AL – FARES NATIONAL COMPANY FOR INVESTMENT AND EXPORT
(PUBLIC SHAREHOLDING COMPANY)

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AND REVIEW REPORT FOR THE PERIOD ENDED SEPTEMBER 30, 2021

AL – FARES NATIONAL COMPANY FOR INVESTMENT AND EXPORT
(PUBLIC SHAREHOLDING COMPANY)

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FOR THE PERIOD ENDED SEPTEMBER 30, 2021

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REPORT ON REVIEWING THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To the president and members of the board of directors
AL – Fares National Company for Investment and Export (P .L .C)

Introduction
We have reviewed the accompanying Interim Consolidated Statement of Financial Position of Al-Fares National Company for Investment and Export (P.L.C) as of September 30, 2021, and the related statements of Interim Consolidated Comprehensive income, Owners' equity, and cash flows for the period then ended, The management is responsible for preparing and presenting company's financial statements in accordance with International Accounting Standard No. 34 (Interim Financial Reporting) which is an integral part of International Financial Reporting Standards. Our responsibility is limited to issue a conclusion on these interim financial statements based on our review.

Scope of Review
We conducted our review in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor". This standard requires that we plan and perform the review to obtain reasonable assurance as to whether the financial statements are free of material misstatement. Our review is primarily limited to inquiries of the company's accounting and financial department's personnel as well as applying analytical procedures to financial data. The range of our review is narrower than the broad range of audit procedures applied according to International Auditing Standards. Accordingly, obtaining assurances and confirmations about other significant aspects checked through an audit procedure was not achievable; Hence, We do not express an opinion regarding this matter.

Conclusion
Based on our review, nothing has come to the attention that leads us to be believed that the accompanying interim consolidated financial statements do not express a true and fair view following the International Accounting Standard No. 34.

Other Matter
As a result of the discontinuation of the business and operational activity of Gulf Electronics Technical Solutions Limited Company (Saudi Arabia), the Board of Directors has decided not to consolidate their financial statements with the Company's financial statements. Inaccordance with the requirements of IFRS (5) "Non-current Assets Held for Sale and Discontinued Operations".

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A member of
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المحاسبون العصريون

Amman - Jordan
October 27, 2021

AL – FARES NATIONAL COMPANY FOR INVESTMENTAND EXPORT
(PUBLIC SHAREHOLDING COMPANY)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS OF SEPTEMBER 30, 2021 AND DECEMBER 31, 2020
(EXPRESSED IN JORDANIAN DINAR)

	Note	2021	2020
ASSETS			
Non-current assets			
Property and equipment		**229,332**	272,739
Intangible assets	5	**17,519,760**	17,519,760
Right of use assets	4	**44,418**	155,848
Total non-current assets		**17,793,510**	17,948,347
Current assets			
Prepaid expenses and other receivables		**1,203,004**	818,266
Inventories		**642,220**	828,941
Unbilled revenue		**2,193,435**	3,088,647
Accounts receivable		**7,353,164**	8,105,258
Cash and cash equivalents		**808,380**	879,044
		12,200,203	13,720,156
Due from discontinued subsidiaries company		**1,758,715**	1,758,715
Total current assets		**13,958,918**	15,478,871
TOTAL ASSETS		**31,752,428**	33,427,218
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity			
Shares capital	1	**16,000,000**	16,000,000
Statutory reserve	6	**189,386**	189,386
Voluntary reserve	6	**25,230**	25,230
Accumulated losses		**(1,357,027)**	(1,963,953)
Total shareholders' equity		**14,857,589**	14,250,663
Non-current liabilities			
End - of - service benefits		**158,551**	158,551
Long- term loans		**4,237,402**	4,087,810
Long term lease liabilities	4	**-**	38,984
Total non-current liabilities		**4,395,953**	4,285,345
Current liabilities			
Accrued expenses and other liabilities		**4,231,779**	4,008,525
Accounts payable and deferred Checks		**4,439,118**	6,133,689
Current portion of lease liabilities	4	**58,560**	117,450
Current portion of long- term loans		**1,642,769**	2,017,128
Banks overdraft		**445,780**	933,538
		10,818,006	13,210,330
Obligations related to investment in discontinued subsidiaries company	7	**1,680,880**	1,680,880
Total current liabilities		**12,498,886**	14,891,210
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**31,752,428**	33,427,218

The accompanying notes are an integral part of these interimconsolidated financial statements

AL – FARES NATIONAL COMPANY FOR INVESTMENTAND EXPORT
(PUBLIC SHAREHOLDING COMPANY)

INTERIMCONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME(UNAUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2021
(EXPRESSED IN JORDANIAN DINAR)

	For the interim period		From the beginning of the year to	
	From July1 2021 to September 30, 2021	From July1 2020 to September 30, 2020	**September 30, 2021**	September 30, 2020
Revenues				
Sales	**3,603,926**	2,537,351	**15,811,627**	14,151,459
Hardware maintenance revenues	**219,341**	95,015	**472,066**	300,312
Total revenue	**3,823,267**	2,632,366	**16,283,693**	14,451,771
Cost of revenues				
Cost of sales	**(2,798,692)**	(1,885,369)	**(13,450,726)**	(12,005,341)
Cost of Hardware maintenance revenues	**(165,649)**	(118,834)	**(432,703)**	(302,743)
Total cost of revenue	**(2,964,341)**	(2,004,203)	**(13,883,429)**	(12,308,084)
Gross profit for the period	**858,926**	628,163	**2,400,264**	
Selling, marketing and administrative expenses	**(440,099)**	(476,241)	**(1,232,756)**	(1,292,224)
Depreciations	**(48,020)**	(75,656)	**(145,151)**	(204,195)
Financial charges	**(108,818)**	(106,124)	**(332,775)**	(232,404)
Expected credit losses	**-**	-	**(69,000)**	-
Other revenues and expenses	**(12)**	40,917	**(13,656)**	35,171
Profit of the period	**261,977**	11,059	**606,926**	450,035
Other comprehensive income :				
Total comprehensive income for the period	**261,977**	11,059	**606,926**	450,035
Earning per share:				
Earning per- share JD/ share				
Weighted average of outstanding shares-share	**0,016**	0,001	**0,038**	0,028
	16,000,000	16,000,000	**16,000,000**	16,000,000

The accompanying notes are an integral part of these interim consolidated financial statements

AL – FARES NATIONAL COMPANY FOR INVESTMENTAND EXPORT
(PUBLIC SHAREHOLDING COMPANY)

INTERIM CONSOLIDATED STATEMENT OFOWNERS' EQUITY (UNAUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2021
(EXPRESSED IN JORDANIAN DINAR)

	Share capital	Statutory reserve	Voluntary reserve	Accumulated losses	Total
Balance at January 1, 2021	**16,000,000**	**189,386**	**25,230**	**(1,963,953)**	**14,250,663**
Comprehensive income of the period	**-**	**-**	**-**	**606,926**	**606,926**
Balance at September 30, 2021	**16,000,000**	**189,386**	**25,230**	**(1,357,027)**	**14,857,589**
Balance at January 1, 2020	16,000,000	144,536	25,230	(2,367,611)	13,802,155
Comprehensive income of the period	-	-	-	450,035	450,035
Balance at September 30, 2020	16,000,000	144,536	25,230	(1,917,576)	14,252,190

The accompanying notes are an integral part of these interim consolidated financial statements

AL – FARES NATIONAL COMPANY FOR INVESTMENTAND EXPORT
(PUBLIC SHAREHOLDING COMPANY)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS(UNAUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2021
(EXPRESSED IN JORDANIAN DINAR)

	For the nine months ended September 30, 2021	For the nine months ended September 30, 2020
OPERATING ACTIVITIES		
Income of the period	**606,926**	450,035
Adjustments on Income of the period:		
Depreciations	**145,151**	204,195
Financial charges	**332,775**	232,404
Expected credit losses	**69,000**	-
Changes in operating assets and liabilities:		
Accounts receivable	**683,094**	(786,734)
Realized and unbilled revenue	**895,212**	(1,209,587)
Inventory	**186,721**	(86,559)
Prepaid expenses and other receivables	**(384,738)**	(169,965)
Accounts payables and deferred checks	**(1,694,571)**	(86,245)
Accrued expenses and other payables	**223,254**	1,218,494
Net cash available from / (used in) operating activities	**1,062,824**	(233,962)
INVESTING ACTIVITIES		
Changes in Property and equipment	**(61,768)**	(55,860)
Changes in right of use assets	**71,454**	-
Net cash available from / (used in) investing activities	**9,686**	(55,860)
FINANCING ACTIVITIES		
Loans	**(224,767)**	646,723
Banks overdraft	**(487,758)**	260,217
Paid Financial charges	**(332,775)**	(232,404)
Finance lease obligations	**(97,874)**	(82,977)
Net cash (used in) / available from financing activities	**(1,143,174)**	591,559
Net change in cash and cash equivalents	**(70,664)**	301,737
Cash and cash equivalents, January 1	**879,044**	944,352
CASH AND CASH EQUIVALENTS, September 30	**808,380**	1,246,089

The accompanying notes are an integral part of these interim consolidated financial statements

1. ORGANIZATION AND ACTIVITIES

AL – Fares National Company for Investment and Export. P.L.C ("the Company") is a Jordanian public shareholding Company registered on November 21, 2005, under the commercial registration number (373). After conducting all legal procedures; it has been converted from a limited liability company to a public shareholding.

