

**DARAT JORDAN HOLDINGS COMPANY**

**PUBLIC SHAREHOLDING COMPANY**

**CONSOLIDATED FINANCIAL STATEMENTS**

**31 DECEMBER 2024**

## **INDEPENDENT AUDITOR'S REPORT**

**To the Shareholders of Darat Jordan Holdings Public Shareholding Company**  
**Amman – Jordan**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

We have audited the consolidated financial statements of Darat Jordan Holdings - Public Shareholding Company (the Company) and its subsidiaries (together the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024 and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2024 and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards, are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Jordan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements 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. For each matter below, our description of how our audit addressed the matter provided in that context.

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.

Revenue recognition	Audit procedures
<p>Revenues recognized for the year ended 31 December 2024 amounted to JD 191,714. We focus on revenue recognition as it is an important determinant of the Group's performance. In addition, there is a risk of improper revenue recognition, particularly with regards to revenue recognition in the correct reporting period.</p>	<p>Our audit procedures included considering the appropriateness of the Group's revenue recognition accounting policies and assessing compliance with the policies in terms of applicable International Financial Reporting Standards. Furthermore, since the Group has a limited number of sales transactions, we have obtained the full list of sales transactions during the year, substantiated to supporting documents, and tested proper recording and recognition.</p> <p>Refer to note 6 to the consolidated financial statements for significant accounting policies applicable to revenue account.</p>

## **Other information included in The Group's 2024 Annual Report**

Other information consists of the information included in the Group's 2024 Annual Report other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's annual report is expected to be made available to us after the date of this auditor's report. Our opinion does not cover the other information and we will not express any form of assurance thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment 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 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 Group'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 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period, and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes 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 reasonable be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

The Company maintains proper books of accounts, which are in agreement with the consolidated financial statements.

The partner in charge of the audit resulting in this auditor's report was Ali Hasan Samara; license number 503.

**DARAT JORDAN HOLDINGS - PUBLIC SHAREHOLDING COMPANY**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2024**

	Notes	2024 JD	2023 JD
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
Properties and equipment	7	163,419	1,827
Investments in land	8	1,155,520	2,598,749
Investment properties	9	1,140,839	1,172,210
Properties under development	10	988,673	881,555
Investments in associates	11	2,886,977	2,838,323
Financial assets at amortized cost	12	1,091,746	1,254,127
Financial assets at fair value through other comprehensive income	14	651,967	667,770
Cheques under collection – long-term		23,500	47,000
		<u>8,102,641</u>	<u>9,461,561</u>
<b>Current Assets</b>			
Financial assets at amortized cost	12	212,695	-
Properties inventory	13	127,860	185,990
Financial assets at fair value through profit or loss	14	826,543	788,379
Trade receivables	16	56,972	82,526
Other current assets	15	139,705	147,866
Cheques under collection		23,500	47,000
Due from related parties	26	2,438	10,370
Cash and bank balances	17	716,975	979,922
		<u>2,106,688</u>	<u>2,242,053</u>
Assets available for sale	18	1,444,229	-
<b>Total Assets</b>		<u><u>11,653,558</u></u>	<u><u>11,703,614</u></u>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Equity-</b>			
Paid-in capital	1, 19	10,250,000	10,250,000
Statutory reserve	19	325,162	292,146
Retained earnings		798,158	940,303
<b>Total Equity</b>		<u>11,373,320</u>	<u>11,482,449</u>
<b>Liabilities-</b>			
<b>Current Liabilities</b>			
Trade payables and other current liabilities	20	121,073	106,991
Dividends payable		159,165	114,174
<b>Total Liabilities</b>		<u>280,238</u>	<u>221,165</u>
<b>Total Equity and Liabilities</b>		<u><u>11,653,558</u></u>	<u><u>11,703,614</u></u>

The accompanying notes from 1 to 32 form part of these consolidated financial statements

**DARAT JORDAN HOLDINGS - PUBLIC SHAREHOLDING COMPANY**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024 JD	2023 JD
Reef Amman project sales		94,714	-
Reef Amman cost of sales	10	(135,896)	-
Residential apartments' sales		97,000	40,000
Residential apartments' cost of sales	13	(96,781)	(44,781)
<b>Operating loss</b>		(40,963)	(4,781)
Depreciation of properties, equipment, and investment properties	7,9	(33,198)	(33,894)
Impairment of properties inventory	13	-	(20,000)
Gain on financial assets at fair value through profit or loss	21	68,257	135,335
Administrative expenses	22	(338,533)	(297,349)
Interest income		146,087	133,460
Hanger rental income		72,886	72,886
Other income	23	26,204	25,702
Foreign currency exchange (losses) gains		(25,245)	16,528
Group's share of profits from associates	11	454,666	481,371
<b>Profit before tax</b>		330,161	509,258
Income Tax expense	25	(27,893)	(31,666)
<b>Profit for the year after tax from continuing operations</b>		302,268	477,592
<b>Discontinued Operation</b>			
Loss for the year after tax from discontinued operations	18	(1,397)	(532)
<b>Profit for the year</b>		300,871	477,060
		<u>Fils / JD</u>	<u>Fils / JD</u>
<b>Basic and diluted earnings per share from profit for the year</b>	24	0/029	0/047

The accompanying notes from 1 to 32 form part of these consolidated financial statements

**DARAT JORDAN HOLDINGS - PUBLIC SHAREHOLDING COMPANY**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	Paid-in capital	Statutory reserve	Retained earnings		Total	Total
			Realized profit	Unrealized (losses) profits		
<b>For the year ended 31 December 2024 -</b>	JD	JD	JD	JD	JD	JD
Balance as at 1 January 2024	10,250,000	292,146	928,139	12,164	940,303	11,482,449
Total comprehensive income for the year	-	-	316,262	(15,391)	300,871	300,871
Transfer to statutory reserve	-	33,016	(33,016)	-	(33,016)	-
Dividends (note 19)	-	-	(410,000)	-	(410,000)	(410,000)
<b>Balance as at 31 December 2024</b>	<u>10,250,000</u>	<u>325,162</u>	<u>801,385</u>	<u>(3,227)</u>	<u>798,158</u>	<u>11,373,320</u>
<b>For the year ended 31 December 2023 -</b>						
Balance as at 1 January 2023	10,250,000	241,273	931,838	(7,722)	924,116	11,415,389
Total comprehensive income for the year	-	-	457,174	19,886	477,060	477,060
Transfer to statutory reserve	-	50,873	(50,873)	-	(50,873)	-
Dividends (note 19)	-	-	(410,000)	-	(410,000)	(410,000)
<b>Balance as at 31 December 2023</b>	<u>10,250,000</u>	<u>292,146</u>	<u>928,139</u>	<u>12,164</u>	<u>940,303</u>	<u>11,482,449</u>

