NATIONAL PORTFOLIO SECURITIES GROUP
PUBLIC SHAREHOLDING COMPANY
CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2021

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS
NATIONAL PORTFOLIO SECURITIES GROUP
PUBLIC SHAREHOLDING COMPANY
AMMAN, JORDAN

Opinion
We have audited the consolidated financial statements of the National Portfolio Securities Group, which comprise the consolidated statement of financial position as of 31 December 2021, consolidated statement of income, consolidated statement of other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of National Portfolio Securities Group as of 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements in Jordan that are relevant to our audit of the Group 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 of most significance in our audit of the consolidated financial statements of 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:

Investment in associate
Investment in associate represents 57% of the Group's assets, the Group measures its Investment in associate in accordance with the equity method as stated in Note (11). The Group's investment in associate forms a significant element of the consolidated statement of financial position. As a result of associate company has Investment Properties, it should re-evaluate Its properties when preparing the consolidated financial statements to determine their fair value and reflect the impact of any impairment in value in the consolidated statement of income, in line with the requirements of the International Financial Reporting Standards. Accordingly, the investment in associate relies on independent real estate expert to determine the fair value of those investments and reflect any impairment in their value in the statement of income for that period. Consequently, Investment in associate was significant matter to our audit.

Scope of Audit to Address Risks
The Group's investment in the associate, which is considered a key audit matter to the consolidated financial statements, has been audited through our review of the audited consolidated financial statements of investment in associate, in addition to the documents available to management that support the calculated amounts, and discussed the matter with the Group's financial management through obtaining appropriate audit evidence, and reviewing the appropriateness of the disclosure on Investment in associate.

Other Information
Management is responsible for the other information. The other information comprises of the information stated in the Annual Report and does not include the consolidated financial statements and our 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 will 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 to us and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is 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 group ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the group 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 International Standards on Auditing will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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 group 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 evidenced obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group 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 disclosure is 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 consolidated financial statements 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 audit and 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 material 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 safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the 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 NATIONAL PORTFOLIO SECURITIES GROUP maintains proper accounting records, duly organized and in line with the accompanying consolidated financial statements, and we recommend that they be approved by the General Assembly shareholders.

Amman – Jordan
6 February 2022

المجموعة المهنية العربية
RSM
Certified Public Accountants
RSM Jordan

NATIONAL PORTFOLIO SECURITIES GROUP
PUBLIC SHAREHOLDING COMPANY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2021

Assets	**Notes**	**2021 JD**	**2020 JD**
Current Assets			
Cash and cash equivalents	4	1 155 188	1 148 921
Accounts receivable	5	254 296	284 246
Financial assets at fair value through profit or loss	6	946 680	720 976
Other debit balances	7	249 738	183 407
Trading settlement receivable	8	237 867	104 732
Total Current Assets		**2 843 769**	**2 442 282**
Non - Current Assets			
Financial assets at fair value through other comprehensive Income	9	54 919	59 793
Financial assets at amortized cost	10	250 053	487 992
Investment in associate	11	4 549 369	4 549 369
Investments property	12	134 454	134 454
Property, plant and equipment	13	84 886	68 632
Right of use assets	14	43 759	23 483
Total Non - Current Assets		**5 117 440**	**5 323 723**
Total Assets		**7 961 209**	**7 766 005**
Liabilities			
Current Liabilities			
Bank overdraft	15	-	-
Accounts payable		600 856	472 186
Shareholders deposits	16	476 012	563 837
Other credit balances	17	276 399	238 000
Total Current Liabilities		**1 353 267**	**1 274 023**
Non - Current Liabilities			
Lease liability	14	25 965	28 000
Total Liabilities		**1 379 232**	**1 302 023**
Equity	19		
Share capital		3 600 000	3 600 000
Statutory reserve		2 856 851	2 856 851
Fair value reserve		(78 803)	(73 929)
Retained earnings		203 929	81 060
Total Equity		**6 581 977**	**6 463 982**
Total Liabilities and Equity		**7 961 209**	**7 766 005**

The accompanying notes from 1 to 36 are an integral part of these consolidated financial statements and should be read with them.

