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

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2023 TOGETHER
WITH INDEPENDENT AUDITOR'S REPORT

SALAM INTERNATIONAL TRANSPORT
AND TRADING COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AQABA – JORDAN
DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

AM \ 000744

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

Opinion

We have audited the consolidated financial statements of Salam International Transport and Trading Company (The "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as of December 31, 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, information includes a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Salam International Transport and Trading Company as of December 31, 2023, and its financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS accounting standards).

Basis of Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were most significant to our audit of the consolidated financial statements for the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

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

Key Audit Matters	Scope of Audit to Address the Risks
Payments on Account of Acquiring Land and Projects under Construction	
The consolidated financial statements include payments on account for acquiring plots of land and projects under construction, which include the value of work done and its directly related costs of JD 7.3 million as of December 31, 2023, which represents around 25% of the Group's non-current assets.	• We assessed the design and implementation of controls over the process of determining that the payments and projects under construction, referred to in the adjacent paragraph, were not impaired.
The Group signed an agreement with the government and related entities to develop certain plots of land. The agreement states that the plots of land will be transferred to the Group once the aforementioned development has been completed. The ownership of the plots of land had not been legally transferred to the Group at the reporting date.	• We reviewed the contracts between the Group and the Government and related entities to determine if there were any contracted impediments to the land being transferred which had not yet been addressed by the reporting date. • We reviewed the engagement letter between the external valuers and the Group to determine if the scope of their work was sufficient.
The risks that were identified in the payments made and projects under construction that may be impaired is the recoverable amount of the land may be less than the advance payments referred to in the first paragraph.	• We assessed the skills, competence, objectivity, and qualification of the external valuers appointed by the Group to determine the value of these lands.
The Group, in conjunction with an external valuer, has determined that the payments made and projects under construction are not impaired. In making this determination, the Group has applied certain judgments and made certain estimates about the transfer of the land to the Group and the fair value of the land which are considered to be significant. Consequently, we have identified this as a key audit matter.	• We inspected minutes of Board of Directors meetings and correspondence between the Group and the government and related entities to determine whether it was probable that the land would be transferred to the Group.
Refer to notes 16 and 17 of the consolidated financial statements for further disclosure about this matter	• We determined if the valuations performed by the external valuer indicated that the value of the land was more than the payments made to acquire the land and projects under construction. • We reperformed the mathematical accuracy of the valuations, where applicable. • We assessed the disclosure in the consolidated financial statements, relating to this matter, against the requirements of IFRSs.

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

Other Information
Management is responsible for the other information. The other information comprises the information in the Annual Report, other than the consolidated financial statements, and the auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.

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

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

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguard procedures.

From the matters communicated with those charged with governance, we determine those matters that were of most significance to the audit of the consolidated financial statements for the current year and are therefore key audit matters. We describe these matters in our auditor's report unless law and regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The Group maintains proper accounting records, which are in agreement line with the accompanying consolidated financial statements. We recommend that the General Assembly of the Shareholders approve these consolidated financial statements.

Deloitte & Touche

Amman – Jordan
March 28 , 2024

Deloitte & Touche (Middle East) – Jordan

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

	Note	December 31, 2023	December 31, 2022
		JD	JD
ASSETS			
Current Assets:			
Cash and balances at banks	5	1,653,618	979,349
Accounts receivable-net	6	937,207	750,825
Due from related parties	23/a	1,067,923	572,748
Accounts receivable - Decent Housing for Decent Living project	7	-	2,400
Residential units available for sale	8	117,824	117,824
Checks under collection and notes receivable maturing in one year	9	75,599	238,723
Financial assets at fair value through profit or loss	10	9,318	10,324
Inventory - net	11	102,386	104,560
Other debit balances	12	343,262	350,524
Total Current Assets		**4,307,137**	**3,127,277**
Non-Current Assets:			
Checks under collection and notes receivable maturing in more than one year	9	77,554	94,604
Financial assets at fair value through other comprehensive income	13	500,443	515,171
Investment properties - net	14	4,393,603	4,465,597
Investments in associate companies	15	16,192,903	15,779,831
Projects under construction	16	2,368,490	2,390,893
Advance payments for land acquisition	17	4,961,989	5,179,080
Property and equipment - net	18	875,151	920,162
Right of Use Asset - net	33	213,210	237,812
Total Non-Current Assets		**29,583,343**	**29,583,150**
TOTAL ASSETS		**33,890,480**	**32,710,427**
LIABILITIES AND OWNERS' EQUITY			
Current Liabilities:			
Due to banks	19	22,069	81,096
Accounts payable	20	2,443,256	2,097,690
Due to related parties- short term	23/b	603,465	685,502
Lease liability - short term	33	22,887	22,887
Deferred cheques and notes payable - short term		24,000	25,100
Income tax provision	21	66,872	93,512
Other credit balances	22	731,316	797,135
Total Current Liabilities		**3,913,865**	**3,802,922**
Non-Current Liabilities:			
Deferred cheques and notes payable - long term		30,244	54,244
Due to related parties- long term	23/b	3,971,446	3,971,445
Partner Current Account	23/b	48,677	54,495
Lease liability - long term	33	195,249	218,136
Total Non-Current Liabilities		**4,245,616**	**4,298,320**
Total Liabilities		**8,159,481**	**8,101,242**
OWNERS' EQUITY			
SHAREHOLDERS' EQUITY			
Authorized and Paid-up capital	24	18,000,000	18,000,000
Share discount	24	(1,349,998)	(1,349,998)
Statutory reserve	25	300,386	224,676
Fair value reserve for financial assets stated at fair value	27	(301,032)	(285,238)
Retained earnings	28	5,677,319	4,610,885
Net Shareholders' Equity		**22,326,675**	**21,200,325**
Non-controlling interests		3,404,324	3,408,860
Net Owners' Equity		**25,730,999**	**24,609,185**
TOTAL LIABILITIES AND OWNERS' EQUITY		**33,890,480**	**32,710,427**

General Manager

Chairman of Board of Directors

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

SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY

(A PUBLIC SHAERHOILDING LIMITED COMPANY)

AQABA - JORDAN

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	For the Year Ended December 31, 2023	2022
		JD	JD
Revenue	29	5,970,973	5,098,968
Less: Cost of revenue	30	(4,370,432)	(3,492,089)
Gross Profit		**1,600,541**	**1,606,879**
Less: General and administrative expenses	31	(902,002)	(780,194)
Depreciation and Amortization		(77,534)	(60,245)
Right of use asset amortization	33	(24,602)	(24,601)
Lease interest expense	33	(7,112)	(7,360)
Marketing expenses		(8,970)	(23,697)
Borrowing costs		(9,417)	(22,507)
Company's share of associated companies' profits	15	1,435,365	1,526,078
(Loss) profits from valuation of financial assets at fair value through profit or loss		(1,000)	(378)
Other income - Net	32	85,347	73,030
Profit for the Year before Income Tax from Continuing Operations		**2,090,616**	**2,287,005**
Less: Income tax for the year	21	(59,850)	(66,913)
Profit for the Year		**2,030,767**	**2,220,092**
Attributable to:			
The Company's shareholders' share		2,035,302	2,107,271
Non-controlling interests' share		(4,536)	112,821
Total		**2,030,766**	**2,220,092**
Earnings per Share for the year attributable to the Company's Shareholders	34	-/11	-/12