The accompanying notes from 1 to 32 form part of these consolidated financial statements

**DARAT JORDAN HOLDINGS - PUBLIC SHAREHOLDING COMPANY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024 JD	2023 JD
<b><u>OPERATING ACTIVITIES</u></b>			
Profit for the year before tax from continuing operations		330,161	509,258
Loss of the year before tax from discontinued operations	18	(1,397)	(532)
<b>Adjustments:</b>			
Depreciation	7,9	33,198	33,894
Interest revenue		(146,087)	(133,460)
Change in fair value of financial assets at fair value through profit or loss	21	15,391	(19,886)
Group's share of profits from associates	11	(454,666)	(481,371)
Losses (gains) on sale of financial assets at fair value through profit or loss	21	860	(20,129)
Impairment loss on properties inventory	13	-	20,000
Dividends income	21	(84,508)	(95,320)
Foreign Exchange (losses) gains		25,245	(16,528)
Reef Amman cost of sales		135,896	-
Residential apartments' cost of sales		96,781	44,781
<b>Working capital changes:</b>			
Cheques under collection		47,000	14,000
Trade receivables		25,554	48,511
Other current assets		8,619	10,687
Trade payables and other current liabilities		18,646	32,811
Dividends payable		44,991	12,081
Properties inventory		(38,651)	(5,344)
Income tax paid		(32,457)	-
<b>Net cash flows from (used in) operating activities</b>		<b>24,576</b>	<b>(46,547)</b>
<b><u>INVESTING ACTIVATES</u></b>			
Proceeds from financial assets at fair value through other comprehensive income		15,803	36,645
Proceeds from sales of financial assets at fair value through profit or loss		80,947	129,465
Purchase of financial assets at fair value through profit or loss		(135,362)	(128,714)
Purchase of properties and equipment	7	(163,419)	(300)
Related parties' balances		7,932	(9,717)
Bank deposits		71,881	267,354
Interest received		145,629	101,794
Dividends from associates	11	406,012	546,556
Dividends income received	21	84,508	95,320
Properties under development		(243,014)	(5,765)
Financial assets at amortized cost		(75,559)	(895,022)
Investments in land		(1,000)	(17,000)
<b>Net cash flows from investing activities</b>		<b>194,358</b>	<b>120,616</b>
<b><u>FINANCE ACTIVATES</u></b>			
Dividends paid		(410,000)	(410,000)
<b>Net cash flows used in finance activities</b>		<b>(410,000)</b>	<b>(410,000)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(191,066)</b>	<b>(335,931)</b>
Cash and cash equivalents at 1 January		227,209	563,140
<b>Cash and cash equivalents at 31 December</b>	17	<b>36,143</b>	<b>227,209</b>

The accompanying notes from 1 to 32 form part of these consolidated financial statements

**(1) General**

Darat Jordan Holdings Company was established as a public shareholding Company on 6 December 2007 with authorized and paid-in capital of JD 15,000,000 divided into 15,000,000 shares at a par value of JD 1 per share. The Group was granted the right to commence its operations on 10 April 2008. The Company's share capital was decreased during the previous years to become JD 10,250,000 divided into 10,250,000 shares at a par value of JD 1 per share.

The Company's objectives are to invest its funds and sources of financing in all types of available investments in different economic, financial, industrial, commercial, agriculture, real estate, tourism, and services sectors through its subsidiaries and partially owned companies.

The Company's headquarter is located in Khalda, King Abdullah the Second Street, Building no. 167, Amman-Jordan.

The consolidated financial statements were approved by the Group's Board of Directors on 25 March 2025.

**(2) Basis of Preparation of the Financial Statements**

The consolidated financial statements have been prepared in accordance with the IFRS accounting standards as issued by the International Accounting Standards Board (IASB).

The consolidated financial statements have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income that have been measured at fair value as at the date of the consolidated financial statements.

The consolidated financial statements are presented in Jordanian Dinars "JD" which is the functional currency of the Group.

**DARAT JORDAN HOLDINGS COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**(3) Basis of Consolidation of the Financial Statements**

The consolidated financial statements comprise the financial statements of Darat Jordan Holdings public shareholding Company (the "Company") and its subsidiaries (referred to together as the "Group"):

Company name	Paid-in capital JD	Principle activities	Ownership percentage		Legal form
			2024	2023	
			%	%	
Darat Al Reef Jordan real estate development Company	50,000	Real estate development	100	100	Private shareholding Company
Jordanian European real estate management Company	5,000	Real estate management	100	100	Limited Liability Company
Altanfezeyoun for real estate Development Company *	10,000	Real estate services financial and educational	100	100	Limited Liability Company
Al Mashkah for education Company	10,000	consultations	100	100	Company
Al Marsa Alamen for real estate Development Company	1,000	Real estate services management	100	100	Limited Liability Company
Al Hadas for development and investments Company	19,000	Real estate services management	100	100	Limited Liability Company

\* The Group's Board of Directors resolved in their meeting held on 30 December 2024 to approve the sale of Altanfezeyoun for real estate Development Company. The sale of Altanfezeyoun for real estate Development Company was completed on 13 February 2025.

The control is achieved when the Group controls the subsidiaries' significant and relevant activities, and is exposed, or has the rights, to variable returns from its involvement with the subsidiaries, and has the ability to affect those returns. Control over the subsidiaries is exercised when the following factors exist:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

When the Group owns less than a majority of the voting rights in an investee, the Group considers all factors and circumstances to determine whether it has control over the investee, which include the following:

- Contractual agreements with shareholders that have voting rights in the investee.
- Rights resulting from other contractual arrangements.
- The Group's current and future voting rights in the investee.

The Group reassesses its control over the investee when circumstances and factors exist that lead to the change in one or more of the three factors.

