

High Performance Real Estate Investments CO P.L.C

(Public Limited Company)

Amman Jordan

Amendment Financial Statements for

The year ended December 31, 2022

With Auditors' report

High Performance Real Estate Investments CO P.L.C

(Public Limited Company)

Amman Jordan

December 31, 2022

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Independent Auditors' Report

To the Shareholders of High Performance Real Estate Investments CO.P.L.C

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of High Performance Real Estate Investments CO.P.L.C, which comprise the statement of financial position as at December 31, 2022, and the statement of comprehensive income, statement of changes in equity and 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 financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the 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 ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements [of the current period]. The auditor's procedures relating to these matters were designed in the context of the audit of the financial statements as a whole; and the auditor's opinion on the financial statements is not modified with respect to any of the key audit matters, and the auditor does not express an opinion on these individual matters. After conducting our audit, we have concluded the key audit matters listed below:-

- **Real estate**

Real estate has been given exceptional importance since it consists of 75% of the company's assets.

- **How key audit matters have been examined**

We have verified that the real estate properties are owned by the company through obtaining land registration certificates which is registered by the company's name with amount of 2,541,809 JOD, and the remaining amount of 4,980,875 JOD is verified through having stamped document of shareholders ownership of the land.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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 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 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 auditors' report to the related disclosures in the 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 auditors' 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

High Performance Real Estate Investments has proper accounting records which are, in all material respects, consistent with the accompanying financial statements, accordingly, we recommend to approve these financial statements.

Khalifeh & Rayyan Auditors and Financial Consultants

Imad Al-Rayyan

License No. 719


KHALIFEH & RAYYAN
Auditors And Financial Consultants

Amman – Jordan

As on: 19th March 2023

HIGH PERFORMANCE REAL ESTATE INVESTMENTS CO.P.L.C
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Notes	31-Dec-22 JOD	31-Dec-21 JOD
Assets			
Non-Current assets			
Properties and equipments	10	787	4
Investments in subsidiaries	5	971,548	692,229
Real-estate investments		7,522,684	7,740,526
Financial assets at fair value (Comprehensive)	4	19,500	19,500
		<u>8,514,519</u>	<u>8,452,259</u>
Current assets			
Receivables & promissory notes	6	312,388	306,348
Financial assets at fair value (FVTPL)	4	-	-
Cash in hands and at banks	3	41,362	9,256
		<u>353,750</u>	<u>315,604</u>
TOTAL ASSETS		<u>8,868,269</u>	<u>8,767,863</u>
EQUITY AND LIABILITIES			
EQUITY			
AUTHORIZED CAPITAL (12,000,000share/jod)			
Paid in capital		12,000,000	12,000,000
Statutory reserve		75,180	75,180
Retained earnings		-2,329,256	-2,243,045
Accumulated evaluation in Financial assets at fair value income of subsidiaries	5	-1,242,779	-1,551,255
Accumulated evaluation in other comprehensive income of subsidiaries		-91,389	-69,317
		<u>8,411,756</u>	<u>8,211,563</u>
LIABILITIES			
Current liabilities			
Postponed checks		2,257	21,326
Accounts payables	7	364,971	441,959
Other payables	8	89,285	93,015
		<u>456,513</u>	<u>556,300</u>
TOTAL EQUITY AND LIABILITIES		<u>8,868,269</u>	<u>8,767,863</u>

(The accompanying notes from 1 to 11 are an integral part of these financial statements)

HIGH PERFORMANCE REAL ESTATE INVESTMENTS CO.P.L.C
 COMPREHENSIVE INCOME STATEMENT FOR THE PERIOD ENDED AT 31 DEC 2022

	Notes	31-Dec-22 JOD	31-Dec-21 JOD
Real-estate sale losses		-58,858	-
Rental income		19,505	14,898
Company share of subsidiaries loss		-7,086	-7,450
Other Income		-	23,588
Gross profit(loss)		-46,439	31,036
Administrative expenses	11	-51,471	-62,271
Re -evaluation of financial assets at fair value		-	2,420
Capital gains		-	12,149
Other revenues (discount earned)		10,940	-
Loss of the period		-86,970	-21,506
Company's share of other comprehensive income of subsidiaries		-22,072	35,672
Re -evaluation of financial assets at fair value through other comprehensive income		308,476	117,511
Comprehensive profit (loss)		199,434	131,677
Total number of shares		12,000,000	12,000,000
EPS		0.0166	0.0110

(The accompanying notes from 1 to 11 are an integral part of these financial statements)