General Manager

Chairman of Board of Directors

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

SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY

(A PUBLIC SHAERHOILDING LIMITED COMPANY)

AQABA - JORDAN

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the Year Ended December 31,	
	2023	**2022**
	JD	**JD**
Profit for the year	2,030,767	2,220,092
Comprehensive Income Items:		
Items not to be subsequently transferred to consolidated statement of profit or loss :		
Change in fair value- financial assets at fair value through other comprehensive income	(15,794)	41,059
Total Comprehensive Income for the Year	**2,014,972**	**2,261,151**
Total Comprehensive Income for the Year Attributable to:		
Company's shareholders	2,019,508	2,148,330
Non- controlling interests	(4,536)	112,821
Total	**2,014,972**	**2,261,151**

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE

CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH

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SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY

(A PUBLIC SHAERHOILDING LIMITED COMPANY)

AQABA - JORDAN

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

	Company's Shareholders' Equity							
	Paid-up Capital	Share Discount	Statutory Reserve	Financial Assets at Fair Value Revaluation Reserve		**Net Shareholders' Equity**	Non-Controlling Interests	Total
	JD	JD	JD	JD	JD	JD	JD	JD
For the Year Ended December 31, 2023								
Balance as of January 1, 2023	18,000,000	(1,349,998)	224,676	(285,238)	4,610,885	21,200,325	3,408,860	24,609,185
Prior years' adjustment (Note 28)	-				6,842	6,842		6,842
Adjusted balance - beginning of the year	18,000,000	1,349,998	224,676	(285,238)	4,617,727	21,207,167	3,408,860	24,616,027
Profit for the year	-	-	-	-	2,035,302	2,035,302	(4,536)	2,030,766
Change in fair value of financial assets at fair value	-	-	-	(15,794)	-	(15,794)	-	(15,794)
Total Comprehensive Income for the Year	-			(15,794)	2,035,302	2,019,508	(4,536)	2,014,972
Transferred to statutory reserved	-	-	75,710	-	(75,710)		-	
Dividends (Note 26)	-	-		-	(900,000)	(900,000)	-	(900,000)
Balance - End of the Year	**18,000,000**	**1,349,998**	**300,386**	**(301,032)**	**5,677,319**	**22,326,675**	**3,404,324**	**25,730,999**
For the Year Ended December 31, 2022								
Balance as of January 1, 2022	18,000,000	(1,349,998)	153,776	(326,297)	3,475,144	19,952,625	3,629,514	
Prior years' adjustment	-	-	-	-	630	(630)	(3,600)	
Adjusted balance - beginning of the year	18,000,000	(1,349,998)	153,776	(326,297)	3,474,514	19,951,995	3,625,914	
Profit for the year	-	-	-	-	2,107,271	2,107,271	112,821	
Change in fair value of financial assets at fair value	-	-	-	41,059	-	41,059	-	
Total Comprehensive Income for the Year	-	-	-	41,059	2,107,271	2,148,330	112,821	2,261,151
Non-controlling interest share of capital reduction of a subsidiary	-	-	-	-	-	-	(536,868)	(536,868)
Non-controlling interest share of losses amortization for a subsidiary	-	-	-	-	-	-	206,993	206,993
Transferred to statutory reserved	-	-	70,900	-	(70,900)		-	-
Dividends	-	-	-	-	(900,000)	(900,000)	-	(900,000)
Balance - End of the Year	**18,000,000**	**(1,349,998)**	**224,676**	**(285,238)**	**4,610,885**	**21,200,325**	**3,408,860**	**24,609,185**

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

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD

BE READ WITH THEM AND WITH THE ACCOMPONAYING INDEPENDENT AUDITOR'S REPORT

SALAM INTERNATIONAL TRANSPORT AND TRADING COMPANY
(A PUBLIC SHAERHOILDING LIMITED COMPANY)
AQABA - JORDAN
CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	For the Year Ended December 31, 2023	2022
		JD	JD
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit for the year before income tax		2,090,616	2,287,005
Adjustments:			
Real estate investment depreciation	14	71,994	71,994
Property and equipment depreciation	18	129,185	111,981
Right of use asset amortization	33	24,602	24,601
Lease interest expense	33	7,112	7,360
(Loss) from sale of property and equipment		-	(789)
Net Company's (profit) from selling a Associate companies	15	(1,435,365)	(1,526,078)
(Gain) from valuation of financial assets at fair value through profit or loss		1,000	378,00
Borrowing costs		9,417	22,507
Net Cash flows from Operating Activities before Changes in Working Capital		**898,561**	**998,959**
(Increase) in accounts receivable		(186,382)	(294,265)
Decrease (Increase) in cheques under collection and notes receivable		180,174	(51,084)
Decrease (Increase) in inventory		2,174	(43,905)
Decrease (increase) in other debit balances		7,262	(38,500)
Increase in accounts payable		345,566	334,572
(Decrease) Increase in other credit balances		(52,035)	212,049
Net Cash Flows from Operating Activities before Income Tax Paid and Provisions		**1,195,320**	**1,117,826**
Income tax paid	21	(86,490)	(37,860)
Net Cash Flows from Operating Activities		**1,108,830**	**1,079,966**
CASH FLOWS FROM INVESTING ACTIVITIES:			
Decrease (increase) in financial assets at fair value through other comprehensive income		(1,066)	85,497
Decrease in residential units available for sale	8	-	83,194
Decrease in investments in associate companies	15	(10)	(734,096)
Proceeds from projects under constructions	16	22,403	79,355
Proceeds from advance payments for land acquisition	17	217,091	503,412
Dividends distribution in associate companies	15	1,022,303	941,529
(Purchase) of property and equipment	18	(84,174)	(391,855)
Maturied (purchase) of financial assets at amortized cost		-	353,649
Net Cash Flows from Investing Activities		**1,176,547**	**920,685**
CASH FLOWS FROM FINANCING ACTIVITIES:			
(Paid) from borrowing costs		(9,417)	(22,507)
Dividends paid		(900,000)	(900,000)
(Paid) of lease liability		(29,999)	(28,750)
Increase (decrease) in deferred checks and notes payable		(25,100)	(14,056)
Change in due from/to related parties		(583,029)	(379,616)
(Decrease) in due to banks		(59,027)	(28,312)
Change in non contoling interest		(4,536)	(220,654)
(Paid loans)	22	-	(273,721)
Net Cash (used in) Financing Activities		**(1,611,108)**	**(1,867,616)**
Net increase in Cash		674,269	133,035
Cash on hand and at banks - beginning of the year		979,349	846,314
Cash on Hand and at Banks Before Provision - End of the Year	5	**1,653,618**	**979,349**

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

1. General

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

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

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

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

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

c. The consolidated financial statements have been approved by the Board of Directors on March 21, 2024.

