SALAM INTERNATIONAL TRANSPORT
AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA – JORDAN

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2021 TOGETHER
WITH INDEPENDENT AUDITOR'S REPORT

SALAM INTERNATIONAL TRANSPORT
AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA – JORDAN
DECEMBER 31, 2021

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INDEPENDENT AUDITOR'S REPORT

AM \ 000744

To the shareholders of
Salam International Transport and Trading Company
(Public Shareholding Limited Company)
Amman – The Hashemite Kingdom of Jordan

Opinion

We have audited the consolidated financial statements of Salam International Transport and Trading Company (The "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as of December 31, 2021, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Salam International Transport and Trading Company as of December 31, 2021, and its financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis of 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' Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements that are relevant to our audit of the Company's consolidated financial statements, and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were most significant to our audit of the consolidated financial statements for 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.

We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures, performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Our description of how our audit addressed the key audit matter is provided in that context.

Key Audit Matters	Scope of Audit to Address the Risks
Payments on Account of Acquiring Land and Projects under Construction The consolidated financial statements include payments on account for acquiring plots of land and projects under construction, which include the value of work done and its directly related costs of JD 8.15 million as of December 31, 2021, which represents around 29% of the Group's non-current assets. The Group signed an agreement with the government and related entities to develop certain plots of land. The agreement states that the plots of land will be transferred to the Group once the aforementioned development has been completed. The ownership of the plots of land had not been legally transferred to the Group at the reporting date. The following risks were identified that the payments made and projects under construction referred to above may be impaired: • The non-transfer of the land to the Group as referred to above; and • The recoverable amount of the land may be less than the advance payments referred to in the first paragraph. The Group, in conjunction with an external valuer, has determined that the payments made and projects under construction are not impaired. In making this determination, the Group has applied certain judgments and made certain estimates about the transfer of the land to the Group and the fair value of the land which are considered to be significant. Consequently, we have identified this as a key audit matter. Refer to notes 17 and 18 of the consolidated financial statements for further disclosure about this matter	• We assessed the design and implementation of controls over the process of determining that the payments and projects under construction, referred to in the adjacent paragraph, were not impaired. • We obtained confirmations from the related governmental entities, to confirm the payments on account for acquiring plots of land. • We reviewed the contracts between the Group and the Government and related entities to determine if there were any contracted impediments to the land being transferred which had not yet been addressed by the reporting date. • We assessed the skills, competence, objectivity, and qualification of the external valuers appointed by the Group to determine the value of these lands. • We reviewed the engagement letter between the external valuers and the Group to determine if the scope of their work was sufficient. • We inspected minutes of Board of Directors meetings and correspondence between the Group and the government and related entities to determine whether it was probable that the land would be transferred to the Group. • We determined if the valuations performed by the external valuer indicated that the value of the land was more than the payments made to acquire the land and projects under construction. • We reperformed the mathematical accuracy of the valuations, where applicable. • We assessed the disclosure in the consolidated financial statements, relating to this matter, against the requirements of IFRSs.

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Other Matter

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

Other Information

Management is responsible for the other information. The other information comprises the information in the Annual Report, other than the consolidated financial statements, and the auditor's report thereon. The Annual Report 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 conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the 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 IFRSs, and for such internal control as management determines necessary to enable the preparation of the 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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 based on these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those 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.

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- 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 evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group's 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 safeguard procedures.

From the matters communicated with those charged with governance, we determine those matters that were of most significance to the audit of the consolidated financial statements for the current year and are therefore 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 line with the accompanying consolidated financial statements. We recommend that the General Assembly of the Shareholders approve these consolidated financial statements.

Amman – Jordan
March 29, 2022

Deloitte & Touche (Middle East) – Jordan

Deloitte & Touche (M.E.)
ديلويت اند توش (الشرق الأوسط)
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SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY
(A PUBLIC SHAERHOILDING LIMITED COMPANY)
AQABA - JORDAN
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	December 31, 2021	December 31, 2020
		JD	JD
ASSETS			
Current Assets:			
Cash and balances at banks	5	844,365	701,337
Accounts receivable-net	6	456,560	781,389
Financial assets at amortized cost	7	353,649	-
Due from related parties	25/a	777,427	682,095
Accounts receivable - Decent Housing for Decent Living project	8	2,400	2,400
Residential units available for sale	9	201,018	325,503
Checks under collection and notes receivable maturing in one year	10	178,795	222,334
Financial assets at fair value through profit or loss	11	10,702	9,543
Inventory - net	12	60,655	142,838
Other debit balances	13	312,024	355,668
Total Current Assets		3,197,595	3,223,107
Non-Current Assets:			
Checks under collection and notes receivable maturing in more than one year	10	103,448	90,173
Financial assets at fair value through other comprehensive income	14	559,609	641,034
Investment properties - net	15	4,537,591	4,609,585
Investments in associate companies	16	14,584,042	14,446,720
Projects under construction	17	2,470,248	2,517,437
Advance payments for land acquisition	18	5,682,492	6,002,517
Property and equipment - net	19	640,887	705,567
Total Non-Current Assets		28,578,317	29,013,033
TOTAL ASSETS		31,775,912	32,236,140
LIABILITIES AND OWNERS' EQUITY			
Current Liabilities:			
Due to banks	20	109,408	341,834
Accounts payable	21	1,763,118	1,803,978
Due to related parties- short term	25/b	753,357	1,376,068
Loans - short term	22	240,000	370,336
Deferred cheques and notes payable - short term		24,000	6,600
Income tax provision	23	64,459	69,376
Other credit balances	24	585,086	625,144
Total Current Liabilities		3,539,428	4,593,336
Non-Current Liabilities:			
Deferred cheques and notes payable - long term		78,244	-
Due to related parties- long term	25/b	3,971,445	3,955,216
Partner Current Account	25/b	570,935	880,761
Loans long- term	22	33,721	684,726
Total Non-Current Liabilities		4,654,345	5,520,703
Total Liabilities		8,193,773	10,114,039
OWNERS' EQUITY			
SHAREHOLDERS' EQUITY			
Authorized and Paid-up capital	26	18,000,000	18,000,000
Share discount	26	(1,349,998)	(1,349,998)
Statutory reserve	27	153,776	103,800
Fair value reserve for financial assets stated at fair value	29	(326,297)	(433,261)
Retained earnings	30	3,475,144	2,198,336
Net Shareholders' Equity		19,952,625	18,518,877
Non-controlling interests		3,629,514	3,603,224
Net Owners' Equity		23,582,139	22,122,101
TOTAL LIABILITIES AND OWNERS' EQUITY		31,775,912	32,236,140

General Manager — Chairman of Board of Directors

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

SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY

(A PUBLIC SHAERHOILDING LIMITED COMPANY)

AQABA - JORDAN

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	For the Year Ended December 31, 2021	2020
		JD	JD
Revenue	31	3,814,787	4,705,036
Less: Cost of revenue	32	(2,571,878)	(3,394,995)
Gross Profit		**1,242,909**	**1,310,041**
Less: General and administrative expenses	33	(846,958)	(922,160)
Marketing expenses		(19,633)	(9,990)
Borrowing costs		(88,084)	(137,171)
Company's share of associated companies' profits	16	1,068,603	572,416
Profits from valuation of financial assets at fair value through profit or loss		1,159	691
Provision for expected credit losses	5&6&8	-	(6,647)
Net company's profit from selling a subsidiaries companies	34	-	109,378
Other income - Net	35	87,223	121,439
Profit for the Year before Income Tax from Continuing Operations		**1,445,219**	**1,037,997**
Less: Income tax for the year	23	(37,413)	(37,389)
Profit for the Year from Continuing Operations		**1,407,806**	**1,000,608**
Net (Loss) for the year from discontinued operations	41	-	(775)
Profit for the Year		**1,407,806**	**999,833**
Attributable to:			
The Company's shareholders' share from continuing and discontinued operation		1,377,986	1,041,563
Non-controlling interests' share from continuing and discontinued operation		29,820	(41,730)
Total		**1,407,806**	**999,833**
Attributable to:			
The Company's shareholders' share from continuing operations		1,377,986	1,042,338
Non-controlling interests' share from continuing operations		29,820	(41,730)
Total		**1,407,806**	**1,000,608**
Earnings per Share for the year from continuing operations attributable to the Company's Shareholders	36	-/077	-/058
Earnings per Share for the year from continuing and discontinued operations attributable to the Company's Shareholders	36	-/077	-/058

General Manager

Chairman of Board of Directors

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SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY

(A PUBLIC SHAERHOILDING LIMITED COMPANY)

AQABA - JORDAN

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the Year Ended December 31,	
	2021	2020
	JD	JD
Profit for the year	1,407,806	999,833
Comprehensive Income Items:		
Items not to be subsequently transferred to consolidated statement of profit or loss :		
Change in fair value- financial assets at fair value through other comprehensive income	106,964	(135,848)
Total Comprehensive Income for the Year	**1,514,770**	**863,985**
Total Comprehensive Income for the Year Attributable to:		
Company's shareholders	1,484,950	905,715
Non- controlling interests	29,820	(41,730)
Total	**1,514,770**	**863,985**

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE

CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH

THE ACCOMPONAYING INDEPENDENT AUDITOR'S REPORT.

SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY

(A PUBLIC SHAREHOLDING LIMITED COMPANY)

AQABA - JORDAN

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

		Company's Shareholders' Equity										
						Financial Assets at Fair Value	Retained Earning / Accumulated (Losses)				Non-Controlling	
	Note	Paid-up Capital	Share Discount	Statutory Reserve	Voluntary Reserve	Revaluation Reserve	Realized	Unrealized	Total	Total	Interests	Total
		JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
For the Year Ended December 31, 2021												
Balance as of January 1, 2021		18,000,000	(1,349,998)	103,800	-	(433,261)	281,727	1,916,609	2,198,336	18,518,877	3,603,224	22,122,101
Prior years' adjustment		-	-	-	-	-	(51,202)	-	(51,202)	(51,202)	(3,530)	(54,732)
Adjusted balance - beginning of the year		18,000,000	(1,349,998)	103,800	-	(433,261)	230,525	1,916,609	2,147,134	18,467,675	3,599,694	22,067,369
Profit for the year		-	-	-	-	-	1,377,986	-	1,377,986	1,377,986	29,820	1,407,806
Change in fair value of financial assets at fair value		-	-	-	-	106,964	-	-	-	106,964	-	106,964
Total Comprehensive Income for the Year		-	-	-	-	106,964	1,377,986	-	1,377,986	1,484,950	29,820	1,514,770
Transferred to statutory reserved		-	-	49,976	-	-	(49,976)	-	(49,976)	-	-	-
Balance - End of the Year		**18,000,000**	**(1,349,998)**	**153,776**	**-**	**(326,297)**	**1,558,535**	**1,916,609**	**3,475,144**	**19,952,625**	**3,629,514**	**23,582,139**
For the Year Ended December 31, 2020												
Balance as of January 1, 2020		18,000,000	(1,349,998)	2,186,726	48,024	(297,413)	(2,767,399)	1,916,609	(850,790)	17,736,549	3,644,954	21,381,503
Prior years' adjustment		-	-	-	-	-	(123,387)	-	(123,387)	(123,387)	-	(123,387)
Adjusted balance - beginning of the year		18,000,000	(1,349,998)	2,186,726	48,024	(297,413)	(2,890,786)	1,916,609	(974,177)	17,613,162	3,644,954	21,258,116
Profit for the year		-	-	-	-	-	1,041,563	-	1,041,563	1,041,563	(41,730)	999,833
Change in fair value of financial assets at fair value		-	-	-	-	(135,848)	-	-	-	(135,848)	-	(135,848)
Total Comprehensive Income for the Year		-	-	-	-	(135,848)	1,041,563	-	1,041,563	905,715	(41,730)	863,985
Losses amortization *	43	-	-	(2,186,726)	(48,024)	-	2,234,750	-	2,234,750	-	-	-
Transferred to statutory reserved		-	-	103,800	-	-	(103,800)	-	(103,800)	-	-	-
Balance - End of the Year		**18,000,000**	**(1,349,998)**	**103,800**	**-**	**(433,261)**	**281,727**	**1,916,609**	**2,198,336**	**18,518,877**	**3,603,224**	**22,122,101**

- An amount equivalent to the negative balance of financial assets revaluation reserve is restricted from retained earnings according to the Jordan Securities Commission's instructions.

