserve at fair value	20/E	274,466,963	-
Difference from purchase of non-controlling interest		(1,127,857)	-
Retained earnings	22	84,541,170	97,341,865
Total Shareholders' Equity		661,204,279	360,136,522
Non - controlling interests	29	7,000,688	7,944,803
Total Owners' Equity		668,204,967	368,081,325
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>1,800,497,354</b>	<b>1,437,990,118</b>
<b>Contra Accounts</b>			
Death, compensation, and end-of-service indemnity fund	31	43,396,081	45,969,456
<b>Chairman of the Board of Directors</b>		<b>Chief Executive Officer</b>	

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,	
		2024	2023
		JD	JD
Net Sales	23	1,516,847,998	1,659,001,417
Less: Cost of sales	24	(1,356,126,947)	(1,499,613,568)
Gross profit from sales		160,721,051	159,387,849
Add: Operating income and others	25	13,319,573	15,515,971
Gross profit		174,040,624	174,903,820
Less: Selling and distribution expenses	26	(46,697,777)	(44,287,395)
General and administrative expenses	27	(14,307,604)	(13,539,925)
Bank interest and commissions		(47,461,650)	(39,877,767)
Released from (Provision) of lawsuits	18	1,336,957	(291,841)
(Provision) of expected credit losses	9/J	(1,546,955)	(426,677)
(Provision) of slow-moving and obsolete inventory and sediments	10	(940,073)	(717,556)
(Provision) of storage fees	18/G	(1,388,640)	(1,262,400)
Released from employees' vacations	18	111,452	100,283
Released from of special tax differences		-	7,603,779
Government's share of bank interest		34,198,088	27,722,684
Lease liabilities interest	16	(2,583,125)	(2,682,178)
Amortization of intangible assets	15	(125,000)	(1,083,333)
Profit for the Year before Income Tax		94,636,297	106,161,494
(Expense) of income tax for the year	19	(21,562,380)	(23,557,721)
Profit for the Year		73,073,917	82,603,773
<b>Attributable to :</b>			
Company's Shareholders	28	72,415,110	81,553,523
Non-controlling interests	29	658,807	1,050,250
		73,073,917	82,603,773
Profit per share for the year to the Company shareholders Basic & Diluted	28	-/724	-/816
<b>Chairman of the Board of Directors</b>		<b>Chief Executive Officer</b>	

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,	
	2024	2023
	JD	JD
Profit for the year	73,073,917	82,603,773
Items that can not be reclassified subsequently to the consolidated statement of Profit or Loss:		
Change in financial assets at fair value reserve - net	313,541	(579,091)
Change in land valuation reserve at fair value - net	274,820,440	-
Total Comprehensive Income for the Year	348,207,898	82,024,682
Total Consolidated Comprehensive Income Attributable to:		
Company's Shareholders	347,195,614	80,974,432
Non-controlling interests	1,012,284	1,050,250
	348,207,898	82,024,682

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	JD	JD
	Paid-up Capital	Statutory Reserve	Voluntary Reserve	Valuation Reserve Land at Fair Value Net	Financial Assets at Fair Value Reserve - net	Fourth Expansion Project Reserve	Difference from Purchasing Non controlling Interests	Retained Earnings *	Total Equity Attributed to the Owners' of the Company	Non-Controlling Interests	Total Equity		
<b>For the year 2024</b>													
Balance at the beginning 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		
Total Comprehensive Income for the year	-	-	-	274,466,963	313,541	-	-	72,415,110	347,195,614	1,012,284	348,207,898		
Deducted for reserves	-	3,336,305	15,924,224	-	-	21,232,299	-	(40,492,828)	-	-	-		
Transfer from fourth expansion reserve to retained earnings	-	-	-	-	-	(277,023)	-	277,023	-	-	-		
Dividends distributed to shareholders	-	-	-	-	-	-	-	(45,000,000)	(45,000,000)	-	(45,000,000)		
Change in non - controlling interests	-	-	-	-	-	-	(1,127,857)	-	(1,127,857)	(1,956,399)	(3,084,256)		
Balance at the End of the Year	100,000,000	60,384,430	82,213,632	274,466,963	3,169,957	57,555,984	(1,127,857)	84,541,170	661,204,279	7,000,688	668,204,967		
<b>For the year 2023</b>													
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	-	(58,043,996)	-	-	-		
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		

\*Retained earnings include an amount of JD 10,551,203 as of December 31, 2024, which represents the value of deferred tax assets that are restricted according to the instructions of the Securities Commission (JD 10,170,210 as of December 31, 2023).

- The General Assembly decided in its meeting held on April 7, 2024 to distribute cash dividends on company's shareholders at a rate of 45% from paid-up capital amounted JD 45 million, it also decided to allocate an amount of JD 15,924,224 for voluntary reserve account and to allocate JD 21,232,299 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 and Jordan Liquified Petroleum Gas Manufacturing and Filling 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,	
		2024	2023
		JD	JD
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Profit for the year before tax		94,636,297	106,161,494
Adjustments :			
Depreciation of property and equipment and investment property	13 & 14	11,435,589	11,090,653
Depreciation of right-of-use assets - subsidiary company	16	3,426,015	3,423,447
Amortization of intangible assets	15	125,000	1,083,333
(Released from) provision of employee's vacations		(111,452)	(100,283)
(Released from) Provision of lawsuits		(1,336,957)	291,841
(Released from) provision of special tax differences		-	(7,603,779)
Leased liability interest	16	2,583,125	2,682,178
Provision of slow-moving and obsolete inventory and sediments	10	940,073	717,556
Provision of storage fees	18/g	1,388,640	1,262,400
Government's share of bank interest		(34,198,088)	(27,722,684)
Provision of expected credit losses	9/J	1,546,955	426,677
Net cash flows from operating activities before changes in working capital items		80,435,197	91,712,833
(increase) Decrease in receivables and other debit balances		(117,816,654)	88,158,095
Decrease in crude oil, finished oil derivatives and supplies		67,450,861	53,433,099
(Decrease) in due to death, compensation, and end-of-service indemnity fund		(2,332,924)	(1,315,261)
(Decrease) in payables and other credit balances		(34,462,943)	(61,964,670)
Net Cash Flows (used in) from Operating Activities before Tax and Provisions Paid		(6,726,463)	170,024,096
Income tax paid	19	(22,273,741)	(25,723,844)
Paid from provision of storage fees	18/g	(1,388,642)	(1,230,840)
Paid from provision of slow-moving and obsolete and sediments inventory	10	(39,200)	(106,833)
Net Cash Flows from (used in) Operating Activities		(30,428,046)	142,962,579
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Proceeds on disposal of property, plant, and equipment		486,762	3,296,971
(Purchases) of property, plant and equipment	14	(22,791,668)	(48,806,862)
(Additions) of intangible assets	15	-	(1,250,000)
Net Cash flows (used in) Investment Activities		(22,304,906)	(46,759,891)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Change in loans and borrowings - net		101,870,450	(32,445,081)
Dividends distributed to shareholders		(45,000,000)	(50,000,000)
Paid from lease liabilities	16	(5,661,773)	(5,972,673)
Net Cash Flows (used in) from Financing Activities		51,208,677	(88,417,754)
Net Increase in cash		(1,524,275)	7,784,934
Cash on hand and at banks - Beginning of the year		33,760,040	25,975,106
Cash on hand and at banks - End of the Year	8	32,235,765	33,760,040
<b>Non-cash transactions</b>			
Offsetting agreements	9	11,792,990	71,417,857
Transfers from projects under construction to property and equipment	14	2,326,961	1,609,012
Transfers from right-of-use assets to property and equipment	14	-	2,700,000

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

Jordan Petroleum Refinery Company was established during 1956 in Zarqa, its main headquarter is in Amman as a public shareholding limited 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, then 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, 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, where these companies have the right to import oil derivative direct. 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 Jordan 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, It has the largest market share in marketing finished oil derivatives from the local market, noting that this company has obtained a marketing and distribution license from the Energy and Minerals Regulatory Authority for a period of (10) years starting from the first of May 2013 and was 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 fully owned subsidiaries and controlled subsidiaries, as it owns 60% or more of these companies. The company also supply a large number of fuel stations across the kingdom with finished oil derivatives under signed agreement 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 (refinery modernization) by adding the necessary production units to improve the quality of products to become compatible with the highest international specifications and to be environmentally friendly, with the addition of units to convert heavy petroleum products into light petroleum products with a higher selling value, which will lead to maximizing value and profitability and reducing production costs to the minimum possible. 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 Jordan Lube Oil Manufacturing Company.

Jordan Petroleum Refinery Company is the only company in the Kingdom that fills liquefied gas cylinders 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, increasing the additional revenue from the storage process for others and reduce storage costs for others, and benefit from fluctuations in global prices for crude oil, finished petroleum derivatives, liquefied gas, and mineral oils of all kinds.

The Group's consolidated financial statements were approved by the Board of Directors at its meeting held on March 25, 2025, 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 of shareholders 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. Following this the company concluded an agreement with the government of the Hashemite Kingdom of Jordan regarding the future of the company's activities, pursuant to which the relationship with the government was extended for an additional five years. The agreement expired on April 30, 2018, and the company began operating on a commercial basis on May 1, 2018, after the financial and contractual relationship with the government had ended.
- 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 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 of Shareholders of the Company, 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 expenditures within the normal rates. Otherwise, the Government should be consulted concerning any deviations in these rates.
  - 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 provided that its standalone financial statements or its own 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.

And the calculation of profits under this mechanism was terminated in implementation of the minutes of the meeting on the future of work of the Jordan Petroleum Refinery Company, as of the first of May 2018 where the company started to operate on a commercial basis.

### **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 first of May 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 first of May 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 thereon 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, 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 Ministers' 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 government 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 of 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 according to the loan payment agreement signed by the company's delegates and the Minister of Finance.

The Council of Ministers' issued Decision No. (11231) adopted in its meeting held on April 2, 2023, which included the Jordan 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 loans 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 assigned by the government during of May 2023, and the loans 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.