2. Significant Accounting Policies

- Basis of Preparation of the Consolidated Financial Statements

- The attached consolidated financial statements have been prepared in accordance with the standards issued by the International Accounting Standards Board and the interpretations issued by the International Financial Reporting Interpretations Committee of the International Accounting Standards Board.

- The consolidated financial statements have been prepared in accordance with the historical cost principle, except for financial assets and financial liabilities that are measured at fair value through profit or loss, and financial assets measured at fair value through other comprehensive income, which are recognized at fair value as of the date of the consolidated financial statements. Additionally, assets and liabilities for which fair value hedging has been applied are also recognized at fair value.

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

- The accounting principles adopted for the consolidated financial statements for the year are consistent with those used in the prior year ended December 31, 2022, except for what is mentioned in Note (3-a) to the consolidated financial statements.

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

- - The consolidated financial statements include the financial statements of the company and its subsidiaries, as well as entities over which it has control. Control exists when the company has power over the investee, is exposed to variable returns from its involvement with the investee, and has the ability to affect those returns through its power over the investee, enabling the group to use its authority over the investee to affect its returns.

- - If circumstances or events indicate changes in any of the elements of control mentioned above, the group reassesses the extent of its control over the investee.

- When the voting rights of a company are less than the majority rights in the invested company, and the Group exercises control over the invested company when it holds sufficient voting rights that give it practical ability to direct the related activities of the invested company from one side. The Group considers all relevant facts and circumstances when assessing whether the voting rights it holds are sufficient to grant it control over the invested company or not, including:

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

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

  - Rights arising from other contractual arrangements.

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

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

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

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

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

- The Company owns the following subsidiary companies as of December 31, 2023:

Company's Name	Paid-up Capital	Ownership Percentage	Nature of Activity	Place of Work	Date of Ownership	Total Assets	Total Liabilities	Total Revenue	Total Expenses
	JD	%				JD	JD	JD	JD
Farah International Catering Service Company		100	Trading	Jordan	September 21, 1992	2,827,563	1,325,094	4,103,390	(4,085,706)
Golden State for Commercial Services Company		100	Trading	Jordan	September 4, 2005	212,721	400	-	491
Mada'en Al – Noor Investment and Real Estate Development		75	Real estate	Jordan	June 3, 2004	5,618,664	1,300,867	10,613	(124,090)
Al - Ibtikar Land Transportation		70	Transportation	Jordan	March 9, 2005	255,905	232,081	-	(80,846)
Afaq Supply and Storage Company		90	Supply & Storage	Jordan	February 18, 2008	1,172,602	494,405	113,055	(5,577)
Mada'en Al – Bahr Investment and Real Estate Development		100	Trading	Jordan	September 5, 2010	1,418,999	1,383,052	-	74,978
Technical for Construction and Real Estate Services		98.75	Real estate	Jordan	September 1, 1992	4,626,002	1,282,271	312,554	(214,938)
Mada'en Al – Shorouq Investment Real Estate Company		69.99	Real estate	Jordan	November 20, 2006	10,433,789	4,353,024	390,000	(302,508)
Mada'en Al–Salam Investment Real Estate Company*		80	Real estate	Jordan	May 15, 2006	296,810	500	-	42
Maha Al Sharq Real Estate Investment and Development		100	Real estate	Jordan	January 30, 2019	1,709,608	2,953	-	725
Al Maha Arabian Real Estate Investment and Development		100	Real estate	Jordan	January 30, 2019	715,150	2,994	-	685
Arabian Maha Land Real Estate Development Company		100	Real estate	Jordan	January 30, 2019	1,050,413	2,633	-	775

* Under liquidation.

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

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.

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

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

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

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

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

Segments Information

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

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

Assets Available for Sale

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

Inventory

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

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

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

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

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

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

All other financial assets are measured at fair value.

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

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

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

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

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

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

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

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

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

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

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

Derecognition of financial assets
The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

As of December 31, 2023 and 2022, the details of investments in associates are as follows:

Company’s Name	Percentage of Ownership	Business Location
	%	
Jordan Maritime Real Estate Investment Complex Company	26	Jordan
Jordan National Shipping Lines Company	20,64	Jordan
Jordanian Academy for Marine Studies	25	Jordan
Jordanian National Line for Ships Operation Company *	50	Jordan
Aqaba Storing Chemicals Company	15	Jordan
Al Maha Real Estate Development Company	33,33	Jordan
Arabian Ships Management Company	20	Jordan
Al-Shams Economics Company	24	Jordan
Sea Star for Shipping and Logistics Company *	50	Jordan
Haqel al Aqaba One for Investment **	33,33	Jordan
Ayyam Amman Company for real estate development	40	Jordan

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

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

- During the year 2023, Maset Al Aqaba for Ships Building Company and Marine Lines for Storage and Port Services Company was liquidated.

Investment Property

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

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

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

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

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

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

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

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

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

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

- Income tax expenses are calculated based on taxable profits, which differ from the profits subject to taxation as reported in the consolidated financial statements. Reported profits include revenues not subject to taxation or expenses not deductible in the current fiscal year but rather in subsequent years, as well as accumulated losses acceptable for tax purposes, or items that are neither deductible nor acceptable for tax purposes.

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

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

- The balance of deferred tax assets and liabilities is reviewed as of the date of the consolidated financial statements, and it is reduced if it is expected that partial or total benefits cannot be realized from those deferred tax assets.

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

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

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

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

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

c. The amount of revenue can be measured reliably.

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

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

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

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

Leases
The Group as a Lessee
The group evaluates whether a contract contains a lease at the inception of the contract. The group recognizes right-of-use assets and corresponding lease liabilities for all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a term of 12 months or less) and leases of low-value assets. For these leases, the group recognizes lease payments as operating expenses on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern in which economic benefits from the leased assets are consumed.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Construction contracts
Construction contracts are recognized in the consolidated statement of profit or loss in proportion to the stage of completion, and expenses are recognized unless they do not generate assets related to contract activities in the future. The stages of completion are evaluated by reference to studies specific to the completed work.

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

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

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

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

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

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

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

3. Adoption of new and revised Standards

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

The new and amended International Financial Reporting Standards, which became effective for financial periods beginning on or after January 1, 2023, have been adopted in preparing the company's financial statements. These changes have not had a material impact on the amounts and disclosures in the financial statements for the current year or prior years. However, they may affect the accounting treatment of future transactions and arrangements.