* According to the extraordinary general assembly meeting held on June 25, 2020, an amount of JD 2,234,750 was approved to be amortized from the balance of the realized accumulated losses in the Copmany as of December 31, 2020 by using the whole balance of the voluntary reserve and the statutory reserve.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	For the Year Ended December 31, 2021	2020
		JD	JD
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit for the year before income tax from continuing operations		1,445,219	1,037,997
Net (Loss) for the year from discontinued operations		-	(775)
Adjustments:			
Real estate investment depreciation	15	71,994	71,994
Property and equipment depreciation	19	57,279	55,884
(Gain) from sale of property and equipment		-	(3,644)
Net Company's (profit) from selling a Associate companies	16	(1,068,603)	(572,416)
Net Company's (gain) from selling investments in subsidiaries companies	34	-	(108,603)
(Gain) from valuation of financial assets at fair value through profit or loss		(1,159)	(691)
Provision for expected credit loss	5&6&8	-	6,647
Borrowing costs		88,084	137,171
Net Cash flows from Operating Activities before Changes in Working Capital		**592,814**	**623,564**
Decrease (increase) in accounts receivable		324,829	(177,214)
Proceeds from Housing & Urban Development Corporation		-	57,600
Decrease (increase) in cheques under collection and notes receivable		30,264	(58,033)
Decrease in inventory		82,183	89,719
Decrease (increase) in other debit balances		43,644	(113,625)
(Decrease) increase in accounts payable		(40,860)	240,099
(Decrease) increase in other credit balances		(40,058)	159,100
Net Cash Flows from Operating Activities before Income Tax Paid and Provisions		**992,816**	**821,210**
Income tax paid	23	(42,330)	(31,534)
Net Cash Flows from Operating Activities		**950,486**	**789,676**
CASH FLOWS FROM INVESTING ACTIVITIES:			
Decrease (increase) in financial assets at fair value through other comprehensive income		188,389	(132,411)
Decrease in residential units available for sale	9	124,485	-
Decrease in investments in associate companies	16	357,253	135,848
Proceeds from projects under constructions	17	47,189	115,487
Proceeds from advance payments for land acquisition	18	320,025	428,706
Dividends distribution in associate companies	16	574,028	726,911
(Purchase) of property and equipment	19	(16,612)	(39,055)
(Purchase) of financial assets at amortized cost	7	(353,649)	-
Proceeds from selling property and equipment		24,013	20,466
Net Cash Flows from Investing Activities		**1,265,121**	**1,255,952**
CASH FLOWS FROM FINANCING ACTIVITIES:			
(Paid) from borrowing costs		(88,084)	(137,171)
Increase (decrease) in deferred checks and notes payable		95,644	(174,469)
Change in due from/to related parties		(1,066,372)	(797,512)
(Decrease) in due to banks		(232,426)	(218,995)
(Paid loans)	22	(781,341)	(204,136)
Net Cash (used in) Financing Activities		**(2,072,579)**	**(1,532,283)**
Net increase in Cash		143,028	513,345
Cash on hand and at banks - beginning of the year		703,286	189,941
Cash on Hand and at Banks Before Provision - End of the Year	5	**846,314**	**703,286**
Non-Cash Transactions:			
Decrease in projects under constructions	17	191,666	123,387
(Increase) in cheques under collection and notes receivable		(191,666)	(123,387)
Change in due from/to related parties		-	(1,000,000)
Increase in partner current account from related parties		-	1,000,000

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSILIDATED FIANACAIL STATEMENTS AND SHOULD BE READ WITH THEM

SALAM INTERNATIONAL TRANSPORT AND
TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA – JORDAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General

a. Salam International Transport and Trading Company were established and registered as a Public Shareholding Limited Company on January 30, 1997, under registration No. (326), with a paid-up capital of JD 1,200,000. The Company's paid-up capital was gradually increased to JD 15 million, distributed over 15 million shares at JD 1 par value per share. In its extraordinary meeting held on April 22, 2014, the Company's General Assembly approved increasing the Company's capital of JD 15 million so that authorized and paid-up capital would become JD 18 million through public underwriting to the Company's shareholders.

- On September 13, 2011, the Company was registered at the Aqaba Special Economic Zone according to Law No. (32) for the Year 2000.

- The Company's Head Office is located in Aqaba – Hashemite Kingdome of Jordan.

b. The Parent Company's and its Subsidiaries' main objectives include the following:

  - Conducting all types of marine activity (transporting passengers and various types of goods, in addition to touristic marine transportation).
  - Possessing, managing, operating, and leasing ships of all kinds.
  - Obtaining maritime agencies, brokering, and representing international rating agencies.
  - Obtaining commercial agencies and tendering.
  - Renting marine maintenance workshops of all kinds, including repairing ships.
  - Conducting land transport, business, and related tendering.
  - Conducting real estate activities (buying and selling real estate and other real estate-related activities).
  - Providing services, operating touristic restaurants, and supplying hotels with food.
  - Guaranteeing others while benefiting the Company.
  - Transporting crude oil.
  - Investing in other companies.
  - Borrowing funds from banks to finance its activities.

c. The consolidated financial statements have been approved by the Board of Directors on March 29, 2022.

2. Significant Accounting Policies

- Basis of Preparation of the Consolidated Financial Statements

- The accompanying consolidated financial statements have been prepared in accordance with the Standards issued by the international accounting standards Committee and the interpretations issued by International Financial Reporting Interpretations Committee arising from International Financial Reporting Standards Committee.

- The consolidated financial statements have been prepared according to the historical cost principle, except for financial assets and financial liabilities, which are stated at fair value through the statement of profit or loss, and financial assets at fair value through comprehensive income stated at fair value on the date of the consolidated financial statements. Furthermore, financial assets and financial liabilities which been hedged from the risk from the changes in their fair value are also stated at fair value.

- The reporting currency of the consolidated financial statements is the Jordanian Dinar, which is the functional currency of the Company.

- The accounting principles adopted for the consolidated financial statements for the year are consistent with those used in the prior year ended December 31, 2020, except for what is mentioned in Note (3-a) to the consolidated financial statements.

- **Basis of Consolidation of the Financial Statements**

- The consolidated financial statements include the company's financial statements and its associates and subsidiaries. The control exists when the Company controls the subsidiary's significant and relevant activities and is exposed, or has rights, to variable returns from its involvement with the subsidiaries and has the ability to affect those returns through its power over the subsidiaries.

- 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 elements of control listed above.

- When the Company has less than the majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. In this regard, the Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

  - The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders.

  - Potential voting rights held by the Company, other vote holders or other parties.

  - Rights arising from other contractual arrangements.

  - Any additional facts and circumstances that indicate that the Company's has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

- All balances, transactions, income, and expenses between the Company and its subsidiaries are eliminated.

- The subsidiaries' financial statements are prepared under the same accounting policies adopted by the Company. If the subsidiaries apply different accounting policies than those used by the company, the necessary modifications shall be made to the subsidiaries' financial statements to make them comply with the accounting policies used by the Company.

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

- The non-controlling interests represent the portion which is not owned by the company on the subsidiaries. Non-controlling interests are shown in the subsidiaries net assets as a separate line item within the Company's statement of shareholders equity.

- The Company owns the following subsidiary companies as of December 31, 2021:

Company's Name	Paid-up Capital JD	Ownership Percentage %	Nature of Activity	Place of Work	Date of Ownership	Total Assets JD	Total Liabilities JD	Total Revenue JD	Total Expenses JD
Farah International Catering Service Company	1,000,000	100	Trading	Jordan	September 21, 1992	2,020,462	375,122	1,655,671	1,710,721
Golden State for Commercial Services Company	204,874	100	Trading	Jordan	September 4, 2005	213,218	400	-	420
Mada'en Al - Noor Investment and Real Estate Development	6,000,000	75	Real estate	Jordan	June 3, 2004	16,515,611	7,583,963	449,749	335,689
Al - Ibtikar Land Transportation	2,600,000	70	Transportation	Jordan	March 9, 2005	347,601	860,886	-	141,656
Afaq Supply and Storage Company	500,000	90	Supply & Storage	Jordan	February 18, 2008	1,343,386	843,320	82,910	7,687
Mada'en Al - Bahr Investment and Real Estate Development	1,000,000	100	Trading	Jordan	September 5, 2010	1,407,761	1,296,836	-	75,559
Technical for Construction and Real Estate Services	1,000,000	98.75	Real estate	Jordan	September 1, 1992	4,426,487	1,275,395	218,596	107,625
Mada'en Al – Shorouq Investment Real Estate Company	6,660,000	69.99	Real estate	Jordan	November 20, 2006	11,693,097	4,246,922	243,464	87,592
Mada'en Al-Salam Investment Real Estate Company*	250,000	80	Real estate	Jordan	May 15, 2006	297,112	250	-	317
Maha Al Sharq Real Estate Investment and Development	1,709,608	100	Real estate	Jordan	January 30, 2019	1,709,608	1,728	-	741
Al Maha Arabian Real Estate Investment and Development	715,150	100	Real estate	Jordan	January 30, 2019	715,150	1,809	-	781
Arabian Maha Land Real Estate Development Company	1,050,413	100	Real estate	Jordan	January 30, 2019	1,050,413	1,858	-	781

* Under liquidation.

Control is achieved when the Company:
- Has the power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect investee'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 elements of control listed above.

When the Company has less than the majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. In this regard, the Company considers all relevant facts and circumstances in assessing whether or not the Company voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Bank has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

When the Company loses control of a subsidiary, the Company performs the following;

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary.
- Derecognizes the book value of any non-controlling interests.
- Derecognizes transfer difference accumulated in Owners Equity.
- Derecognizes the fair value to the next controlling party.
- Derecognizes the fair value of any investment retained.
- Derecognizes any gain or loss in the statement of profit or loss.
- Reclassifies owners' equity already booked in other comprehensive income to the profit or loss or retained earnings statement as appropriate.

The non-controlling interests represent the portion not owned by the Company relating to ownership of the subsidiaries.

Segments Information

- The business segment represents a set of assets and operations that jointly provide products and services subject to risks and returns different from those of other business segments, measured according to the reports used by the executive manager and the Company's key decision makers.

- The geographic segment is associated with providing products or services in a defined economic environment subject to risks and returns different from those of other economic environments.