The financial statements of the subsidiaries are fully consolidated from the date of acquisition being the date on which the Group gains control and continues to do so until the date when such control ceases. The subsidiaries assets, liabilities, revenues and expenses are consolidated in the consolidated statement of comprehensive income from the date the Group gains control over the subsidiaries until that control ceases.

Profits, losses, and all other comprehensive income items are attributed to the shareholders' equity of the parent Company, and to non-controlling interest, even if this leads to a deficit balance. If need arises, the subsidiaries' financial statements are adjusted accordingly to comply with the Group's accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interest
- Derecognises the cumulative translation reserve
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained in the subsidiary
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss.

#### **(4) Use of Estimates**

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions. In particular, considerable judgment by management is required in the estimation of the amounts and timing of future cash flows arising from the conditions and circumstances of these estimates in the future. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future changes in such provisions.

#### **Useful lives of properties, equipment and investment properties**

The Group's management estimates the useful life for properties, equipment and investment properties for the purpose of calculating depreciation by depending on the expected use of these assets. Management reviews the remaining book value and useful life annually. Future depreciation expense is adjusted if management believes that the remaining useful life of the assets differs from previous estimations.

#### **(5) Changes in Accounting Policies**

The accounting policies used in the preparation of the consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2023 except for the adoption of new amendments on the standards effective as of 1 January 2024 shown below:

### **Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback**

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Group's financial statements.

### **Amendments to IAS 1 - Classification of Liabilities as Current or Non-current**

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Group's financial statements.

### **Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7**

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments had no impact on the Group's financial statements.

**(6) Material Accounting Policies**

**Properties and equipment**

Properties and equipment are stated at cost, net of accumulated depreciation. When assets are sold or retired, their cost and accumulated depreciation are eliminated and any gain or loss resulting from their disposal is included in the consolidated statement of comprehensive income. Properties and equipment are depreciated when they become ready for use, on a straight-line basis over the estimated useful lives using the following rates:

	<u>%</u>
Buildings	2
Tools and equipment	15
Furniture and fixtures	15
Vehicles	15
Computers and software	25

The book values of property and equipment are reviewed for impairment when any event or changes in circumstances indicate that the carrying value may not be recoverable. If such indications exist and carrying value exceeds its recoverable amount, the property and equipment are written down to its recoverable amount and the impairment loss is recorded in consolidated statement of comprehensive income.

The useful life and depreciation method are reviewed on a regular basis to ensure that the depreciation method is in line with the expected economic benefits of the properties and equipment.

The expenses incurred to replace any component of property and equipment are recognized as a separate item and capitalized, while the carrying amount of the replaced part is derecognized. Other subsequent expenditures are capitalized only when they increase the future economic benefits associated with the property and equipment. All other expenses are recognized in the consolidated statement of comprehensive income as an expense.

**Investments in land**

Investments in lands are stated at cost or net realizable value, whichever is less. Impairment on land held for sale is recognised in the consolidated statement of comprehensive income.

**Properties under development**

Real estate projects include the cost of land, design, construction, and other direct costs. Projects under construction are capitalized when they are ready for use.

**Investment properties**

Investment properties are stated at cost less accumulated depreciation.

Investment properties (except for land) are depreciated when it is ready to be used on a straight-line basis over their estimated useful lives at 5% per annum.

When the recoverable amount of investment properties falls below their carrying value, the investment properties are written down to their recoverable amount, and the impairment loss is recognized in the consolidated income statement.

### **Investments in associates**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Group's investments in its associate are accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets in the associate since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The consolidated statement of comprehensive income reflects the Group's share of the results of operations of the associate. Any change in other comprehensive income of those investees is presented as part of the Group's consolidated statement of comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the consolidated statement of comprehensive income and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as share of profit of an associate in the consolidated statement of income.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in the consolidated statement of income.

**Financial assets at amortized cost**

Represents financial assets that the Group management intends to hold in order to collect the contractual cash flows, which consist of payments of principal and interest on the existing debt outstanding.

These assets are recognized upon purchase at cost plus acquisition expenses, the premium/discount is amortized using the effective interest method, net of any provision resulting from the impairment of the asset value resulting in the non-recoverability of the asset or part of the asset, and any impairment is credited to its value in the consolidated statement of comprehensive income. These assets are measured at amortized cost at the date of the consolidated financial statements.

The impairment of the financial asset at amortized cost is estimated through preparation of a study based on the historical experience of credit loss, taking into account the future factors of debtors and the economic environment.

The impairment is recorded as a provision for expected credit loss in the consolidated statement of comprehensive income and any reversal are recorded in the subsequent year as a result of the previous impairment of the financial assets in the consolidated statement of comprehensive income.

If any of these assets are sold before their due date, the profits or loss are recorded in the consolidated statement of comprehensive income.

**Financial assets at fair value through other comprehensive income**

These assets are recorded at fair value added to its acquisition costs at date of purchase and reevaluated later to fair value. The change appears in fair value reserve in other comprehensive income under owners' equity. Including the change in fair value resulting from differences in the change from non-cash assets in foreign currency, and in the case of selling these assets or part of them, profit or loss resulting from the sale are recorded in the consolidated statement of comprehensive income and the balance of evaluation of assets is transferred directly to retained earnings. These assets are not subject to impairment losses.

### **Properties inventory**

Property held for sale is classified as part of the Group's business and not for renting as real estate property and is measured at cost or net realized value whichever is less.

Costs include:

- Cost of lands.
- Construction costs paid to contractors.
- Borrowing, design, planning and site processing costs as well as professional fees for legal services, property transfer taxes and other direct and indirect construction costs.

Commissions paid to sales agents are recognized as an expense when paid.

Net realizable value represents the estimated selling price in the ordinary course of business of the Group based on market prices of the date of the consolidated financial statements discounted for the time value of money less costs to complete construction and estimated selling costs.

The cost of real estate inventory recorded in the consolidated statement of comprehensive income is determined based on the costs incurred on the property as well as the distribution of undisclosed costs based on the area of the units sold.

### **Financial assets at fair value through profit and loss**

Financial assets, which are purchased with the aim of resale in the near future in order to generate profit from the short-term market prices fluctuation or the trading profit margins.