Subsequent to the date of the financial statements, the Council of Ministers' Resolution No. (1897) was issued in its session held on January 19, 2025, which stipulates that the Jordan Petroleum Refinery Company shall borrow an amount of 80,000,000 Jordanian dinars from the banks referred to it by the Ministry of Finance in exchange for the Ministry of Finance issuing pledges to repay the loans and the interest due on them to these banks on their due date, with the guarantees of the provisions allocated for this purpose in the general budget. The resolution includes authorizing the Minister of Finance to sign the repayment pledges on behalf of the government. He was also authorized to approve and sign the agreement to repay the loan amount that will be signed between the government and the Jordan Petroleum Refinery Company. Bids have been solicited from banks operating in the Kingdom, and work is currently underway to study these bids.

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 of June 2023, leaving an amount equivalent to JD 3.2 million 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, so the cleaning of these tanks has not been completed to this date. Additionally, 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 immediately due to the large 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 Government 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 borne afford 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 Ministers' 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 from government 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 Minister's 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, based on that the Company 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 reports 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, as it does not reflect the fair commission according to the aforementioned Council decision. Consequently, a committee was formed from a representative of Ministry of Energy and Mineral Resources, a representative 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, 2023 and 2024 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, based on that the Company insisted on rejecting the above clause, as the transferred assets are owned by 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 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 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 the decision includes that 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 of Shareholders, 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 has paid and transferred an amount of JD (20.4) million to the Ministry of Finance through April 2023, which represents the Jordanian government's share in the assets of Jordan Petroleum Refinery Company in Aqaba and the Airports, which represents 51% Of these assets according to the company's concession terminating agreement signed in 2008, noting that, the value of the assets was determined at fair value (market) by the consultant appointed by the government (Chann Oil Consulting Company), accordingly, ownership of all these assets be lounged to the company, and the company began working to develop expand and diversify its activities in Aqaba and 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 first of May 2018, 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 strategic inventory owned by the government 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 year 2022 and 2023, and 2024.
- 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 operating on commercial terms from the first of May 2018 (Note 3).

**D.** The Jordan Liquefied Petroleum Gas Manufacturing and Filling Company, which was activated as of January 1, 2023, after transferring all its liquefied gas activities (except for the liquefied gas production activity) recorded an amount of JD 7,864,933 on the Ministry of Finance account, as revenue against the commission difference of filling the Liquefied gas according to the Council of Ministers' Decision No. (7633) during the year ending December 31, 2024, adopted in its meeting held on April 30, 2018. This decision has set the commission amount for the period 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 per ton of gas sold, representing the commission difference included in the (IPP) JD 25 and the stated commission, in the Council of Ministers Decision mentioned above JD 43 in consistency with year 2018 as a precautionary measure of raising the value of the commission before it is approved by the official authorities. 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, 2023 and 2024, which reflect the rate 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, 2023, 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 have 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 does the following:

- 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, 2024, 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	100	Amman	January 10, 2016	Operating
Al Kamel Gas Station for Oil and Fuel Company ****	50,000	100	Amman	February 26, 2017	Operating
Al-Wadi Al-A'abiad 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	Operating
Al Failaq station for Fuel and Oil Company *****	2,115,000	100	Amman	July 7, 2020	Non-Operating under renovation
Renewable Energy Marketing Company LLC	500,000	100	Amman	April 21, 2024	Operating

\*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 stations and repair and maintenance workshop for gas cylinders have been annexed to it, as 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) adopted in its meeting held on December 30, 2021. In addition, capital raising procedures of Jordan Lube Oil Manufacturing Company have also been completed on March 21, 2022, so that the authorized and paid-up capital of the Company became JD 6 million, noting that the company was activated and started its operations as of April 1, 2022 and annexing the entire activity and oil factory to it.

\*\*\* The company purchased the entire share of the partner in Al-Aon for Marketing and Distribution Fuel products Company on November 11, 2024.

\*\*\*\* The capital of the Al-Kamel Fuel and Oil Station Company was increased to JD 50,000 instead of JD 5,000, according to the General Assembly decision in its extraordinary meeting on April 22, 2024. The company purchased the entire share of the partner on December 30, 2024.

\*\*\*\*\* The capital of 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 Al-Failaq 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 August 19, 2023, and the capital was increased to JD 2,115,000 instead of JD 1,513,993 according to the General Assembly decision in its extraordinary meeting on March 10, 2024.

- Jordan Petroleum Products Marketing Company (a wholly owned subsidiary) 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-Markzeyya 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 wholly owned subsidiary company) noting that these companies were subsidiaries of this company.
- Jordan Petroleum Products Marketing Company (a wholly owned subsidiary) receives a marketing commission of 12 fils per each liter sold from finished petroleum products and a retail commission of 15 fils per each liter sold from finished petroleum products until August 31, 2018. The retail commission has been amended to become 18 fils per each liter sold from finished petroleum products from September 1, 2018, until May 31, 2024. This commission was amended to become 23 fils per liter sold from June 1, 2024, in addition, it receives other commissions, representing runoff, evaporation loss allowance and transport fees and that is according to the finished 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 recognised in statement of profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised 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 profit purchase.

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 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 was 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 market 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 Company 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:

- Lands are measured in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date.
- Any revaluation increase arising on the revaluation of such land is credited to the properties revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in carrying amount arising on the revaluation of such land is charged as an expense to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

- On the subsequent sale of a revalued Land, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings.
- All other Property and equipment are stated at cost less accumulated depreciation and accumulated impairment loss.
- Depreciation is recognised so as to write off the cost over their useful lives, using the straight-line method, on the following bases:

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

- The estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.
- An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in consolidated statement of profit or loss.

### 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 and all logistics services related to the oil, finished oil derivatives, gas, and lube oil.

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 Company 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 Company 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 adjusted lease payments, using a adjusted 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 adjusted 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 adjusted 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 adjusted lease payments using a adjusted 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. Change in Accounting Policy

The group previously applied the cost model to measure lands and during the year 2024 adopts a policy to measure lands using the revaluation model, this represents a change in accounting policy.

The group dealt with the change in accounting policy as a revaluation rather than as a prior period adjustment which is in line the related IFRSs. Consequently, the valuation uplift or write-down occurring on the initial adoption of the revaluation basis is recognised in other comprehensive income (and accumulated in the revaluation surplus) or in profit or loss, as appropriate,. Prior period amounts are not restated.

The following table summarises the impact of the change in accounting policy on the consolidated financial statements of the group:

Consolidated statement of other comprehensive income	JD
<b>Gains on Surplus of Lands revaluation</b>	274,820,440
<b>Consolidated statement of financial position</b>	
<b>Assets</b>	
Lands included item in property, plants, equipment and projects under construction - net	274,820,440
<b>Shareholders' equity:</b>	
Lands revaluation reserve at fair value- net	274,466,963
Non-controlling interests	353,477

### B. 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 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 Company operates approve its application, noting that no instructions have been issued regarding it until the date of the financial statement.

## C .New IFRS Accounting Standards in issue but not yet effective

The Company 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
<b>Amendments to the Sustainability Accounting Standards Board "SASB" standards to enhance their international applicability</b>	<b>January 1, 2025</b>
<b>Amendments to IAS 21 - Lack of Exchangeability</b>	<b>January 1, 2025</b>
<b>Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments</b>	<b>January 1, 2026</b>
<b>Annual Improvements to IFRS Accounting Standards — Volume 11</b>	<b>January 1, 2026</b>
<b>IFRS - 18 Presentation and Disclosures in Financial Statements</b>	<b>January 1, 2027</b>
<b>IFRS - 19 Subsidiaries without Public Accountability</b>	<b>January 1, 2027</b>

The management anticipates adopting these new standards, interpretations, and amendments in the Company's 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 Company's financial statements during the initial application period.

## 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 ready-made 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 Company.
- 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), and 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 2023.

## 8. Cash on Hand and at Banks

This item consists of the following:

	December 31,	
	2024	2023
	JD	JD
Cash on hand	3,213,954	3,957,163
Current accounts at banks	29,021,811	29,802,877
	32,235,765	33,760,040

## 9. Receivables and Other Debit Balances

This item consists of the following:

	December 31,	
	2024	2023
	JD	JD
Ministries, government authorities, Security authorities, and the Electricity Companies - fuel (a)	126,348,555	80,357,461
Fuel clients and others (b)	69,067,336	53,514,817
Alia Company - Royal Jordanian Airlines (c)	6,311,512	6,333,019
Checks under collection (d)	31,324,481	31,325,259
<b>Total receivables</b>	<b>233,051,884</b>	<b>171,530,556</b>
Ministry of Finance - the relationship (e)	400,996,130	320,091,020
General sales tax deposits (f)	149,591,696	139,469,128
Other debit balances (g)	2,331,986	2,277,063
Employees receivable	1,589,799	1,770,520
Prepaid expenses (h)	9,387,501	10,000,513
Contract acquisition expenses - Subsidiary Company (i)	10,437,911	13,270,388
	807,386,907	658,409,188
Less: Expected credit losses provision (j)	(25,403,118)	(24,507,651)
	781,983,789	633,901,537

- 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, 2024	1 Day - 119 Days	120 Days - 179 Days	180 Days - 365 Days	More than a year*	Total
	JD	JD	JD	JD	JD
Receivables	129,002,598	30,538,213	20,953,818	52,557,255	233,051,884
Provision of expected credit losses	5,664,753	2,691,625	4,202,874	12,843,866	25,403,118
Expected credit loss Rate	4%	9%	20%	24%	11%

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%

-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 36,943,981 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 2,526,490 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, 2024 receivables for fuel withdrawals by ministries, government agencies, and security agencies related to refining activity with an amount of JD 75,058,555 , an amount of JD 3,266,009 for previous receivables related to lube oil sales from the lube oil factory before first of April 2022, and an amount of JD 146,462 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 44,569,103 for Jordan Petroleum Products Marketing Company and the amount of JD 3,308,426 for the Jordan Lube Oil Manufacturing Company, which 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 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.
- 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 5,000,000 against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during February 2024.
- Upon on the offsetting request by Jordan Petroleum Products Marketing Company submitted to the Ministry of Finance, for offsetting the Jordanian Public Security debts of JD 3,983,370 against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during February 2024.
- 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 1,809,620 against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during February 2024.
- 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 1,000,000 against part of the Company's accrued taxes, the offsetting committee approved the request, and the mentioned offsetting was performed during July 2024.
- 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 four years based on the agreement of the two parties as the agreement includes automatic renewal upon approval of both parties, the Royal Jordanian Air Force's balance as of December 31, 2024, amounting to JD 70,957,332, was reconciled pursuant to the minutes signed by the relevant parties in the Royal Jordanian Air Force and the Jordan Petroleum Refinery Company on January 7, 2025.