Assets Available for Sale

Residential units available for sale are stated at the lower of cost or net realizable value (NRV). The actual cost for each unit is determined using specific identification method, where cost includes lands cost, construction materials costs, direct wages and salaries, and other direct costs.

Inventory

Goods are shown at cost according to the first-in-first-out method, or the net realizable value, whichever is lower after downloading the allowance for damaged and obsolete items, spare parts are valued at the end of the year at the cost (using the first-in-first-out method) or net realizable value, whichever is lower, and the part items value booked in the consolidated statement of profit or loss when used.

Financial Instruments
Financial assets and financial liabilities are recognized in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

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 or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets
Financial assets are recognised when the Company becomes a party to the contract of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (except for financial assets at fair value through statement of Profit or loss) are added to deducted from the fair value of the financial assets, as appropriate, on initial recognition.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets
Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value.

Amortized cost and effective interest method
The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs, and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument on initial recognition.

Foreign exchange gains and losses
The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange differences are recognized in the consolidated statement of profit or loss.

Impairment of financial assets
The Company recognises a loss allowance for expected credit losses (ECL) on trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since the initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions, and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Provision for expected credit loss
The Company has adopted the simplified approach to recognize expected credit losses over the life of its receivables as permitted by IFRS 9. Accordingly, non-impaired trade receivables that do not contain a significant financing component have been classified as part of stage 2 with the recognition of expected credit losses over their lifetime.

A provision for the expected credit loss should be recognized over the life of the financial instrument if the credit risk on that financial instrument increases substantially since the initial recognition and the expected credit loss is an expected 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 Company under the contract and the cash flows that the Company expects to receive arising from the expectation of several future economic scenarios, discounted at the effective interest rate of the asset.

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

Provisions for loss of credit losses are presented as a reduction of the total carrying amount of financial assets at amortized cost.

Write off
The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over 24 months past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the consolidated statement of profit or loss.

Derecognition of financial assets
The Company derecognises 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 recognises 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 recognise the financial asset.

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

Classification as debt or equity
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in statement of profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities
All financial liabilities are measured subsequently at amortised cost using the effective interest method or at fair value through statement of Profit or loss.

Financial liabilities that are not (1) contingent consideration of an acquirer in a business combination, (2) held-for-trading, or (3) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

Trade and other payables classified as financial liabilities are initially measured at fair value, after deducting the net of transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised based on effective interest rate.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised consolidated statement of Profit or loss.

Investments in Associates and Companies Subject to Joint Control
Associated companies are those companies which the group exercises substantial influence, Significant influence is the ability to participate in the financial and operating policies of the investee and not joint control or control over those policies.

The considerations used to define joint control are to some extent similar to the considerations used to define control over subsidiaries.

The Group's investment in the associate is recognized under the equity method.

Under the equity method, investments in associate companies are shown at cost. The carrying amount of investments in the associate company is adjusted to record the group's share in the changes in the net assets of the associate company at the date of acquisition. The goodwill resulting from the affiliate company is recorded as part of the investment account and is not amortized, nor is it individually impaired that an impairment test is taken.

The consolidated statement of income reflects the group's share of the results of business of the affiliate company. Any changes in the comprehensive income statement of this investment are classified under the group's comprehensive income statement. In the event that there is a change in the equity of the affiliate company, these changes, if any, are shown in the list of changes in the group's consolidated equity. Profits and losses resulting from transactions between the group and the affiliate companies are excluded to the extent of the group's share in the affiliate company.

The group's share of the profits or losses of the associate company is shown in the consolidated income statement within the operating profit and represents the profit or loss after tax and the rights of non-controllers in the subsidiary of the associate company.

As of December 31, 2021, the details of investments in associates are as follows:

Company's Name	Percentage of Ownership %	Business Location
Jordanian Marine Real Estate Investment Complex Company	26	Jordan
Jordan National Shipping Lines Company	20.64	Jordan
Jordanian Academy for Marine Studies	25	Jordan
Jordanian National Line for Ships Operation Company *	50	Jordan
Aqaba Storing Chemicals Company	15	Jordan
Al Maha Real Estate Development Company	33.33	Jordan
Arabian Ships Management Company	20	Jordan
Al-Shams Economics Company	24	Jordan
Sea Star for Shipping and Logistics Company *	50	Jordan
Haqel al Aqaba One for Investment **	33.33	Jordan
Ayyam Amman Company for real estate improvement	40	Jordan

* The Company does not have control over these companies, but it does exercise significant influence over the financial and operating policies of these companies.

** Haqel al Aqaba One for investment Company was established by a group of Aqaba Storing Chemicals Company partners and will have significant influence over the financial and operating policies of the Aqaba Storing Chemicals Company (An Affiliate Company).

- During the year 2021, Maset Al Aqaba for Ships Building Company and Marine Lines for Storage and Port Services Company was liquidated.

Investment Property

Investment property is property held to earn rental income, for capital appreciation, but not for sale in the ordinary course of business. Investment properties are carried at cost less accumulated depreciation. Their fair values are disclosed in the notes to the consolidated financial statements, and they are revaluated annually, by independent real-estate experts, based on market values at the end of the year, and Real estate investments are depreciated using the straight-line method over their expected useful life using a rate of 2%. When the recoverable amount of property and equipment is less than the carrying amount, their value is reduced to the recoverable amount, and the impairment loss is recorded in the consolidated statement of profit or loss.

Property and Equipment
Property and equipment are stated at cost less accumulated depreciation and impairment losses. Property and equipment (except for land) are depreciated over their useful lives, using the straight-line method at annual rates as follows:

	%
Building and hangars	2 - 4
Furniture and fixtures	15 - 20
Devices and equipment	10 - 15
Cars and trucks	5 - 15
Computers	20

- When the recoverable amount of property and equipment is less than the carrying amount, their value is reduced to the recoverable amount, and the impairment loss is recorded in the consolidated statement of profit or loss.

- The useful lives of property and equipment are reviewed at year-end. If they differ from previously prepared expectations, the difference in the estimate for the upcoming years is recorded, as a change in estimate.

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

Projects under construction
This item represents the value of works on the project plus related costs. Moreover, direct costs are deferred and charged to the project upon its completion.

Provisions
Provisions are recognized at the date of the consolidated statement of financial position only when a past event has created a legal or constructive obligation, an outflow of resources is probable, and the amount of the obligation can be reliably estimated.

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, the Company intends to settle them on a net basis, or assets are realized and liabilities settled simultaneously.

Income Tax
- Income tax expenses represent accrued taxes and deferred taxes.

- Income tax expenses are accounted for on the basis of taxable income. Moreover, income subject to tax differs from income declared in the consolidated financial statements because the profit includes non-taxable revenue or tax expenses not deductible in the current year but deductible in subsequent years, accumulated losses acceptable by the tax authorities, as well as unallowable and non-taxable items.

- Taxes are calculated on the basis of the tax rates prescribed by the prevailing laws, regulations, and instructions of the countries where the Company operates.

- Deferred taxes are taxes expected to be paid or recovered as a result of temporary timing differences between the value of the assets and liabilities in the consolidated financial statements and the value of the taxable amount. Moreover, deferred taxes are calculated, according to the consolidated statement of financial position liability method, at the tax rates expected to be applied at the tax settlement date or the realization of the deferred tax assets or liabilities.

- Deferred tax assets and liabilities are reviewed as of the date of the consolidated statement of financial position and reduced in case it is expected that no benefit will arise therefrom, partially or totally.

Revenue Recognition
The Company recognises revenue mainly from sales of apartments.

Revenue is measured at the fair value of the amounts received or to be collected from the contracts with customers. Revenue is recognized when the Company transfers the ownership of the apartments to the customer when the ownership of the apartments is waived in the Department of Land and Survey according to the Jordanian law. As All contracts are considered void if they are not documented in the department.

Apartment available for sales revenue is recognized at the fair value of the consideration received when all the following conditions are met:

a. The Company has transferred to the buyer all of the significant risks and benefits related to the ownership of the apartments to the buyer.

b. The Company does not maintain its ongoing management relationship, which is usually related to the ownership of the apartments or their actual control over these sold apartments; and

c. The amount of revenue can be measured reliably;

d. It is probable that the economic benefits associated with the transaction will flow to the Company; and

The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest Income and Expenses
Interest income and expense for all financial instruments are recognized in the statement of profit or loss using the effective interest method.The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. The future cash flows are estimated considering all the contractual terms of the instrument.

The interest income/ interest expense is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (at the amortised cost of the financial asset before adjusting for any expected credit loss allowance), or to the amortised cost of financial liabilities. For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (the gross carrying amount less the allowance for expected credit losses (ECLs)). For financial assets originated or purchased credit impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

Leases

The Company as a Lessee

The Company assesses whether the contract contains lease when starting the contract. Moreover, the Company recognizes the right-of-use assets and the corresponding lease obligations in relation to all lease arrangements to which the lessee is a party, except for short-term lease contracts (defined as leases of 12 months or less) and low-value asset leases. For these contracts, the Company recognizes the lease payments as an operating expense on a straight-line basis over the period of the lease, unless another regular basis is more representative of the time pattern in which the economic benefits from the leased assets are utilized.

The lease obligation is initially measured at the present value of the lease payments that were not paid on the start date of the lease, and is discounted by using the price implicit in the lease. If this rate cannot be easily determined, the Company uses its expected incremental borrowing rate.

The lease payments included in the rental obligation measurement include:
- Fixed rental payments (essentially including fixed payments), minus rental incentives receivable;
- Variable rental payments that depend on an index or a rate, initially measured using the index or the rate at the date the contract begins.
- The amount expected to be paid by the lessee under the residual value guarantees.
- The price of the exercise of purchase options, if the lessee is reasonably certain of the exercise of the options; and
- Payment of the contract termination fines, if the lease reflects the exercise of the lease termination option.

Rental obligations are presented as a separate note to the consolidated statement of financial position.

Subsequently, lease obligations are subsequently measured by increasing the book value to reflect the interest in the rental obligations (using the effective interest method) and by reducing the book value to reflect the rental payments paid.

The lease obligations (and a similar adjustment to the related right-of-use assets) are re-measured whenever:
- The lease term has changed or there is an event or important change in the conditions that lead to a change in the exercise of the purchase option assessment, in which case the lease obligations are re-measured by deducting the adjusted lease payment using the adjusted discount rate.

- Lease payments change due to changes in an index, rate, or change in expected payments under the guaranteed residual value, in which cases the lease obligation is re-measured by deducting the modified rental payments using a non-variable discount rate (unless the rental payments change due to a change in the floating interest rate, in this case the adjusted discount rate is used.

- The lease contract is adjusted and the lease amendment is not accounted for as a separate lease, in which case the lease obligation is re-measured based on the duration of the adjusted lease contract by deducting the adjusted rental payments using the adjusted discount rate at the actual price at the date of the amendment.

The right-of-use assets are depreciated over the life of the lease or the useful life of the asset (whichever is shorter). If the lease contract transfers the ownership of the underlying asset or the cost of the right to use, which reflects that the company expects to exercise the purchase option, then the relevant value of the right to use is depreciated over the useful life of the asset. Depreciation begins on the lease commencement date.

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

The Company applies International Accounting Standard (36) to determine whether the value of the right to use has decreased, and calculates any impairment losses as described in the policy of "property and equipment".