Financial instruments at fair value through profit or loss are initially measured at fair value, transaction costs are recorded in the consolidated statement of comprehensive income at the date of transaction. Subsequently, these assets are revalued at fair value. Gains or losses arising on subsequent measurement of these financial assets including the change in fair value arising from non-monetary assets in foreign currencies are recognized in the consolidated statement of comprehensive income. When these assets or portion of these assets are sold, the gain or loss arising is recorded in the consolidated statement of comprehensive income.

Dividend and interest income are recorded in the consolidated statement of comprehensive income.

### **Cash and bank balances**

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash on hand, bank balances, and short-term deposits with an original maturity of three months or less.

### **Trade payable and accruals**

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

### **Provisions**

Provisions are recognised when the Group has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and can be reliably measured.

### **Revenue and expense recognition**

In accordance with IFRS (15), revenue recognized is measured based on the five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled from the sale of properties and rendering of services at a point of time when the property is delivered and the invoice is issued to the customer and the receipt and use of the properties and services provided by the Group.

Interest income is recognized using the accrual basis of accounting.

other income is recognized using the accrual basis of accounting.

Expenses are recognized on an accrual basis.

### **Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

### **Significant judgement in determining the lease term of contracts with renewal options**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases to lease the assets for additional terms. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew.

That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

The Group included the renewal period as part of the lease term for leases of plant and machinery due to the significance of these assets to its operations. These leases have a short non-cancellable period and there will be a significant negative effect on production if a replacement is not readily available.

#### **Income tax**

Income tax provision is calculated in accordance with the income tax law no. (34) of the year 2014 and its amendments, and in accordance with IAS 12, which requires the recording of deferred tax resulting from the difference between the carrying value and the taxable value of the assets and liabilities.

#### **Impairment of non-financial assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

#### **Impairment of financial assets**

Impairment is determined based on lifetime expected credit losses through establishing a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Impairment is recognized as an allowance for expected credit loss in the consolidated statement of comprehensive income. If in a subsequent period, the amount of the impairment loss decreases, the income is recognized in the consolidated statement of comprehensive income.

#### **Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the consolidated statement of financial position date, based on the rates declared by the Central Bank of Jordan.

Non-monetary assets and liabilities measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on transaction of non-monetary items measured at fair value is recognized in the consolidated statement of comprehensive income.

Transaction differences for items of non-monetary financial assets and liabilities denominated in foreign currencies (like shares) are recognized as part of the change in fair value.

### **Fair Value**

The Group values financial instruments, such as derivatives and non-financial assets, at fair value at the date of the consolidated financial statements.

The fair value represents the price that will be obtained when selling the assets or the amount that will be paid to transfer the commitment of the transaction arranged between the participants in the market on measurement date.

Fair value is measured on the assumption that asset sales or liability settlement is done through major assets and liabilities markets. In the absence of the primary market, the most suitable market will be used to trade the assets and liabilities.

The Group measures the fair value for the assets and liabilities using the market participant's assumptions for valuing assets and liabilities assuming that participants act according to their economic interests.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Group uses the following valuation techniques in setting the fair value of the financial instruments:

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of the fair value disclosure, the Group classifies the assets and liabilities according to its nature and the risks of the assets and liabilities, and the value of the fair value.

**Contingent assets and liabilities**

Contingent liabilities are not recognized in the consolidated financial statements but are disclosed when the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of economic benefit is possible.

**DARAT JORDAN HOLDINGS COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**(7) Properties and equipment**

	Buildings	Tools and equipment	Furniture and fixtures	Vehicles	Computers and software	Total
	JD	JD	JD	JD	JD	JD
<b>2024- Cost:</b>						
Balance as at 1 January 2024	-	20,000	93,120	21,640	12,831	147,591
Additions	130,000	-	33,419	-	-	163,419
Disposals	-	(20,000)	(93,120)	-	-	(113,120)
<b>Balance as at 31 December 2024</b>	<u>130,000</u>	<u>-</u>	<u>33,419</u>	<u>21,640</u>	<u>12,831</u>	<u>197,890</u>
<b>Accumulated Depreciation:</b>						
Balance as at 1 January 2024	-	20,000	92,857	21,640	11,267	145,764
Depreciation for the year	-	-	263	-	1,564	1,827
Disposals	-	(20,000)	(93,120)	-	-	(113,120)
<b>Balance as at 31 December 2024</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,640</u>	<u>12,831</u>	<u>34,471</u>
<b>Net book value as</b>						
<b>At 31 December 2024</b>	<u>130,000</u>	<u>-</u>	<u>33,419</u>	<u>-</u>	<u>-</u>	<u>163,419</u>

**DARAT JORDAN HOLDINGS COMPANY- PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

	Buildings	Tools and equipment	Furniture and fixtures	Vehicles	Computers and software	Total
	JD	JD	JD	JD	JD	JD
<b>2023- Cost:</b>						
Balance as at 1 January 2023	-	20,000	92,820	21,640	12,831	147,291
Additions	-	-	300	-	-	300
<b>Balance as at 31 December 2023</b>	<u>-</u>	<u>20,000</u>	<u>93,120</u>	<u>21,640</u>	<u>12,831</u>	<u>147,591</u>
<b>Accumulated Depreciation:</b>						
Balance as at 1 January 2023	-	20,000	92,820	21,368	9,054	143,242
Depreciation for the year	-	-	37	272	2,213	2,522
<b>Balance as at 31 December 2023</b>	<u>-</u>	<u>20,000</u>	<u>92,857</u>	<u>21,640</u>	<u>11,267</u>	<u>145,764</u>
<b>Net book value as At 31 December 2023</b>	<u>-</u>	<u>-</u>	<u>263</u>	<u>-</u>	<u>1,564</u>	<u>1,827</u>

**(8) Investment in Plots of Land**

This item represents plots of lands owned by the Group's subsidiaries (Darat Al Reef Jordan Real Estate Development Company, Al Tanfethyoun Real Estate Development Company, Al Marsa Al Amen for Real Estate Development Company and al Hadas for Development and Investments Company) for the purpose of developing and selling of those plots of land. The movement in investments in the plots of land during the year is as follows:

	<u>2024</u>	<u>2023</u>
	JD	JD
Balance at 1 January	2,598,749	2,581,749
Transferred balances to assets held for sale (note 18)	(1,444,229)	-
Additions	<u>1,000</u>	<u>17,000</u>
Balance at 31 December	<u>1,155,520</u>	<u>2,598,749</u>

The fair value of these investments is not less than their book value of JD 1,155,520 according to land valuation reports performed by independent licensed appraisers.