The company's authorized, underwritten, and paid-up capital is JD 16,000,000 divided to 16,000,000 shares with a par value of one JD per share.

The main activity of the company is to import and export, to enter into other companies, and to borrow from banks tothe purposes of the company, agents and intermediaries, commercial distribution and marketing, computer software industry, computer hardware industry and its parts, technical, engineering and commercial consultancy and computer services, including computer programming.

The Company operates in the capital of Jordan - Amman.

2. NEW AND AMENDED IFRS STANDARDS

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

There are a lot of new standards and editions and explanations it the standards that now are effective from January 1, 2020:

Amendments to IFRS 3 Business Combinations

Amendments to IAS 1 Presentation of Financial Statements

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

Amendments to IFRS 7 Financial Instruments: Disclosures

Amendments to IFRS 9 Financial Instruments

Amendments to the conceptual framework

2. 2. NEW AND AMENDED IFRSS IN ISSUE BUT NOT YET EFFECTIVE AND EARLY ADOPTED:-

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

New Standards	Effective for annual periods beginning on or after
Amendments to IFRS 16 lease concessions related to the (Covid-19)	January 1, 2021
Amendments to IAS No. (4), (7) and (16) and IAS No. (39) Standard Reforms for Interest Rate - Second Stage	January 1, 2021
Amendments to IAS 1 Presentation of Financial Statements liabilities classification	January 1, 2022
Amendments to IFRS No. (3) BusinessCombinations	January 1, 2022
Amendments to IFRS 16, Property, Plant and Equipment's	January 1, 2022
Amendments to IAS No. (37) Provisions, Contingent Liabilities, and Contingent Assets	January 1, 2022
Annual Improvements to IFRS 2018-2020	January 1, 2022
Amendments to IFRS No.17 Insurance Contracts	January1, 2023

Management anticipates that these new standards, interpretations, and amendments will be adopted in the Company's financial statements as of and when they are applicable and adoption of these new standards, interpolations, and amendments, may have no material impact on the financial statement of the Company in the period of initial application.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting".

The interim consolidated financial statement is presented in Jordanian Dinar since that is the currency in which the majority of the Company's transactions are denominated.

The interim consolidated financial statements have been prepared on a historical cost basis.

The interim consolidated statement does not include all the information and notes needed in the annual financial statement and must be reviewed with the ended financial statement on December 31, 2020, in addition to that the result for the nine months ended on September 30, 2021, is not necessarily to be the expected results for the financial year ended December 31, 2021.

Significant accounting policies

The accounting policies used in the preparation of the interim consolidated financial information are consistent with those used in the audited financial statements for the year ended December 31, 2020.

Basis of Interim Consolidation Financial Statements

Theinterim Consolidated Financial Statements incorporate the financial statements of Al-Fares National Company for Investment and Export (Public Shareholding Company) and the subsidiaries controlled by the Company.

Control is achieved where the Company:

- Ability to exert power over the investee.
- Exposure, or rights, to variable returns from its involvement with the investee.
- Ability to exert power over the investee to affect the number of the investor's returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries above.

When the Company has less than a majority of the voting, The Company shall have control over the investee when the voting rights sufficient to give it the ability to direct relevant activities of the investee individually.

When The Company reassesses whether or not it controls an investee, it considers all the relevant facts and circumstances which includes:

- Size of the holding relative to the size and dispersion of other vote holders
- Potential voting rights, other vote-holders, and Other parties
- Other contractual rights
- Any additional facts and circumstances may indicate that the company has, or does not have, the current ability to direct the activities related to the time needed to make decisions, including how to vote at previous shareholders' meetings.

The consolidation process begins when the companies achieve control of the investee enterprise (subsidiary), while that process stops when the companies lose control of the investee (subsidiary). In particular Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated income statement and the consolidated comprehensive income statement from the effective date of acquisition and up to the effective date of which it loses control of a subsidiary company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the parent's accounting policies.

All intergroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full-on consolidation.