HIGH PERFORMANCE REAL ESTATE INVESTMENTS CO.P.L.C

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED AT 31st DECEMBER 2022

	Notes	31-Dec-22 JOD	31-Dec-21 JOD
Operating activities			
Loss of the period		-86,970	-21,506
Adjustments for:			
Re -evaluation of financial assets at fair value		-	2,420
Adjustments on Retained earnings		759	250
Capital gains		-	-12,149
Company's share of subsidiaries losses		7,086	7,450
Real-estate sale losses		58,858	-
Depreciation		640	-
Changes in working capital			
Postponed checks		-19,069	7,897
Receivables & promissory notes		-6,040	-7,023
Accounts payables		-76,989	31,730
Other payables		-3,730	-13,912
Net cash used in operating activities		-125,455	-4,843
Investing activities			
Real-estate sale		158,984	-
Sale (purchase) of Fixed assets		-1,423	12,149
Net cash from Investing activities		157,561	12,149
Financing activities			
Long-term postponed checks		-	-
Net cash from Financing activities		-	-
Net changes in cash and cash equivalent		32,106	7,306
Cash and cash equivalent at 1st Jan 2021		9,256	1,950
Cash and cash equivalent at 31st dec 2021		41,362	9,256

(The accompanying notes from 1 to 11 are an integral part of these financial statements)

HIGH PERFORMANCE REAL ESTATE INVESTMENTS CO.P.L.C

Statements of changes in equity for the period ended at 31 Dec 2022

	Paid in capital	Statutory reserve	Accumulated changes in fair value	Accumulated Financial assets at fair value (Comprehensive income)	Retained earnings (losses)	Total equity
	JOD	JOD	JOD	JOD	JOD	JOD
Balance as at 1/1/2022	12,000,000	75,180	-69,317	-1,551,255	-2,243,045	8,211,563
Adjustments	-	-	-	-	759	759
Total comprehensive income for the period	-	-	-22,072	308,476	-86,970	199,434
Balance as at 31/12/2022	12,000,000	75,180	-91,389	-1,242,779	-2,329,256	8,411,756
Balance as at 1/1/2021	12,000,000	75,180	-104,989	-1,668,766	-2,221,789	8,079,636
Adjustments on Retained earnings	-	-	-	-	250	250
Total comprehensive income for the period	-	-	35,672	117,511	-21,506	131,677
Balance as at 31/12/2021	12,000,000	75,180	-69,317	-1,551,255	-2,243,045	8,211,563

(The accompanying notes from 1 to 11 are an integral part of these financial statements)

HIGH PERFORMANCE REAL ESTATE INVESTMENTS CO.P.L.C

NOTES TO THE FINANCIAL STATEMENTS

31ST DECEMBER 2022

1- GENERAL

High Performance Real Estate Investments Co.P.L.C was registered on 13th April 2006 as public limited company at the Ministry of Industry and Trade under registration number(399) with an issued share capital of 12,000,000 share at a par value of JOD 1 each.

The company's main objectives are purchasing and possession lands to build and sell residential apartments ,construction of commercial complex for rental.

2- Summary of significant accounting polices

The principle accounting policies applied in the preparation of these financial statements are set out below. These polices have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basic of preparation

The financial statements of the company have been prepared based on the historical cost .

The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates .It also requires management to exercise its judgment in the process of applying the company's accounting policies .

Cash in hands and at banks

Represent cash in hands and at banks with maturity of three months or less

Trade and other receivables

Trade receivables are recognized initially at cost value less doubtful provision for uncollectible amounts

Properties and equipments

Properties and equipments are shown at historical cost ,less depreciation . Historical cost includes expenditure that is directly attributable to the acquisition of the item.

Depreciation on assets is calculated using the straight -line method to allocate their cost over their estimated useful life .

Trade and other payables

Trade payables are obligation to pay for goods or services that have been acquired in the ordinary course of business from suppliers . Trade payables are recognized at fair value.

Financial Instruments

The fair value of company's assets and liabilities at the date of financial statements are not significantly differs from its carrying value.

HIGH PERFORMANCE REAL ESTATE INVESTMENTS CO.P.L.C

NOTES TO THE FINANCIAL STATEMENTS

31ST DECEMBER 2022

Financial risk management

Capital risk management

The company's objectives when managing its capital are to safeguard the company's ability to continue as a going concern in order to provide returns for its shareholders and to maintain an optimal structure to reduce the cost of capital.

Credit risk

The company has no significant risk concentration. The company applies a consistent credit policy to all its customers who has acceptable credit ratings.