NATIONAL PORTFOLIO SECURITIES GROUP
PUBLIC SHAREHOLDING COMPANY
CONSOLIDATED STATEMENT OF INCOME
31 DECEMBER 2021

	Notes	2021 JD	2020 JD
Revenues			
Brokerage commission	20	260 077	95 471
Other revenues	21	136 664	69 890
profit from financial assets at fair value through profit or loss	22	136 543	-
Net revenues		**533 284**	**165 361**
Expenses			
Loss from financial assets at fair value through profit or loss	22	-	(47 271)
Impairment from financial assets at fair value through profit or loss		(80 000)	(20 000)
Administrative expenses	23	(272 805)	(255 963)
Financing expenses	24	(13 298)	(11 774)
Depreciation	13	(17 623)	(21 340)
Right of use asset depreciation	14	(26 400)	(26 838)
Lease liability interests	14	(289)	(2 035)
Total expenses		**(410 415)**	**(385 221)**
Profit (Loss) for the year		**122 869**	**(219 860)**
Basic and diluted earnings profit (loss) per share	25	**0.034 JD**	**(0.061) JD**

The accompanying notes from 1 to 36 are an integral part of these consolidated financial statements and should be read with them.

NATIONAL PORTFOLIO SECURITIES GROUP
PUBLIC SHAREHOLDING COMPANY
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
31 DECEMBER 2021

	2021 JD	2020 JD
Profit (Loss) for the year	122 869	**(219 860)**
Other comprehensive income items:		
Change in fair value of financial assets through other comprehensive Income	(4 874)	2 808
Total profit (Loss) and comprehensive income for the year	**117 995**	**(217 052)**

The accompanying notes from 1 to 36 are an integral part of these consolidated financial statements and should be read with them.

NATIONAL PORTFOLIO SECURITIES GROUP
PUBLIC SHAREHOLDING COMPANY
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
31 DECEMBER 2021

	Share capital JD	Statutory reserve JD	Fair value reserve JD	Retained earnings JD	Total JD
31 December 2019	**3 600 000**	**2 856 851**	**(76 737)**	**300 920**	**6 681 034**
Total (loss) and comprehensive income for the year	-	-	2 808	(219 860)	(217 052)
31 December 2020	**3 600 000**	**2 856 851**	**(73 929)**	**81 060**	**6 463 982**
Total profit and comprehensive income for the year	-	-	(4 874)	122 869	117 995
31 December 2021	**3 600 000**	**2 856 851**	**(78 803)**	**203 929**	**6 581 977**

The accompanying notes from 1 to 36 are an integral part of these consolidated financial statements and should be read with them.

NATIONAL PORTFOLIO SECURITIES GROUP
PUBLIC SHAREHOLDING COMPANY
CONSOLIDATED STATEMENT OF CASH FLOWS
31 DECEMBER 2021

	Notes	2021 JD	2020 JD
Operating activities			
Profit (loss) for the year		122 869	(219 860)
Adjustments for:			
Depreciations	13	17 623	21 340
Right of use asset depreciation	14	26 400	26 838
Lease liability interests	14	289	2 035
Financing expenses	24	13 298	11 774
Changes in operating assets and liabilities			
Restricted accounts		(47 168)	(53 676)
Financial assets at fair value through profit or loss		(225 704)	325 047
Accounts receivable		29 950	31 072
Other debit balances		(66 331)	(8 613)
Accounts payable		128 670	147 016
Trading settlement		(133 135)	(187 109)
Other credit balances		(49 426)	(2 050 552)
Net cash used in operating activities		**(182 665)**	**(1 954 688)**
Investing activities			
Purchase of property, plant and equipment	13	(33 877)	-
Purchase of Financial assets at amortized cost	10	-	(487 992)
sale of Financial assets at amortized cost	10	237 939	
Net cash from (used in) investing activities		**204 062**	**(487 992)**
Financing activities			
Paid financing expenses	24	(13 298)	(11 774)
Paid lease liability	14	(49 000)	-
Net cash used in financing activities		**(62 298)**	**(11 774)**
Net change in cash and cash equivalents		**(40 901)**	**(2 454 454)**
Cash and cash equivalents at beginning of the year	26	583 241	3 037 695
Cash and cash equivalents at ending of the year	26	**542 340**	**583 241**

The accompanying notes from 1 to 36 are an integral part of these consolidated financial statements and should be read with them.