IFRS 17 Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach. The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

The group does not have any contracts that meet the definition of an insurance contract under IFRS 17.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements— Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting profit nor taxable profit.

Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

Amendments to IAS 12 Income Taxes— International Tax Reform—Pillar Two Model Rules

The IASB amends the scope of IAS 12 to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum topup taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes

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

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

b. New and revised IFRS Accounting Standards in issue but not yet effective

As of the date of approval of these financial statements, the company has not applied the new and amended International Financial Reporting Standards (IFRS) for the following financial reporting standards that have been issued but are not yet effective. Management anticipates applying these standards, interpretations, and amendments in the company's financial statements when they become applicable. The adoption of these new standards, interpretations, and amendments may not have a material impact on the company's financial statements in the initial application period:

Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures—Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date has not been determined yet. Early application is permitted.

Amendments to IAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Non-current

The amendments to affect only the presentation of liabilities as current or noncurrent in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2024, with early application permitted.

Amendments to IAS 1 Presentation of Financial Statements—Non-current Liabilities with Covenants

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or noncurrent). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

The amendments are applied retrospectively for annual reporting periods beginning on or after 1 January 2024

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements
The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

The term 'supplier finance arrangements' is not defined. Instead, the amendments describe the characteristics of an arrangement for which an entity would be required to provide the information.

To meet the disclosure objective, an entity will be required to disclose in aggregate for its supplier finance arrangements:

- The terms and conditions of the arrangements

- The carrying amount, and associated line items presented in the entity's statement of financial position, of the liabilities that are part of the arrangements

- The carrying amount, and associated line items for which the suppliers have already received payment from the finance providers

- Ranges of payment due dates for both those financial liabilities that are part of a supplier finance arrangement and comparable trade payables that are not part of a supplier finance arrangement

- Liquidity risk information

The amendments, which contain specific transition reliefs for the first annual reporting period in which an entity applies the amendments, are applicable for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted.

Amendment to IFRS 16 Leases—Lease Liability in a Sale and Leaseback
The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.

The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognised a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.

As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability, that arises from a sale and leaseback transaction that qualifies as a sale applying IFRS 15, is a lease liability.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted.

4. Significant Accounting Judgments and Key Source of Uncertainty

The preparation of consolidated financial statements and the application of accounting policies require the management of the group to make judgments, estimates, and assumptions that affect the amounts of financial assets, financial liabilities, and disclosure of contingent liabilities. These estimates and judgments also impact revenues, expenses, provisions in general, expected credit losses, and the fair value reflected in equity. In particular, the management of the group is required to make significant judgments and estimates to assess the amounts and timing of future cash flows. These mentioned estimates are necessarily based on various factors with varying degrees of estimation and uncertainty, and actual results may differ from estimates due to changes in circumstances and conditions affecting those estimates in the future.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Key Sources of Uncertainty Estimates:

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

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

5. Cash and Balances at Banks

This item consists of the following:

	December 31,	
	2023	**2022**
	JD	**JD**
Cash on hand	14,973	8,742
Current accounts at banks	1,640,594	972,556
Total	1,655,567	981,298
Less: provision for expected credit loss *	(1,949)	(1,949)
Net cash on hand and current accounts at banks	1,653,618	979,349

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

	December 31,	
	2023	**2022**
	JD	**JD**
Balance - beginning of the year	1,949	1,949
Ending balance	**1,949**	**1,949**

6. Accounts Receivable - Net

This item consists of the following:

	December 31,	
	2023	**2022**
	JD	**JD**
Trade receivables	1,046,661	862,560
Employees' receivable	15,324	14,693
Total	1,061,985	877,253
Less: Provision for expected credit loss *	(124,778)	(126,428)
Net Accounts receivable	**937,207**	**750,825**

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

	December 31,	
	2023	**2022**
	JD	**JD**
Balance - beginning of the year	126,428	126,428
Add: Addition during the year	-	-
Less: Written off debts	(1,650)	-
Ending balance	**124,778**	**126,428**

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

7. Accounts Receivable - Decent Housing for Decent Living Project

This item represents a receivable obligation from the Public Authority for Housing and Urban Development for the Kareem Housing Project, after adjusting for expected credit losses. During the third quarter of 2018, an arbitration decision was issued for an amount lower than the claim. Consequently, the Group addressed the deferred revenues associated with the project, totalling approximately 2.2 million Dinars, by offsetting them against liabilities to project developers amounting to around 2.5 million Dinars based on settlements reached with them. Moreover, arbitration for one of the items was resumed on October 16, 2018. In 2023, the Public Authority for Housing and Urban Development settled the amount due to the company, amounting to 2.4 million Dinars, resulting in the complete write-off of receivables and the corresponding provision as they are deemed irrecoverable.

This item consists of the following:

	December 31,	
	2023	**2022**
	JD	**JD**
Accounts receivable - Decent Housing for Decent Living project	-	997,025
Less: Provision for expected credit loss*	-	(994,625)
Accounts receivable - Net Decent Housing for Decent Living	-	2,400

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

	December 31,	
	2023	**2022**
	JD	**JD**
Balance - beginning of the year	994,625	994,625
write-offs from the provision	(994,625)	
Ending balance	-	994,625

8. Residential Units Available for Sale

This item represents residential units available for sale in ZARQA as of December 31, 2023, and 2022.

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

	December 31,	
	2023	**2022**
	JD	**JD**
Balance – beginning of the year	117,824	201,018
Less: Cost of apartments sold	-	(83,194)
Balance – End of Year	**117,824**	**117,824**

- The selling price of residential units available for sale is not less than their book value as of December 31, 2023, and 2022.
- -The fair value for residential units available for sale according to the latest estimate by the real estate appraiser is around JD 303,000 as of December 31, 2023 (around JD 303,000 as of December 31, 2022).

9. Cheques under Collection and Notes Receivable

The item consists of the following:

	December 31,	
	2023	**2022**
	JD	**JD**
Maturing in one year	75,599	238,723
Maturing in more than one year *	77,554	94,604
	153,153	**333,327**

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

10. Financial Assets at Fair Value through Profit or Loss

The item consists of the following:

	December 31,	
	2023	**2022**
	JD	**JD**
Shares quoted in active markets	9,318	10,324
	9,318	**10,324**

11. Inventory-Net

The item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Spare parts	350,738	352,912
Food inventory and other saleable materials	75,472	77,646
Others	1,914	1,914
	430,298	432,472
Less: Provision for slow-moving inventory *	(327,912)	(327,912)
	102,386	**104,560**

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

	December 31,	
	2023	2022
	JD	JD
Balance at the beginning of the year	327,912	327,912
Balance at the End of the Year	**327,912**	**327,912**

12. Other Debit Balances

The item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Guarantees and deposits against banks facilities	214,573	214,573
Prepaid expenses	65,859	52,128
Refundable deposits	37,344	51,215
Income and Sales tax deposit	25,486	32,608
	343,262	**350,524**