- b.** This item includes as of December 31, 2024 receivables of different fuel clients and other receivables in an amount of JD 10,748,617 related to the refining activities, an amount of JD 4,173,292 related for previous receivables for lube oil withdrawals from the oil factory before April 1, 2022, and an amount of JD 13,179 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 53,436,807 related to Jordan Petroleum Products Marketing Company, and an amount of JD 695,441 related to 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 as of December 31, 2024 receivables with an amount of JD 6,297,022 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 and an amount of JD 5,780 related to the Jordan Lube Oil Manufacturing Company which 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, 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 wholly owned 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 wholly owned subsidiary). A new supply agreement was also signed between Alia Company - Royal Jordanian Airlines and the Jordan Petroleum Products Marketing Company - (a wholly owned subsidiary) that expires on February 11, 2024, and The agreement was extended until the end of May 2024. A new two-year agreement was signed between the two companies, with the agreement commencing on June 1, 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 financial settlement agreement concluded 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/l).
- 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 of the Jordan Petroleum Products Marketing Company as of December 31, 2024, extends to July 5, 2026, and their value is JD 27,808,615. The maturity of the checks related to the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company, which was 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), extends to April 17, 2025, and their value is JD 449,017. The maturity of the checks related to the Jordan Lube Oil Manufacturing Company extends to April 30, 2025, value is JD 3,066,849 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, 2024 includes an amount of JD 253,214,200 related to the refining activity, and an amount of JD 13,822,249 related to Jordan Petroleum Products Marketing Company, and an amount of JD 133,959,681 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 to conduct an offset between a portion of the government's debt — under the main account of the Ministry of Finance (relationship account) — in favor of the company, and the general and special taxes included within the customs declarations in favor of the Customs Department, the Customs Department approved this procedure on March 16, 2020. The Offset Committee approved the offset on July 6, 2020, for an amount of JOD 58,042,756. The offset procedure was completed during 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) taken 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.
- Subsequent to the date of the financial statements, the Council of Ministers' No. (1897) taken in its meeting held on January 19, 2025, which stipulates that the Jordan Petroleum Refinery Company shall borrow an amount of JD 80,000,000 from the banks designated by the Ministry of Finance. In return, the Ministry of Finance will issue repayment pledges to cover the loans and interest amounts due to these banks upon maturity, guaranteed by provision allocated for this purpose in the general budget. The resolution further authorizes the Minister of Finance to sign the repayment pledges on behalf of the government, as well as to approve and sign the loan repayment agreement to be concluded between the government and the Jordan Petroleum Refinery Company. Bids have been requested from banks operating in the Kingdom, and the submitted bids are currently under review.
- 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.
- 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.
- Based on the letter from the Jordan Petroleum Refinery Company addressed to the Prime Minister No. (1/26/1/2809), which includes a request to instruct the Ministry of Finance to comply with the Council of Ministers' decision No. (7633) dated April 30, 2018, that includes the payment of the outstanding balance of the government's debt as of September 30, 2024, the Economic Modernization and Development Committee decided to form a joint team from the government and the company to reconcile the balances of the financial relationship as of September 30, 2024. After the committee completed its work, a reconciliation report was signed on December 18, 2024, for the balances of the financial relationship between the company and the government as of September 30, 2024, amounting to JD 574,554,343.
- During the year ending December 31, 2024, the Ministry of Finance paid JD 47.6 million to the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company (a wholly-owned subsidiary) as part of the gas subsidy balance owed by the government.
- 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 Jordan 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 Jordan 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 Jordan Petroleum Products Marketing Company's letter No. (111/2/498) dated January 23, 2024.
- The balances of the Ministry of Finance of the Jordanian Petroleum Products Marketing Company as of December 31, 2024 were confirmed through the Ministry of Finance's approval of the Jordan Petroleum Products Marketing Company's letter No. (111/2/759) dated February 3, 2025.
- According 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 and 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 Iraqi oil account balances for January 2024 were also reconciled according to the minutes 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 13, 2024. The Iraqi oil account balances for February 2024 were reconciled according to the minutes signed by the concerned parties in the Ministry of Finance, the Ministry of Energy and Mineral Resources, and the Jordan Petroleum Refinery Company on April 22, 2024. The Iraqi oil account balances for April 2024 were reconciled according to the minutes signed by the concerned parties in the Ministry of Finance, the Ministry of Energy and Mineral Resources, and the Jordan Petroleum Refinery Company on July 1, 2024. The Iraqi oil supply contract agreement was extended until June 26, 2025, with a quantity of 15,000 barrels per day, and the Jordan Petroleum Refinery Company was authorized to implement the contract on behalf of the government. The Iraqi oil account balances were reconciled For the months of May and June 2024, according to the minutes signed by the concerned parties in the Ministry of Finance, the Ministry of Energy and Mineral Resources, and the Jordan Petroleum Refinery Company on August 6, 2024. The balances of the Iraqi oil accounts for the months of July and August 2024 were reconciled according to the minutes signed by the concerned parties in the Ministry of Finance, the Ministry of Energy and Mineral Resources, and the Jordan Petroleum Refinery Company on November 13, 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 three years based on the agreements between the two parties as the agreement includes automatic renewal upon approval of both parties, and the balance of the Royal Jordanian Air Force's assets as of December 31, 2024, amounting to JD 70,957,332, was reconciled pursuant to the minutes signed by the relevant parties in the Royal Jordanian Air Force and the Jordan Petroleum Refinery Company on January 7, 2025.

- 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:

	<b>April 30, 2018 (Audited)</b>
<b>Amounts Owed to the Company:</b>	<b>JD</b>
Ministry of Finance primary account (the relationship)	220,480,978
Deposits general sales tax	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
<b>Total Amounts owed to the Company</b>	<b>698,347,797</b>
<b>Less: Amounts Owed to the Government:</b>	
Deposits differences of oil derivatives pricing and surplus	43,746,064
Special sales tax deposits	1,738,247
Deposits for constructing alternative tanks - The Ministry of Energy	93,500,103
Fees and allowances according to the oil derivatives pricing bulletin (IPP)	21,244,292
<b>Total Amounts Due to the Government</b>	<b>160,228,706</b>
<b>Balance Owed by the Government to the Company</b>	<b>538,119,091</b>

-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:

	<b>December 31, 2018 (Audited)</b>
<b>Amounts Owed to the Company:</b>	<b>JD</b>
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
<b>Total Amounts owed to the Company</b>	<b>768,104,376</b>
<b>Less: Amounts Owed to the Government:</b>	
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
<b>Total Amounts Due to the Government</b>	<b>176,434,717</b>
<b>Balance Owed by the Government to the Company</b>	<b>591,669,659</b>

- 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:

	<b>December 31, 2019 (Audited)</b>
<b>Amounts Owed to the Company:</b>	<b>JD</b>
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
<b>Total Amounts owed to the Company</b>	<b>463,335,046</b>
<b>Less: Amounts Owed to the Government:</b>	
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
<b>Total Amounts Due to the Government</b>	<b>184,054,512</b>
<b>Balance Owed by the Government to the Company</b>	<b>279,280,534</b>

- 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)
<b>Amounts Owed to the Company:</b>	<b>JD</b>
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
<b>Total Amounts Owed to the Company</b>	<b>530,554,413</b>
<b>Less: Amounts Owed to the Government:</b>	
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
<b>Total Amounts Due to the Government</b>	<b>188,386,623</b>
<b>Balance Owed by the Government to the Company</b>	<b>342,167,790</b>

- 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)
<b>Amounts Owed to the Company:</b>	<b>JD</b>
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
<b>Total Amounts owed to the Company</b>	<b>405,438,380</b>
<b>Less: Amounts Owed to the Government:</b>	
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
<b>Total Amounts Owed to the Government</b>	<b>51,533,523</b>
<b>Balance Owed by the Government to the Company</b>	<b>353,904,857</b>

- 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:

	<b>December 31, 2021 (Audited)</b>
<b>Amounts Owed to the Company:</b>	<b>JD</b>
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
<b>Total Amounts owed to the Company</b>	<b>380,072,913</b>
<b>Less: Amounts Owed to the Government:</b>	
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
<b>Total Amounts Owed to the Government</b>	<b>46,788,688</b>
<b>Balance Owed by the Government to the Company</b>	<b>333,284,225</b>

- 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:

	<b>September 30, 2022 (Reviewed)</b>
<b>Amounts Owed to the Company:</b>	<b>JD</b>
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*	
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
<b>Total Amounts Owed to the Company</b>	<b>444,754,336</b>
<b>Less: Amounts Owed to the Government:</b>	
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
<b>Total Amounts Due to the Government</b>	<b>49,002,240</b>
<b>Balance Owed by the Government to the Company</b>	<b>395,752,096</b>
<b>National Electricity Company * *</b>	<b>71,158,551</b>
<b>Balance owed to the company by the government and the National Electricity Company</b>	<b>466,910,647</b>

- 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)
<b>Amounts Owed to the Company:</b>	<b>JD</b>
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
<b>Total Amounts Owed to the Company</b>	<b>479,623,944</b>
<b>Less: Amounts Owed to the Government:</b>	
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
<b>Total Amounts Due to the Government</b>	<b>49,740,196</b>
<b>Balance Owed by the Government to the Company</b>	<b>429,883,748</b>
<b>National Electricity Company **</b>	<b>48,255,316</b>
<b>Balance owed to the company by the government and the National Electricity Company</b>	<b>478,139,064</b>

- The balance of the financial relationship between the company and the government related to the refining and gas activity as of 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)
<b>Amounts Owed to the Company:</b>	<b>JD</b>
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
Governmental and 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
<b>Total Amounts Owed to the Company</b>	<b>479,400,519</b>
<b>Less: Amounts Owed to the Government:</b>	
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
<b>Total amounts Due to the Government</b>	<b>5,134,089</b>
<b>Balance Owed by the Government to the Company</b>	<b>474,266,430</b>
<b>National Electricity Company **</b>	<b>3,200,994</b>
<b>Balance owed to the company by the government and the National Electricity Company</b>	<b>477,467,424</b>