Variable rents that are not dependent on an index or rate are not included in the measurement of lease obligations and right-of-use assets. Related payments are recognized as an expense in the period in which the event or condition that leads to these payments occurs, and are included in "Other Expenditures" in the statement of profit or loss.

The Company as a Lessor
The Company enters into lease contracts as a lessor regarding some investment properties.

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

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

The amounts due from the lessee under finance leases are recognized as receivables with the amount of the company's net investment in the rental contracts. Finance lease income is allocated to the accounting periods to reflect a constant periodic rate of return on the Company's existing net investment with respect to lease contracts.

When the contract includes leasing components and components other than leasing, the Company applies IFRS 15 to distribute the amounts received or to be received under the contract for each component.

Construction contracts
Contract revenue is recognized in the consolidated statement of profit or loss in accordance with the completion stage. Moreover, expenses incurred are recognized unless project-activity-related assets arise in the future. Moreover, the completion stages are evaluated according to previous studies.

Borrowing Costs
Finance expenses comprise of interest expense on borrowings. All borrowing costs are recognized in the consolidated statement of profit or loss, using the effective interest method.

Foreign Currencies
- Transactions in foreign currencies during the year are recorded at the exchange rates prevailing at the date of the transaction.

- Financial assets and liabilities denominated in foreign currencies are translated at the date of the consolidated statement of financial position, using the average exchange rates prevailing as of that date.

- Non-financial assets and liabilities denominated in foreign currencies are presented at fair value, using the rates prevailing at the date of their evaluation.

- Gains or losses resulting from foreign currency translation are recorded in the consolidated statement of profit or loss.

- Differences resulting from the translation of non-financial assets and liabilities denominated in foreign currencies, such as equity shares, are recorded as part of the change in fair value.

- Upon consolidation, the financial assets and financial liabilities of the Company and its subsidiaries are translated from the local currency to the reporting currency at the average exchange rates prevailing at the date of the consolidated financial position. Moreover, profit and loss items are translated at the average exchange rates prevailing during the year. Exchange differences are recorded in a separate item in the consolidated comprehensive statement of profit or loss and within owners' equity. In case one of the subsidiaries is sold, the exchange differences are recorded within revenues and expenses in the consolidated statement of profit or loss.

3. Adoption of new and revised Standards

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

The following new and revised IFRSs, which became effective for annual periods beginning on or after January 1, 2021, have been adopted in these consolidated financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

Interest Rate Benchmark Reform

In the prior year, the Group adopted the Phase 1 amendments Interest Rate Benchmark Reform—Amendments to IFRS 9/IAS 39 and IFRS 7. These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments are amended as a result of the interest rate benchmark reform.

In the current year, the Group adopted the Phase 2 amendments Interest Rate Benchmark Reform—Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. Adopting these amendments enables the Group to reflect the effects of transitioning from interbank offered rates (IBOR) to alternative benchmark interest rates (also referred to as 'risk free rates' or RFRs) without giving rise to accounting impacts that would not provide useful information to users of financial statements.

The amendments also introduce new disclosure requirements to IFRS 7 for hedging relationships that are subject to the exceptions introduced by the amendments to IFRS 9.

There was no material impact on the amounts reported for the current year for both the Phase 1 and Phase 2 amendments as the group does not have material financial instruments linked to IBOR.

COVID-19-Related Rent Concessions beyond June 30, 2021 - Amendment to IFRS 16

(Amendment to IFRS 16) that provided practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to IFRS 16. This practical expedient was available to rent concessions for which any reduction in lease payments affected payments originally due on or before June 30, 2021.

In March 2021, the Board issued *Covid-19*-Related *Rent Concessions beyond June 30, 2021 (Amendment to IFRS 16)* that extends the practical expedient to apply to reduction in lease payments originally due on or before June 30, 2022.

The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession applying IFRS 16 as if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change
- Any reduction in lease payments affects only payments originally due on or before 30 June 2022 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2022 and increased lease payments that extend beyond 30 June 2022)
- There is no substantive change to other terms and conditions of the lease

The adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements as the Group did not have any leases impacted by the amendment.

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

At the date of authorization of these consolidated financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

New and revised IFRSs	Effective date
IFRS 17 Insurance Contracts (including the June 2020 amendments to IFRS 17) IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts. IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach. The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees. In June 2020, the Board issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after January 1, 2023. At the same time, the Board issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after January 1, 2023. For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.	The amendments are applied retrospectively for annual periods beginning on or after January 1, 2023, unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.
Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.	The effective date is yet to be set. Earlier application is permitted.

New and revised IFRSs	Effective date
Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or noncurrent is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.	The amendments are applied retrospectively for annual periods beginning on or after January 1, 2023, with early application permitted.
Amendments to IFRS 3 Business Combinations – Reference to the Conceptual Framework The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.	The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after January 1, 2022. Early application is permitted if an entity also applies all other updated references.
Amendments to IAS 16 – Property, Plant and Equipment—Proceeds before Intended Use The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories. The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes. If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost. The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.	January 1, 2022, with early application permitted.

New and revised IFRSs	Effective date
Amendments to IAS 37 – Onerous Contracts—Cost of Fulfilling a Contract The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.	January 1, 2022, with early application permitted.
Annual Improvements to IFRS Standards 2018-2020 *Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards* The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16 (a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16 (a).	January 1, 2022, with early application permitted.
IFRS 9 Financial Instruments The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.	The amendment is effective for annual periods beginning on or after January 1, 2022, with early application permitted.
IFRS 16 Leases The amendment removes the illustration of the reimbursement of leasehold improvements.	As the amendment to IFRS 16 only regards an illustrative example, no effective date is stated.

New and revised IFRSs	Effective date
IAS 41 Agriculture The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement. The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.	January 1, 2022, with early application permitted.
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of Accounting Policies The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.	January 1, 2023, with earlier application permitted and are applied prospectively. The amendments to IFRS Practice Statement 2 do not contain an effective date or transition requirements.
Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted. However, the Board retained the concept of changes in accounting estimates in the Standard with the following clarifications: • A change in accounting estimate that results from new information or new developments is not the correction of an error • The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors The Board added two examples (Examples 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The Board has deleted one example (Example 3) as it could cause confusion in light of the amendments.	January 1, 2023, with earlier application permitted

New and revised IFRSs	Effective date
Amendments to IAS 12 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease. Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12. The Board also adds an illustrative example to IAS 12 that explains how the amendments are applied. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises: • A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with: - Right-of-use assets and lease liabilities. - Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset. • The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.	January 1, 2023, with earlier application permitted

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

4. Significant Accounting Judgments and Key Source of Uncertainty

Preparation of the consolidated financial statements and application of the accounting policies require management to make judgments, estimates, and assumptions that affect the amounts of financial assets and financial liabilities and to disclose potential liabilities. Moreover, these estimates and judgments affect revenues, expenses, provisions, in general, expected credit losses, as well as changes in fair value that appear in the consolidated statement of comprehensive income and within shareholders' equity. In particular, the Company's management requires judgments to be made to estimate the amounts and timing of future cash flows. These estimates are necessarily based on multiple hypotheses and factors with varying degrees of estimation and uncertainty. Meanwhile, the actual results may differ from estimates due to the changes arising from the conditions and circumstances of those estimates in the future.

We believe that our estimates included in the financial statements are reasonable and detailed as follows:

Judgments, estimates, and assumptions are reviewed periodically. Moreover, the effect of the change in estimates is recognized in the financial period in which the change occurs if the change affects only the financial period. On the other hand, the effect of the change in estimates is recognized in the financial period in which the change occurs and in future periods if the change affects the financial period and future financial periods.

Management believes that its estimates in the consolidated financial statements are reasonable. The key estimates used by management in applying the Company's accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

Useful lives of tangible assets and intangible assets
The Company's management periodically recalculates the useful lives of tangible assets and intangible assets for calculating annual depreciation and amortization based on the general condition of those assets and estimated future useful lives. The impairment loss is recognized in the consolidated statement of profit or loss for the year.

Income tax
The fiscal year is charged with the income tax expense in accordance with the accounting regulations, laws and standards. Moreover, deferred tax assets and liabilities and the required tax provision are recognized.

Lawsuits provision
A provision is made to meet any potential legal liabilities based on a legal study prepared by the Company's legal counsel. This study identifies potential future risks and is reviewed periodically.

Assets and liabilities at cost
Management periodically reviews the assets and liabilities at cost for estimating any impairment in value, which is recognized in the consolidated statement of profit or loss for the year.

Fair value measurement and valuation procedures
When estimating the fair value of financial assets and financial liabilities, the bank uses available observable market data. In case of the absence of level (1) inputs, the Company conducts evaluations using appropriate valuation models to determine the fair value of financial instruments.

Calculation of provision for expected credit losses
The Group management is required to use important judgments and estimates to estimate the amounts and timing of future cash flows and to estimate the risk of significant increase in credit risk for financial assets after the initial recognition and future measurements information for expected credit losses.

The expected credit loss is measured as an allowance equivalent to the expected credit loss over the life of the asset.

Determining the number and relative weight of forward-looking scenarios for each type of products / market and the identification of future information relevant to each scenario
When measuring the expected credit loss, the Company uses reasonable and reliable future information based on the assumptions of the future movement of the various economic factors and how these economic factors affect each other.

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

Loss given default
Loss given default is an estimate of the loss arising from default. It is based on the difference between the contractual cash flows due and those that the financer expects to collect, taking into account cash flows from collaterals and credit adjustments.

Revenue recognition
The Company's management uses significant estimates and assumptions to determine the amount and timing of revenue recognition under IFRS 15, "Revenue from contracts with customers".

Key Sources of Uncertainty Estimates:

- The following are the most significant assumptions about the future and other uncertain assumptions at the reporting date that have a risk ratio that could cause a material adjustment to the carrying amount of assets and liabilities during the next financial year.

- Calculation of expected credit losses: When measuring expected credit losses, the Company uses reasonable and verifiable future information based on assumptions about the future movement of the various economic engines and how these will affect each other. Loss given default is an estimate of loss arising from default and is based on the difference between the contractual cash flows due and those foreseen by the lender, taking into account cash flows from collateral and integrated credit enhancements. The possibility of default is a key input in measuring expected credit losses. The probability of default is known to estimate the probability of default in a given period of time and includes historical data, assumptions and expectations for future circumstances.

5. Cash and Balances at Banks

This item consists of the following:

	December 31,	
	2021	2020
	JD	JD
Cash on hand	4,751	8,457
Current accounts at banks	841,563	694,829
Total	846,314	703,286
Less: provision for expected credit loss *	(1,949)	(1,949)
Net cash on hand and current accounts at banks	844,365	701,337

* The movement on provision for expected credit loss of current accounts at the bank during the year is as follows:

	December 31,	
	2021	2020
	JD	JD
Balance - beginning of the year	1,949	1,949
Ending balance	**1,949**	**1,949**

6. Accounts Receivable - Net

This item consists of the following:

	December 31, 2021	December 31, 2020
	JD	JD
Trade receivables	564,798	890,549
Employees' receivable	18,190	17,268
Total	582,988	907,817
Less: Provision for expected credit loss *	(126,428)	(126,428)
Net Accounts receivable	**456,560**	**781,389**

* The movement on provision for expected credit loss during the year is as follows:

	December 31, 2021	December 31, 2020
	JD	JD
Balance - beginning of the year	126,428	250,038
Add: Addition during the year	-	6,647
Less: Written off debts **	-	(130,257)
Ending balance	**126,428**	**126,428**

** According to the first of minutes the board of directors meeting for Al Ibtikar Company for Land Transport (Subsidiary company) for the year 2020 and its appendix, held on January 19, 2020, and January 20, 2020, respectively, it was agreed to write off receivable balances in an amount of JD 130,257 through expected credit losses provision.