1) General

The National Portfolio Securities Company was established on March 20, 1982 and registered with the Ministry of Industry and Trade as a Public Shareholding company under the number (166) where the authorized and paid-up capital of the company was 1,500,000 JD, and several increases were made to the capital through stock dividends and private subscriptions to reach 15,000,000 JD on April 27, 2006, and after that, there were several reductions in capital as follows:
The Ordinary General Assembly held on April 9, 2016 decided to write off the special reserve in the accumulated losses amounting to 82,535 JD
Writing off the accumulated losses, to reach 6,000,000 JD in February 2017.
The Extraordinary General Assembly held on April 10, 2018 decided to approve amortization of accumulated losses from the statutory reserve by 517,300 JD.
On July 11, 2019, the Extraordinary General Assembly decided to approve the reduction of the company's capital from 6,000,000 JD to 3,600,000 JD, by returning the value of the nominal shares to the shareholders, each according to its percentage, since it is over the company's need.

The Company's main activities are financial brokerage at the Amman Stock Exchange; purchasing and selling securities in the regional and international securities markets; holding a diversified portfolio of securities; investing in newly established companies; underwriting new issues of shares and acting as a consulting financial advisor for investment in securities, the company obtained a license to deal in foreign exchange on 14 May 2018، The company obtained the approval of the Securities Commission to practice as an identified broker on 14 October 2021.

The accompanying consolidated financial statements were approved by the Board of Directors in its meeting on 6 February 2022 and are subject to the approval of the General Assembly of Shareholders.

2) Changes In Accounting Policies

The accounting policies adopted in the preparation of the financial statements are consistent with those used in the preparation of the financial statements for the year ended 31 December 2020, except for the adoption of the following new standards effective as of 1 January 2021:

Interest Rate Benchmark Reform-Phase 2: Amendments to IFRS 9, IAS 39,IFRS 7,IFRS4 and IFRS 16
The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate（RFR). The amendments include the following practical expedients:

- To require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest.
- To permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued,
- To provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

These amendments have no impact on the financial statements of the Company.

Covid-19-Related Rent Concessions beyond 30 June 2021 Amendments to IFRS 16
These amendments have no impact on the financial statements of the Company.

3) Significant Accounting Policies

Basis of preparation of the financial statements

The accompanying consolidated financial statements of the Group have been prepared in Accordance with International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and their related interpretations issued by IASB.

The consolidated financial information is prepared in accordance with the historical cost principle, except for certain financial assets and financial liabilities which are stated at fair value as of the date of the consolidated financial information.

The consolidated financial statements are presented in Jordanian dinars, which is the functional currency of the Group.

Principles of consolidation

The consolidated financial statements comprise of the financial statements of the Company and its subsidiaries where the Company has the power to govern the financial and operating policies of the subsidiaries to obtain benefits from their activities. The financial statements of the subsidiaries are prepared for the same reporting year as the Company using consistent accounting policies. All balances, transactions, income, and expenses between the Company and its subsidiaries are eliminated.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases.

The results of operations of the subsidiaries are consolidated in the income statements from the acquisition date, which is the date on which control over subsidiaries is transferred to the Company. The results of operation of the disposed subsidiaries are consolidated in the income statement to the disposal date, which is the date on which the Company loses control over the subsidiaries

The following subsidiaries have been consolidated:

	Share capital JD	Ownership percentage	Principle activities
Al Zmileh for Real Estate	10 000	%100	Investment Property

Segment reporting

Business segments represent distinguishable components of the Group that are engaged in providing products or services which are subject to risks and rewards that are different from those of other segments and are measured based on the reports sent to the chief operating decision maker.

Geographical segments are associated to products and services provided within a particular economic environment, which are subject to risks and rewards that are different from those of other economic environments.

Cash and cash equivalents

Cash and cash equivalents comprise cash on, and balances at banks and deposits at banks maturing within three months, less bank overdrafts and restricted balances.

Accounts Receivable

Accounts receivable are stated at net realizable value after deducting a provision for doubtful debts. A provision for doubtful debts Is booked when there is objective evidence that the Group will not be able to recover whole or part of the due amounts at the end of the year. When the Group collects previously written-off debts, it recognizes the collected amounts in other revenues in the consolidated statement of income and comprehensive Income. Furthermore, revenue and commission from doubtful debts are suspended and recognized as revenue upon collection. Moreover, debts are written-off when they become uncollectible or are derecognized

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss represent shares and bonds held by the Group for trading and achieving gains from short-term market price fluctuations.