- The balance of the financial relationship between the Company and the Government related to the refining and gas activities as of September 30, 2024 (Confirmed by the minutes signed by the joint team of representatives of the Ministry of Finance and the company based on the assignment of the Economic Modernization and Development Committee signed on December 18, 2024) is as follows:

	<b>September 30, 2024 (Reviewed)</b>
<b>Amounts Owed to the Company:</b>	<b>JD</b>
Ministry of Finance primary account (the relationship)	366,649,615
General sales tax deposits	145,701,775
Debts of security authorities, Governmental departments and Institutions: *	
Armed Forces / Directorate of Supply	-
Royal Air Force	64,076,477
Directorate of General Security	1,695
Governmental and Security Agencies (Withdrawals of Liquefied petroleum Gas)	267,553
Departments, ministries, and Governmental agencies and Institutions	1,725,343
Total Debts of Security Authorities, and Governmental Departments and Institutions	66,071,068
<b>Total Amounts owed to the Company</b>	<b>578,422,458</b>
<b>Less: Amounts Owed to the Government:</b>	
Deposits differences of oil derivatives pricing and surplus	47,726
Special sales tax deposits	1,604,806
Fees and allowances according to the Oil derivatives pricing bulletin (IPP)	2,215,583
<b>Total amounts due to the Government</b>	<b>3,868,115</b>
<b>Balance Owed by the Government to the Company</b>	<b>574,554,343</b>
<b>National Electricity Company **</b>	<b>3,200,994</b>
<b>Balance owed to the company by the government and the National Electricity Company</b>	<b>577,755,337</b>

- The balance of the financial relationship between the company and the government related to the refining and gas activity as of December 31, 2024 is as follows:

	<b>December 31, 2024 (Audited)</b>
<b>Amounts Owed to the Company:</b>	<b>JD</b>
Ministry of Finance primary account (the relationship)	387,173,881
General sales tax deposits	148,409,778
Debts of security authorities, Governmental departments and Institutions: *	
Armed Forces / Directorate of Supply	-
Royal Air Force	70,957,332
Directorate of General Security	1,695
Security Authorities (Withdrawal of Liquefied Petroleum Gas)	146,462
Departments, ministries, and Governmental agencies and Institutions	898,534
Total Debts of Security Authorities, and Governmental Departments and Institutions	72,004,023
<b>Total Amounts owed to the Company</b>	<b>607,587,682</b>
<b>Less: Amounts Owed to the Government:</b>	
Deposits differences of oil derivatives pricing and surplus	47,951
Special Sales Tax Deposits	2,887,898
Fees and allowances according to the Oil derivatives pricing bulletin (IPP)	3,116,605
<b>Total amounts due to the Government</b>	<b>6,052,454</b>
<b>Balance Owed by the Government to the Company</b>	<b>601,535,228</b>
<b>National Electricity Company **</b>	<b>3,200,994</b>
<b>Balance owed to the company by the government and the National Electricity Company</b>	<b>604,736,222</b>

\* 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 mentioned above are matched with the records of the Income and Sales Tax Department as of December 31, 2024, and the Income and Sales Tax Department has audited the general and special tax balances up to October 2024, and the company has been granted a final and conclusive discharge of all general and special tax balances up to the end of October 2024.
- f.** The general sales tax deposits item includes an amount of JD 136,028,949 related to the refining activity due to the company as of December 31, 2024, and an amount of JD 1,527,545 related to Jordan Petroleum Products Marketing Company due to the company, and an amount of JD 12,380,829 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 (345,627) due to the Income and Sales Tax Department related to Jordan Lube Oil Manufacturing Company, 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 oil derivatives from customs fees (Customs fees).
  - Pursuant to the Council of Ministers' Decision No. (16354) adopted in its session held on May 19, 2024, includes exempting the Jordan Petroleum Refinery Company's imports of crude oil and finished petroleum products from customs fees (Customs fees) until April 30, 2025.
  - 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.
  - Pursuant to the Council of Ministers Decision No. (15028) 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.
  - Pursuant to the Council of Ministers Decision No. (1641) adopted in its session held on December 24, 2024, imported petroleum gas has been exempted from customs fees for a period of one year, starting from January 1, 2025.
- 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 as of January 31, 2024 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 5,574,445 related to the refining activity, and an amount of JD 3,180,445 related to Jordan Petroleum Products Marketing Company, and an amount of JD 430,073 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 202,538 related to Jordan Lube Oil Manufacturing Company. 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,	
	2024	2023
	JD	JD
Balance at the beginning of the year	24,507,651	24,223,875
Addition during the year	1,892,074	426,677
(Released) during the year *	(966,512)	-
(Write-off) during the year **	(30,095)	(142,901)
<b>Balance at the End of the Year</b>	<b>25,403,118</b>	<b>24,507,651</b>

- This item includes expected credit losses provision as on December 31, 2024 with an amount of JD 4,171,362 related to the refining activity and an amount of JD 1,741,269 related to the oil factory before the first of April 2022, and an amount of JD 19,359,709 related to Jordan Petroleum Products Marketing Company, and an amount of JD 121,718 related to Jordan Lube Oil Manufacturing Company. Noting that Jordan Lube Oil Manufacturing Company has been activated as of April 1, 2022, and the different lube oil activities in the lube oil factory were annexed to it. An amount of JOD 9,060 for the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company, which commenced its operations as of January 1, 2023, after all the various liquefied gas activities were attached to it (except for the liquefied gas production activity). The provision was calculated after taking into consideration the receivables guaranteed by Jordanian Government.

\* An amount of JOD 621,393 for the refining activity and JOD 345,119 related to oil factory were released for the receivables balance before April 1, 2022. An amount of JOD 621,393, representing the amount released from the provision for expected credit losses for the refining activity, was credited to the Ministry of Finance's account - related to the agreement with the Ministry of Finance to credit any amount refunded from this provision for a receivable for which a provision was allocated before April 30, 2018, to the Ministry of Finance's account, while the company retained the balance of this provision.

\*\* Receivables for the refining activity were written-off during the year in the amount of JOD 6,536, and receivables for the Lube oil factory were extinguished for the receivables balance before April 1, 2022, in the amount of JOD 23,559.

## 10. Crude Oil, Finished Oil Products, and Supplies

This item consists of the following:

	December 31,	
	2024	2023
	JD	JD
Finished oil derivatives and lube oil	225,545,007	241,161,684
Crude oil and materials under process	101,253,987	130,577,732
Raw materials, spare parts, and other supplies	67,032,174	57,881,592
Goods in transit	16,736,472	49,075,497
Less: Provision for slow-moving and obsolete and sediments inventory*	(7,985,378)	(7,762,509)
	<b>402,582,262</b>	<b>470,933,996</b>

\*The movement on the provision for slow-moving and obsolete inventory and sediments is as follows:

	December 31	
	2024	2023
	JD	JD
Balance at beginning of the year	7,762,509	8,188,645
Addition during the year	940,073	717,556
(Paid) during the year	(39,200)	(106,833)
(Written-off items) during the year	(678,004)	(1,036,859)
<b>Balance at the End of the Year</b>	<b>7,985,378</b>	<b>7,762,509</b>

## 11. Financial Assets at Fair Value through Comprehensive Income

This item consists of the following:

Listed Shares	December 31			
	2024		2023	
	Number of Shares	JD	Number of Shares	JD
Jordan Electricity Company *	760,243	1,680,137	760,243	1,459,666
Safwa Islamic Bank **	307,819	572,543	256,516	497,641
Arab Potash Company	47,300	1,258,180	47,300	1,235,949
Jordan Paper and Cardboard Factories Company	33,300	1,665	33,300	1,665
Public Mining Company	27,500	15,950	27,500	16,225
Palestine Development and Investment Company	28,060	19,923	28,060	23,711
Al Motarabita Investment Company	128,259	1,283	128,259	1,283
		<b>3,549,681</b>		<b>3,236,140</b>

\* During the year 2023, the Jordanian Electricity Company distributed 4% in additional free shares for the earnings for the year 2022.

\*\* During the year 2024, the Safwa Islamic Bank distributed 20% in additional free shares for the earnings for the year 2023.

## 12. Deferred Tax Assets

This item consists of the following:

Items that resulted in Deferred Tax Assets:	For the Year Ended December 31, 2024													
	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, 2023	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
Expected credit losses provision	24,507,651	1,892,074	(996,607)	25,403,118	5,334,655	257,679	5,076,976							
Write-off and maintenance of gas cylinders provision	5,000,000	4,369,407	(4,369,407)	5,000,000	1,050,000	50,000	1,000,000							
Employees' vacations provision	2,035,461	-	(111,452)	1,924,009	404,042	(3,050)	407,092							
End-of-service indemnity provision	41,687	-	(41,687)	-	-	(8,337)	8,337							
Slow-moving and obsolete and sediments inventory provision	7,762,509	940,073	(717,204)	7,985,378	1,676,929	124,427	1,552,502							
Storage fees provision	115,722	1,388,640	(1,388,642)	115,720	24,301	1,157	23,144							
lawsuits provision	4,526,499	33,000	(1,369,957)	3,189,542	669,804	(246,761)	916,565							
Acceptable tax (Losses) for the year - subsidiary company	-	57,139	-	57,139	11,999	11,999	-							
Differences from implementing IFRS (16) - a Subsidiary Company	5,645,683	923,236	-	6,568,919	1,379,473	193,879	1,185,594							
	<b>49,635,212</b>	<b>9,603,569</b>	<b>(8,994,956)</b>	<b>50,243,825</b>	<b>10,551,203</b>	<b>380,993</b>	<b>10,170,210</b>							

- The deferred tax assets for the year 2024 related to the refining activity and Jordan lube oil manufacturing Company and Jordan Liquefied Petroleum Gas Manufacturing and Filling Company and Jordan Petroleum Products Marketing Company were calculated at a rate of 20%, to which the national contribution is added at 1%, according to Income Tax Law.