The Interim Consolidated Financial Statements as of September 30,2021 comprise of the financial statements of the affiliated companies:

Company	Place of registration	Date of registration	Vote and ownership ratio	Principal activity
National Computer Company Ltd. *	Jordan	1983	100%	Programming and analyzing computer systems, selling computer supplies, and maintaining computers and electronic devices.
Allied Software Company Ltd.	Jordan	2001	92%	Development of software and information systems.
Aragon Ltd - Branch of foreign limited liability company.	Bermuda	2000	100%	Providing supply chain, management solutions, and optimization services.
Execution Company Ltd.	Jordan	2001	100%	Providing training courses in the implementation and analysis of various computer programs, execution of training courses, and consulting services related to communications, and development of computer programs and communications.
Incubator Electronics Co. Ltd. (exempt)	Jordan	2007	100%	Manufacture and sell computer software and hardware, contribute of other company and manufacturing the printing machine
Optimiza Computer System Ltd.	Dubai	2009	100%	Computer program and computer supplies and software trading in computer and its supplies
OptimizaMorocco	Kingdom of Morocco	2012	100%	Computer program and computer supplies and software trading in computer and its supplies
Optimiza Technology Company Ltd.	Dubai	2018	100%	Computer programming activities, consulting experience, and related activities

* On June 19, 2014 branch to National Computer Company has been established in Aqaba Economic Zone under No (1114061901), following the regulations of Aqaba Special Zone No. (23) Of 2000, and its amendments.

*On March 26, 2018, the National Computer Company was established in the UAE under the number (803595).

Financial assets

Classifications

The Company classifies its financial assets into the following categories: financial assets at fair value through the income statement, and receivables. Such classifications are determined based on the purpose for which these financial assets were acquired.
The management determines its classifications of the financial assets at initial recognition.

(A) Financial assets at fair value through the income statement

Financial assets at fair value through income statements are financial assets held for trading. A financial asset is classified under this category if it is purchased primarily to be sold in a short period. Such assets are classified in this category under current assets if the Company expects to sell them within 12 months from the date of the statement of financial position, otherwise, they are classified as non-current assets.

(B) Receivables and loans

Receivables are financial assets (other than financial derivatives) with fixed or determinable payments that are not included in the financial market. These assets are classified as current assets unless they have maturities over 12 months after the statement of financial position date, as these are classified as non-current assets.

Recognition and measurement

Purchases and sales of financial assets arerecognized on the tradedate – the date on which the Company commits to purchases or sells the asset. Investments arerecognized at fair value while costs associated with purchases and sales are recognized income statements.

Impairment of financial assets

The Company reviews stated values on financial assets at the date of the statement of financial position determine whether objective indications of their impairment exist, individually or in the aggregate if such indications exist, a recoverable amount is estimated to determine impairment.

The criteria that the Company uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the debtor.

- A breach of contracts, such as a default or delinquency in interest or principal payments.

- The Company, for economic or legal reasons relating to the debtors' financial difficulty, granting the debtor a concession that the lender would not otherwise consider.

- It becomes probable that the debtor will enter bankruptcy or other financial reorganization.

- The disappearance of an active market for that financial asset because of financial difficulties.

- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, including.

(1) Adverse changes in the payment status of debtors in the portfolio.

(2) National or local economic conditions that correlate with defaults on the assets in the portfolio.

The Company first assesses whether objective evidence of impairment exists.

For the receivables category, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial assets original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the income statement.

If in a subsequent period, the amount of impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the income statement.

Reclassifications
If the business model under which the Company holds financial assets changes. The financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in a business model that results in reclassifying the Company's financial assets. During the current financial year and previous accounting period, there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made

Impairment
IFRS 9 replaces the "incurred loss" model in IAS 39 with an expected credit loss model (ECLs). The Company recognizes loss allowance for expected credit losses on the following financial instruments that are not measured at FVTPL.
- Cash and bank balances:
- Trade and other receivables;
- Due to related party.

Except for purchased or originated credit-impaired (POCI) financial assets (which are considered separately below), ECLs are required to be measured through a loss allowance at an amount equal to:

- 12 Month ECL, i.e. lifetime ECL that results from those default events on the financial instrument that are possible within 12 months after the reporting date(referred to as stage1); or

- Full lifetime ECL, i.e. Lifetime ECL that results from all possible default events over the life of the financial instruments, (referred to as stage2 and stage3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The Company has elected to measure loss allowances of cash and bank balances. Trade and other receivables, and due from a related party at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flow to the Company under the contract and the cash flows that the Company expects to receive arising from the weighting of multiple future economic scenarios. Discounted at the asset's EIR.

