ENTKAEYA FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT'S REPORT FOR THE YEAR ENDED DECEMBER 31, 2022

ENTKAEYA FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2022

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INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT'S REPORT

To the shareholders of
Entkaeya for Investment and Real Estate Development Company. (P.L.C)
(Public Shareholding Company)

Report on the Consolidated Financial Statements

Opinion Qualified

We have audited the accompanying consolidated financial statements of Entkaeya for Investment and Real Estate Development Company (P.L.C), which comprise of the consolidated statement of financial position as of December 31, 2022, and the related consolidated statements comprehensive income, statements of other comprehensive income, consolidated Statement of shareholders equity and consolidated statement of cash flows, for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, and the except as mentioned in the paragraph of qualified opinion, the financial statements present fairly, in all material respects, the statement of financial position of Entkaeya for Investment and Real Estate Development Company (P.L.C), as of December 31,2022, and its financial performance and cash flows for the year then ended are in accordance with Financial Reporting Standards.

Basis for Qualified Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated statement of financial position of Entkaeya for Investment and Real Estate Development Company (P.L.C) as of December 31, 2021, and its consolidated financial performance and consolidated cash flows for the year then ended are in accordance with International Financial Reporting Standards.

As mentioned in note (13) the Company did not provide us with attorney conformation for the year of 2022.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our audit opinion.

Key audit matters

Key audit matters, according to our professional judgment are matters that had the significant importance in our auditing procedures that we performed to the consolidated financial statement. The basic auditing matters have been addressed in our auditing workflow to consolidated financial standards as we do not express separate opinions.

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Basic auditing matters	The following is a description of our auditing procedures
Investments in lands In accordance with International financial reporting standards, the Company must perform an impairment test to the value of Investments in lands in the consolidated statement of financial position, unless the company chooses to record those lands at cost, in case of any indications of impairment, Impairment losses are recognized in accordance with a policy of impairment of assets, Where the management estimates the impairment through accredited experts for evaluation, if any, and because of their importance it is considered a significant audit risk.	**Investments in lands** The Auditing procedures included examining the control procedures used in ascertain of existing of impairment in lands, Where the land was evaluated by licensed real estate experts, The management assumptions were studied taking into consideration the available external information on the risks of the impairment of Investments in lands. We have also condensed on the adequacy of the company's disclosures about it.

Other information
The management is responsible for other information which includes other information reported in the annual report, but not included in the consolidated financial statements and our audit report on it.

Our opinion does not include these other information, and we do not express any assertion over it.

Regarding our audit on consolidate financial statements Entkaeya for Investment and Real Estate Development Company as of December 31, 2022 we are obliged to review these other information, and while that, we consider the compatibility of these information with their consolidated financial statements or with the knowledge that we gained through audit procedure or seems to contain significant errors. If we detected based on our audit, the existence of significant errors in the information, we are obliged to report this fact. Regarding this, we have nothing to report.

Management and individuals responsible of governance about the consolidated financial statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements Entkaeya for Investment and Real Estate Development Company as of December 31, 2022 in accordance with International Financial Reporting Standards. And for such internal control, management is determined to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the 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 the management either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

Responsibilities of management and those charged with governance for consolidated financial statement.

Certified public accountant responsibility
Our objective is to obtain reasonable assurance about whether the Financial Statements are free from material misstatement, 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 International Standards of Auditing will always detect a material misstatement even when it exists. Misstatements can arise from fraud or error and or considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these Consolidation Financial Statements.

As part of an audit in accordance with The International Standards of Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidation 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Conclude on the appropriateness of the 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, we will modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidation Financial Statements, including the disclosures, and whether the Consolidation Financial Statements represent the underlying transactions and events in a manner that achieves Fair Presentation.

We communicated with audit Committee 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.

Legal requirements report
The Entkaeya for Investment and Real Estate Development Company maintains proper books of accounts and the accompanying consolidated financial statements contained as of December 31 2022, we recommend to be approved by the Board of Directors after taking into consideration what is mentioned in the paragraph of the qualified opinion.