### 13. Investment Property - Net

This item consists of the following:

For the Year Ended December 31, 2024	Land JD	Buildings JD	Equipment JD	Total JD
Cost:				
Balance at the beginning of the year	1,740,815	1,113,889	42,000	2,896,704
Additions	304,357	638,640	-	942,997
Balance at the End of the Year	2,045,172	1,752,529	42,000	3,839,701
<b>Accumelated Depreciation:</b>				
Balance at the beginning of the year	-	186,235	42,000	228,235
Additions	-	63,626	-	63,626
Balance at the End of the Year	-	249,861	42,000	291,861
Net Book Value	2,045,172	1,502,668	-	3,547,840
For the Year Ended December 31, 2023				
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
<b>Accumelated Depreciation:</b>				
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
<b>Annual Depreciation Rate %</b>		<b>2 - 4</b>	<b>20</b>	

- The fair value of the Group's investment property owned by Jordan Petroleum Products Markiting Company (subsidiary and wholly owned) at December 31, 2024 amounting to JD 3.9 million which was estimated by estimators independent from the Group.

#### 14. Property, plants, equipment and projects under construction:

This item consists of the following:

	Year 2024		Year 2023		Total
	JD	JD	JD	JD	
<b>Cost:</b>					
Balance at the beginning of the year	57,131,890	83,760,366	47,407,387	111,008	629,638,781
Additions	7,777,219	1,320,524	2,777,389	26,883	505,663,209
Transfers from Projects under Construction	-	1,689,726	-	-	10,470,610
Transfers from right of use assets	(3,043,571)	-	-	-	2,326,961
Disposals	(53,246)	-	(9,514,933)	(13,438)	(942,997)
Balance at the End of the Year	57,551,307	86,770,616	38,169,843	111,008	(12,501,488)
<b>Accumulated Depreciation:</b>					
Balance at the beginning of the year	-	39,905,697	43,833,898	24,503,657	404,058,835
Additions	-	3,514,105	279,290	1,573,848	11,371,963
Disposals	-	(34)	(9,514,933)	-	(12,014,726)
Balance at the End of the Year	-	43,419,768	34,598,255	26,883	403,416,072
Net Book Value at the End of the Year	57,551,307	43,350,848	3,571,588	111,008	234,748,547
Fair value land valuation difference	274,820,440	-	-	-	274,820,440
Balance as of December 31, 2024	332,371,747	43,350,848	3,571,588	111,008	509,568,987
Annual Depreciation Rate %	-	2.4	10	10	-
<b>Year 2023</b>					
<b>Cost:</b>					
Balance at the beginning of the year	52,793,407	82,736,175	47,407,387	111,008	49,889,912
Additions	2,012,293	860,692	-	26,883	48,806,862
Transfers from Projects under Construction	-	1,348,375	-	-	18,462,982
Transfers from right of use assets	2,700,000	-	-	-	(1,609,012)
Disposals	(374,010)	(1,184,876)	-	-	2,700,000
Balance at the End of the Year	57,131,690	82,736,175	47,407,387	111,008	(3,889,880)
<b>Accumulated Depreciation :</b>					
Balance at the beginning of the year	-	36,943,253	43,197,312	22,988,015	393,979,656
Additions	-	3,177,412	636,586	1,674,838	11,046,098
Disposals	-	(214,968)	(95,579)	(139,196)	(966,919)
Balance at the End of the Year	-	39,905,697	43,833,898	24,503,657	404,058,835
Net Book Value at the End of the Year	57,131,690	43,350,699	3,573,489	111,008	101,604,374
Annual Depreciation Rate %	-	2.4	10	10	225,579,946

\* Additions for projects under construction mainly consist of payments for technical, financial, legal and environmental studies related to the fourth expansion project, and projects for establishing and modernizing fuel stations for the Jordan Petroleum Products Marketing Company (a wholly owned subsidiary company) and projects to construct liquefied gas storage capacities and projects to establish energy generation systems through solar panels for the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company (a wholly owned subsidiary company).

- Projects under construction include assets related to the refining activity, amounting to JD 52,777,748, including an amount of JD 51,906,397 related to the fourth expansion project, and it was paid from the reserve allocated for this purpose. Also, it includes an amount of JD 2,782,014 for the Jordan Petroleum Products Marketing Company to establish and develop gas stations. Also, it includes an amount of JD 19,094,258 for the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company to construct new liquefied gas storage capacities and projects to construct systems to generate energy through solar panels and that is as of December 31, 2024.

- Property, plant and equipment includes fully depreciated assets with an amount of JD 310,663,680 as of December 31, 2024 (JD 319,592,632 as of December 31, 2023).

## 15. Intangible Assets - Net

This item consists of the following:

	December 31,	
	2024	2023
	JD	JD
Jordan Petroleum Products Marketing license *	31,250,000	31,250,000
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	44,536,282
Less: Accumulated amortization**	(30,208,333)	(30,083,333)
	<b>14,327,949</b>	<b>14,452,949</b>

\* 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 wholly-owned subsidiary) 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 it is amortized over a period of ten years.

- Goodwill includes an amount of JD 960,000 resulting from the acquisition by the Jordan Petroleum Products Marketing Company (a wholly-owned subsidiary) of a 60% of the shares of Al-Nuzha and Istiqlal Gas Station Fuel and Oil Company, which represents the valuation difference at the date of acquisition. 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 wholly-owned subsidiary) 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, 2024
	JD
Goodwill	9,000,314
Operating lease contracts	1,664,164
License agreement - trade name	444,009
Owned gas stations licenses	1,217,795
<b>Total</b>	<b>12,326,282</b>

- The Jordan Petroleum Products Marketing Company (a wholly-owned subsidiary) 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 (a wholly-owned subsidiary) license was as follows:

	For the Year Ended December 31	
	2024	2023
	JD	JD
Balance at the beginning of the year	30,083,333	29,000,000
License amortization during the year	125,000	1,083,333
<b>Balance at the End of the Year</b>	<b>30,208,333</b>	<b>30,083,333</b>

## 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,	
	2024	2023
	JD	JD
Cost:		
Balance at the beginning of the year	59,489,742	56,761,705
Additions during the year	2,550,257	5,735,946
Disposals during the year	(363,361)	(307,909)
Transfers to Property and equipment - Note (14)	-	(2,700,000)
Balance at the End of the Year	61,676,638	59,489,742
(Less): Accumulated Depreciation		
Balance at the beginning of the year	(16,202,911)	(12,886,567)
Additions during the year	(3,426,015)	(3,423,447)
Disposals during the year	102,166	107,103
Balance at the End of the Year	(19,526,760)	(16,202,911)
<b>Net Book Value</b>	<b>42,149,878</b>	<b>43,286,831</b>

Amounts recorded in the consolidated statement of profit or loss:

	For the Year Ended December 31,	
	2024	2023
	JD	JD
Right-of-use assets depreciation	3,426,015	3,423,447
Lease obligations interest expense	2,583,125	2,682,178
	<b>6,009,140</b>	<b>6,105,625</b>

Lease contracts obligations:

The following is the movement on lease contracts obligations during the year:

	For the Year Ended December 31,	
	2024	2023
	JD	JD
Balance at the beginning of the year	43,916,326	41,644,281
Add: Interest during the year	2,583,125	2,682,178
Additions during the year	2,554,469	5,747,311
(Less): Paid During the year	(5,661,773)	(5,972,673)
(Less): Disposal during the year	(388,031)	(184,771)
<b>Balance at the End of the Year</b>	<b>43,004,116</b>	<b>43,916,326</b>

Lease contracts accrual obligations analysis:

	As of December 31,	
	2024	2023
	JD	JD
Lease liabilities - current portion	2,242,705	2,455,304
Lease liabilities - non-current portion	40,761,411	41,461,022
	<b>43,004,116</b>	<b>43,916,326</b>

## 17. Due to Banks

This item consists as of December 31, 2024 of an overdraft and short-term loans accounts granted by several local and operating banks in the kingdom the largest portion of these loans is used to finance the government's debt, while the remaining amount is used to finance the Company's activities and its subsidiary companies, at annual interest and murabaha rates ranging from 4.75% to 8% annually, during the year 2024, against the Company's guarantee as a legal personality. This item includes an amount of JD 610,335,686 for the refinery activity, and JD 25,300,081 for Jordan Petroleum Products Marketing Company, and an amount of JD 130,146,006 belongs to the 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).

## 18. Payables and Other Credit Balances

This item consists of the following:

	December 31,	
	2024	2023
	JD	JD
Deposits of surplus differences of oil derivatives pricing (a)	11,046,125	5,681,067
Special sales tax deposits on oil derivatives (b)	69,584,298	59,314,478
Suppliers and obligations from purchase orders services and others	95,012,793	147,075,963
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)	3,116,605	3,544,219
Lawsuits provision (Note 30/b)	3,189,542	4,526,499
Advance payment from customers (e)	9,359,627	10,521,137
Shareholders' deposits	18,939,019	16,928,252
Creditors and other credit balances	18,754,585	18,626,313
Retention deducted from contractors	405,927	337,108
Employees' vacations provision	1,924,009	2,035,461
Subsidiary companies import pricing differences (f)	19,494,598	19,325,182
Storage fees provision (g)	115,720	115,722
Balances retained against acquisition of subsidiary (h)	858,820	858,820
Alia company deposits - Royal Jordanian Airlines (i)	11,253,235	11,253,235
Logistic Company Deposit - Government Stock Recycling (j)	1,177,199	-
	<b>269,232,102</b>	<b>305,143,456</b>

a. This item includes deposits of the differences of oil derivatives pricing and surplus amounted to JD 47,951, related to the refining activities, and JD 10,998,174 related to Jordan Petroleum Products Marketing Company as of December 31, 2024.