Loss allowance for financial investments measured at amortized costs is deducted from the gross carrying amount of assets. For debt securities, an FVTOCI, the loss allowance is recognized in the OCI, instead of reducing the carrying amount of the asset.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue costs or effort. This includes both quantitative and qualitative including forward-looking information.

For certain categories of financial assets, assets that are assessed not to be impaired individually are. in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's experience of collecting payments, an increase in the number of delayed payments in the portfolio as well as observable changes in national or local economic conditions that correlate with default on receivables.

Impairment losses related to cash and bank balances, trade, and other receivables and due from a related party, are presented separately in the interim consolidated statement of income and other comprehensive income.

The Company considers debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of the grade of the investment.

Measurement of ECL

The Company employs statistical models for ECL calculations. ECLs are a probability-weighted estimate of credit losses. For measuring ECL under IFRS 9, the key input would be the term structure of the following variables.

- Probability of default (PD);
- Loss given default (LGD); and
- Exposure at default (EAD).

These parameters will be derived from our internally developed statistical models and other historical data. They will be adjusted to reflect forward-looking information.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred. Credit-impaired financial assets are referred to as stage 3 assets. At each reporting date, the Company assesses whether financial assets are carried at amortized costs and debt securities at FVTOCI at credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

DE-recognition of financial assets

The Company de-recognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset

to another entity.If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. if the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On DE recognition of a financial asset measured at amortized cost or measured at FVTPL, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

On DE recognition of a financial asset that is classified as FVTOCI, the cumulative gain or loss previously accumulated in the cumulative changes in fair value of securities reserve is not reclassified to profit or loss but is reclassified to retained earnings.

Presentation of allowance for ECL is presented in the financial information

Loss allowances for ECL are presented in the financial information as follows:

- For financial assets measured at amortized cost (loans and advances, cash and bank balances): as a deduction from the gross carrying amount of the assets.

- For debt instruments measured at FVTOCI no loss allowance is recognized in the interim consolidated statement of financial position as the carrying amount is at fair value. However, the less allowance is included as part of the revaluation amount in the re-evaluation reserve and recognized in other comprehensive income.

Critical accounting judgments and key sources of estimation uncertainty
The preparation of interim consolidated financial statements requires management to make judgments estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expense. Actual results may differ from these estimates.

In preparing these interim consolidated financial statements, the significant Judgments made by management in applying the Company accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual financial interim consolidated statements.

Critical judgments in applying the Company's accounting policies in respect of IFRS 9

Business model assessment
Classification and measurement of financial assets depend on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how Company s of financial assets were managed together to achieve a particular business objective. This assessment includes judgments reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed, and how the managers of the assets are compensated. Monitoring is part of the Company s continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Significant increase of credit risk
ECLs are measured as an allowance equal to 12-month ECL for stage1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

Key sources of estimation uncertainty in respect of IFRS 9
The following are key estimations that the management has used in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in interim consolidated financial statements.

Establishing the number and relative weightings of forward-looking scenarios for each type of product /market determining the forward-looking information relevant to each scenario: When measuring ECL the Company uses reasonable and supportable forward-looking information, which s based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Establishing a Company s of assets with similar credit risk characteristics
When ECLs are measured on a collective basis, the financial instruments are Company collected based on shared risk characteristics (eg, instrument type, credit risk grade, collateral type, date of initial recognition, remaining term to maturity, industry, geographic location of the borrower, etc.). The Company monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. This is required to ensure that should credit risk characteristics change there is appropriate re-segmentation of the assets. This may result in new portfolios being created or assets moving to an existing portfolio that better reflects the similar credit risk characteristics of that Company of assets. Re-segmentation of portfolios and movement between portfolios is more common when there is a significant increase in credit risk (or when that significant increase reverses) and so assets move from 12-month to lifetime ECLs, or vice versa, but it can also occur within portfolios that continue to be measured on the same basis of 12month or lifetime ECLs but the amount of the ECLs changes because the credit risk of the portfolios differ.

Models and assumptions used
The Company uses various models and assumptions in measuring the fair value of financial assets as well as in estimating ECL. Judgment is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk.

Probability of Default
PD constitutes a key input in measuring ECL. PD is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions, and expectations of future conditions.

Loss Given to Default
LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Revenue recognition
Revenue is measured at the amount that reflects the provisions that the entity expects to receive in exchange for transporting goods or services to a customer, excluding amounts collected on behalf of third parties. The company recognizes revenue when each service obligation is fulfilled.

Separate selling prices are determined based on the observable price at which companies sell products and services on a separate basis. For items that are not sold separately, the company estimates separate selling prices using other methods.