Modern Accountants
Walid M. Taha
License No.(703)

Amman- Jordan

February 27, 2023

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ENTKAEYA FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2022
(EXPRESSED IN JORDANIAN DINAR)

	Note	2022	2021
ASSETS			
Non-current assets			
Investments in lands	4	**1,458,000**	1,678,478
Property and equipment	5	**1**	2,929
Financial assets designated at fair value through statement of other comprehensive income	7	**1,886**	1,886
Total non-current assets		**1,459,887**	1,683,293
TOTAL ASSETS		**1,459,887**	1,683,293
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity			
Share capital	1	**2,345,171**	2,345,171
Statutory reserve	8	**336**	336
Fair value reserve		**(1,360)**	(1,360)
Accumulated losses		**(1,301,674)**	(1,058,776)
Total Shareholders' equity		**1,042,473**	1,285,371
Current liabilities			
Accrued expenses and other payables	9	**201,801**	201,801
Accounts payable		**69,402**	57,901
Due to related parties	6	**146,211**	138,220
Total current liabilities		**417,414**	397,922
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**1,459,887**	1,683,293

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

ENTKAEYA FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2022
(EXPRESSED IN JORDANIAN DINAR)

	Note	2022	2021
Expenses:			
General and administrative expenses	11	**(22,420)**	(16,004)
Land impairment provision	4	**(220,478)**	-
Net Loss for the year		**(242,898)**	(16,004)

Loss per share:		
Loss per share- JD / per share	**(0,104)**	(0,007)
Weighted average of outstanding shares-share	**2,345,171**	2,345,171

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

ENTKAEYA FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2022
(EXPRESSED IN JORDANIAN DINAR)

	2022	2021
Net Loss for the year	**(242,898)**	(16,004)
Realized losses from selling financial assets at fair value through other comprehensive income statement	-	(1,139)
Comprehensive income converted into accumulated losses	**(242,898)**	(17,143)
Add other comprehensive income :		
Change in fair value reserve		
Total comprehensive income	**(242,898)**	(17,143)

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

ENTKAEYA FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2022
(EXPRESSED IN JORDANIAN DINAR)

	Share capital	Statutory reserve	Fair value reserve	Accumulated losses	Total
Balance at January 1, 2021	2,345,171	336	(1,360)	(1,041,633)	1,302,514
Comprehensive income	-	-	-	(17,143)	(17,143)
Balance at December 31, 2021	**2,345,171**	**336**	**(1,360)**	**(1,058,776)**	**1,285,371**
Comprehensive income	-	-	-	**(242,898)**	**(242,898)**
Balance at December 31, 2022	**2,345,171**	**336**	**(1,360)**	**(1,301,674)**	**1,042,473**

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

ENTKAEYA FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022
(EXPRESSED IN JORDANIAN DINAR)

	2022	2021
OPERATING ACTIVITIES		
Net Loss for the year	**(242,898)**	(17,143)
Adjustments for Loss for the year :		
Depreciation	**2,928**	2,000
Realized losses from selling financial assets at fair value through other comprehensive income statement	-	1,139
Land impairment provision	**220,478**	
Changes in operating assets and liabilities:		
Due to related parties	**7,991**	3,449
Account payables	**11,501**	7,500
Net cash used in operating activities	-	(3,055)
INVESTING ACTIVITIES		
Gain from financial assets at fair value through comprehensive income statement	-	3,055
Net cash available from investing activities	-	3,055
Net change in cash and cash equivalents	-	-
Cash and cash equivalents, January 1	-	-
CASH AND CASH EQUIVALENTS, DECEMBER 31	-	-

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

1. ORGANIZATION AND ACTIVITIES

Public Shareholding Company registered on August 9, 2007 under commercial registration number (443). The Company's authorized, declared and paid-up capital is JD 2,345,171divided into 2,345,171shares with par value if JD 1 per share.

The main activity of the Company is buying and selling and investing in real estate and land inside the organization or outside them in at different kinds of used by the legal and rules.