13. Financial Assets at Fair Value through Other Comprehensive Income

The item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Quoted stocks in active market	349,443	364,171
Unquoted stocks in active markets	151,000	151,000
	500,443	**515,171**

14. Investment Properties - Net

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

	December 31,	
	2023	**2022**
	JD	**JD**
Cost		
Balance at the beginning of the year	3,599,696	3,599,696
Balance at the End of the Year	3,599,696	3,599,696
Accumulated depreciation		
Balance at the beginning of the year	1,035,803	963,809
Depreciation for the year	71,994	71,994
Balance at the End of the Year	1,107,797	1,035,803
Net Book Value	2,491,899	2,563,893
Add: Land		
Balance at the beginning of the year	1,901,704	1,901,704
Balance at the End of the Year	1,901,704	1,901,704
	4,393,603	**4,465,597**
Depreciation Ratio	2%	2%

- The fair value of the investment properties according to the latest real estate independent appraisers' assessment was 7/7 million JD as of December 31, 2023, and 2022.

15. Investment in Associates Companies

This item consists of the following:

Company's name	Nature of Business	Location	Paid-up Capital	Received cash dividends December 31, 2023	Received cash dividends December 31, 2022	The company's share of the profits of the associate companies December 31, 2023	The company's share of the profits of the associate companies December 31, 2022	Percentage of Contribution December 31, 2023	Percentage of Contribution December 31, 2022	Cumulative change in fair value	December 31, 2022	December 31, 2021	Change in retained earning	Losses Amortization
			JD	JD	JD	JD	JD	%	%	JD	JD	JD		
Jordan National Shipping Lines Company	Marine Shipping	Amman	15,000,000	557,303	371,529		799,388	20.64	20.64			5,846,760		
Jordanian Marine Real Estate Investment Complex Company	Real Estate investment	Aqaba	15,600,000	-	-		(102,457)	26	26			1,671,083		
Jordanian Academy for Marine Studies	Education	Amman	2,000,000	325,000	325,000		400,366	25	25			1,339,435		
Jordanian National Line for Shipping Operations' Company	Marine Shipping	Aqaba	700,000	100,000	225,000		123,310	50	50			877,883		
Aqaba Chemicals Storage Company *	Chemical Storage	Amman	4,000,000	-	-		85,996	15	15			802,456		
Al Maha Real Estate Development Company	Real Estate investment	Amman	12,000,000	-	-		(97)	33.33	33.33			3,973,530		
Marine Lines for Port Services Company **	Navigation	Aqaba			-		-	-	-			-		
Arabian Ships Management Company	Ships Management	Aqaba	149,000	40,000	20,000		47,162	20	20			166,484		
Sea Star for Shipping and Logistics' Services Company	Marine Services	Aqaba	200,000		-		(4,903)	50	50			97,008		
Haqel al Aqaba One for Investment	Real Estate investment	Aqaba	50,000		-		-	33.33	33.33			16,667		
Investment in Shams Economics Company	Commercial Agencies	Amman			-		-	30	30			7,200		
Ayyam Amman for Real Estate Development Company	Real Estate investment	Amman	30,000		-		177,312	40	40			981,325		
				1,022,303	941,529		1,526,078					15,779,831		

- The net share of the Company was calculated from the investment's profits in the associate companies for the year ended December 31, 2023 and 2022, based on financial statements of these companies.

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

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

16. Projects under Construction

This item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Al Shorouq City Project *	939,042	971,894
Dead Sea project	1,679,448	1,668,999
Total	2,618,490	2,640,893
Less: impairment	(250,000)	(250,000)
	2,368,490	**2,390,893**

- Projects under implementation with a total value of 2,618,490 Dinars as of December 31, 2023, have not yet been completed. Their recovery depends on the implementation of operational plans by subsidiaries to complete them and finding the necessary financing for them.

  According to the Land and Survey Department, the market value, based on the basin's land price on which the Shorouq City and Dead Sea projects are situated, including the value of the land, exceeds the book value of these projects as of December 31, 2023.

* Movement on Al Shorouq City Project as follows:

	December 31,	
	2023	2022
	JD	JD
Balance - beginning of the year	971,894	1,062,486
Disposal of projects in progress balances related to sold land for Mada'en Al Shorouq - Note (18)	(32,852)	(90,592)
Balance – End of Year	**939,042**	**971,894**

17. Advance Payments for Land Acquisition

This item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Advance payments related to contracts for Mada'en Al Shorouq and its subsidiaries *	4,961,989	5,179,080
	4,961,989	**5,179,080**

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

	December 31,	
	2023	2022
	JD	JD
Balance - beginning of the year	5,179,080	5,682,492
Sale of lands by waiver of contracts **	(217,091)	(503,412)
Balance – End of Year	**4,961,989**	**5,179,080**

- This item represents payments on account of contracts for Madinat Al Shorouq for Real Estate Investment and Development Company (a subsidiary) and its subsidiaries to purchase land from the National Resources Investment and Development Corporation for the purpose of development and construction based on a recent property appraisal. The fair value of these lands exceeds their cost, inclusive of associated expenses. Some of these lands have been sold at prices exceeding their cost, including associated expenses. Management believes there is no need for any write-downs. During 2023, some of these lands were sold through assignment contracts with the approval of the National Resources Investment and Development Corporation.

** During the year 2023, some of the lands of Madinat Al Shorouq were sold through assignment contracts with the approval of the National Resources Investment and Development Corporation. The total cost of the sold lands amounted to 249,943 Dinars, of which 217,091 Dinars represent projects under implementation related to these lands, and 32,852 Dinars represent the cost of these lands. As a result of the sales, profits of 40,057 Dinars were generated.

- Until date of preparing these financial statements, the ownership of the plots of land has not been legally transferred to the group.

18. Property and Equipment - Net

This item consists of the following:

	Land	Buildings and Hangar	Furniture and Fixtures	Devices and Equipments	Vehicles and Trucks	Computers	Total
Year 2023	JD	JD	JD	JD	JD	JD	JD
Cost:							
Balance - beginning of the year	204,874	52,638	679,099	816,753	971,078	244,912	2,969,354
Additions	-	-	4,374	20,417	57,216	2,168	84,174
Balance - End of the Year	204,874	52,638	683,473	837,170	1,028,294	247,080	3,053,528
Accumulated Depreciation:							
Balance - beginning of the year	-	52,638	466,863	679,614	621,655	228,422	2,049,192
Depreciation for the year	-		27,982	25,037	71,328	4,838	129,185
Disposals							
Balance - End of the Year		52,638	494,845	704,651	692,983	233,260	2,178,377
Net Book Value for property and equipment at year end	204,874	-	188,628	132,518	335,311	13,820	875,151
Year 2022							
Cost:							
Balance - beginning of the year	204,874	132,701	455,445	669,137	967,787	228,378	2,658,322
Additions	-	-	223,654	148,376	3,291	16,534	391,855
Disposals	-	(80,063)	-	(760)	-	-	(80,823)
Balance - End of the Year	204,874	52,638	679,099	816,753	971,078	244,912	2,969,354
Accumulated Depreciation:							
Balance - beginning of the year	-	132,701	455,445	665,225	539,285	224,779	2,017,435
Depreciation for the year	-	-	11,418	14,550	82,370	3,643	111,981
Disposals	-	(80,063)	-	(161)	-	-	(80,224)
Balance - End of the Year	-	52,638	466,863	679,614	621,655	228,422	2,049,192
Net Book Value for property and equipment at year end	204,874	-	212,236	137,139	349,423	16,490	920,162

- Property and equipment includes fully depreciated assets of JD ----------- as of December 31, 2023 (JD 1,890,235 as of December 31, 2022).