7. Financial Assets at Amortized Cost

	December 31, 2021	December 31, 2020
	JD	JD
Financial bonds *	353,649	-
	353,649	-

* These financial bonds represent financial bonds for the Egyptian Government with an interest rate of 5.9%, and the maturity date will be on March 13, 2022.

8. Accounts Receivable - Decent Housing for Decent Living Project

This item represents receivables from the Housing and Urban Development Corporation on the "Decent Housing for Decent Living" project after booking the provision for the expected credit loss, where during the third quarter of the year 2018 the decision of the arbitral tribunal has been issued with an amount less than the amount claimed. Accordingly, the Company has adjusted the deferred revenue related to the project which amounted to JD 2.2 million. In addition to accounts payable for the project developers which amounted to JD 2.5 million in accordance with the clearances which have been reached with them. However, the arbitration decision related to one of the items dated October 16, 2018, has been appealed, and legal counsel and Group's management believe that the possibility of a reversal of the decision is strong. A provision has been made for the entire balance, with the exception of an amount of JD 2,400 as of December 31, 2021 (JD 2,400 as of December 31, 2020), representing refundable cash deposits.

This item consists of the following:

	December 31, 2021	December 31, 2020
	JD	JD
Accounts receivable - Decent Housing for Decent Living project	997,025	997,025
Less: Provision for expected credit loss*	(994,625)	(994,625)
Accounts receivable - Net Decent Housing for Decent Living	2,400	2,400

* The movement on provision for expected credit loss during the year is as follows:

	December 31,	
	2021	2020
	JD	JD
Balance - beginning of the year	994,625	994,625
Ending balance	994,625	994,625

9. Residential Units Available for Sale

This item represents residential units available for sale in ZARQA and ABU - NSAIR as of December 31, 2021, and 2020.

Movement on the residential units available for sale during the year is as follows:

	December 31,	
	2021	2020
	JD	JD
Balance – beginning of the year	325,503	325,503
Less: Cost of apartments sold	(124,485)	-
Balance – End of Year	**201,018**	**325,503**

- The selling price of residential units available for sale is not less than their book value as of December 31, 2021, and 2020.
- The fair value for residential units available for sale according to the latest estimate by the real estate appraiser is around JD 303,000 as of December 31, 2021 (around JD 469,000 as of December 31, 2020).

10. Cheques under Collection and Notes Receivable

The item consists of the following:

	December 31,	
	2021	2020
	JD	JD
Maturing in one year	178,795	222,334
Maturing in more than one year *	103,448	90,173
	282,243	**312,507**

* The maturity of the checks under collection and notes receivable until January 1st, 2028.

11. Financial Assets at Fair Value through Profit or Loss

The item consists of the following:

	December 31,	
	2021	2020
	JD	JD
Shares quoted in active markets	10,702	9,543
	10,702	**9,543**

12. Inventory-Net

The item consists of the following:

	December 31, 2021	December 31, 2020
	JD	JD
Spare parts	352,912	352,912
Food inventory and other saleable materials	33,741	115,924
Others	1,914	1,914
	388,567	470,750
Less: Provision for slow-moving inventory *	(327,912)	(327,912)
	60,655	**142,838**

* Movement on the provision for slow-moving inventory during the year is as follows:

	December 31, 2021	December 31, 2020
	JD	JD
Balance at the beginning of the year	327,912	327,912
Balance at the End of the Year	**327,912**	**327,912**

13. Other Debit Balances

The item consists of the following:

	December 31, 2021	December 31, 2020
	JD	JD
Prepaid expenses	23,779	25,939
Refundable deposits	31,818	70,715
Guarantees and deposits against banks facilities	213,276	213,276
Income and Sales tax deposit	43,151	33,968
Cheques box	-	3,783
Other	-	7,987
	312,024	**355,668**

14. Financial Assets at Fair Value through Other Comprehensive Income

The item consists of the following:

	December 31, 2021	December 31, 2020
	JD	JD
Quoted stocks in active market	337,609	289,034
Unquoted stocks in active markets	222,000	352,000
	559,609	**641,034**

15. Investment Properties - Net

The movement on this item during the year is as follows:

	December 31,	
	2021	2020
	JD	JD
Cost		
Balance at the beginning of the year	3,599,696	3,599,696
Balance at the End of the Year	3,599,696	3,599,696
Accumulated depreciation		
Balance at the beginning of the year	891,815	819,821
Depreciation for the year	71,994	71,994
Balance at the End of the Year	963,809	891,815
Net Book Value	2,635,887	2,707,881
Add: Land		
Balance at the beginning of the year	1,901,704	1,901,704
Balance at the End of the Year	1,901,704	1,901,704
	4,537,591	**4,609,585**
Depreciation Ratio	2%	2%

- The fair value of the investment properties according to the latest real estate independent appraisers' assessment was JD 7.7 million as of December 31, 2021, and 2020.

16. Investment in Associates

This item consists of the following:

Company's name	Nature of Business	Location	Paid-up Capital	Received cash dividends December 31, 2021	Received cash dividends December 31, 2020	The company's share of the profits of the associate companies December 31, 2021	The company's share of the profits of the associate companies December 31, 2020	Percentage of Contribution December 31, 2021	Percentage of Contribution December 31, 2020	Cumulative change in fair value	December 31, 2021	December 31, 2020
			JD	JD	JD	JD	JD	%	%	JD	JD	JD
Jordan National Shipping Lines Company	Marine Shipping	Amman	15,000,000	371,528	464,411	576,712	501,955	20.64	20.64	84,893	5,356,145	5,066,068
Jordanian Marine Real Estate Investment Complex Company	Real Estate Investment	Aqaba	15,600,000	-	-	(240,652)	(392,064)	26	26	-	1,260,300	1,500,952
Jordanian Academy for Marine Studies	Education	Amman	2,000,000	162,500	162,500	410,079	196,000	25	25	-	1,264,069	1,016,490
Jordanian National Line for Shipping Operations' Company	Marine Shipping	Aqaba	700,000	-	-	101,840	101,020	50	50	74,979	937,835	761,016
Maset Al Aqaba for Ships Building Company **	Navigation	Aqaba	500,000	-	-	(898)	(75)	-	50	-	-	204,079
Aqaba Chemicals Storage Company *	Chemical Storage	Amman	4,000,000	-	-	84,119	64,626	15	15	-	722,620	638,501
Al Maha Real Estate Development Company	Real Estate investment	Amman	12,000,000	-	-	(1,324)	(5,532)	33.33	33.33	-	3,973,961	3,975,285
Marine Lines for Port Services Company **	Navigation	Aqaba	3,500,000	-	-	(828)	(75)	-	50	-	-	314,772
Arabian Ships Management Company	Ships Management	Aqaba	149,000	40,000	60,000	22,840	40,776	20	20	-	139,322	156,482
Sea Star for Shipping and Logistics' Services Company	Marine Services	Aqaba	200,000	-	40,000	(9,052)	(41,519)	50	50	-	101,910	110,962
Haqel al Aqaba One for Investment	Real Estate Investment	Aqaba	50,000	-	-	-	-	33.33	33.33	-	16,667	16,667
Investment in Shams Economics Company	Commercial Agencies	Amman	30,000	-	-	-	-	30	30	-	7,200	7,200
Ayyam Amman for Real Estate Development Company	Real Estate Investment	Amman	750,000	-	-	125,767	107,304	40	40	-	804,013	678,246
				574,028	726,911	1,068,603	572,416			159,872	14,584,042	14,446,720

- The net share of the Company was calculated from the investment's profits in the associate companies for the year ended December 31, 2021 and 2020, based on financial statements of these companies.

* The Company has an effective influence over the company's financial policies, operating, and administrative decisions.

** During the year 2021, Maset Al Aqaba for ships Building company and Marine line for port services company were liquidated.

17. Projects under Construction

This item consists of the following:

	December 31, 2021	December 31, 2020
	JD	JD
Al Shouroq City Project *	1,062,486	1,109,675
Dead Sea project	1,657,762	1,657,762
Total	2,720,248	2,767,437
Less: impairment	(250,000)	(250,000)
	2,470,248	**2,517,437**

- Projects under construction represent a total value of JD 2,720,248 as of December 31, 2021, are not completed yet. However, the recovery of these amounts depends on executing the future plans of the subsidiaries to complete the projects and obtain the necessary funding.

  According to the Department of Land and Survey, the market value is based on the price of the plot, of land on which Al Shorouq City Project and the Dead Sea Project is erected, for these projects under construction, including the value of the land on which the projects are built exceeds their book value as of December 31, 2021.

* Movement on Al Shouroq City Project as follows: -

	December 31, 2021	December 31, 2020
	JD	JD
Balance - beginning of the year	1,109,675	1,225,162
Disposal of projects in progress balances related to Zain Al Maha company- Note (18)	-	(115,487)
Disposal of projects in progress balances related to sold land for Mada'en Al Shorouq - Note (18)	(47,189)	-
Balance – End of Year	**1,062,486**	**1,109,675**

18. Advance Payments for Land Acquisition

This item consists of the following:

	December 31, 2021	December 31, 2020
	JD	JD
Advance payments related to contracts for Mada'en Al Shorouq *	5,682,492	6,002,517
	5,682,492	**6,002,517**

* Movement on advance payments for land acquisition as follows: -

	December 31,	
	2021	2020
	JD	JD
Balance - beginning of the year	6,002,517	6,431,223
Sale of Zain Al Maha company (subsidiary company) **	-	(428,706)
Sale of lands by waiver of contracts ***	(320,025)	-
Balance – End of Year	**5,682,492**	**6,002,517**

- This item represents advance payments related to contracts with Mada'en Al Shorouq Real Estate Investment and Development Company (subsidiary company) and its subsidiaries to purchase land from the National Resources Investment and Development Institute, for development and construction purposes. According to the latest real estate valuation from three appraisers, the fair value for these lands exceeds their costs, in addition to the capitalized expenses; accordingly, there is no need to book any impairments. In the year 2021 some of the lands sold by waiver of the contracts with approval from the National Resources Investment and Development Institute.

** In accordance with the minutes of the Extraordinary Board of Directors meeting for Madaen Al-Shorouk for Investment and Real Estate Development (a subsidiary) for the year 2020, held on June 18, 2020, it was agreed to sell the Jordanian Zain Al Maha Real Estate Development Company, registered in the register of the limited liability companies with the Companies Control Department under the number (25169) at an amount of JD 645,000 against the full shares, which has a nominal value of JD 544,192 JD / share, and authorized the company's board of directors to authorize those whom applicable to transfer the ownership of the company to the buyers. Noting that this process has been completed and the ownership was transferred in the name of buyers. And a profit of JD 101,833 was recorded, (Notes 17 and 18).