Financial assets at fair value through profit and loss are initially stated at fair value on the acquisition date (purchase costs are recorded in the consolidated statement of income upon purchase). They are subsequently re-measured to fair value as of the date of the consolidated financial statement. Moreover, change in fair value Is recorded in the statement of Income and other comprehensive income, Including the change in fair value resulting from foreign currency exchange transactions of non-monetary assets.

Dividends or incurred Interest are stated in the consolidated statement of Income and comprehensive Income.

Financial Assets at Fair Value through Other Comprehensive Income

These financial assets represent the investments in equity instruments held for the long term. These financial assets are recognized at fair value plus transaction costs at purchase date and are subsequently measured at fair value in the consolidated statement of comprehensive income and within owner’s equity including the changes in fair value resulting from translation of non-monetary assets stated in foreign currency. Gain or loss from the sale of these investments or part of them should be recognized in the consolidated statement of comprehensive income and within owner’s equity and the balance of the revaluation reserve for these assets should be transferred directly to the retained earnings not to the consolidated statement of income.

No impairment testing is required for these assets.

Dividends are recorded in the consolidated statement of income.

Financial assets at amortized cost

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

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

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

The impairment is recorded as a provision for expected credit loss in the statement of comprehensive income and any reversal are recorded in the subsequent year as a result of the previous impairment of the financial assets in the consolidated statement of comprehensive income. If any of these assets are sold before their due date, the profits or loss are recorded in the consolidated statement of comprehensive income.

Investment in Associate

Associate is those in which the Group exerts significant influence over the financial and operating policy decisions, and in which the Group holds between 20% and 50% of the voting rights. Investment in associated Group is accounted for according to the equity method. Transactions and balances between the Group up and the associate is eliminated to the extent of the Group’s ownership in the associate.

Investment Property

Investment property are stated at cost net of accumulated depreciation and any impairment in their value and are disclosed their fair value. Furthermore, these Investments are depreciated based on their useful lives. Any Impairment In their value is taken to the consolidated statement of Income and other comprehensive Income, while operating revenues and expenses relating to this investment are recognized in the consolidated statement of Income and other comprehensive Income.

If the fair value of the Investments for which an Impairment provision has been taken in the previous periods increases, the previously recorded are recovered impairment losses at no more than their cost.

Property, plant and Equipment

Property and equipment are stated at cost net of accumulated depreciation and any impairment loss in its value, Moreover Property and Equipment (except for land) are depreciated according to the straight- line method over the estimated useful life when ready for use of these assets using the following annual rates:

	%
Buildings	2-4
Vehicles	15
Furniture	10-15
Equipment and Software	25-30
Office supplies	10-15

When the carrying amount of property and equipment exceeds their recoverable value, assets are written down and impairment loss is recorded in the consolidated statement of income.

The useful lives of property and equipment are reviewed at the end of each year, in case the expected useful life is different from what was determined before the change in estimate is recorded in the following years being a change in estimates.

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

Trade payables and Accruals

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Loans

All term loans are initially recognized at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and bonds are subsequently measured at amortized cost using the effective interest method.

Impairment Financial Assets

The Group reviews the value of financial assets on the date of the consolidated statement of financial Position in order to determine if there are any indications of impairment in their value individually or in the form of a portfolio, in case such indications exist the recoverable value is estimated so as to determine the impairment loss.

Impairment is determined as follows:

The impairment in the financial assets recorded at amortized cost is determined on the basis of the present value of the expected cash flows discounted at the original interest rate.

The impairment in the financial assets at cost is determined by the difference between book value and the present value of the expected future cash flows discounted in effective market price on any other similar financial assets.

Impairment is recorded in the consolidated statement of income as does any surplus that occurs in subsequent years that is due to a previous impairment of the financial assets in the consolidated statement of income.

Recognition of Financial Assets Date

Purchases and sales of financial assets are recognized on the trading date (which is the date on which the Group commits itself to purchase or sell the assets.

Fair Value

Fair value represents the closing market price (Assets Purchasing / Liabilities Selling) of financial assets and derivatives on the date of the consolidated financial statements.

In case declared market, prices do not exist active trading of some financial assets and derivatives is not available or the market is inactive fair value is estimated by one of several methods including the following:

Comparison with the fair value of another financial asset with similar terms and conditions.