Contract assets and liabilities
The Company has determinedthatcontractassetsandliabilitiesaretoberecognizedattheperformance obligationlevelandnotatthecontractlevelandbothcontractassetsandliabilitiesaretobepresented separatelyinthefinancial statements. The Companyclassifiesitscontractassetsandliabilities as current andnon-currentbasedonthetimingandpatternofflowofeconomicbenefit.

The Group recognizes revenue from the following major sources:

Major operations
Revenue represents amounts payable in connection with services provided during the year and is measured at the fair value of the consideration received or receivable, net of discounts.

Revenue is recognized over time as the services are rendered.

If the services are provided under one arrangement in different reporting periods, then the corresponding allowance will be allocated based on the contracts signed with the clients.

Another source of income

A company recognizes revenue when the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the enterprise and when specific criteria for the company's activities are met.

Expenses
Selling and marketing expenses mainly comprise costs incurred in the distribution and sale of the Company's products. All other expenses are classified as general and administrative expenses.

General and administrative expenses include both direct and indirect costs not specifically part of production costs as required under generally accepted accounting principles. Allocations between general and administrative expenses and the cost of sales are made consistently when required.

Cash and cash equivalents
Cash and cash equivalent include cash, demand deposits, and highly liquid investments with original maturities of three months or less.

Accounts receivable
Account receivables are stated at their net realizable value after forming an allowance for doubtful accounts based on a general review at the end of the year, bad debts are written off in the period of recognizing them.

Accounts payable and accrued
Accounts payable are stated at the obligation amounts for received services and goods, whether billed by the suppliers or not.

Non – controlled processes
The non-controlled operation is the operation that includes using assets and other resources for the parties involved in the coalition rather than establishing a company or any financial structure separate from the coalition parties themselves and each party of the coalition use his propriety and equipment and incur his expenses and liability and provide his funding, the joint venture contract provides the method which enablestosplit the revenue from the joint contract and any expenses incur jointly between coalition parties, the financial statement include the Company share from joint venture business results using the equity method.

Inventories
Inventories are stated at cost or market whichever lower using (FIFO) inventory valuation method.

Investments in computer programs
The fair value of the computer program resulting from the acquisition of subsidiaries was reassessed based on the amount that can be recovered, if the value is less than the book value, it would be deducted from the reimbursable value, this impairment appears in the income statement.

Goodwill
The International Accounting Standards Board issued International Financial Reporting Standard No. (3) Business Consolidation, according to which the purchase cost is recorded over the fair value of the companies invested as goodwill, and when the amount recoverable from this goodwill is less than its net book value, its value is reduced to the recoverable value To redeem and record the value of the decline in the income statement
Goodwill arising from the purchase of a subsidiary or jointly controlled entity represents the excess of the cost of the purchase over the company's share in the net fair value of the assets, liabilities, and contingent liabilities determined for the subsidiary or facility with joint control that is recognized as at the date of purchase. Goodwill is recorded first as an asset on a cost basis and is subsequently measured at cost, less accumulated impairment if any.

For impairment testing, goodwill is distributed to all the cash-generating units of the company that are expected to benefit from the merger.
An annual impairment test is conducted for the cash-generating units to which goodwill has been distributed or to more frequent periods if there is any indication that the unit has been impaired. If the recoverable amount of the cash-generating unit is less than its value, the impairment loss is charged first to reduce the carrying value of goodwill distributed to the unit and then to other assets listed proportionately based on the value listed for each asset in the unit. The impairment losses recognized for goodwill cannot be reversed in subsequent periods.
When a subsidiary or establishment is excluded by joint control, the goodwill allocated to it is determined to determine the profit or loss resulting from the disposal.

Property and equipment
Property and equipment are stated at cost after deducting accumulated depreciation. Expenditure on maintenance and repairs is expensed while expenditures for developments are capitalized. The acquisition price of assets includes the cost of loans taken to finance preparing equipment and providing necessary improvements to make them ready for use. Depreciation is allocated over the estimated useful lives of the applicable assets using the straight-line method. The estimated rates of depreciation of the principal assets using the straight-line method, the estimated rates of depreciation of the principal classes of assets are as follows:

	Annual depreciation rate
Machinery and equipment	20%
Furniture	10%
Computer software	25%
Decorations	10-15 %
Vehicles	15%
Tools	15%
Computers	15%
Books	20%

Useful lives and the depreciation method are reviewed periodically to make sure that the method and amortization period appropriate with the expected economic benefits of property and equipment.
An impairment test is performed to the value of the property and equipment that appears in the Statement of Financial Position When any events or changes in circumstances show that this value is non-recoverable.