*** In the year 2021 some of Mada'en Al Shorouq lands were sold by contracting an assignment with the approval from the National Resources Investment and Development Institute, the cost of the sold lands ware 367,214 representing JD 47,189 projects under construction related to these lands and 320,025 costs of these lands, the sale also resulted in profit amounted to JD 256,287.

19. Property and Equipment - Net

This item consists of the following:

	Land	Buildings and Hangar	Furniture and Fixtures	Devices and Equipments	Vehicles and Trucks	Computers	Total
	JD	JD	JD	JD	JD	JD	JD
Year 2021							
Cost:							
Balance - beginning of the year	204,874	132,701	455,445	664,366	1,005,071	227,279	2,689,736
Additions	-	-	-	4,771	10,742	1,099	16,612
Disposals	-	-	-	-	(48,026)	-	(48,026)
Balance - End of the Year	204,874	132,701	455,445	669,137	967,787	228,378	2,658,322
Accumulated Depreciation:							
Balance - beginning of the year	-	132,701	454,158	645,670	529,561	222,079	1,984,169
Depreciation for the year	-	-	1,287	19,555	33,737	2,700	57,279
Disposals	-	-	-	-	(24,013)	-	(24,013)
Balance - End of the Year	-	132,701	455,445	665,225	539,285	224,779	2,017,435
Net Book Value for property and equipment at year end	204,874	-	-	3,912	428,502	3,599	640,887
Year 2020							
Cost:							
Balance - beginning of the year	204,874	132,701	469,141	671,240	1,048,863	230,524	2,757,343
Additions	-	-	1,151	11,328	23,885	2,691	39,055
Disposals	-	-	(14,847)	(18,202)	(67,677)	(5,936)	(106,662)
Balance - End of the Year	204,874	132,701	455,445	664,366	1,005,071	227,279	2,689,736
Accumulated Depreciation:							
Balance - beginning of the year	-	132,701	460,845	645,042	554,021	225,516	2,018,125
Depreciation for the year	-	-	8,073	18,451	26,861	2,499	55,884
Disposals	-	-	(14,760)	(17,823)	(51,321)	(5,936)	(89,840)
Balance - End of the Year	-	132,701	454,158	645,670	529,561	222,079	1,984,169
Net Book Value for property and equipment at year end	204,874	-	1,287	18,696	475,510	5,200	705,567

- Property and equipment includes fully depreciated assets of JD 1,890,235 as of December 31, 2021 (JD 1,855,234 as of December 31, 2020).

20. Due to Banks

This item consists of the following:

	December 31,	
	2021	2020
	JD	JD
Overdraft *	109,334	233,003
Overdraft for a subsidiary company**	74	108,831
	109,408	**341,834**

* This item represents direct credit facilities in the form of a debit current account granted by Arab Bank for the Salam International Transport and Trading Company, with a total limit of 600,000 JD, with interest ranging from 7.5% to 9.5%. The objective of these facilities is to finance the Company's regular activities, which are guaranteed by shares mortgage.

** This item represents direct credit facilities – overdrafts granted by several banks, and the details of these direct credit facilities are as follows:

- Direct credit facilities in form of overdraft granted by the Jordan Kuwait bank to Farah International Catering Service company with a total limit of JD 100,000, with an interest of 3.5%. The objective of these facilities is to finance the company's regular activities, and they have been granted against the personal guarantee of one of the shareholders for Farah's company (Subsidiary company), and a cash margin guarantee amounted to JD 110,000.

- Direct credit facilities in form of overdraft granted by Arab bank to Farah International Catering Service company with a total limit of JD 200,000 With an interest of 7.5% and a commission of 0.5% annually. The objective of these facilities is to finance the company's regular activities, and they have been granted against the personal guarantee of one of the shareholders for Farah's company (a Subsidiary company), and a cash margin guarantee amounted to JD 100,000.

21. Accounts Payable

This item consists of the following:

	December 31,	
	2021	2020
	JD	JD
Trade payables	1,763,118	1,803,978
	1,763,118	**1,803,978**

22. Loans

The details of the loans as of the date of the consolidated financial statements is as follow:

Granting Party	Loan Principle	Remaining Instalments	Method of Payment	Interest Rate	December 31, 2021 Due Instalment	Due during a Year	Due during More than a Year	Total	December 31, 2020 Due Instalment	Due during a Year	Due during More than a Year	Total
	JD			%	JD	JD	JD	JD	JD		JD	JD
Housing Bank for Trade and Finance *	2,650,000	20	Monthly	8	-	240,000	33,721	273,721	-	240,000	273,702	513,702
Housing Bank for Trade and Finance ***	400,000	-	Monthly	8.25	-	-	-	-	-	33,372	-	33,372
Housing Bank for Trade and Finance **	250,000	-	Monthly	8	-	-	-	-	-	36,964	-	36,964
Housing Bank for Trade and Finance ****	501,154	61	Monthly	8	-	-	-	-	-	60,000	411,024	471,024
					-	240,000	33,721	273,721	-	370,336	684,726	1,055,062

* During the third quarter of the year 2013, the Company has changed the due note into a loan, the first instalment of which matures on January 1, 2015 and in a monthly basis, where each instalment amounted to JD 20,000 and JD 440,000 for the last instalment on the loan full repayment, in order stabilize the liquidity position in the company as done during the year 2015, as an agreement was signed with the Housing Bank for Trade and Finance for which to postpone the due instalments during the year 2015, to February 1, 2016 till September 1, 2020. However, during the second quarter of 2020 the loan was re-scheduled to be paid starting from January 1st, 2021 until February 1st 2023 on a monthly basis, where the amount of each instalment will be JD 20,000 and the remaining amount will be the last instalment.

** At the beginning of 2017, the Company was granted a discounting loan from Housing Bank for Trade and Finance for an amount of JD 250,000 with annual interest rate 8%, the loan shall be repaid over 50 instalments where the first was due on January 1, 2017 and the other instalments are due at the beginning of each month till February 1st 2021, where the last instalment will be JD 20,000. However, during the second quarter of 2020 the loan was re-scheduled to be paid starting from January 1st, 2021 until February 1st 2022 on a monthly basis, where the amount of each instalment will be JD 5,000 and the remaining amount will be for the last installment the last instalment was paid in March 2021.

*** During the year 2017, the Company was granted discounted loan from Housing Bank for Trade and Finance for an amount of JD 400,000 with annual interest rate of 8.25%, the loan shall be repaid over 30 instalments where the first was due on August 1, 2017 noting that the loan was rescheduled to be settled on a monthly basis, where the amount of each instalment is JD 6,000 including the interest .And the last instalment was paid in March 2021.

**** During the year 2017, company's debit was rescheduled, where it shall be paid over equal monthly instalments amounted to JD 5,000 each, including interest, starting from August 2018.And the last instalment was paid in May 2021.

- The movement on the loans during the years 2021 and 2020 is as follows:

	2021	2020
	JD	JD
Balance at the beginning of the year	1,055,062	1,259,198
(Paid Loans)	(781,341)	(204,136)
Balance at the End of the Year	273,721	1,055,062

23. Income Tax

a. Income Tax Provision:

The movement on the income tax provision is as follows:

	December 31, 2021	December 31, 2020
	JD	JD
Balance beginning of the year	69,376	63,521
Income tax for the year	37,413	37,389
Income tax paid during the year	(42,330)	(31,534)
Balance - End of the Year	**64,459**	**69,376**

b. Income Tax Expense:

Income tax expense shown in the consolidated statement of profit or loss represents the following:

	2021	2020
	JD	JD
Income tax for the year	37,413	37,389
	37,413	**37,389**

c. Income Tax Status:

Salam International Transport and Trading Company (The Parent Company):

a. Aqaba:

The discussion of the income tax for the year 2018 has been completed by the Income and Sales Tax Department, and the company has submitted the tax returns up to the years 2019 and 2020, according to the Company's management and tax consultant there are no outstanding balances on the Company.

b. Amman:

The discussion of the income tax for the year 2018 has been completed by the Income and Sales Tax Department and obtained a final settlement, the company also has the tax returns up to the years 2019 and 2020. According to the Company's management and tax advisor, there are no outstanding balances on the Company.

Income tax expense for the year 2021 has been appropriately calculated, and according to the Company's management, no additional provision needed to be booked.

Subsidiaries:

The following schedule shows the tax situation of each subsidiary:

Company	Tax Returns up to Year	Final Settlement up to Year
Farah International Catering Service Company	2020	2018
Golden State for Commercial Services Company	2020	2020
Mada'en Al – Noor Investment and Real Estate Development Company	2020	2014
Al-Ibtikar Land Transportation Company	2020	2017
Afaq Supply and Storage Company	2020	2018
Mada'en Al – Bahr Investment and Real Estate Development Company	2020	2018
Technical for Construction and Real Estate Services Company	2020	2016
Mada'en Al – Shorouq Investment Real Estate Company	2020	2017
Mada'en Al–Salam Construction Company	2020	2015

In the opinion of the Company's management and its tax consultant, the income tax provision for the Company and its subsidiaries is sufficient to settle any potential tax liability arising therefrom as of the date of the consolidated financial statements.

24. Other Credit Balances

This item consists of the following:

	December 31,	
	2021	2020
	JD	JD
Shareholders' deposits	29,335	30,809
Unpaid accrued expenses	230,848	195,972
Income tax deposits	13,518	34,297
Advance payments against selling plots of land without recognizing gain *	250,000	302,500
Social security deposits	7,668	7,552
Unrealized revenue	28,717	29,014
Lawsuits provision	25,000	25,000
	585,086	**625,144**

* This item represents a payment received in advance from clients for selling plots of land for Mada'en Al - Shorouq (subsidiary company), as the company did not assign the ownership of the plots of land in favor of the clients until the checks received are due and the necessary contracts are signed. (Notes 17 and 18).

25. Balances and Transactions with Related Parties

a. Due from related parties at the end of the year:

Company's Name	Nature of Relationship	Nature of Transaction	December 31, 2021 JD	December 31, 2020 JD
Jordan Maritime Real Estate Investment Complex Company	Associate Company	Financing	18,798	17,224
Zahret AL Ordoon Clearance Company	Company owned by shareholder	Financing	-	28,360
Aqaba Company for Chemical Storage	Associate Company	Financing	604,844	570,708
Haqel Aqaba 1 Company	Associate Company	Financing	-	33,000
Ayyam Amman for invesment devlopment	Associate Company	Expenses	100,000	-
CMA CGM Company	Company owned by shareholder	Expenses	27,848	17,168
Sea Star for Shipping and Logistics Company	Associate Company	Expenses	46,633	40,713
Other	Sister Companies within the group	Expenses	17,964	13,582
Total			816,087	720,755
Less: Provision for expected credit loss *			(38,660)	(38,660)
Net due from related party			777,427	682,095

* The movement on provision for expected credit loss during the year is as follow:

	2021 JD	2020 JD
Beginning balance	38,660	38,660
Ending Balance	38,660	38,660

b. Due to related parties at the end of the year

	Nature of Relationship	Nature of Transaction	December 31, 2021	2020
			JD	JD
Long-Term				
Al Maha Real Estate Development Company **	Associate Company	Financing	3,971,445	3,955,216
Partner Current Account -Ahmed Helmi Armoush	Shareholder	Financing	570,935	880,761
Short-Term				
Jordanian Academy for Marine Studies	Associate Company	Expenses	750	659
Jordanian National Line for Ships Operating Company	Associate Company	Financing	318,824	383,311
Marine Lines for Port Services Company	Associate Company	Financing	-	292,786
Jordan National Shipping Lines Company	Associate Company	Expenses	9,707	-
Masot Al Aqaba Ships Building Company	Associate Company	Financing	-	194,078
Jordan – Dubai for Properties Company	Partner in an Subsidiary Company	Financing	-	108,643
Al- Shams General Investments Company	Company owned by shareholder	Expenses	394,593	316,561
Petra Navigation and General Trading Company	Company owned by shareholder	Expenses	20,968	50,315
Armoush Company for Touristic Investments	Company owned by shareholder	Expenses	-	11,867
Others	Company owned by shareholder	Expenses	8,515	17,848
Total			753,357	1,376,068

- The above accounts are non - interest bearing and have no repayment schedule.