**(9) Investment Properties**

	<u>2024</u>	<u>2023</u>
	JD	JD
<b>Cost:</b>		
Balance as at 1 January	1,208,811	1,208,811
Balance as at 31 December	<u>1,208,811</u>	<u>1,208,811</u>
<b>Accumulated Depreciation:</b>		
Balance as at 1 January	36,601	5,229
Depreciation for the year	<u>31,371</u>	<u>31,372</u>
Balance as at 31 December	<u>67,972</u>	<u>36,601</u>
<b>Net book value as at 31 December</b>	<u><u>1,140,839</u></u>	<u><u>1,172,210</u></u>

The fair value of these investments is not less than their book value of JD 1,140,839 according to land valuation reports performed by independent licensed appraisers.

**(10) Properties Under Development**

Movement on properties under development is as follows:

	Balance as at 1 January 2024 JD	Additions JD	Disposals JD	Balance as at 31 December 2024 JD
Amman reef project	875,790	-	(135,896)	739,894
Aqaba hangers project	5,765	243,014	-	248,779
	<u>881,555</u>	<u>243,014</u>	<u>(135,896)</u>	<u>988,673</u>

**(11) Investments in Associates**

	Country of incorporation	Percentage of ownership	Nature of activity	2024 JD	2023 JD
Ajiad Investments Company	Jordan	32.88%	Commercial	<u>2,886,977</u>	<u>2,838,323</u>

Movements on investments in associates is as follows:

	2024 JD	2023 JD
Balance at 1 January	2,838,323	2,903,508
Group's share of profit from associates	454,666	481,371
Dividends form associates	<u>(406,012)</u>	<u>(546,556)</u>
Balance at 31 December	<u>2,886,977</u>	<u>2,838,323</u>

**DARAT JORDAN HOLDINGS COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

The following table summarizes the financial information of the Group's investment in associates:

	Ajiad Investments Company	
	2024	2023
	JD	JD
Current assets	14,212,950	12,895,234
Non – current assets	16	16
Current liabilities	(6,491,491)	(5,321,662)
<b>Net equity</b>	<b>7,721,475</b>	<b>7,573,588</b>
Ownership percentage	32.88%	32.88%
Group's share	2,538,442	2,489,817
Add: embedded goodwill	348,154	348,506
<b>Book value of investment</b>	<b>2,886,596</b>	<b>2,838,323</b>
Revenues	3,067,704	3,187,427
Administrative expenses	(1,684,705)	(1,723,181)
Profit for the year	1,382,999	1,464,246
<b>Group's share of profit from associates</b>	<b>454,666</b>	<b>481,371</b>

**(12) Financial Assets at Amortized Cost**

	2024		Total	
	Maturity within one year	Maturity within more than one year	2024	2023
	JD	JD	JD	JD
Bonds	212,695	1,091,746	1,304,441	1,254,127
	<u>212,695</u>	<u>1,091,746</u>	<u>1,304,441</u>	<u>1,254,127</u>

**DARAT JORDAN HOLDINGS COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**Bonds Maturity more than one year:**

The following table summarizes of financial assets at amortized cost:

Bonds Name	Bonds Numbers	Nominal value as at 31 December 2024 Bonds / JD	Nominal value as at 31 December 2023 Bonds / JD	Interest %	Maturity Date	Balance as at 31 December 2024 JD	Balance as at 31 December 2023 JD
OTZ HLDG	200	696	696	6,625%	24 April 2028	140,431	139,958
Dar Al Arkan	200	685	685	6,750%	15 February 2025 14 September 2026	-	139,554
Barclays Bank CREDIT	100	866	866	5,750%	23 September 2028	87,556	87,712
AGRICOLE	200	785	785	7,250%	2028	148,021	156,951
UBS	200	716	716	5,959%	12 January 2034	142,977	143,085
HESS	100	767	767	7,875%	1 October 2029	75,533	76,486
BT GROUP	100	829	829	9,625%	15 December 2030	80,898	82,558
ROHM&HAAS	100	770	770	7,850%	15 July 2029	75,725	76,766
WRKCO	100	779	779	8,200%	15 January 2030	76,552	77,652
PARAMOUNT GLOBAL	100	709	709	7,875%	30 July 2030	70,878	70,831
UNITED UTIL KONINKLIJKE	100	737	737	6,875%	15 August 2028	72,990	73,539
KPN	100	793	793	8,375%	1 October 2030	77,820	79,005
JTBL AIR	100	538	538	7,750%	15 November 2028	42,365	50,030
						<u>1,091,746</u>	<u>1,254,127</u>

**(13) Properties Inventory**

This item represents a building residential project – Swifieh. The Company sold one apartment in 2024 (2023: one apartment).

Movement in this account is as follows:

	2024 JD	2023 JD
Balance as at 1 January	185,990	245,427
Additions	38,651	5,344
Transferred to cost of sales	(96,781)	(44,781)
Impairment	-	(20,000)
Balance as at 31 December	<u>127,860</u>	<u>185,990</u>

**(14) Financial Assets at Fair Value**

**(14-1) Financial assets at fair value through profit or loss**

	<u>2024</u>	<u>2023</u>
	JD	JD
<b>Quoted shares in financial markets</b>		
Local	463,353	485,486
Foreign	<u>363,190</u>	<u>302,893</u>
	<u>826,543</u>	<u>788,379</u>

**(14-2) Financial assets at fair value through other comprehensive income**

	<u>2024</u>	<u>2023</u>
	JD	JD
Investment in European Fund*	184,616	195,620
Investment in American Fund**	<u>467,351</u>	<u>472,150</u>
	<u>651,967</u>	<u>667,770</u>

\* This item represents the Group's investment in shares of companies that manage real estate portfolios in United State of America and Europe through Invest Corp. The Group owns two and a half shares in each Company. The value of each share is EUR 100,000. The total investment value amounted to EUR 250,000 (JD 210,000) as at 31 December 2024. During the year ended 2024, the price of the EUR decreased to JD 184,616 as at 31 December 2024.