In case of any indication to the low value, Impairment losses are calculated according to the policy of the low value of the assetsAt the exclusion of any subsequent property and equipment, recognize the value of gains or losses resulting, Which represents the difference between the net proceeds of exclusion and the value of the property and equipment that appears in the Statement of Financial Position, Gross Profit and loss.

Income tax
The Company is subject to Income Tax Law and its subsequent amendments and the regulations issued by the Income Tax Department in the Hashemite Kingdom of Jordan and provided on the accrual basis, Income Tax is computed based on adjusted net income. According to International Accounting Standard number (12), the company may have deferred tax assets resulting from the differences between the accounting value and tax value of the assets and liabilities related to the provisions, these assets are not shown in the financial statements since it's immaterial.

Leasing
Lease contracts are classified as capital leases if the lease results in a material transfer of the property benefits and risks related to the asset in question to the lessee. Other leases are classified as operating leases.

Rents are recognized as a right to use asset and a corresponding liability on the date that the leased asset is available for company use. Each lease payment is distributed between the obligation and the cost of the financing. The finance charge is charged to the profit or loss over the term of the lease to obtain a fixed periodic rate for the outstanding leader on the remaining balance of the liabilities for each period. Depreciation is calculated on the right to use assets over the useful life of the asset or the lease term, whichever is shorter, by the straight-line method

Operating lease obligations are measured at the present value of the remaining lease payments, as lease payments are discounted using the interest rate included in the lease. If this rate cannot be determined, the additional borrowing rate of the lessee is used, which is the rate the tenant has to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Rentals due under short-term operating leases and low-value assets are charged to the statement of comprehensive income during the period of the operating lease using the straight-line method. Short-term operating lease contracts are leases of 12 months or less.

Provisions
The provision had been formed, when the company has a present obligation (legal or expected) from past events which its cost of repayment consider accepted and it can estimate it reliably.

The provision had been measured according to the best expectations of the required alternative to meet the obligation as of the statement of financial position date after considering the risks and not assured matters about the obligation. When the provision had been measured with the estimated cash flows to pay the present obligation, then the accounts receivable had been recognized as an asset in case of receipt and replacement of the amount is certain and can measure the amount reliably.

The sector report represents

The business sector represents a collection of assets and operations engaged together in providing products or services subject to risks and returns that are different from those of other business sectors, which are measured according to the reports that are used by the executive director and the main decision-makers in the Company.

A geographical segment is associated with providing products in a particular economic environment subject to risks and returns that are differed from those for sectors to work in the economic environment.

Offsetting

Financial assets and financial liabilities are offset, and the net amount is reflected in the consolidated statement of financial position only when there are legal rights to offset the recognized amounts, and when intends to settle them on a net basis, or assets are realized and liabilities settled simultaneously.

Foreign currency translation

Foreign currency transactions are translated into Jordanian Dinar at the rates of exchange prevailing at the time of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rates prevailing at that date. Gains and losses from settlement and translation of foreign currency transactions are included in the statement of income.

4. RIGHT TO USE ASSETS / LEASE OBLIGATIONS

	2021	2020
Rights of use assets :		
The balance as of January 1	**155,848**	115,748
Additions	**-**	138,533
Disposal	**(71,454)**	-
Amortization expense	**(39,976)**	(98,433)
Balance as of September 30	**44,418**	155,848

	2021	2020
Lease obligations :		
Balance as of January 1	**156,434**	120,217
Additions	**-**	134,064
Disposal	**(68,989)**	-
Interest expense	**55,076**	15,134
Paid during the year	**(83,961)**	(112,981)
Balance as of September 30	**58,560**	156,434

	2021	2020
As the following :		
Current leases obligations	**58,560**	117,450
Non- Current lease obligations	**-**	38,984
	58,560	156,434

5. INTANGIBLE ASSETS

Intangible assets amounting to JD 17,519,760 resulted from the Company's acquisition of full and/or part of the shares of partners in several companies operating in the field of information systems during 2005 and 2007.

The details of Intangible assets:

	2021	2020
Investment in developed computer programs	**15,107,872**	15,107,872
Goodwill*	**2,411,888**	2,411,888
	17,519,760	17,519,760

***The details of goodwill:**

	2021	2020
Balance as of January 1	**4,286,888**	4,286,888
Provision of impairment of goodwill	**(1,875,000)**	(1,875,000)
Balance as of September 30	**2,411,888**	2,411,888

According to IFRS, the fair value for a computer program sire-evaluatedbased on the recoverable amount, and then when the recoverable amount of the fair value of the computer programs is less than its carrying amount, we reduce its value to the recoverable amount and record this impairment in the consolidated comprehensive income statement. Based on the test of the impairment by the management at the end of 2018, there was no impairment in the value of goodwill and developed computer programs which were measured based on the value in use, which is calculated using discounted cash flows through approved estimated budgets by the company management, which covers five years based on a weighted average cost of capital WACC of 14.2 % annually.