Analysis of the present value of expected future cash flows for similar instruments.

Adoption of the option pricing models.

Evaluation of long-term assets and liabilities that bear no interest through discounting cash flows and amortizing premium / discount using the effective interest rate method within interest revenue / expense in the consolidated statement of income.

The valuation methods aim to provide a fair value reflecting the market’s expectations taking into consideration the market expected risks and expected benefits when the value of the financial assets. When the financial assets fair value can’t be reliably measured, they are stated at cost less any impairment.

Offsetting
Financial assets and financial liabilities are offset, the net amount is presented in the statement of financial position only when there is a legal right to offset the recognized amounts, and the Group intends to either settle them on a net basis or to realize the assets and settle the liabilities simultaneously.

Provisions
Provisions are recognized when the Group has an obligation as of the date of the consolidated financial statements as a result of past events, the obligation is likely to be settled, and a reliable estimate can be made of the amount of the obligation.

Revenue recognition and Expense realization
Revenues are recognized upon rendering services and issuance of invoice.
Dividends are recognized when the shareholders right to receive payment is established.
Rental income is recognized on a straight-line basis over.
The lease term as other income.
Other revenues are recognized on an accrual basis.
Expenses are recognized on an accrual basis.

Related parties
Transactions with related parties represent transfer of resources, services, or obligations between related parties. Terms and conditions relating to related party transactions are approved by management.

Income tax and national contribution
Income tax expenses represent current and deferred taxes for the year.
Income tax expense is measured based on taxable income. Taxable income differs from income reported in the consolidated financial statements, as the latter includes non-taxable revenue, tax expenses not deductible in the current year but deductible in subsequent years, accumulated losses approved by tax authorities and items not accepted for tax purposes or subject to tax.

Taxes are calculated based on the enacted tax rates according to the prevailing laws, regulations and instructions of The Hashemite Kingdom of Jordan.

Deferred taxes are Taxes expected to be incurred or recovered as a result of temporary timing differences between the value of the assets and liabilities in the consolidated financial statements and their respective tax basis. Deferred taxes are calculated based on the liability method, and according to the rates expected to be enacted when it is anticipated that the liability will be settled or when tax assets are recognized.

Foreign currency
Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in ‘Jordanian Dinar’, which is the Group’s functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured.

Accounting Estimates

Preparation of the consolidated financial statements and the application of the accounting policies require the Group's management to perform assessments and assumptions that affect the amounts of financial assets, financial liabilities, and fair value reserve and to disclose contingent liabilities. Moreover, these assessments and assumptions affect revenues, expenses, provisions, and changes in the fair value shown in the statement of other comprehensive income and owners' equity. In particular, this requires the Group's management to issue significant judgments and assumptions to assess future cash flow amounts and their timing. Moreover, the said assessments are necessarily based on assumptions and factors with varying degrees of consideration and uncertainty. In addition, actual results may differ from assessments due to the changes resulting from the conditions and circumstances of those assessments in the future.

Management believes that the assessments adopted in the consolidated financial statements are reasonable. The details are as follows:

Management periodically reassesses the economic useful life of tangible and intangible assets for the purpose of calculating annual depreciation and amortisation based on the general condition of these assets and the assessment of their useful economic life expected in the future. Impairment loss is taken to the consolidated statement of comprehensive income.

Management frequently reviews financial assets stated at fair value or at cost to estimate any impairment in their value. The impairment amount is taken to the consolidated statement of comprehensive income for the year.

A provision is set for lawsuits raised against the Group. This provision is based to an adequate legal study prepared by the Group's legal advisors. Moreover, the study highlights potential risks that the Group may encounter in the future. Such legal assessments are reviewed periodically.

The fiscal year is charged with its portion of income tax expenditures in accordance with the regulations, laws, and accounting standards. Moreover, deferred tax assets, liabilities, and the income tax provision are recorded.

The level in the fair value hierarchy is determined and disclosed into which the fair value measurements are categorized entirely, segregating fair value measurements in accordance with the levels defined in IFRS. The difference between Level 2 and Level 3 fair value measurements represents whether inputs are observable and whether the unobservable inputs are significant, which may require judgment and a careful analysis of the inputs used to measure fair value, including consideration of factors specific to the asset or liability.