\*\* This item represents the Group's investment in shares of a Company that manages investment units in long-term leasing of real estate in United State of America through Qatar First Bank and Invest Corp respectively. The Group owns 300 shares with a value of USD 1,000 per share for each portfolio, and accordingly, the total investment value amounting to USD 300,000 (JD 213,000) (2023: JD 213,000). The Group also has investments through Invest Corp with a total amount of JD 254,351 as at 31 December 2024 (2023: JD 259,150).

**DARAT JORDAN HOLDINGS COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**(15) Other Current Assets**

	<u>2024</u>	<u>2023</u>
	JD	JD
Income tax receivables	43,966	44,763
Employee receivables	44,123	33,392
Commissioners' receivable	3,660	-
Accrued interest revenues	28,230	27,772
Prepaid expenses	12,027	4,313
Refundable deposits	3,500	3,500
Refundable cash margins on guarantees*	255	255
Others	3,944	33,871
	<u>139,705</u>	<u>147,866</u>

\* This item represents cash margins held against letter of guarantees including an amount of JD 255 as cash deposits for Jordan Cyprus for Logistic Services Company (Associate). (2023: 255 JD).

**(16) Trade Receivables**

	<u>2024</u>	<u>2023</u>
	JD	JD
Trade receivables	56,972	82,526
	<u>56,972</u>	<u>82,526</u>

As at 31 December, the aging of receivables as follows:

	<u>Past due but not impaired</u>			
	<u>1-60</u>	<u>61-150</u>	<u>Over 150</u>	
	days	days	days	Total
	JD	JD	JD	JD
2024	21,892	10,000	25,080	56,972
2023	18,510	9,000	55,016	82,526

Trade receivables are expected, on the basis of past experience, to be fully recoverable and is secured by guarantees from the customers.

**(17) Cash and Bank Balances**

	<u>2024</u>	<u>2023</u>
	JD	JD
Cash on hand	4,505	6,391
Current accounts	31,638	220,818
Deposits*	680,832	752,713
	<u>716,975</u>	<u>979,922</u>

\* This item represents short-term deposits in Jordanian Dinars with maturities of one year and bearing an annual interest rate between 6% to 7% (2023: 4%).

Cash and cash equivalent shown in the consolidated statement of cash flows represent amounts in the consolidated statement of financial positions as follows:

	<u>2024</u>	<u>2023</u>
	JD	JD
Cash on hand and at banks	716,975	979,922
Less: deposits at banks maturing within three months to a year	(680,832)	(752,713)
Cash and cash equivalents	<u>36,143</u>	<u>227,209</u>

**(18) Discontinued Operations**

A) In its meeting held on 30 December 2024, the Group's Board of Directors approved the sale of Altanfezeyoun for Real Estate Development Company. Subsequently, the sale of Altanfezeyoun for Real Estate Development Company was completed on 13 February 2025.

At 31 December 2024, Altanfezeyoun for Real Estate Development Company was classified as a disposal group held for sale and as a discontinued operation for the years ended 31 December 2024 and 2023. The results of of Altanfezeyoun for Real Estate Development Company for the year were presented below:

	<u>2024</u>	<u>2023</u>
	JD	JD
Administrative expenses	(1,397)	(532)
Loss of the year before tax	(1,397)	(532)
Income tax expense	-	-
<b>Loss for the year</b>	<u>(1,397)</u>	<u>(532)</u>

**DARAT JORDAN HOLDINGS COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

Details of Altanfezeyoun for Real Estate Development Company's assets and liabilities available for sale are as follows:

	<u>2024</u>
	JD
<b>Assets-</b>	
Investment properties	<u>1,444,229</u>
Total assets	<u>1,444,229</u>

Details of Altanfezeyoun for Real Estate Development Company's statement of cash flow are as follows:

	<u>2024</u>	<u>2023</u>
	JD	JD
Operating activities	(2,248)	319
Investing activities	(1,000)	(17,000)
Financing activities	<u>3,248</u>	<u>16,681</u>
<b>Cash and cash equivalent as at 31 December</b>	<u>-</u>	<u>-</u>

**(19) Shareholder's Equity**

**Paid-in capital –**

The Company's capital was decreased during the year 2019 in accordance with the decision of the extraordinary general assembly meeting held on 15 June 2019, as mentioned in (note 1), and accordingly, the Company's subscribed and paid-in capital became JD 10,250,000 distributed over 10,250,000 shares with a nominal value of JD 1 per share.

**Statutory reserve –**

This amount represents transfers at 10% of net income before tax as required by the Jordanian Companies Law. This reserve is not available for distribution to shareholders.

**Dividend distribution –**

In its ordinary meeting held on 21 April 2024, the General Assembly approved the Board of Directors' proposal for the dividend's distribution to the Shareholders amounting to JD 410,000 representing 4% of the paid capital of JD 10,250,000. (2023: JD 410,000).

**DARAT JORDAN HOLDINGS COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**(20) Trade and Other Current Liabilities**

	<u>2024</u>	<u>2023</u>
	JD	JD
Income tax provision	60,757	65,321
Trade payables	22,856	13,205
Deferred revenues	24,295	2,050
Due to social security	2,128	24,295
Other	11,037	2,120
	<u>121,073</u>	<u>106,991</u>

**(21) Gain on Financial Assets at Fair Value Through Profit or Loss**

	<u>2024</u>	<u>2023</u>
	JD	JD
Change in fair value	(15,391)	19,886
Dividend's income	84,508	95,320
(Losses) gains on sale of financial assets	(860)	20,129
	<u>68,257</u>	<u>135,335</u>

**(22) Administrative Expense**

	<u>2024</u>	<u>2023</u>
	JD	JD
Salaries, wages and other benefits	140,572	126,890
Farms' services expenses	28,637	28,185
Remunerations board of directors	25,000	10,000
Professional and consultants' fees	22,528	24,368
Bank charges and brokerage fees	17,109	11,790
Group's contribution in social security	16,733	16,117
Insurance	15,674	17,736
Short-term rent	12,000	11,500
Travel and transportation expenses	12,000	12,000
Registration and license fees	17,624	9,255
Subscriptions	8,364	8,510
Vehicles expenses	3,803	3,933
Listing fees	5,000	5,000
Maintenance and security expenses	2,771	1,598
Water and electricity	1,916	2,991
Cleaning and hospitality fees	1,613	908
General assembly meeting expenses	1,376	1,286
Mail, telephone and internet	1,324	1,029
Other	4,489	4,253
	<u>338,533</u>	<u>297,349</u>