The Company's Headquarter is in Amman.

2. NEW AND AMENDED IFRS STANDARDS

The following new and revised Standards and Interpretations are not yet effective	**It is valid for annual periods beginning on or after**
Classification of liabilities as current or not- current (Amendments to IAS 1)	January 1, 2023
IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts	January 1, 2023
Definition of Accounting Estimate (Amendments to IAS 8)	January 1, 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2)	January 1, 2023
Deferred Tax related to Assets and liabilities arising from a Single Transaction (Amendments to IAS 12)	January 1, 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Deferred Indefinitely

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The preparation of Consolidated Financial Statements

The accompanying consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards.

Basis of preparation of Consolidated Financial Statements

These consolidated financial statements, were presented in Jordanian Dinar as the majority of the Company's transactions are recorded in the Jordanian Dinar.

The consolidated financial statements have been prepared on historical cost basic, However financial assets and financial liabilities are stated at fair value. The following is a summary of significant accounting policies applied by the Company.

Basis of consolidation financial statements
The consolidated financial statements incorporate the financial statements of Entkaeya for Investment and Real Estate Development Company (Public Shareholding Company) and the subsidiaries controlled by the Company.

Control is achieved where the Company:

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

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

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

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

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

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

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

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

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

The consolidated financial statements as at December 31, 2022 comprise the financial statements of the following subsidiaries:

Subsidiary	Place of registration	Year of registration	Percentage of ownership and voting	The main activity
Kalat Al-Aman wal khair for Commercial Investment (Ltd)	Jordan	2010	100%	ownership of trademarks, conversion and assignment, ownership of land and real estate and sale except real estate office, development and improvement of real estate and real estate and commercial consultations

Equity instruments at FVTOCI
Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the cumulative changes in fair value of securities reserve: The cumulative changes or loss will not be reclassified investments. But reclassified to retained earnings. The Company has designated all instruments that are not held for trading as at FVTOCI.

Dividends on these investments in equity instruments arc recognized in profit or loss when the Company right to receive the dividends is established, unless the dividends clearly represent a recovery of a part of the cost of the investments. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

The Company assesses the classification and measurement of the cash flow characteristics of the contractual asset and the Company's business model for managing the asset.

For an asset to classified and measured at amortized cost or at FVTOCI, is contractual terms should give rise to cash flows that are solely represent payments of principal and interest on the principal outstanding (SPPI).

At initial recognition of a financial asset, the Company determines whether newly recognized financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Company reassess its business models each reporting period to determine whether the business models have changed since the preceding period. For the current and prior reporting period the Company has not identified a change in its business models.

When a debt instrument measured a FVTOCI is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured FVTOCI, the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortized cost or FVTOCI are subject to impairment.

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

Impairment
IFRS 9 replaces the "incurred loss" model in IAS 39 with an expected credit loss model (ECLs). The Company recognizes loss allowance for expected credit losses on the following financial instruments that are not measured at FVTPL

- Cash and bank balances:
- Trade and other receivables;
- Due from related party.

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

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

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

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

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

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

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

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

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

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

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

Measurement of ECL

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

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

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

Credit-impaired financial assets

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

DE-recognition of financial assets

The Company de-recognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity .If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. if the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

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

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

Presentation of allowance for ECL are presented in the financial information

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

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

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

Expenses and revenue recognition
The Revenue is recognized when there is a probability of economic benefits for the company in result of interchangeable process that's its measurable in a reliable way.

The expenses are recognized in accrual basis.

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

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

Critical judgments in applying the Company's accounting policies in respect of IFRS 9
Business model assessment:

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

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

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

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

Key sources of estimation uncertainty in respect of IFRS 9
The following are key estimations that the management has used in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in consolidated financial statements.
Establishing the number and relative weightings of forward-looking scenarios for each type of product /market determining the forward looking information relevant to each scenario: When measuring ECL the Company uses reasonable and supportable forward looking information, which s based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

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

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

Expenses
General and administrative expenses include direct and indirect costs which are not specifically part of production costs as required under Generally Accepted Accounting principles. Allocations between general and administrative expenses and cost of sales are made on a consistent basis when required.