4) Cash and cash equivalents

	2021 JD	2020 JD
Current accounts	655 188	595 016
Deposits account*	500 000	553 905
	1 155 188	**1 148 921**

* The annual rate of return on the deposit account amounting 500 000 JD is 4.25 %. This deposit is due within one year from the date of inception.

5) Accounts receivable

	2021 JD	2020 JD
Accounts receivable	240 998	270 948
Margin receivables	689 577	689 577
	930 575	**960 525**
Expected credit loss provision	(676 279)	(676 279)
	254 296	**284 246**

The details of Accounts receivable as follows:

	2021			2020		
	Total JD	Expected credit loss provision JD	Net JD	Total JD	Expected credit loss provision JD	Net JD
Accounts receivable	240 998	(196 927)	44 071	270 948	(196 927)	74 021
Margin receivables	689 577	(479 352)	210 225	689 577	(479 352)	210 225
	930 575	**(676 279)**	**254 296**	**960 525**	**(676 279)**	**284 246**

As at 31 December, the aging of unimpaired accounts receivable was as follows:

	Past due not impaired					
	1-30 Day JD	31-90 Day JD	91-180 Day JD	181-270 Day JD	More than 271 JD	Total JD
2020	80 755	645	10 241	381	178 926	**270 948**
2021	65 655	642	840	150	173 711	**240 998**

Unimpaired receivables are expected on the basis of past experience to be fully recoverable.

The group provides provision on trade receivable when it is aged for more than 180 days and if not covered by share.

6) Financial assets at fair value through profit or loss

	2021 JD	2020 JD
Quoted financial assets	487 015	181 311
Unquoted financial assets*	459 665	539 665
	946 680	**720 976**

* Unquoted financial assets are recorded at cost due to the fact that market values of these financial assets are not obtainable and there is no other way for valuating these assets.

7) Other debit balances

	2021 JD	2020 JD
Settlement Guarantee Fund *	100 000	63 000
Cash margin and refundable deposits	85 674	53 074
Others	22 872	19 389
Unearned revenue (deposits)	11 098	12 004
Unearned revenue (bonds)	6 986	13 198
Prepaid expenses	23 108	22 742
	249 738	**183 407**

* This Item represents the Group's balance In the Settlement Guarantee Fund based on the provisions of Article (88) of the Securities Law No. (18) of 2017 and the Internal Regulations of the Settlement Guarantee Fund for the year 2017.

8) Trading settlement receivable

This Item represents the proceeds of the last trading day on the Amman Stock Exchange due in favor of the Group resulting from trading on the last day of the financial year ended 31 December 2021.

9) Financial assets at fair value through other comprehensive income

	2021 JD	2020 JD
Quoted financial assets	**54 919**	**59 793**

10) Financial assets at amortized cost

	2021 JD	2020 JD
OMAN BONDS*	-	237 939
KINGDOM OF JORDAN BONDS**	250 053	250 053
	250 053	**487 992**

*During the second quarter of 2021 OMAN GOV INTERNTL BOND amounted 237 939 JD have been sold.
**This item represents kingdom of Jordan bonds with cost of 1 $ (JD 0.71) per bond and with nominal value 1$ (JD 0.71) at 350 000 bonds as of 31 December 2021, with an annual interest rate of 5.85% paid every six months. These bonds mature on 7 July 2030.

11) Investment in associate

	Ownership percentage	Place of in corporation	Principle activities	2021 JD	2020 JD
Real Estate and Investments Portfolio *	**42%**	**Jordan**	**Investment**	**4 549 369**	**4 549 369**

* The Group exercise significant influence on the operating and financial operations of the Company. These investments are recorded as an investment in an associate.

The Following Table Illustrates the Movement on Group's Share of Associate

	2021 JD	2020 JD
Revenues	64 258	62 930
Profit (loss) for the year	70 205	(6 821)

The Group recorded its share of the results of the associate company taking into consideration the fair value of the Group's contribution to the associate, note that the results of the company's activity for the year 2021,2020 were not recorded since its immaterial in addition to hedge against fluctuations in the fair value of the real estate investments of the associate company.

12) Investment property

	2021 JD	2020 JD
Land	**134 454**	**134 454**

The fair value of the investment property has been assessed by real state evaluator equivalents the cost, there is no difference between the cost and market value.