**(23) Other Income**

	<u>2024</u>	<u>2023</u>
	JD	JD
Security and protection	26,204	24,899
Others	-	803
	<u>26,204</u>	<u>25,702</u>

**(24) Earnings Per Share**

	<u>2024</u>	<u>2023</u>
Profit for the year after tax from continuing operation (JD)	302,268	509,258
Loss off the year after tax from discontinued operation (JD)	(1,397)	(532)
Weighted average number of shares during the year (share)	<u>10,250,000</u>	<u>10,250,000</u>
	<u>JD / Fils</u>	<u>JD / Fils</u>
<b>Basic and diluted earnings per share from profit for the year</b>	<u>0/029</u>	<u>0/047</u>

**(25) Income Tax**

**Darat Jordan Holdings Company:**

The income tax provision for the Company was calculated for the year ended at 31 December 2024 and 2023 in accordance with Income Tax Law No. (34) of 2014 and its amendments.

The Company is subject to income tax rate of 20% in addition to 1% for National Contribution in accordance with the Income Tax Law No. (34) and its amendments.

The Company submitted its annual income tax returns for the year 2021, 2022, 2023 and the Income and Sale Tax Department has not reviewed these tax returns up to the date of these consolidated financial statements. The Company obtained a final settlement with the Income and Sales Tax Department up to the year 2020.

**DARAT JORDAN HOLDINGS COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

---

Below is the reconciliation between the accounting profit and taxable profit for Darat Jordan Holdings Company:

	2024 JD	2023 JD
Accounting profit for Darat Jordan Holdings Company	470,566	508,726
Less: Net non-taxable revenues and losses	(491,052)	(449,764)
Add: Taxable revenues and losses	153,313	91,830
Taxable income	132,827	150,792
Income Tax	26,565	30,158
National Contribution	1,328	1,508
Effective income tax rate	2.6%	2.6%
Statutory income tax rate	20%	20%
National Contribution rate	1%	1%

**Subsidiaries:**

No income tax provision was calculated on the results of the operations of the subsidiaries for the years ended 31 December 2024 and 2023 in accordance with Income Tax Law No. (34) of 2014 and its amendments, as the presence of accepted expenses exceeded the taxable income.

**Jordanian European Real Estate Management Company:**

The Company reached a final settlement with the Income and Sales Tax Department up to the year 2021. The Company submitted its annual income tax returns for the years 2022 and 2023 and the Income and Sale Tax Department has not reviewed this tax return up to the date of these consolidated financial statements.

**Al Tanfetheyoun for real estate development:**

The Company has obtained a final tax clearance certificate from the Income and Sales Tax Department up to the year 2023.

**Al Marsa Alamen for Real Estate Development:**

The Company has obtained a final tax clearance certificate from the Income and Sales Tax Department up to the year 2023.

**Al Mashkah for Education Company:**

The Company reached a final settlement with the Income and Sales Tax Department up to the year 2022. The Company submitted its annual income tax returns for the year 2023 and the Income and Sale Tax Department has not reviewed this tax return up to the date of these consolidated financial statements.

**Al Hadas for Development and Investments Company:**

The Company has obtained a final tax clearance certificate from the Income and Sales Tax Department up to the year 2023.

**Darat Al Reef Jordan Real Estate Company:**

The Company reached a final settlement with the Income and Sales Tax Department up to the year 2019. The Company submitted its annual income tax returns for the years 2020 up to 2023 and the Income and Sale Tax Department has not reviewed these tax returns up to the date of these consolidated financial statements.

**(26) Related Parties Transactions**

Related parties represent associated Companies, major shareholders, Board of Directors and key management personnel of the Group, and entities controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group management.

Summary of balances and transactions with related parties that were shown in the consolidated financial statements are as follows:

**Consolidated statement of financial position items:**

	<u>2024</u>	<u>2023</u>
	JD	JD
<b>Due from related parties</b>		
Jordan Cyprus for Logistic Services Company (Associate)	2,333	6,385
Ajiad Investment Company (Associate)	105	3,985
	<u>2,438</u>	<u>10,370</u>

**Consolidated statement of comprehensive income items:**

**Compensation of key management personnel:**

	2024	2023
	JD	JD
Remunerations board of directors	25,000	10,000
Salaries and other benefits	93,059	83,539

**(27) Fair value**

**Fair value of financial instruments**

The following table shows the fair value of financial instruments that are not measured at fair value on an ongoing basis as of 31 December 2024 and 2023:

	Book value		Fair value	
	2024	2023	2024	2023
	JD	JD	JD	JD
<b><u>Financial Assets</u></b>				
Financial assets at amortized cost	1,304,441	1,254,127	1,304,441	1,254,127
Other current assets	139,705	147,866	139,705	147,866
Due from related parties	2,438	10,370	2,438	10,370
Trade receivables	56,972	82,526	56,972	82,526
Cheques under collection	47,000	94,000	47,000	94,000
Cash and bank balances	716,975	979,922	716,975	979,922
	<b><u>2,267,531</u></b>	<b><u>2,568,811</u></b>	<b><u>2,267,531</u></b>	<b><u>2,568,811</u></b>
<b><u>Financial Liabilities</u></b>				
Trade and other current liabilities	121,073	106,991	121,073	106,991

The fair values of the financial assets and financial liabilities are shown according to the values at which the exchanges could take place between relevant parties, with the exception of forced sales or liquidation.

The fair value of financial instruments is not materially different from the carrying value of these instruments.

### **Fair value measurement**

The Group uses the following methods and alternatives of valuating and presenting the fair value of financial instruments:

- Level 1 - Quoted market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table provides the Group's financial investments fair value measurement on outgoing basis based on its hierarchy:

	Level 1	Level 2	Total
	JD	JD	JD
<b>2024 -</b>			
<b>Financial assets</b>			
Financial assets of fair value through profit or loss	826,543	-	<b>826,543</b>
Financial assets of fair value through other comprehensive income	-	651,967	<b>651,967</b>
<b>2023 -</b>			
<b>Financial assets</b>			
Financial assets of fair value through profit or loss	788,379	-	<b>788,379</b>
Financial assets of fair value through other comprehensive income	-	667,770	<b>667,770</b>

### **(28) Segment Information**

#### **Business segments information**

For management purposes the Group's activities are distributed into two main sectors:

Land development – represented by purchases of land for the purpose of development and sale.