- Depreciation expense is distributed between cost and general and administrative expenses.

19. Due to Banks

This item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Overdraft *	-	-
Overdraf t for a subsidiary company**	22,069	81,096
	22,069	**81,096**

* This item represents direct credit facilities in the form of overdraft accounts granted by several banks. The details of the direct credit facilities are as follows:

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

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

20. Accounts Payable

This item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Trade payables	2,443,256	2,097,690
	2,443,256	**2,097,690**

* The grace period granted to the group by suppliers and service providers ranges from one to three months. The group's management implements specific policies for financial risk management to ensure that all obligations are met within the agreed grace period

21. Income Tax

a. Income Tax Provision:

The movement on the income tax provision is as follows:

	December 31, 2023	December 31, 2022
	JD	JD
Balance beginning of the year	93,512	64,459
Income tax for the year	59,850	66,913
Income tax paid during the year	(86,490)	(37,860)
Balance - End of the Year	**66,872**	**93,512**

b. Income Tax Expense:

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

	2023	2022
	JD	JD
Income tax for the year	59,850	66,913
	59,850	**66,913**

c. Income Tax Status:

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

a. Aqaba:

The discussion of the income tax for the year 2021 has been completed.

b. Amman:

The tax file audit was completed until the end of 2018, and a final settlement was obtained. The group submitted self-assessment statements for the years 2020, 2021, and 2022.

An income tax provision for the year 2023 was calculated based on assets. In the opinion of management and the tax advisor, there is no need to record any additional provision.

Subsidiaries**:**

The following schedule shows the tax situation of each subsidiary:

Company	Tax Returns up to Year	Final Settlement up to Year
Farah International Catering Service Company	2020	2018
Golden State for Commercial Services Company	2020	2020
Mada'en Al – Noor Investment and Real Estate Development Company	2020	2014
Al-Ibtikar Land Transportation Company	2020	2017
Afaq Supply and Storage Company	2021	2020
Mada'en Al – Bahr Investment and Real Estate Development Company	2020	2018
Technical for Construction and Real Estate Services Company	2020	2016
Mada'en Al – Shorouq Investment Real Estate Company	2020	2017
Mada'en Al–Salam Construction Company	2020	2015

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

22. Other Credit Balances

This item consists of the following:

	December 31,	
	2023	2022
	JD	JD
Shareholders' deposits	525,674	207,582
Unpaid accrued expenses	95,229	111,419
Income tax deposits	7,130	20,598
Advance payments against selling plots of land without	28,872	-
recognizing gain *	-	390,000
Social security deposits	17,271	16,796
Unearned revenue	32,140	25,740
¤ Lawsuits provision	25,000	25,000
	731,316	**797,135**

* This item represents an amount received in advance from customers for the sale of lands owned by Madinat Al Shorouq Company (a subsidiary). During the year 2023, the Group relinquished ownership of these lands in favor of the customers upon the maturity of the accepted checks, and necessary contracts were signed with the customers (refer to disclosures 16 and 17).

23. Balances and Transactions with Related Parties

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

Company's Name	Nature of Relationship	Nature of Transaction	December 31, 2023	2022
			JD	JD
Jordan Maritime Real Estate Investment Complex Company	Associate Company	Financing	527,875	131,240
Zahret AL Ordoon Clearance Company	Company owned by shareholder	Financing	-	-
Aqaba Company for Chemical Storage	Associate Company	Financing	240,294	303,708
Ayyam Amman for invesment devlopment	Associate Company	Expenses	100,000	100,000
CMA CGM Company	Company owned by shareholder	Expenses	83,614	5,942
Sea Star for Shipping and Logistics Company	Associate Company	Expenses	27,500	27,699
Petra Navigation & International Trading Company	Company owned by shareholder	Expenses	99,314	17,777
Other	Sister Companies within the group	Expenses	27,986	25,042
Total			1,106,583	611,408
Less: Provision for expected credit loss *			(38,660)	(38,660)
Net due from related party			1,067,923	572,748

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

	2023	2022
	JD	JD
Beginning balance	38,660	38,660
Ending Balance	38,660	38,660

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

	Nature of Relationship	Nature of Transaction	December 31, 2023	December 31, 2022
			JD	JD
Long-Term				
Al Maha Real Estate Development Company **	Associate Company	Financing	3,971,446	3,971,445
Partner Current Account -Ahmad Helmi Armoush	Shareholder	Financing	48,677	54,495
Short-Term				
Jordanian National Line for Ships Operating Company	Associate Company	Financing	-	86,042
Jordan National Shipping Lines Company	Associate Company	Expenses	15290	4,996
Jordan – Dubai for Properties Company	Partner in an Subsidiary Company	Financing	74,405	144,413
Al- Shams General Investments Company	Company owned by shareholder	Expenses	232,390	233,501
Armoush Company for Touristic Investments	Company owned by shareholder	Expenses	735	-
Noor AL-Balad Company	Company owned by shareholder	Expenses	275,000	209,000
Others	Company owned by shareholder	Expenses	5,645	7,550
Total			603,465	685,502

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

** A purchase and an ownership of the full shares of four subsidiaries companies from the associate company "Al Maha Real Estate Development Company", amounting to JD 4.019.364. However, in the future the capital of associates will be decreased by the amount mentioned above.

- The value of the paid logistics consultations for Petra Navigation and Trading Company (sister company within the group) amounted to JD 397,017 for the year 2023 (JD 177,541 for the year 2022).

- Lease revenue from the Technical for Constuction and Real Estate Investment Company (associate company) reached to JD 40,941 for the year 2023 (JD 43,452 for the year 2022).

- The transportation revenue from CMA CGM (sister company) reached to JD 485,780 for the year 2023 (JD 228,330 for the year 2022).

- The supervision and follow-up revenue from Sea Star for Shipping and Logistics' Company (associate company) amounted to JD 12.000 as of December 31, 2023 (JD12,000 as of December 31, 2022).

- The supervision and follow-up revenue from the Jordanian National Lines Ship Operation Company (associate Company) reached JD 24.000 as of December 31, 2023 and 2022.