- 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 as agreed with 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 amount 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.
- 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 3,688,151 JD to the government's treasury represented by an amount of 143,932 JD in deposits differences of oil derivatives pricing and surplus, and an amount of 3,544,219 JD 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, 2024	December 31, 2023
	JD	JD
Balance at the beginning of the year	5,681,067	1,217,882
Additions during the year	5,508,990	4,616,568
(Paid) during the year	(143,932)	(153,383)
<b>Balance at the End of the Year</b>	<b>11,046,125</b>	<b>5,681,067</b>

- b. This item includes an amount of JD 1,225,447 related to the refining activity due for income and sales tax department on the company, and an amount of JD 66,576,683 related to the Jordan Petroleum Products Marketing Company due for income and sales tax department on the company, and an amount of JD 1,662,451 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 119,717 related to Jordan Lube Oil Manufacturing Company due for income and sales tax department on the company as of December 31, 2024. 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, 2024	December 31, 2023
	JD	JD
Balance at the beginning of the year	5,000,000	5,000,000
Recorded during the year *	4,369,407	4,239,955
(Released) during the year *	(4,369,407)	(4,239,955)
<b>Balance at the End of the Year</b>	<b>5,000,000</b>	<b>5,000,000</b>

\* During the year ended December 31, 2024, a provision of JD 4,369,407 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 4,369,407 has been released during the same period. Moreover, the number of gas cylinders sold during the year ended December 31, 2024 was around 34,9 million cylinders.

d. This item represents fees, allowances, and the deposits for the Ministry of Finance 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,	
	2024	2023
	JD	JD
Balance at the beginning of the year	3,544,219	49,561,345
Recorded during the year	3,122,540	2,839,105
(Paid) during the year	(3,550,154)	(48,856,231)
<b>Balance at the End of the Year</b>	<b>3,116,605</b>	<b>3,544,219</b>

- 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.
- 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 2024 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, noting that the Energy and Minerals Regulatory Commission has not yet set the commission finally.
- 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 company currently stores its products with a Jordan Oil terminals Company (JOTC) under storage agreements concluded annually between the two companies.

**- The movement on this item is as follows:**

	December 31,	
	2024	2023
	JD	JD
Balance at the beginning of the year	115,722	84,162
Recorded during the year	1,388,640	1,262,400
(Paid) during the year	(1,388,642)	(1,230,840)
<b>Balance at the End of the Year</b>	<b>115,720</b>	<b>115,722</b>

- 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 finished oil derivatives deposit 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.** This item represents finished oil derivatives deposit due to the Jordan Oil terminals Company (JOTC) for Oil Facilities in consideration of withdrawals of government-owned finished oil derivatives in the Al-Madounah area. This is pursuant to a Memorandum of Understanding signed between the Jordan Petroleum Products Marketing Company (a wholly owned subsidiary), the Jordan Oil terminals Company (JOTC) for Oil Facilities, and the Ministry of Energy and Mineral Resources regarding the rotation of government-owned refined finished oil derivatives. The Jordan Petroleum Products Marketing Company (a wholly owned subsidiary) shall supply replacement quantities once the storage facilities of the Jordan Oil terminals Company (JOTC) for Oil Facilities are ready.

## 19. Provision for Income Tax

The movement on the provision for income tax is as follows:

	2024	2023
	JD	JD
Balance at the beginning of the year	18,995,592	22,251,354
Add: Income tax expense for the year	21,943,373	22,468,082
Less: Income tax paid during the year	(22,273,741)	(25,723,844)
<b>Balance at the end of the Year</b>	<b>18,665,224</b>	<b>18,995,592</b>

The income tax expense for the year shown in the consolidated statement of profit or loss represents the following:

	2024	2023
	JD	JD
Income tax expense for the year	21,943,373	22,468,082
Deferred tax assets impact for the year - note (12)	(380,993)	1,089,639
	<b>21,562,380</b>	<b>23,557,721</b>

- The company obtained (Refining activity) a final and definitive settlement from the Income and Sales Tax Department until the end of the year 2022, and the tax declaration were submitted for the year 2023, and The tax expense was calculated for the year ended December 31, 2024, in accordance with Jordanian income tax law, and in the opinion of the company's management and tax consultant, the provisions taken in the interim condensed 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 self-assessment forms for the year 2022 and its tax returns for 2023, and the tax expense for the year ended December 31, 2024, 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 condensed 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 self-assessment forms for the year 2022 and its tax returns for 2023, and the tax expense for the year ended December 31, 2024, 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 condensed 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 and Jordan Petroleum Products Marketing Company 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, and its session held on April 7, 2024.

### **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, and the General Assembly, in its ordinary meeting held on April 7, 2024, decided to allocate an amount of JD 15,924,224 to the optional reserve account from the retained earnings account and decided to use the accumulated optional 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 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 forth expansion reserve account from the retained earnings, and the General Assembly decided, in its regular meeting held on April 7, 2024, to allocate an amount of JD 21,232,299 to the Fourth Expansion Project Reserve from the retained earnings account.

- During the year 2024, an amount of JD 277,023 was paid as payments for technical, financial, legal and environmental services and consultations related to the fourth expansion project.

## E. Fair Value Land Valuation Reserve

This item represents the Group's lands valuation reserve as of December 31, 2024, resulting from the revaluation of the Group's lands as of December 31, 2024. This surplus is restricted from being disposed of until the actual disposal of the land.

## 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, 2024.

## 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.

And the General Assembly decided to approve in its ordinary meeting held on April 7, 2024, the distribution of 45% of the company's capital as cash dividends to shareholders and deduct amount JD 15,924,224 of the net annual profits for the voluntary reserve and amount JD 21,232,299 for the reserve for the fourth expansion project.

## 23. Sales - Net

This item consists of the following:

	2024	2023
	JD	JD
Refining activity sales*	228,799,580	256,155,572
Jordan Petroleum Products Marketing Company sales	1,590,907,814	1,698,364,564
Jordan lube-Oil Manufacturing Company sales**	25,154,779	29,589,831
Jordanian Liquefied Petroleum Gas Manufacturing and Filling Company sales***	226,140,129	219,525,790
(Less): Fees, taxes and allowances according to selling prices of oil derivatives bulletin (IPP)	(554,154,304)	(544,634,340)
	<b>1,516,847,998</b>	<b>1,659,001,417</b>

\* 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 836,501,425 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 43,394,910 during the period ending on December 31, 2024.

\*\* 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:

	2024				2023	
	Refining Activity	Jordan Liquefied Petroleum Gas Manufacturing and Filling Company	Jordan Petroleum Products Marketing Company	Jordan Lube Oil Manufacturing Company	Total	Total
	JD	JD	JD	JD	JD	JD
<b>Raw Materials:</b>						
Crude oil and materials under process at the beginning of the year	130,277,829	-	-	299,903	130,577,732	123,503,424
Purchases of crude oil and raw materials used in production	42,342,883	-	-	12,447,942	54,790,825	86,028,774
Crude oil and materials under process at the end of the year	(101,119,619)	-	-	(134,368)	(101,253,987)	(130,577,732)
	71,501,093	-	-	12,613,477	84,114,570	78,954,466
<b>Industrial and Operating Expenses:</b>						
Employees' salaries and other benefits	21,111,839	4,840,460	2,994,900	1,004,641	29,951,840	31,569,322
Property and equipment depreciation	2,091,384	961,958	1,225,396	81,777	4,360,515	4,083,023
Raw Materials, spare parts, and other supplies	6,865,152	1,562,503	403,312	130,510	8,961,477	8,676,344
Transportation fees and other expenses	9,367,156	4,233,458	6,867,234	498,444	20,966,292	22,807,131
Total Industrial and operating expenses	39,435,531	11,598,379	11,490,842	1,715,372	64,240,124	67,135,820
Total Production Cost	110,936,624	11,598,379	11,490,842	14,328,849	148,354,694	146,090,286
Add: Finished oil derivatives and lube oil at the beginning of the year	205,613,334	10,871,527	23,683,936	992,887	241,161,684	273,869,349
Purchases of finished goods during the year	1,631,835	247,515,858	1,025,760,179	-	1,274,907,872	1,401,579,189
Total Goods Available for Sale	318,181,793	269,985,764	1,060,934,957	15,321,736	1,664,424,250	1,821,538,824
Less: Finished oil derivatives and lube oil at the end of the year	(168,047,925)	(9,096,823)	(46,853,382)	(1,546,877)	(225,545,007)	(241,161,684)
	150,133,868	260,888,941	1,014,081,575	13,774,859	1,438,879,243	1,580,377,140
Subsidy of oil derivatives recorded on the Ministry of Finance account	(233)	(86,786,625)	(1,474,428)	-	(88,261,286)	(85,380,140)
Surplus of oil derivatives pricing difference recorded to the Ministry of Finance account	47,951	-	5,461,039	-	5,508,990	4,616,568
	150,181,586	174,102,316	1,018,068,186	13,774,859	1,356,126,947	1,499,613,568

- The average cost of purchasing a Saudi barrel of crude oil amounted to 81/84 USD for the year ending December 31, 2024 (compared to 86/33 USD for the year 2023).

## 25. Operating Income and Other

This item consists of the following:

	2024	2023
	JD	JD
Crude oil and oil derivatives port operating revenues*	1,440,000	1,440,000
Dividends shares income	193,938	158,241
Tanks rent, evaporation, and loading and unloading fees for marketing companies **	1,546,116	3,089,759
Delay interests from customers	570,225	5,721,682
Foreign currency differences gains	1,688,501	568,472
Rental Income	4,137,548	2,179,072
Services Income	1,313,979	1,403,351
Transportation fees Income	17,512	59,652
Various other income	2,411,754	895,742
	<b>13,319,573</b>	<b>15,515,971</b>

\* This item represents revenues to the Jordan Petroleum Refinery Company from the Aqaba company for the ports operation and managements 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:

	2024	2023
	JD	JD
Salaries and other employees' benefits	14,326,484	14,496,945
Company's contribution to the Death, compensation and end of service indemnity Fund	1,032,514	1,149,805
Property and equipment depreciation	6,707,489	6,707,224
Right of use assets depreciation (a subsidiary company)	3,426,015	3,423,447
Raw materials, spare parts and other supplies	2,266,025	2,034,325
Insurance fees	611,879	514,629
Governmental fees, taxes, and stamps	1,925,919	1,598,952
Security and safety expenses	339,200	339,200
Rents	5,558,548	5,203,864
Gas stations management service	5,793,942	5,189,361
Advertisement	1,580,628	1,712,673
Water and electricity fees	1,169,600	1,035,322
Loading, Unloading and handling fees	358,473	284,188
Transportation fees and other expenses	1,601,061	597,460
	<b>46,697,777</b>	<b>44,287,395</b>

## 27. General and Administrative Expenses

This item consists of the following:

	2024	2023
	JD	JD
Salaries and other employees' benefits	8,078,250	7,527,591
Executive management and members of the Board of Directors allowances and benefits	928,742	865,119
Company's contribution to the Death, compensation and end of service indemnity Fund	999,301	546,931
Cash and in-kind donations	569,098	724,760
Postage and telephone	78,863	62,665
Stationery and printing	72,954	68,280
Property and equipment depreciation	366,338	300,406
Technical and legal consultations and fees	671,847	543,817
Advertisements	115,232	166,131
Maintenance and repairs	319,193	233,315
Rents	175,740	191,208
Subscriptions	255,962	302,803
Insurance fees	107,916	101,464
Water and electricity	128,587	137,792
Professional fees	212,554	206,063
Fees, taxes, and stamps	346,360	705,047
Various expenses	880,667	856,533
	<b>14,307,604</b>	<b>13,539,925</b>

## 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:

	2024	2023
	JD	JD
Profit for the year company's-shareholders - (JD)	72,415,110	81,553,523
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)	-/724	-/816

## 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, 2024			December 31, 2023		
	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
	%	JD	JD	%	JD	JD
Al-Nuzha and Istiklal Gas Station for Fuel and Oil Company	40	149,974	1,129,887	40	138,015	1,107,143
Al-Karak Central Gas Station for Fuel Company	40	67,201	603,966	40	81,679	618,347
Rawaby Al-Qwira Gas Station for Fuel and Oil Company	40	75,222	791,481	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'biad Gas Station for Fuel Company	40	25,981	461,940	40	28,536	461,832
Al-Tammwih Al-'A'ola for Fuel Company Gas Stations	40	160,777	1,734,763	40	158,630	1,764,572
Al Qastal Gas Station for Fuel and Oil Company	40	13,540	488,675	40	18,894	503,638
Taj Amoun Gas Station for Fuel and oil Company	10	55,812	843,584	10	49,755	847,788
Al Shira' Gas Station for Fuel and Oil Company	40	110,300	946,392	40	(1,595)	469,760
		<b>658,807</b>	<b>7,000,688</b>		<b>1,050,250</b>	<b>7,944,803</b>

\* The Jordan Petroleum Products Marketing Company (a wholly owned subsidiary) sold its share in the Al-Aon for Marketing and Distributing Fuel products Company on November 11, 2024.

\*\* The Jordan Petroleum Products Marketing Company (a wholly owned subsidiary) sold its share in the Al Kamel Gas Station for Fuel and Oil Company on December 30, 2024.

### 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,	
	2024	2023
	JD	JD
Letters of credit and bills of collections*	956,006,712	976,878,220
Letters of guarantee	11,299,708	6,340,805
Contracts for projects under construction	43,102,033	44,154,898

\* This item includes letter of credits (Standby L/Cs) in the amount of JD 163 million which is equivalent to USD 230 million in favor of Saudi Aramco Company as of December 31, 2024 (JD 163 million, equivalent to USD 230 million as of December 31, 2023).

b. There are lawsuits filed against the company in the courts for claims amounting of JD 3,189,542 as of December 31, 2024, of which an amount of JD 2,070,000 is related to the refining activity and an amount of JD 1,086,542 is related to the Jordan Petroleum Products Marketing Company and an amount of JD 23,000 is related to the Jordan Lube Oil Manufacturing Company and an amount of JD 10,000 is related to the Jordan Liquefied Petroleum Gas Manufacturing and Filling Company (JD 4,526,499 as on December 31, 2023). 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, 2024.

### **32. Ministry of Finance and Related Parties' Balances and Transactions**

**The details of balances and transactions with the Ministry of Finance and related parties are as follows:**

Balances	December 31,	
	2024	2023
	JD	JD
Ministry of Finance - the relationship (Note 9/e)	400,996,130	320,091,020
Ministry of Finance - derivatives pricing difference deposits and surpluses (note 18/a)	(11,046,125)	(5,681,067)

Transactions	2024		2023	
	JD		JD	
	2024	2023	2024	2023
Subsidy for oil derivatives charged on the Ministry of Finance (Note 24)	88,261,286	85,380,140		
Interest Delay Income from the Government debt	34,198,088	27,722,684		
Ministry of Finance - surplus from differences of pricing oil derivatives (Note 24)	(5,508,990)	(4,616,568)		

- Executive management and members of the Board of Directors' salaries and remunerations amounted to JD 1,705,035 for the year 2024 (JD 1,774,108 for the year 2023).

### 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,	
	2024	2023
	JD	JD
Total Debt	1,132,292,387	1,069,908,793
Total Equity	668,204,967	368,081,325
<b>Debt to Equity Ratio</b>	<b>169%</b>	<b>291%</b>

- 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, 2024	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*	-	765,781,773	-	-	765,781,773
Payables and other credit balances	174,072,438	95,159,664	-	-	269,232,102
Income tax provision	-	18,665,224	-	-	18,665,224
Lease Liability	-	2,242,705	40,761,411	-	43,004,116
Due to death, compensation, and end-of-service indemnity fund	-	-	-	35,609,172	35,609,172

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

\* 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% increase and/or 5% decrease, and the following is the impact of the change on the company's equity:

	2024	2023
	JD	JD
5% Increase	177,484	161,807
5% (Decrease)	(177,484)	(161,807)

#### 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:

	2024	2023
	JD	JD
Assets - US Dollar	934,360	1,988,400
Liabilities - US Dollar	684,816,645	711,110,963

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:

	2024	2023
	JD	JD
0/5% Increase	3,828,909	3,319,557
0/5% (Decrease)	(3,828,909)	(3,319,557)

### 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 company 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, 2024				
	Refining Activity	Jordan Liquefied Petroleum Gas Manufacturing and Filling Company**	Jordan Petroleum Products Marketing Company	Jordan Lube Oil Manufacturing Company*	Total
	JD	JD	JD	JD	JD
Profit for the year before tax	58,875,496	(435,532)	27,279,111	8,917,222	94,636,297
Total sector's assets	1,196,626,857	197,991,562	384,265,334	21,613,601	1,800,497,354
Total sector's liabilities	681,770,151	194,667,055	248,997,673	6,857,508	1,132,292,387

	December 31, 2023				
	Refining Activity	Jordan Liquefied Petroleum Gas Manufacturing and Filling Company**	Jordan Petroleum Products Marketing Company	Jordan Lube Oil Manufacturing Company*	Total
	JD	JD	JD	JD	JD
Profit for the year before tax	57,896,191	2,645,705	35,338,954	10,280,644	106,161,494
Total sector's assets	928,950,520	137,531,055	353,161,000	18,347,543	1,437,990,118
Total sector's liabilities	704,881,014	132,004,980	229,584,374	3,438,425	1,069,908,793

- 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, 2024				
		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
<b>Net Sales</b>		1,092,550,372	25,154,779	1,081,454,553	197,584,629	2,396,744,333
Less: Cost of sales		(1,030,077,921)	(13,983,914)	(1,018,384,358)	(185,240,832)	(2,247,687,025)
Gross profit from sales		62,472,451	11,170,865	63,070,195	12,343,797	149,057,308
Add: Operating income and other		27,913,171	75,012	5,699,218	225,488	33,912,889
Gross profit		90,385,622	11,245,877	68,769,413	12,569,285	182,970,197
Less: Selling and distribution expenses		(16,897,182)	(1,634,162)	(30,485,592)	-	(49,016,936)
General and administrative expenses		(9,151,516)	(483,519)	(4,420,555)	(2,084,030)	(16,139,620)
Bank interest and commissions		(39,117,374)	(120,120)	(2,100,827)	(10,901,727)	(52,240,048)
Released from (Provision of) lawsuits	18	1,330,000	(23,000)	39,957	(10,000)	1,336,957
Released of expected credit losses. (provision)	9/J	345,119	(67,854)	(1,815,160)	(9,060)	(1,546,955)
(Provision) from slow-moving and obsolete inventory and sediments	10	(940,073)	-	-	-	(940,073)
Storage fees (provision)	18/g	(1,388,640)	-	-	-	(1,388,640)
Released from employees' vacations	18	111,452	-	-	-	111,452
Government's share of bank interest		34,198,088	-	-	-	34,198,088
Lease liabilities interest	16	-	-	(2,583,125)	-	(2,583,125)
Amortization of intangible assets	15	-	-	(125,000)	-	(125,000)
Profit for the Year before Income Tax		58,875,496	8,917,222	27,279,111	(435,532)	94,636,297
Income tax (expense) for the year	19	(13,363,177)	(1,893,796)	(5,710,366)	(595,041)	(21,562,380)
Profit for the Year		45,512,319	7,023,426	21,568,745	(1,030,573)	73,073,917

	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
<b>Net Sales</b>		1,031,977,123	29,589,831	1,198,416,853	191,770,255	2,451,754,062
Less: Cost of sales		(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
Government's share of bank interest		27,722,684	-	-	-	27,722,684
Lease liabilities interest	16	-	-	(2,682,178)	-	(2,682,178)
Released from special tax differences		-	-	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

\* 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 company's fourth expansion project "refinery upgrade", which is considered as one of the most important goals the company seeks to achieve, due to the fact that its completion guarantees the company's sustainability and prosperity, and as a result of the failure of the preferred joint venture (i.e. Sinopec (GPEG) of China and Itochu of Japan) to reach an agreement to resolve the differences with the American KBR company the owner of process technology, and the JV's declaration of its inability to maintain the bid price due to the significant increase in the prices of raw materials and services. Also due to JPRC inability to meet the requirements of the parties interested in the project financing process regarding project exemptions and the full repayment of

the government's debt, and as a result of the political and security conditions in the world and in particular the region, the most important of which is the Israeli aggression on the Gaza Strip and the negative economic effects that accompanied it on the Middle East region, which resulted in financiers' reluctance to invest in large projects, especially in our region, the company has decided to stop negotiations with Sinopec (GPEG) and Itochu JV and to move forward with the company's fourth expansion project "refinery upgrade" with a production capacity for the project of (73) thousand barrels per stream day (instead of (120) thousand barrels per stream day), to cover all the needs of the Jordan Petroleum Products Marketing Company (a wholly-owned subsidiary company of JPRC) for finished petroleum products. The company has also added the necessary units to improve product quality to meet the latest international standards, along with the addition of a unit to convert heavy fuel oil into lighter, more valuable products. The modified configuration will reduce the total cost of the upgrade project to approximately (1.7) billion US dollars, instead of approximately (3) billion US dollars as was before. A detailed roadmap prepared by the project management consultant, Technip Energies, shall be adopted by the company which outlines the necessary steps and a timeline for project implementation, ensuring the selection of an EPCF contractor so that project implementation will start by the end of November 2025.