** A purchase and an ownership of the full shares of four subsidiaries companies from the associate company "Al Maha Real Estate Development Company", amounting to JD 4,019,354. However, in the future the capital of associates will be decreased by the amount mentioned above.

- The value of the paid logistics consultations for Petra Navigation and Trading Company (sister company within the group) amounted to JD 225,778 for the year 2021 (JD 214,345 for the year 2020).

- Lease revenue from the Technical for Constuction and Real Estate Investment Company (associate company) reached to JD 38,494 for the year 2021 (JD 38,494 for the year 2020).

- The transportation revenue from CMA CGM (sister company) reached to JD 227,196 for the year 2021 (JD 169,998 for the year 2020).

- The supervision and follow-up revenue from Sea Star for Shipping and Logistics' Company (associate company) amounted to JD 12,000 as of December 31, 2021 (JD 12,000 as of December 31, 2020).

- The supervision and follow-up revenue from the Jordanian National Lines Ship Operation Company (associate Company) reached JD 24,000 as of December 31, 2021 and 2020.

Executive management's salaries and remunerations

Executive management's salaries amounted to JD 186,432 for the year ended December 31, 2021 (JD 90,000 for the year ended December 31, 2020).

26. Subscribed and Paid-up Capital Issuance Discount

The authorized and paid-in capital reached JD 18 million, and the discount of the share amounted to JD 1,349,998 as of December 31, 2021, and 2020.

27. Legal Reserves

The details of the reserve as of December 31, 2021, and 2020 are as follows:

a. Statutory Reserve

The accumulated balances in this account represent appropriations from profit before tax at 10% during previous years according to the Jordanian Companies Law.

b. Voluntary Reserve

The accumulated balances in this account represent appropriations from profit before tax at a maximum of 20% during previous years. The voluntary reserve can be used for the purposes decided by the Board of Directors. Moreover, the General Assembly of Shareholders has the right to distribute it as dividends to shareholders, in part or in full.

- Accumulated Losses were amortized from reserves, as shown in note (43).

28. Dividends

The Company has not declared any dividends for the years 2021 and 2020.

29. Financial Assets at Fair Value Revaluation Reserve

This item consists of the following:

	December 31,	
	2021	2020
	JD	JD
Balance - beginning of the year	(433,261)	(297,413)
Unrealized gain (losses)	106,964	(135,848)
Balance at the End of the Year	**(326,297)**	**(433,261)**

30. Retained Earnings

This item consists of the following:

	December 31,	
	2021	2020
	JD	JD
Balance - beginning of the year	2,198,336	(850,790)
Prior years' adjustments *	(51,202)	(123,387)
Adjusted beginning balance	2,147,134	(974,177)
Profit for the year – Company's shareholders	1,377,986	1,041,563
Amortizing losses from reserves– (Note 43)	-	2,234,750
Transferred to statutory reserve	(49,976)	(103,800)
Balance at the End of the Year	**3,475,144**	**2,198,336**

* This item represents prior years' adjustments of the Company's share of adjustments related to subsidiary companies that were recorded after the issuance of the consolidated financial statements of the Group for the year 2020. It has a non-material effect on the Group.

31. Revenue

This item consists of the following:

	2021	2020
	JD	JD
Sales of residential units	112,000	-
Sales of Lands (waiver contracts) and related projects in progress	623,500	-
Rented buildings revenue	590,247	517,848
Restaurants and cafeteria revenue	1,591,062	3,106,341
Transportation and supervision revenue	897,978	1,080,847
	3,814,787	4,705,036

32. Cost of Revenue

This item consists of the following:

	2021	2020
	JD	JD
Cost of residential units	124,485	-
Cost of lands sale (waiver contracts) and a related project in progress	367,213	-
Rented buildings cost	240,687	231,622
Cost of sale of restaurants and cafeteria	1,537,606	2,878,457
Transportation's cost	301,887	284,916
	2,571,878	3,394,995

33. General and Administrative Expenses

This item consists of the following:

	2021	2020
	JD	JD
Salaries, wages, and bonuses	317,532	386,734
Social security contribution	26,543	29,666
Medical insurance	20,553	21,304
Rents	138,768	144,886
Management depreciations	57,279	55,884
Telephone, postage, and internet	12,379	14,887
Travel and transportation	12,498	14,239
Professional fees	115,935	129,194
Hospitality	1,975	1,343
Subscriptions, stamps, and governmental fees	31,912	35,634
Computer expenses	6,377	4,483
Maintenance	15,067	4,280
Stationery and printing	1,938	3,531
Advertising	50	388
Bank charges	8,877	9,328
Training and courses	-	229
Board of Directors' remunerations	29,750	21,256
Water and electricity	3,760	6,540
Support for education and donations	28,487	1,500
Other	17,278	36,854
	846,958	922,160

34. Net Company's Profit from Selling Subsidiaries Companies

This item consists of the following:

	2021	2020
	JD	JD
Sale of Jordanian Zain Al Maha Real Estate Development Company *	-	102,608
Sale of Amman for River Transport and Supply Company**	-	6,770
	-	109,378

* In accordance with the minutes of the Extraordinary Board of Directors meeting of Madaen Al-Shorouk for Investment and Real Estate Development (a subsidiary) for the year 2020, held on June 18, 2020, it was agreed to sell Jordanian Zain Al Maha Real Estate Development Company, at an amount of JD 645,000 against the full shares, which has a book value of JD 544,192 / share. Noting that the net book value of the investment is JD 543,167 as of June 23, 2020, resulting in a net profit of sales in the amount of JD 101,833.

** According to the minutes meeting of the second Board of Directors meeting for the year 2020 for the Salam International Transport and Trade Company, held on February 6, 2020, and its intention to sell the investment of the Amman for River Transport and Supply Company, and given that the main reason of the company's establishment is no longer valid, and as the result of the transport project in Sudan has ended years ago, and to stop the company from paying expenses, registration fees and licenses; The Board approved the sale of the company to a partner in the group at the amount of JD 10,000 including the company's assets and liabilities. Noting that this process was completed, and the ownership was transferred to the name of the partner on June 15, 2020, and this transaction resulted in a profit of JD 6,770.

35. Other Income - Net

This item consists of the following:

	2021	2020
	JD	JD
Revenue from management and supervision *	36,000	24,000
Other income – net	51,223	97,439
	87,223	**121,439**

* This item represents revenue from management and supervision from associate companies' note (25).

36. Earnings per share for the year attributable to the Company's Shareholders

This item consists of the following:

	2021	2020
From continuing operations	JD	JD
Profit for the year attributable to the shareholders of the Company	1,377,986	1,042,338
The weighted average number of shares	18,000,000	18,000,000
	JD/Share	JD/Share
Earnings per share for the year attributable to the Company's Shareholders	0.077	0.058

	2021	2020
From continuing and discontinued operations	JD	JD
Profit for the year attributable to the shareholders of the Company	1,377,986	1,041,563
The weighted average number of shares	18,000,000	18,000,000
	JD/Share	JD/Share
Earnings per share for the year attributable to the Company's Shareholders	0.077	0.058

37. Lawsuits against the Company

There are cases filed against the subsidiary company (Al Ibtikar for Land Transport company) for a total amount of JD 207,201 while the lawsuit's provision against it reached JD 25,000 as of December 31, 2021. One of these cases amounted to JD 179,581 based on the cassation list provided to the court of cassation by the company regarding the decision that was issued by the court of appeal, which was revoked by the court of cassation and the case was returned to the court of appeal, where the Court of Appeal decided to conduct technical expertise and appoint of an expert, who issued his report in the subsequent period of the financial statements, in which he concluded that the amount due from the Company does not exceed JD 7,000. The court decided to conduct a tripartite opinion of three experts appointed by the Court of Appeal, and the case is still pending in the Court of Appeal. Based on the Company's management and its legal advisor's opinion that in light of the experience report, the legal status of the Company is good. It is worth noting that the Company has filed an independent lawsuit against this same party in Amman court of the first instance for claim amounted to JD 352,828 noting that the court's decision was issued obligating the defendant to pay an amount of JD 182,829, the plaintiff submitted a list of distinctions against the decision of the Court of Appeal, and the company will provide an answer to the list of distinctions within the legal term, and according to the opinion of the company and the lawyer, the provision is sufficient to face the cases brought against the subsidiary company.

38. Contingent Liabilities

The Group had contingent liabilities as of the date of the consolidated financial statements as follows:

	December 31,	
	2021	2020
	JD	JD
Letters of guarantees and proper execution of tenders	78,000	270,579

- Mada'in Al-Bahr Company (subsidiary company) had obligations at the date of the financial statements that could arise in the form of delay fines in paying the land lease fees and the lease agreement of the land of recession, which amounted to JD 432,063, according to the letter of the Jordanian Company for Free Zones and Development No. 8/9/4462 dated May 14, 2019. According to the same letter, a recommendation will be submitted to the Council of Ministers by the Group and the Investment Authority to exempt from the amounts of fines and the lease of the land receding, as they have become public funds requiring a decision by the Council of Ministers to issue an exemption after taking some agreed upon steps.

39. Segmental Distribution

a. The following is information on the Company's business segments distributed according to activities:

	Projects and Investments	Real Estate and Construction	Services	Transportation	2021	2020
	JD	JD	JD	JD	JD	JD
Gross revenue	590,247	735,500	1,591,062	897,978	3,814,787	4,705,036
Less: Cost of revenue	(240,687)	(491,698)	(1,537,606)	(301,887)	(2,571,878)	(3,394,995)
Gross Profit	**349,560**	**243,802**	**53,456**	**596,091**	**1,242,909**	**1,310,041**
Less: Expenses allocated to segments						
General and administrative expenses	(359,172)	(260,174)	(163,115)	(64,497)	(846,958)	(922,160)
Marketing expenses	-	(19,633)	-	-	(19,633)	(9,990)
Profit from Operations	**(9,612)**	**(36,005)**	**(109,659)**	**531,594**	**376,318**	**377,891**
Gains on investments and other	1,069,928	(1,325)	1,159	-	1,069,762	573,107
Expected credit losses	-	-	-	-	-	(6,647)
Costs of borrowing	(40,384)	(46,650)	-	(1,050)	(88,084)	(137,171)
Net company's profit from selling a subsidiaries companies	-	-	-	-	-	109,378
Other revenue	-	41,795	7,117	38,311	87,223	121,439
Profit for the Year before tax	**1,019,932**	**(42,185)**	**(101,383)**	**568,855**	**1,445,219**	**1,037,997**
Less: Income tax for the year	-	(12,425)	(24,988)	-	(37,413)	(37,389)
Profit for the Continuing Operations	**1,019,932**	**(54,610)**	**(126,371)**	**568,855**	**1,407,806**	**1,000,608**
Net (Loss) for the year Discontinued Operations	-	-	-	-	-	(775)
Profit for the Year	**1,019,932**	**(54,610)**	**(126,371)**	**568,855**	**1,407,806**	**999,833**

	Projects and Investments	Real Estate and Construction	Services	Transportation	December 31, 2021	December 31, 2020
					JD	JD
Segment Assets	13,218,458	16,189,392	2,020,461	347,601	31,775,912	32,236,140
	13,218,458	**16,189,392**	**2,020,461**	**347,601**	**31,775,912**	**32,236,140**
Segment Liabilities	2,206,310	4,751,456	375,121	860,886	8,193,773	10,114,039
	2,206,310	**4,751,456**	**375,121**	**860,886**	**8,193,773**	**10,114,039**

b. All of the assets and liability and subsidiaries companies are based inside the Hashemite Kingdom of Jordan.