6. RESERVES

Statutory reserve:
In line with the requirements of the Companies Law in the Hashemite Kingdom of Jordan and the articles of association of the company, the company creates a compulsory reserve of 10% of the net profit until this reserve reaches a quarter of the company's capital and this percentage may continue to be deducted with the approval of the company's general assembly until this reserve reaches the equivalent of the amount of capital The authorized company. This reserve is not distributable as dividends to shareholders, and after the exhaustion of other reserves, the General Authority has the right to decide to extinguish its losses from the sums collected in the compulsory reserve account, to be rebuilt following the provisions of the aforementioned law.

Voluntary reserve:
Following the Companies' Law in the Hashemite Kingdome of Jordan and the Company's Article of Association, The Company can establish a voluntary reserve by an appropriation of no more than 20% of pre-tax net income. The company's Board of Directors resolved to allocate 20% of the net income during the year. This reserve is not available for dividend distribution till the approval of the Company's General Assembly.

7. INVESTMENT IN DISCONTINUED SUBSIDIARIES COMPANY

As a result of the discontinuance of Gulf electronic technology Solutions L.L.C (Saudi Arabia) and its operating activity at the end of 2014, the board of directors decided not to consolidate its financial statement with the company's financial statements at the end of 2014 and this investment is presented following the requirements of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations"

The details for investment in discontinued subsidiaries companies as follows September 30, 2021 and December 31, 2020

	2021	2020
Cost of purchase	**1,004,392**	1,004,392
Impairment	**(676,967)**	(676,967)
Balance of accumulated losses for the discontinued company	**(2,008,305)**	(2,008,305)
Netbook value (excess of liabilities over assets)	**(1,680,880)**	(1,680,880)

8. FINANCIAL INSTRUMENTS

Management of share capital risks
The Company mange its capital to make sure that the Company will continue when it takes the highest return by the best limit for debts and owners' equity balances. The Company's strategy doesn't change from 2020.

Structuring of the Company's capital includes debts, which includes owners' equity in the Company, which includes capital, reserves, and accumulated losses as listed in the changes in interim consolidated statement owners' equity.

The management of the financial risks
The Company's activities might be exposed mainly to the followed financial risks.

Management of the foreign currencies risks
It is the risk of changing the value of financial instruments due to changes in foreign exchange rates, and the Jordanian dinar is the base currency of the company, the Board sets limits on the financial position for each currency the company has and is reviewing the foreign exchange center daily and they are following strategies to make sure to keep foreign currencies Center within the approved boundaries.

All the Group's operations are mainly in Jordanian Dinar and the Saudi riyal and UAE dirham, and there is no risk as a result of the company dealing in such currencies as the prices of those fixed currencies do not change because it is pegged to the US dollar.

Management of the interest price risks
Risk related to interest rate results mainly from borrowing money at varying interest rates and short-term deposits at fixed interest rates.

Sensitivity of the statement of comprehensive income is the impact of the assumed changes possible prices of interest on the profit of the Company for one year and it is calculated based on the financial liabilities which carry variable interest rates at the end of the year.

Credit risk management
The credit risks represent in one part of the financial instruments contracts has not obligated to pay the contractual obligations and cause of that the Company is exposing financial losses, However, there are no contracts with any other parts so the Company doesn't expose to different types of the credit risks.

9. THE IMPACT OF THE SPREAD OF CORONA VIRUS (COVID-19) ON THE COMPANY

The spread of the new Coronavirus (Covid-19) occurred at the beginning of 2020 and its outbreak in several geographical regions around the world causing disruptions to economic activities and business. The Company believes that this event does not affect any fundamental changes in the financial position of the company, and accordingly, the company does not expect material effects to occur on its operations in the Kingdom, which represent the total of its operations if things return to normal after the (Covid-19) phase.

The administration and those responsible for governance will continue to monitor the situation in all geographical areas in which the company operates and provide stakeholders with developments following the requirements of regulations and regulations. In the event of any material changes in the current conditions, additional disclosures will be submitted or amendments will be approved in the company's financial statements.

10. APPROVAL OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The interim consolidated financial statements were approved by the Board of Directors and authorized for issuance on October 27, 2021, this financial statement requires General Assembly approval.