Investments - represented by investments in stocks and investments in associates.

These sectors are the basis upon which the Group builds its main segment information reports.

**DARAT JORDAN HOLDINGS COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

	Land Development	Investments	Other	Total
2024 -	JD	JD	JD	JD
Segment revenues	264,600	68,257	147,046	479,902
Cost of sales	(232,677)	-	-	(232,676)
Group's share of profit from associates	-	454,666	-	454,666
Depreciation	-	-	(33,198)	(33,198)
Other expenses	-	-	(338,533)	(338,533)
<b>Profit (loss) for the year before tax</b>	<b>31,923</b>	<b>522,923</b>	<b>(224,685)</b>	<b>330,161</b>
<b>Assets and liabilities</b>				
Segment assets	3,576,311	2,782,951	963,090	7,322,352
Financial assets available for sale	1,444,229	-	-	1,444,229
Investments in associates	-	2,886,977	-	2,886,977
Segment liabilities	(38,707)	-	(241,531)	(280,238)
<b>Net assets</b>	<b>4,981,833</b>	<b>5,669,930</b>	<b>721,559</b>	<b>11,373,320</b>
<b>2023 -</b>				
Segment revenues	112,886	135,335	175,690	423,911
Cost of sales	(44,781)	-	-	(44,781)
Group's share of profit from associates	-	481,371	-	481,371
Depreciation	-	-	(33,894)	(33,894)
Other expenses	-	(20,000)	(297,881)	(317,881)
<b>(Loss) profit for the year before tax</b>	<b>68,105</b>	<b>596,706</b>	<b>(156,085)</b>	<b>508,726</b>
<b>Assets and liabilities</b>				
Segment assets	4,838,504	2,710,276	1,316,511	8,865,291
Investments in associates	-	2,838,323	-	2,838,323
Segment liabilities	-	-	(221,165)	(221,165)
<b>Net assets</b>	<b>4,838,504</b>	<b>5,548,599</b>	<b>1,095,346</b>	<b>11,482,449</b>

**(29) Risk Management**

**Interest rate risk**

Interest rate risk is the risk that results from the changes in market value or future cash flows of financial instruments as a result of changes in interest rate.

The Group is exposed to interest rate risk on its interest-bearing assets and liabilities such as bank deposits.

**DARAT JORDAN HOLDINGS COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

---

The sensitivity of the consolidated statement of comprehensive income is the effect of the assumed changes in interest rates on the Group's profit for the year, based on the floating interest rate on financial assets and financial liabilities held at 31 December.

The following table demonstrates the sensitivity of the consolidated statement of comprehensive income to reasonably possible changes in interest rates as of 31 December, with all other variables held constant.

<b>2024-</b>	<i>Increase</i>	<i>Effect on profit</i>
	<i>in interest rate</i>	<i>for the year</i>
Currency	<u>(Basis Points)</u>	<u>JD</u>
JD	100	6,808
	<i>Decrease</i>	<i>Effect on profit</i>
	<i>in interest rate</i>	<i>for the year</i>
Currency	<u>(Basis Points)</u>	<u>JD</u>
JD	(100)	6,808
<b>2023-</b>	<i>Increase</i>	<i>Effect on profit</i>
	<i>in interest rate</i>	<i>for the year</i>
Currency	<u>(Basis Points)</u>	<u>JD</u>
JD	100	7,527
	<i>Decrease</i>	<i>Effect on profit</i>
	<i>in interest rate</i>	<i>for the year</i>
Currency	<u>(Basis Points)</u>	<u>JD</u>
JD	(100)	(7,527)

### **Changes in equity price risk**

The following table demonstrate the sensitivity of the Group's consolidated statement of comprehensive income to reasonably possible changes in equity prices, with all other variables held constant:

#### **2024-**

<b>Index</b>	<b>Change in Index (%)</b>	<b>Effect on profit for the year JD</b>
Amman stock exchange	10	46,335
Foreign stock exchange	10	36,319

#### **2023-**

<b>Index</b>	<b>Change in Index (%)</b>	<b>Effect on profit for the year JD</b>
Amman stock exchange	10	48,549
Foreign stock exchange	10	30,289

The effect of decrease in prices with the same percentages is expected to be equal and opposite to the effect of the increase shown above.

### **Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss to the Group.

The Group believes that it is not significantly exposed to credit risk since the Group seeks to limit credit risk with respect to banks by only dealing with reputable banks and with respect to customers by setting credit limits for individual customers and monitoring outstanding receivables.

### **Liquidity risk**

Liquidity risk is represented by the possibility that the Group may not be able to meet its liabilities when due.

The Group manages its liquidity risk by ensuring the availability of bank facilities.

Financial liabilities are due within one year from the date of the consolidated financial statements.

### **Currency risk**

Most of the Group's transactions are in Jordanian Dinars and U.S. Dollars. The Jordanian Dinar is fixed against the U.S Dollar (USD 1.41 for each Jordanian Dinar).

**(30) Contingent Liabilities**

	<u>2024</u>	<u>2023</u>
	JD	JD
Letters of guarantees	<u>93,059</u>	<u>2,552</u>

Cash margins held against letter of guarantees amounted to JD 255 as at 31 December 2024 (2023: JD 255) (note 15).

**(31) Capital Management**

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in business conditions. The Company did not make any change on policies and objectives related to capital restructuring during the current year and previous years.

Capital comprises paid-in capital, statutory reserve and retained earnings amounting to JD 11,373,320 as at 31 December 2024 (2023: JD 11,373,320).

**(32) Standards Issued But Not Yet Effective**

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

**Lack of exchangeability – Amendments to IAS 21**

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Group's financial statements.

### **IFRS 18 Presentation and Disclosure in Financial Statements**

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

This standard will result in new presentation of the income statement with some new required totals, in addition to the disclosure of management-defined performance measures.

### **IFRS 19 Subsidiaries without Public Accountability: Disclosures**

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

The amendments are not expected to have a material impact on the Group's financial statements.