Executive management's salaries and remunerations

Executive management's salaries amounted to JD 191,224 for the year ended December 31, 2023 (JD 187,212 for the year ended December 31, 2022).

24. Subscribed and Paid-up Capital Issuance Discount

The authorized and paid-in capital reached JD 18,000,000 and the discount of the share amounted to JD 1,349,998 as of December 31, 2023, and 2022.

25. Statutory Reserve

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

26. Dividends

In its meeting held on April 18, 2023, the General Assembly approved the recommendation of the Board of Directors to distribute cash dividends to shareholders at a rate of 5% of the capital.

27. Fair Value Reserve for Financial Assets stated at Fair Value

This item consists of the following**:**

	December 31,	
	2023	**2022**
	JD	**JD**
Balance - beginning of the year	(285,238)	(326,297)
Unrealized gain	(15,794)	41,059
Balance at the End of the Year	**(301,032)**	**(285,238)**

28. Retained Earnings

This item consists of the following:

	December 31,	
	2023	**2022**
	JD	**JD**
Balance - beginning of the year	4,610,885	3,475,144
Prior years' adjustments *	6,842	(630)
Adjusted beginning balance	4,617,727	3,474,514
Profit for the year – Company's shareholders	2,035,302	2,107,271
Dividends paid	(900,000)	(900,000)
Transferred to statutory reserve	(75,710)	(70,900)
Balance at the End of the Year	**5,677,319**	**4,610,885**

* This item represents prior years' adjustments of the Company's share of adjustments related to subsidiary companies that were recorded after the issuance of the consolidated financial statements of the Group for the years 2023 and 2022. It has a non-material effect on the Group.

29. Revenue

This item consists of the following:

	2023	2022
	JD	JD
Sales of residential units	-	85,000
Sales of Lands (waiver contracts) and related projects in progress	390,000	1,020,874
Rented buildings revenue	584,173	596,696
Restaurants and cafeteria revenue	4,103,390	2,511,168
Transportation and supervision revenue	893,410	885,230
	5,970,973	**5,098,968**

30. Cost of Revenue

This item consists of the following:

	2023	2022
	JD	JD
Cost of residential units	-	89,252
Cost of lands sale (waiver contracts) and a related project in progress	249,943	594,006
Rented buildings cost	181,016	186,946
Cost of sale of restaurants and cafeteria	3,830,613	2,444,286
Transportation's cost	108,860	177,599
	4,370,432	**3,492,089**

31. General and Administrative Expenses

This item consists of the following:

	2023	2022
	JD	JD
Salaries, wages, and bonuses	393,905	361,615
Social security contribution	38,917	30,948
Medical insurance	28,550	23,078
Rents	123,485	139,492
Telephone, postage, and internet	13,712	10,396
Travel and transportation	8,556	8,542
Professional fees	79,121	72,286
Hospitality	2,413	2,221
Subscriptions, stamps, and governmental fees	68,440	32,294
Computer expenses	6,345	5,596
Maintenance	3,151	4,290
Stationery and printing	1,599	2,843
Advertising	310	935
Bank charges	4,959	6,356
Board of Directors' remunerations	74,063	42,000
Water and electricity	2,509	4,363
Support for education and donations	26,896	10,440
Other	25,071	22,499
	902,002	**780,194**

32. Other Income - Net

This item consists of the following:

	2023	2022
	JD	JD
Revenue from management and supervision *	36,000	36,000
Other income – net	49,347	37,030
	85,347	**73,030**

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

33. Lease Contracts

a. Right of Use Assets - net:

the company leases a building, the average leases term is 10 years. Following is the movement on the right-of-use assets during the year:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Balance beginning of the year	237,812	-
Add: Additions during the year	-	262,413
Less: Amortization during the year	(24,602)	(24,601)
Balance - End of the Year	**213,210**	**237,812**

b. Lease Liability:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Balance beginning of the year	241,023	-
Add: Additions during the year	-	262,413
Add: Interest during the year	7,112	7,360
Less: Paid during the year	(29,999)	(28,750)
Balance - End of the Year	**218,136**	**241,023**

Maturities of Undiscounted Lease Liability:

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Less than one year	22,887	22.887
From 1 to 10 years	195,249	195,249
Balance - End of the Year	**218,136**	**241,023**

c. Amounts recorded in profit or loss statement

	For the Year Ended December 31,	
	2023	2022
	JD	JD
Right of use asset amortization for the year	24,602	24,601
Interest during the year	7,112	7,360

34. Earnings per share for the year attributable to the Group's Shareholders

This item consists of the following:

	2023	2022
	JD	JD
Profit for the year attributable to the shareholders of the Group	2,035,302	2,107,271
The weighted average number of shares	18,000,000	18,000,000
	JD/Share	JD/Share
Earnings per share for the year attributable to the Group's Shareholders	0.11	0.12

35. Lawsuits against the Company

There are pending cases against the subsidiary group (Innovation Company for Land Transport) totaling 207,201 Dinars, while the provision against them amounted to 25,000 Dinars as of December 31, 2023. One of these cases involves an amount of 179,581 Dinars, based on the cassation list submitted by the group to the Court of Cassation against the decision issued by the Court of Appeal to annul the judgment issued by the Court of Appeal and refer the case back to the Court of Appeal. The Court of Appeal decided to conduct a technical appraisal and appoint an expert. The expert issued a technical appraisal report, concluding that the liability required from the group does not exceed 7,000 Dinars. The Court decided to conduct a tripartite expertise by three experts appointed by the Court of Appeal. The case is still pending before the Court of Appeal, and according to the management and legal advisor, the group's legal position is strong. Additionally, the group filed a separate lawsuit against the same claimant before the Court of First Instance to claim an amount of 352,828 Dinars. The court's decision obligated the defendant to pay 182,829 Dinars, and the claimant filed a cassation list against the decision of the Court of Appeal. The group will respond to the cassation list within the legal period. Based on the group's opinion and the lawyer's advice that the allocated provision is sufficient to address the pending cases against the subsidiary group.