The company also decided to contract the American company UOP to obtain licenses for the technologies used in the fourth expansion project "refinery upgrade". UOP will provide technical and engineering services related to the implementation of "managing licensor" work and preliminary engineering designs for the new units, in addition to updating the basic engineering designs previously prepared for the units included in the company's fourth expansion project and in order to shorten the time required for project documents preparing stages. All major production units were licensed by UOP, both for the upgrade project and those currently operating in the existing refinery.

Technip Energies was contracted to prepare the terms of reference, prepare all bid documents, conduct technical and financial prequalification of the parties to be contacted, conduct a technical and financial study of the bids, select the best technically and financially feasible bid, and discuss all agreements with preferred EPCF contractor prior to signing. Whereas Technip is the entity most familiar with the details of the fourth expansion project and has full knowledge of the project requirements and preliminary engineering design documents.

The direct contract with UOP and Technip saved approximately twenty months in the upgrade documents preparation plan to the completion phases. JPRC has contacted both the International legal advisor and the environmental advisor for the project to inform them of the company's decision to implement the fourth expansion project "refinery upgrade" according to the timeline and roadmap prepared for this purpose.

With respect of the financial relationship with the government, the company is still communicating 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 outstanding issues, especially the payment of amounts due from the government. As a result of these negotiations, the Ministry of Finance allocated amounts to pay gas support in the general budget for the year 2025 in the amount of approximately JD (62) million, and paid an amount of approximately JD (47,600,000) during the year 2024 from the gas support balance due from the government. Cabinet Resolution No. (1897) was also issued in its session held on January 19, 2025, which stipulates that the Jordan Petroleum Refinery Company borrow an amount of JD (80,000,000) on behalf of the government to pay the debt owed to the company in exchange for the government issuing pledges to banks to pay the loan amounts and interest due on them. Negotiations with the government are still ongoing to determine the value of the gas activity commission, which reflects a rate of return on investment of (12%) annually, in implementation of what was stated in Cabinet Resolution No. (7633). Taken at its session held on April 30, 2018.

The Jordan Petroleum Products Marketing Company continues its path of development and expansion by opening and managing new stations. During the year 2024, the following stations were added: Jett Station / Ghor Nimrin, Al-Sheraa Station / Aqaba, Wadi Araba Development Station, Jawaher Station / Anas Al-Qudah, Al-Ajlouni Station / Al-Sarih, Al-Mamlaka Station / Al-Younis, Mahmoud Jarid Al-Adwan Station / Jordan Street, Aswar Badr Station, Faisal Al-Hayari Station, Basira Association Station, Al-Khazaleh Al-Dajniya Station, Abdullah Ghosheh Station, Al-Sharafat Station / Mafraq, Al-Majali Station / Al-Saad, Al-Shishani Station / Sweileh, Al-Zawaid Station / Jaber Road, Al-Aoun Station / Al-Jubaiha, Al-Aoun Station / Abu Alanda, Ahed Al-Adayleh Station / Karak, Martyr Muwaffaq Al-Salti Base Station / Al-Azraq, Zaid Al-Qunais Station / Mafraq, Al-Hallabat Municipality Station, Jamal Hamouda Station, Ayl Municipality Station, and Marka Station / Al-Jisr After it has been updated to service, and the electric vehicle charging station project has been launched at Al-Assaf Station/Gardens Street.

Surveillance cameras have also been installed at the gates of the transportation and maintenance departments at the Jordan Petroleum Refinery Company site. The system has been installed at various company sites, including the company's site in Aqaba, to audit and evaluate transportation trips and set performance standards for carriers and transportation operations in general. Cameras have also been installed on a mobile tanker for testing, in preparation for installing cameras on the rest of the transportation fleet, this was after obtaining approval from the Ministry of Interior and Public Security to install these cameras. It is worth noting that the company's fleet of finished petroleum derivatives has been increased.

The Renewable Energy Marketing Company was also established for the purpose of establishing electric vehicle charging stations within the company's stations and outside them. It has begun its activities, as (42) electric vehicle chargers have been installed in (14) locations.

During the year 2024, the Aqaba Warehouses Project was completed, and the construction work for the Hashemite Warehouses Project was completed. The modernization of the old stations, including (15) stations for the Royal Jordanian Air Force and the Public Security stations, was also completed.

During the year 2025, it is planned to open and manage the Al-Hizam/Al-Salman station, the Menwer Al-Wazzan station, the Zain/Ajloun station, and the Karak/Al-Hijazin station. It is also expected to start constructing the Al-Shidiya internal station, the North Development Station, the Al-Hurra/Al-Jaish station, and the Jordan Street station, and to install (19) electric vehicle chargers in (8) new locations.

It is also planned to add the compressed natural gas (CNG) activity to the company's activities during the 2025, through its transportation and distribution to factories and fuel stations, after the necessary infrastructure and equipment are in place.

By 2025, the company plans to complete the automation of inventory and e-commerce systems at all stations managed and supplied by the company. It also plans to continue installing solar-powered power generation systems at a number of stations, expand the company's fleet of finished petroleum products, and automate all of the company's financial information so that it can be displayed on a real-time screen.

It also plans to continue increasing the number of fast-charging stations for electric vehicles, both within the company's stations and outside them, by installing them at various stations and customer locations, such as malls and parking lots. The company is also currently working on automating fuel requests from stations through electronic interconnection between systems. Work is also underway to implement an energy consumption audit system using artificial intelligence, which monitors load behavior and generation sources.

Jordan Lube Oil Manufacturing Company is planning to increase its share of the local market by increasing sales of various types of lube oils and greases during 2025. The company is moving towards keeping pace with the latest technologies and globally recognized technical developments in the manufacturing, packaging, and testing of lube oils, ensuring continued excellence in producing the best and most efficient types of lube oils in the local market.

It is planned to increase the storage capacity of base oils and improvers by (300) tons during the year 2025, and it is planned to continue updating the lube oil filling lines and updating the tanks.

The company plans to maintain the international accreditation of its lube oil laboratory in accordance with the requirements of the (ISO 17025:2017) certification by expanding the laboratory's scope and equipping it with the latest equipment to keep pace with developments in the lube oil industry. Work is currently underway to increase the lube oil transport fleet and the number of distribution vehicles to ensure customer satisfaction.

During 2025, it is planned to continue renewing the (ISO 9001:2015) certification, the Jordanian Quality Mark certificates, and the Mercedes and MAN accreditation. It is also expected to continue exporting to Palestine, Iraq, Lebanon, and Chad. Work is currently underway to add new markets, especially exporting to Syria.

Jordan Liquefied Petroleum Gas Manufacturing and Filling Company, after being activated at the beginning of 2023, continues to develop and improve the performance of its various activities and reduce its costs to the minimum possible, as projects were referred to install energy generation systems using solar panels in the three gas stations. The implementation of these projects began during the year 2023, and the company completed

part of these projects during the year 2024. Work will be done to complete the remaining projects during the year 2025. In order to increase the company's storage capacities to meet the increase in demand for liquefied gas and to ensure the security of the Kingdom's needs and to reduce storage costs for others and to achieve additional revenue resulting from providing storage services for others, the company awarded a tender to establish storage capacities for liquefied gas of about (10,000) tons at the company's site in Zarqa. Construction work for these tanks began during the month of October 2023, and work to complete the project is still ongoing. The company also awarded a new tender during the year 2024 to establish new storage capacities at its site in Aqaba with storage capacities of about (4,000) tons. The company is currently working on developing and expanding in bulk LPG distribution, either directly or through entering into strategic partnerships with third parties, to ensure the development and activation of this business.

### 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
	2024	2023				
	JD	JD				
<b>Financial assets at fair value:</b>						
Financial assets at fair value through comprehensive income						
Companies' shares	3,549,681	3,236,140	Level 1	Stated prices in financial markets	Not applicable	Not applicable
Total financial assets at fair value	3,549,681	3,236,140				

There were no transfers between level 1 and level 2 during the financial year.

The group's lands are measured at fair value., the group engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the valuation.

The management of the subsidiary companies reports the valuation results to the board of directors of the parent company to explain the cause of change in the fair value of the lands.

- 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, 2024		December 31, 2023		
	Book Value	Fair Value	Book Value	Fair Value	Fair Value Level
<b>Financial Assets</b>	<b>JD</b>	<b>JD</b>			
Receivables	233,051,884	234,217,143	171,530,556	172,388,209	Second Level
Total financial assets that are not determined at fair value	233,051,884	234,217,143	171,530,556	172,388,209	
<b>Financial Liabilities</b>					
Bank Loans	765,781,773	769,610,682	663,911,323	667,230,880	Second Level
Total financial Liabilities that are not determined at fair value	765,781,773	769,610,682	663,911,323	667,230,880	

- 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 Council of Ministers Decision No. (1897), issued during the session held on January 19, 2025, stipulated that the Jordan Petroleum Refinery Company shall borrow an amount of JD 80,000,000 from banks designated by the Ministry of Finance. In return, the Ministry of Finance shall issue repayment pledges to cover the loans and accrued interest to these banks upon their maturity, guaranteed by the provision allocations designated for this purpose in the general budget. The resolution also authorized the Minister of Finance to sign the repayment pledges on behalf of the government, as well as to approve and sign the loan repayment agreement to be concluded between the government and the Jordan Petroleum Refinery Company. Bids have been solicited from banks operating in the Kingdom, and work is currently underway to review and evaluate the submitted bids.
- b. Proposed dividends: the Company's Board of Directors decided in its meeting held on March 25, 2025, to recommend to General Assembly of Shareholders to distribute cash dividends of 50% of the Company's Paid-up capital.
- c. Reserves: the Company's Board of Directors decided In its meeting held on March 25, 2025, to recommend to General Assembly to allocate an amount of JD 4,000,000 to voluntary reserve, and an amount of JD 18,927,259, 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 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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