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

Projects under construction
all the assets under construction that the entity is spending until they are ready to operat, and until the completion all the expenses are classified in the financial position as projects under construction, and when completed all the expenses are capitalized and transferred to the fixed assets.

Investments in lands
Investments in land are stated at cost In accordance with (IAS 40) where the standard make the company to choose to record its real estate investments either at cost or at fair value as long as There is no impediment to the ability to reliably determine the value of real estate investments, The management of the Company has chosen the cost to record its investments in the land

Shares owned by subsidiaries
Shares purchased in the Company's share capital by the subsidiaries are stated at cost less equity.

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

Related parties
Transactions with related parties represent the transfer of resources, services or obligations between related parties. The principles and terms of transactions between related parties are approved by the management.

Provisions
The provision had been formed, when the Company has a present obligation (legal or expected) from past events which its cost of repayment considers accepted and it has ability to estimate it reliably.
The provision had been measured according to the best expectations of the required alternative to meet the obligation as of the consolidated statement of financial position date after considering the risks and not assured matters about the obligation. When the provision is measured with the estimated cash flows to pay the present obligation, then the accounts receivable are recognized as asset in case of receipt and replacement of the amount is certain and it able to measure the amount reliably.

Segment reporting
A business segment is a group of assets and operation engaged in providing products or services that are subject to risks and returns that are different from those of other business segments, and segment is engaged in providing products or services within a particular economic environment

and Company include significant business sectors in the purchase, develop and trade of lands and real estate in addition to investing in securities and bonds, the company operates only in the Hashemite Kingdom of Jordan

Offsetting
Financial assets and consolidated financial liabilities are offset, and the net amount is reflected in the 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.

Property and equipment

Property and equipment are stated at cost less accumulated depreciation. Expenditure on maintenance and repairs is expensed. Depreciation is provided over the estimated useful lives of the applicable assets using the straight-line method. The estimated rates of depreciation of the principal classes of assets are as follows:

	Annual depreciation rate
Furniture	9%
Decoration	12%
Computers and software	25%
Devices and others	15%
Mobile	30%

Useful lives and the depreciation method are reviewed periodically to make sure that the method and amortization period appropriate with the expected economic benefits of property and equipment.

Impairment test is performed to the value of the property and equipment that appears in the consolidated Statement of Financial Position When any events or changes in circumstances shows that this value is non-recoverable.

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

Income tax

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

Leasing

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

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

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

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

4. INVESTMENTS IN LANDS

This item represents investments in lands for:

The land of Al-Araqib Saada from Al-Salt area, plot No. (109), Basin No. (128), and Plot of Land No. (37), from Al-Loban area, Northern Basin of No. (20):

	2022	2021
Investments in the Lands	**2,348,838**	2,348,838
Less: Provision for impairment in land	**(890,838)**	(670,360)
	1,458,000	1,678,478

ENTKAEYA FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2022
(EXPRESSED IN JORDANIAN DINAR)

5. PROPERTY AND EQUIPMENT

2022:	furniture	Decoration	Computers and software	Devices and others	Mobile	Total
Cost:						
Balance as of January 1	**18,950**	**7,265**	**2,629**	**5,398**	**648**	**34,890**
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance as of December 31	**18,950**	**7,265**	**2,629**	**5,398**	**648**	**34,890**
Depreciation :						
Balance as of January 1	**18,306**	**7,265**	**2,629**	**3,113**	**648**	**31,961**
Depreciation	**643**	-	-	**2,285**	-	**2,928**
Disposal	-	-	-	-	-	-
Balance as of December 31	**18,949**	**7,265**	**2,629**	**5,398**	**648**	**34,889**
Book value as of December 31	**1**	-	-	-	-	**1**