36. Contingent Liabilities

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

	December 31,	
	2023	**2022**
	JD	**JD**
Letters of guarantees and proper execution of tenders	78,000	78,000

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

37. Segmental Distribution

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

	Projects and Investments	Real Estate and Construction	Services	Transportation	2023	2022
	JD	JD	JD	JD	JD	JD
Gross revenue	283,507	701,278	4,103,390	882,798	5,970,973	5,098,968
Less: Cost of revenue	(36,356)	(330,887)	(3,830,613)	(172,576)	(4,370,432)	(3,492,089)
Gross Profit	**247,151**	**370,391**	**272,777**	**710,222**	**1,600,541**	**1,606,879**
Less: Expenses allocated to segments						
General and administrative expenses	366,311	184,380	174,719	285,950	1,011,250	(872,399)
Marketing expenses	-	8,970	-	-	8,970	(23,697)
Profit from Operations	**199,160**	**177,051**	**98,158**	**424,272**	**580,321**	**710,783**
Gains on investments and other	(1,000)	-	-	-	(1,000)	(378)
Expected credit losses				-		-
Costs of borrowing	9,417			-	9,417	(22,507)
Net company's profit from selling a subsidiaries companies	1,435,365			-	1,435,365	1,526,077
Other revenue	39,895	21,041	24,411	-	85,347	73,030
Profit for the Year before tax	**1,345,683**	**198,092**	**122,569**	**424,272**	**2,090,616**	**2,287,005**
Less: Income tax for the year	(44,109)	(15,741)	-	-	(59,850)	(66,913)
Profit for the Continuing Operations	**1,301,574**	**182,351**	**122,569**	**424,272**	**2,030,766**	**2,220,092**
Net (Loss) for the year Discontinued Operations						-
Profit for the Year						**2,220,092**

					December 31, 2023	December 31, 2022
					JD	JD
Segment Assets	14,626,688	15,263,627	2,827,563	1,172,602	33,890,480	32,710,427
	14,626,688	**15,263,627**	**2,827,563**	**1,172,602**	**33,890,480**	**32,710,427**
Segment Liabilities	4,967,848	2,094,313	411,160	411,160	7,884,481	8,101,242
	4,967,848	**2,094,313**	**411,160**	**411,160**	**7,884,481**	**8,101,242**

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

38. Fair Value Hierarchy

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

Some financial assets and liabilities of the Company are evaluated at fair value at the end of each fiscal period. Moreover, the following table shows information on how the fair value of these financial assets and liabilities is determined (valuation methods and inputs used).

Financial Assets	Fair Value December 31, 2023	Fair Value December 31, 2022	Level of Fair Value	Valuation Method and Inputs Used	Important Intangible Inputs	Relation between the Fair Value and the Important Intangible Inputs
	JD	**JD**				
Financial assets at fair value						
Financial assets at fair value through profit or loss						
Companies' shares	9,318	10,324	Level I	Quoted Shares	N/A	N/A
Total	**9,318**	**10,324**				
Financial assets at fair value through comprehensive income						
Quoted shares	349,443	364,171	Level I	Quoted Shares	N/A	N/A
Unquoted shares	151,000	151,000	Level II	Compared with the market value of a similar instrument	N/A	N/A
Total	**500,443**	**515,171**				
Total Financial Assets at Fair Value	**509,761**	**525,495**				

There were no transfers between Level I and Level II during the year 2023.

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

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

	December 31, 2023		December 31, 2022		The Level of
	Book Value	**Fair Value**	**Book Value**	**Fair Value**	Fair Value
	JD	**JD**	**JD**	**JD**	
Assets with no fair value					
Real estate investments	4,465,597		4,465,625	7,660,000	Through real estate evaluators
Total Assets with No Fair Value	**4,465,597**		**4,465,625**	**7,660,000**	
Financial Liabilities with No Fair Value					
Loans			-	-	Level II
Total Financial Liabilities with No Fair Value			-	-	

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

39. Risks Management

a. Capital risk management

The Company manages its capital to ensure its ability to continue operations and maximize returns to stakeholders by achieving the optimal balance between equity and debt rights. Furthermore, there have been no changes to the group's policy during the year 2023.

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

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

	December 31,	
	2023	2022
	JD	JD
Total Liabilities	8,159,981	8,101,242
Total Shareholders' equity	25,730,999	24,609,185
Debt to Equity Ratio	32%	32%

b. Foreign currency risk

Currency risks arise from fluctuations in the value of financial instruments due to changes in foreign currency exchange rates. The company's primary transactions are conducted in Jordanian Dinars and US Dollars.

The currency risk relates to changes in currency rates applicable to payments in foreign currencies. Since the Jordanian Dinar (the company's main currency) is pegged to the US Dollar, the group's management believes that the foreign currency risk is immaterial.

c. Liquidity risk

Liquidity risks, also known as financing risks, refer to the difficulty the group may encounter in providing the necessary funds to meet its obligations. The group manages liquidity risks by maintaining reserves and continuously monitoring actual cash flows, aligning financial asset maturities with financial liabilities.

The Company's liquidity position as of December 31, 2023, and 2022 is as follows:

	December 31,	
	2023	2022
	JD	JD
Current assets	4,307,13	3,127,277
(Less): Current liabilities	(3,363,865)	(3,802,922)
(Deficit) in Working Capital	**393,272**	**(675,645)**

The company assesses liquidity ratios on a monthly basis, relying on future forecasts over the long term. Additionally, the group's management periodically evaluates capital and financing requirements. Liquidity is supported by bank financing and the sale of lands through substitution.

d. Credit risk

Credit risks arise from the counterparty's inability to fulfil its obligations towards the group, resulting in losses. The group has adopted a policy of documenting its debts with the necessary and legally binding documents and seeks legal assistance to pursue any overdue payments. Additionally, the group monitors its exposure to credit risks by studying the financial solvency of debtors, ensuring that the cumulative credit value is associated with parties approved by management. This is done by monitoring and periodically reviewing the granted credit limits, which are approved by management.
The carrying value of financial assets recorded in the consolidated financial statements, with their net impairment losses, represents the maximum credit risk that the Group may be exposed to. Note that the balance of commercial receivables in Farah Food Services Company amounted to JD 27,844 which equivalent to 88% of the total receivables of the group as of December 31, 2023.

The book value of financial assets recorded in the consolidated financial statements, net of any impairment losses, represents the maximum credit risks that the group may be exposed to. It is noted that the balance of trade receivables in Farah Food Services Company amounted to 827,844 Dinars, which is equivalent to 88% of the total trade receivables for the group as of December 31, 2023.

The group's management considers the percentage of uncollected receivables, or non-collection of a portion thereof, to be extremely low. Additionally, strict credit control is maintained, with the debt of each client being continuously monitored individually.

e. Market risk

Market risks refer to losses in value resulting from changes in market prices, such as fluctuations in interest rates, foreign exchange rates, and equity instrument prices, thereby affecting the fair value of cash flows for financial instruments within and outside the consolidated financial statements.

f. Interest rate risk

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

Interest rate risks arise from changes in the value of financial instruments due to fluctuations in market interest rates. Sensitivity analysis below is determined based on exposure to interest rates related to utilized facilities and existing deposits as of the date of the consolidated financial statements. The analysis is prepared assuming that the amount as of the date of the consolidated financial statements was outstanding throughout the year. A half-percentage point increase or decrease is utilized:

	+0.5%	-0.5%
	JD	JD
Outstanding credit facilities –(loss)	(110)	110
	(110)	110

The Company continuously manages its interest rate risk exposure. Various options such as refinancing, renewing current positions, and alternative financing are evaluated regularly.