Liquidity risk

The management monitors the company's liquidity requirements to ensure that it has sufficient cash to meet its operational needs and obligations.

Foreign exchange risk

The company transactions mainly in Jordanian dinars and US dollar. The US dollar foreign exchange is fixed to the Jordanian dinar. Hence ,foreign exchange risk is considered to be immaterial.

Comprehensive profit (loss)

3- CASH IN HANDS AND AT BANKS

	<u>31-Dec-22</u>	<u>31-Dec-21</u>
Cash at banks	41,271	9,256
Cash on hand	91	-
	<u>41,362</u>	<u>9,256</u>

HIGH PERFORMANCE REAL ESTATE INVESTMENTS CO.P.L.C

NOTES TO THE FINANCIAL STATEMENTS

31ST DECEMBER 2022

4- Financial assets at fair value through P&L statement

	31-Dec-22	31-Dec-21
Financial assets at fair value through P&L statement	7,620	7,620
Financial assets re evaluation provision	-7,620	-7,620
	-	-
Financial assets at fair value through comprehensive income	19,500	19,500
	<u>19,500</u>	<u>19,500</u>
Total	<u>19,500</u>	<u>19,500</u>

5- Investments in subsidiaries

	31-Dec-22	31-Dec-21
Investment in High performance for financial investments	2,243,484	2,215,262
Company's share of subsidiaries income	-7,086	-7,450
Company's share of subsidiaries other comprehensive income	-22,072	35,672
Re -evaluation of financial assets at fair value	-1,242,779	-1,551,255
	<u>971,548</u>	<u>692,229</u>

* The difference in the valuation of financial investment of 1,551,255 resulted from the re-evaluation of financial investment at fair value in accordance with accounting standard No.9.

6- Receivables and promissory notes

	31-Dec-22	31-Dec-21
Customers receivables	7,161	7,161
Others	305,010	299,187
Social security receivables	217	-
	<u>312,388</u>	<u>306,348</u>

HIGH PERFORMANCE REAL ESTATE INVESTMENTS CO.P.L.C

NOTES TO THE FINANCIAL STATEMENTS

31ST DECEMBER 2022

7- Payables

	31-Dec-22	31-Dec-21
Vendors	13,942	48,432
Others	347,416	387,761
Staff payables	3,613	5,766
	<u>364,971</u>	<u>441,959</u>

8- Other payables

	31-Dec-22	31-Dec-21
Accrued expenses (note 9)	89,285	85,815
Social security fund	-	7,200
	<u>89,285</u>	<u>93,015</u>

9- Accrued expenses

	31-Dec-22	31-Dec-21
Board of directors transportation	88,815	84,815
Fines and violations	-	1,000
Accrued subscription	470	-
	<u>89,285</u>	<u>85,815</u>

10- Properties and equipments

	Furniture	Decoration	Computers and accessories	Vehicles	Electrical equipments	Total
Cost as at 1/1/2022	11,905	3,625	5,031	44,085	1,171	65,817
Additions(deletions)	-	-	-	44,085-	-	-
Cost as at 31/12/2022	11,905	3,625	5,031	-	1,171	65,817
Accumulated depreciation as at 1/1/2022	11,904	3,624	5,030	44,084	1,170	65,812
Additions(deletions)	-	-	-	44,084-	-	-
Accumulated depreciation as at 31/12/2022	11,904	3,624	5,030	-	1,170	65,812
Net book value at 31/12/2022	1	1	1	-	1	4

HIGH PERFORMANCE REAL ESTATE INVESTMENTS CO.P.L.C

NOTES TO THE FINANCIAL STATEMENTS

31ST DECEMBER 2022

11- Administrative expenses

	31-Dec-22	31-Dec-21
Wages and salaries	3,790	16,270
Rent	2,964	3,242
Social security expenses	1,100	1,967
Board of directors transportation	10,000	7,000
Phone ,water and electricity	392	281
subscriptions	11,000	11,000
Stationary	87	43
general maintenance	573	2,010
Advertising	600	480
Cleaning and entertainment	315	7
Professional fees	4,450	3,465
Fees and permits	10,828	5,509
Miscellaneous expenses	75	5
Penalties	302	3,483
Bank charges	93	25
Fuel	7	1,118
Vehicles insurance and registration	-	762
Discount	-	1,100
Previous years expense	-	4,505
Real estate sale fees	2,800	-
Studies fees	900	-
Depreciation	640	-
Internet	419	-
legal case	136	-
	<u>51,470</u>	<u>62,271</u>