2021:	furniture	Decoration	Computers and software	Devices and others	Mobile	Total
Cost:						
Balance as of January 1	18,950	7,265	2,629	5,398	648	34,890
Additions	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Balance as of December 31	18,950	7,265	2,629	5,398	648	34,890
Depreciation :						
Balance as of January 1	16,806	7,265	2,629	2,613	648	29,961
Depreciation	1,500	-	-	500	-	2,000
Disposal	-	-	-	-	-	-
Balance as of December 31	18,306	7,265	2,629	3,113	648	31,961
Book value as of December 31	644	-	-	2,285	-	2,929

6. RELATED PARTIES TRANSACTIONS

During the year, the Company has entered into transactions with the following related parties:-

	Relationship
Mohammed Al-Faqi	Chairman of Board of Directors
Esmat El Aroud	Board of Directors member
Nafez Al-Jabari	Board of Directors member
Raspberry Investment Co. (Ltd)	Board of Directors member
Al-Hakameya for Trading and Investment Co. (Ltd)	Subsidiaries (under liquidation)
Al Rostamiya for Trading and Investment Co. (Ltd)	Subsidiaries (under liquidation)
Al Ghazalia for General Trading and Marketing Co. (Ltd)	Subsidiaries (under liquidation)
Western for Trading and Marketing Co. (Ltd)	Subsidiaries (under liquidation)

Due from related parties consists of the following:

	2022	2021
Western for Trading and Marketing under liquidation Co.	**10,566**	10,566
A provision for impairment is related from related parties Co.	**(10,566)**	(10,566)
	-	-

Due to related parties consists of the following:

	2022	2021
Mohammed Al-Faqi (Chairman of Board of Directors)	**11,228**	3,237
Esmat El Aroud (Member of the Board of Directors)	**5,566**	5,566
Nafez Al-Jabari (Member of the Board of Directors (formerly)	**10,000**	10,000
Raspberry Investment Co.	**114,409**	114,409
Al-Hakameya for Trading and Investment Co.	**1,102**	1,102
Al Rostamiya for Trading and Investment Co.	**2,906**	2,906
Al Ghazalia for General Trading and Marketing Co.	**1,000**	1,000
	146,211	138,220

7. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH STATEMENT OF OTHER COMPREHENSIVE INCOME

	2022	2021
Investment in Al-Rakees Investment Company (P.L.C), with shares of 6,288 shares (2021: 6,288 shares)	**1,886**	1,886
	1,886	1,886

8. STATUTORY RESERVE

In accordance with the Companies' Law in the Hashemite Kingdome of Jordan and the Company's Article of Association, the Company has established a statutory reserve by the appropriation of 10% of net income until the reserve equals 25% of the capital. However, the company may, with the approval of the General Assembly to continue to deduct this annual ratio until this reserve is equal to the authorized capital of the Company in full. This reserve is not available for dividend distribution; The General Assembly is entitled to decide, in its unusual meeting, to amortize its losses by the accumulated statuary reserve if all other reserves pay off, to rebuild it again in accordance with the law.

9. ACCRUED EXPENSES AND OTHER PAYABLES

	2022	2021
Accrued expenses	**25,220**	25,220
Contingent liabilities provision	**175,169**	175,169
Other payables	**1,412**	1,412
	201,801	201,801

10. INCOME TAX

The Company has not provided self-assessment of the Income and Sales Tax Department since its establishment until the preparation of the Company's consolidated financial statements.

11. GENERAL AND ADMINISTRATIVE EXPENSES

	2022	2021
Depreciation	**2,928**	2,000
Government fees and subscriptions	**11,992**	6,364
Professional fees	**7,500**	7,500
Miscellaneous	-	140
	22,420	16,004

12. SECTORIAL INFORMATION

The total assets and liabilities of the Company's operating segments are as follows:

	Segment losses		Segment losses	
	2022	2021	**2022**	2021
Financial assets investment sector	-	-	**(220,478)**	-
Real estate investment sector	-	-	**(22,420)**	(16,004)
	-	-	**(242,898)**	(16,004)

The total assets and liabilities of the Company's operating segments are as follows:

	Segment assets		Segment liabilities	
	2022	2021	**2022**	2021
Financial assets investment sector	**1,886**	1,886	**417,414**	397,922
Real estate investment sector	**1,458,001**	1,681,407	-	-
Total	**1,459,887**	1,683,293	**417,414**	397,922

13. LEGAL STATUS OF THE COMPANY

The Company did not provide us with attorney conformation for the year 2022 to clarify the case filed against and for the Company.