40. Fair Value Hierarchy

a. The fair value of financial assets and financial liabilities of the Company specified at fair value on an ongoing basis:

.

of these financial assets and liabilities is determined (valuation methods and inputs used).

Financial Assets	Fair Value December 31, 2021	Fair Value December 31, 2020	Level of Fair Value	Valuation Method and Inputs Used	Important Intangible Inputs	Relation between the Fair Value and the Important Intangible Inputs
	JD	JD				
Financial assets at fair value						
Financial assets at fair value through profit or loss						
Companies' shares	10,702	9,543	Level I	Quoted Shares	N/A	N/A
Total	10,702	9,543				
Financial assets at fair value through comprehensive income						
Quoted shares	337,609	289,034	Level I	Quoted Shares	N/A	N/A
Unquoted shares	222,000	352,000	Level II	Compared with the market value of a similar instrument	N/A	N/A
Total	559,609	641,034				
Total Financial Assets at Fair Value	570,311	650,577				

There were no transfers between Level I and Level II during the year 2021.

b. The fair value of assets and financial liabilities of the Company (non-specific fair value on an ongoing basis):

Except for what is mentioned in the table below, we believe that the carrying amount of the financial assets and liabilities shown in the consolidated financial of the Company approximate their fair value. Moreover, the Company's management believes that the book value of the items is equivalent to their fair valu they will be due on a short-term basis, and interest rates will be repriced during the year.

	December 31, 2021		December 31, 2020		The Level of
	Book Value	Fair Value	Book Value	Fair Value	Fair Value
	JD	JD	JD	JD	JD
Assets with no fair value					
Real estate investments	4,537,591	7,683,200	4,609,585	7,683,200	Through real estate evaluators
Total Assets with No Fair Value	**4,537,591**	**7,683,200**	**4,609,585**	**7,683,200**	
Financial Liabilities with No Fair Value					
Loans	273,721	274,721	1,055,062	1,060,561	Level II
Total Financial Liabilities with No Fair Value	**273,721**	**274,721**	**1,055,062**	**1,060,561**	

For the items mentioned above, the fair value of financial assets and financial liabilities was determined for the second and third levels, in accordance with agreed-upon pricing forms, and reflects the credit risk of the parties that the Company deals with.

41. Losing Control of a Subsidiary Company and Discontinued Operation

1. In accordance with the minutes of the Extraordinary Board of Directors meeting of Madaen Al-Shorouk for Investment and Real Estate Development (a subsidiary) for the year 2020, held on June 18, 2020, it was agreed to sell the Jordanian Zain Al Maha Real Estate Development Company, registered in the register of the limited liability companies with the Companies Control Department under the number (25169) at an amount of JD 645,000 against the full shares, which has a books value of JD 544,192 JD / share, and authorized the company's board of directors to authorize those whom applicable to transfer the ownership of the company to the buyers. Noting that this transaction has been completed and the ownership was transferred in the name of the buyers. Where the profit from the sale transaction amounted to JD 101,833.

   The following is the major financial information of Jordanian Zain Al Maha Real Estate Development Company as of June 23, 2020:

	June 23, 2020
	JD
Assets	
Advanced payments for lands	428,706
Projects under construction	115,486
Total assets	544,192
Liabilities	
Due to related parties	1,025
Account payable	-
Total liabilities	1,025
Owners' equity	
Paid-up capital	544,192
(Accumulated losses)	(250)
(Losses for the period)	(775)
Net owners equity	543,167
Total liabilities and net owners equity	544,192

   The net loss for the period ended June 23, 2020, were as follows:

	June 23, 2020
	JD
Statement of profit or loss	
General and administrative expenses	(775)
Loss for the period/year	(775)

2. According to the minutes of the second Board of Directors meeting for the year 2020 for the Salam International Transport and Trade Company, held on February 6, 2020, and its intention to sell the investment of the Amman for River Transport and Supply Company, and given that the main reason of the company's establishment is no longer valid, and as the result of the transport project in Sudan has ended years ago, and to stop the company from paying expenses, registration fees and licenses; The Board approved the sale of the company to a partner in the group at the amount of JD 10,000 including the company's assets and liabilities. Noting that this process was completed, and the ownership was transferred to the name of the partner on June 15, 2020, and this transaction resulted in a profit of JD 6,770.

The following is the major financial information of Amman for River Transport and Supply Company as of December 31, 2019:

	June 15, 2020	December 31, 2019
	JD	JD
Assets		
Cash at banks	500	500
Total assets	500	500
Liabilities		
Account payable	3,230	3,230
Total liabilities	3,230	3,230
Owners' equity		
Paid-up capital	1,000	1,000
(Accumulated losses)	(3,730)	(3,730)
Net owners' equity	(2,730)	(2,730)
Total liabilities and owners' equity	500	500

42. Risks Management

a. Capital risk management

The Company manages its capital to ensure its continuity as a going concern while maximizing the return to its partners through achieving an optimal balance between debt and equity. Moreover, there has been no change in the Company's policies since the year 2020.

The Company's strategy is to maintain an acceptable debt to owners' equity ratio (calculated by dividing total debt over total owners' equity) where the total debt does not exceed 200%.

The following table shows the total debt with respect to equity as follows:

	December 31,	
	2021	**2020**
	JD	**JD**
Total Liabilities	8,193,773	10,114,039
Total Owners' equity	23,582,139	22,122,101
Debt to Equity Ratio	%35	%46

b. Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's major foreign currency transactions are denominated in Jordanian Dinar and US Dollar.

Currency risk arises from the changes in the foreign currency exchange rates related to foreign currency-denominated payments. As the Jordanian Dinar (the Company's functional currency) is pegged to the US Dollar, the management of the Company believes that the foreign currency risk related to the US Dollar is immaterial.

c. Liquidity risk

Liquidity risk, also referred to as funding risk, is the risk that the Company will encounter difficulty in raising funds to meet commitments. Moreover, the Company manages liquidity risk through maintaining adequate reserves and continuously monitoring the forecast and actual cash flows, in addition to matching the maturities of financial assets with those of financial liabilities.

The Company's liquidity position as of December 31, 2021, and 2020 is as follows:

	December 31,	
	2021	2020
	JD	JD
Current assets	3,197,595	3,223,107
(Less): Current liabilities	(3,539,428)	(4,593,336)
(Deficit) in Working Capital	(341,833)	(1,370,229)

Management believes that the liquidity risk is not significant as of the date of the consolidated financial statements, as current liabilities include JD 753,357, which are due to related parties- short term as of December 31, 2021 (JD 1,376,068 as of December 31, 2020). The management future plan to face the liquidity deficit by activating the operations of the company and its subsidiaries, bearing in mind that the company's management considers that the obligations to related parties do not constitute a cash burden on the company given that these obligations will be paid either by liquidating or selling some of the subsidiary companies or through dividends distribution.

The Company estimates the liquidity risk on a monthly basis, based on long-term future projections. Moreover, the Company evaluates capital and financing requirements periodically, and the availability of liquidity depends on banking financings and selling lands through the waiver.

d. Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The group has adopted a policy based on documenting its debts with others with the necessary documents to ensure that any funds are legally overdue with the help of its legal advisor, and the group also monitors its exposure to credit risk by studying the level of debtors 'solvency, in addition to ensuring that the accumulated value of the credit relates to approved parties It is approved by the administration, and by following up on the granted credit limits, as they are reviewed and approved by the management periodically.

The carrying value of financial assets recorded in the consolidated financial statements, with their net impairment losses, represents the maximum credit risk that the Group may be exposed to. Note that the balance of commercial receivables in Farah Food Services Company amounted to JD 323,592 which equivalent to 71% of the total receivables of the group as of December 31, 2021.

The Company's management believes that the percentage of non-collection of receivables or not collecting part of them is almost very weak, and strict credit control is maintained as the indebtedness of each client is monitored separately and on an ongoing basis.

e. Market risk

Market risks are losses resulting from the changes in market prices such as the changes in interest rates, exchange rates, and equity instruments, and consequently, the change in the fair value of the cash flows of the financial instruments inside and outside the consolidated statement of financial position.

f. Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Interest rate risk arises from the changes in the value of a financial instrument as a result of changes in market interest rates. Moreover, the sensitivity analysis below has been determined based on the exposure to interest rates for bank borrowings at the consolidated statement of financial position date. The analysis is prepared to assume that the amount of liability outstanding at the statement of financial position date has been outstanding for the whole year. A 0.5% increase or decrease is used:

	+0.5%	-0.5%
	JD	JD
Outstanding credit facilities -(loss)/profit	(1,916)	1,916
	(1,916)	1,916

The Company manages its interest rate exposure on a dynamic basis. Various scenarios are assessed such as refinancing, renewal of existing positions, and alternative financing.

43. Amortization of Accumulated Losses

According to the extraordinary general assembly meeting held on June 25, 2020, an amount of JD 2,234,750 was approved to be amortized from the balance of the realized accumulated losses in the Company as of December 31, 2019, by using the whole balance of the voluntary reserve and the statutory reserve.

Accordingly, the balance of the voluntary reserve, statutory reserve, and realized losses have become, after making the necessary accounting entries on June 25, 2020, is as follows:

Account name	Balance before amortization	Impact of the amortization of the accumulated realized losses	Balance after amortization
	JD	JD	JD
Realized accumulated losses	(2,767,399)	2,234,750	(532,649)
Voluntary reserve	48,024	(48,024)	-
Statutory reserve	2,186,726	(2,186,726)	-

44. Impact of Covid - 19

The spread of the new Corona virus (Covid-19) at the beginning of the year 2020 and its outbreak in several geographical regions around the world has caused disturbances to economic activities and business, and this event is witnessing continuous and accelerating developments, which required the Group's management to conduct an assessment of the expected effects on the Group's business.

The Group has performed an assessment of (COVID – 19) pandemic which has resulted in the following changes to the expected credit loss methodology and valuation estimates and judgments as of and for the year ended December 31, 2020, noting that there is no change in the valuation estimates and judgments during the year 2021, the Group management Continues to follow up on the collection department for clients whose debts owed in order to collect them by possible means.

45. Comparative figures

Some of the comparative figures related to the revenues and cost of revenues for the year 2020 have been reclassified to match the classification of the financial statement year ending December 31, 2021.