14. FINANCIAL INSTRUMENTS

The Fair Value

The fair value of financial assets and financial liabilities include cash and cash equivalents and checks under collection and receivables, securities, and include accounts payable, credit facilities, loans, credits, and other financial liabilities.

Level I: the market prices stated in active markets for the same financial instruments.

Level II: assessment methods depend on the input affect the fair value and can be observed directly or indirectly in the market.

Level III: valuation techniques based on inputs affect the fair value cannot be observed directly or indirectly in the market.

December 31, 2022	**Level I**	**Level II**	**Level III**	**Total**
Financial assets designated at fair value through statement of other comprehensive income	**1,886**	-	-	**1,886**
	1,886	-	-	**1,886**

December 31, 2021	**Level I**	**Level II**	**Level III**	**Total**
Financial assets designated at fair value through statement of other comprehensive income	1,886	-	-	1,886
	1,886	-	-	1,886

The value set out in the third level reflect the cost of buying these assets rather than its fair value due to the lack of an active market for them, this is the opinion of Directors that the purchase cost is the most convenient way to measure the fair value of these assets and that there was no impairment.

Management of share capital risks

The Company manages its capital to make sure that the Company will continue when it takes the highest return by the best limit for debts and owners equity balances. The Company's strategy does not change from 2021.

Structuring of Company's capital includes debts that consist of loans and the owner's equity in the Company which includes share capital, issuance premium, reserves, fair value reserve, and accumulated losses as it listed in the changes in consolidated owners equity statement.

The debt ratio
The board of directors is reviewing the share capital structure periodically. As a part of this reviewing, the board of directors consider the cost of share capital and the risks that is related in each faction from capital and debt factions. The Company's capital structure includes debts from the borrowing. The Company does not determine the highest limit of the debt ratio and it does not expect increase in the debt ratio.

Financial Risk management
Include the risks those they may be exposed to the following risks:

Currency risk
When consolidating financial statements of subsidiaries outside Jordan with the parent Company, the assets and liabilities are exchanged as of financial position date to Jordanian Dinar by exchange rates as at the year end, for revenues and expenses it exchanged based on average exchange rates for the period, exchange differences, if any, included in owners' equity.

Interest rates risk
Interest rate risk is defined as the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates, the financial instruments in the consolidated statement of financial position are not subject to interest rate risk with the exception of due to banks and loans that are subject to current market interest rates.

Credit risk management
The credit risks represent in one part of the financial instruments contracts has not obligated to pay the contractual obligations and cause of that the Company is exposing financial losses, However, there are no any contracts with any other parties so the Company doesn't expose to different types of the credit risks, The significant credit exposed for any parties or group of parties that have a similar specification have been disclosed in Note No.6.The Company classified the parts which have similar specifications as a related parties. Except the amounts which are related in the cash money. The credits risks that are resulting from the cash money are specific because the parts that are dealing with it are local banks have good reputations and have been controlled from control parties.

The amounts had listed in the financial statements data represents the highest credit risk expose to the trade accounts receivable and to the cash and cash equivalent.

Management of liquidity risks
Board of directors is responsible for management of liquidity risks to manage the cash requirements, short, medium and long term liquidity. The Company managed the liquidity risks through controlling the future cash flow that evaluated permanently and correspond the due dates of assets and liabilities.

15. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS
The consolidated financial statements were approved December 31, 2022 by the Board of Directors and authorized for issuance on February 27, 2023 These consolidated financial statements require the General Assembly of shareholders approval.

16. COMPARATIVE FIGURES
Certain figures for 2021 have been reclassified to conform to the presentation in the current year.