13) Property, plant and equipment

	Land JD	Buildings JD	Vehicles JD	Furniture JD	Equipments and Software JD	Office supplies JD	Total JD
Cost							
31 December 2019	-	-	105 999	134 060	153 636	77 949	471 644
31 December 2020	**-**	**-**	**105 999**	**134 060**	**153 636**	**77 949**	**471 644**
Accumulated depreciation							
31 December 2019	-	-	28 825	134 060	144 004	74 783	381 672
Depreciations	-	-	14 250	-	6 056	1 034	21 340
31 December 2020	**-**	**-**	**43 075**	**134 060**	**150 060**	**75 817**	**403 012**
Net book value							
31 December 2020	**-**	**-**	**62 924**	**-**	**3 576**	**2 132**	**68 632**

	Land JD	Buildings JD	Vehicles JD	Furniture JD	Equipments and Software JD	Office supplies JD	Total JD
Cost							
31 December 2020	-	-	105 999	134 060	153 636	77 949	471 644
Additions	-	-	-	-	33 877	-	33 877
31 December 2021	**-**	**-**	**105 999**	**134 060**	**187 513**	**77 949**	**505 521**
Accumulated depreciation							
31 December 2020	-	-	**43 075**	**134 060**	**150 060**	**75 817**	**403 012**
Depreciations	-	-	14 250	-	2 255	1 118	17 623
31 December 2021	**-**	**-**	**57 325**	**134 060**	**152 315**	**76 935**	**420 635**
Net book value							
31 December 2021	**-**	**-**	**48 674**	**-**	**35 198**	**1 014**	**84 886**

14) Right of use assets

The movement on the right of use assets and lease obligations during the year is as follows:

	Right of use Assets JD	Lease Obligations JD
Balance as of 31 December 2020	23 483	28 000
Additions	46 676	46 676
Interest during the year	-	289
Amortization for the year	(26 400)	-
Paid during the year	-	(49 000)
Balance as of 31 December 2021	**43 759**	**25 965**

15) Bank overdraft

	2021	2020
	JD	JD
Housing Bank for Trade & Finance	-	-

On 25 June 2008, the Group signed Bank overdraft contract with Housing Bank for Trade and Finance with for amount of JD 2 500 000, more loan ceiling adjustments were made, the last of which was during the year 2015, to reach JD 1 000 000, bearing an annual interest rate of 7.5%. A portion of the loan ceiling was utilized during 2018. bearing an annual interest rate of 9.25%, the loan balance has been paid during the year 2019. The loan ceiling was reduced during the year 2020 by 250,000 JD to become 750 000 JD for the next year, bearing an annual interest rate of 8.5% calculated on the daily balance, and the loan ceiling is due in one payment and paid on June 1, 2021.

On 13 June 2021, the Group signed Bank overdraft contract with Capital Bank of Jordan with for amount of JD 500 000, bearing an annual interest rate of 8%.

16) Shareholders deposits

This item includes some of capital reduction deposits where the General Assembly in its extraordinary meeting held on 11 July 2019 approved to decrease the Company capital by JD 2 400 000 to become JD 3 600 000 by returning the value of the nominal shares to the shareholders, each according to its percentage, this is due to the increase from the company's need.

17) Other credit balances

	2021	2020
	JD	JD
Unearned revenues	211 591	211 591
Accrued expenses	58 227	26 409
Sales tax payables	2 920	-
Social security payables	3 661	-
	276 399	**238 000**

18) Income tax and national contribution

National Portfolio Securities.
No income tax provision has been calculated for the year ended 31 December 2021 due to Accumulated losses.
The income tax rate in Jordan is 24% and 4% national contribution tax.
The Company has reached to a final settlement with the Income and Sales Tax Department up to the end of the year 2020.

Al Zmileh for Real Estate
No income tax provision has been calculated for the year ended 31 December 2021 due to there is no taxable income.
The income tax rate in Jordan is 20% and 1% national contribution tax.
The Income and Sales Tax Department accepted the tax returns for the year 2020,2019 according to the sampling system in 3 October 2021 and 2 August 2020.

The Company has reached to a final settlement with the Income and Sales Tax Department up to the end of the year 2018

19) Equity

Share capital

The authorized and paid capital of the company amounted to 1 500 000 JD, and several increases were made to the capital through stock dividends and private subscriptions, to reach 15 000 000 JD on April 27, 2006, after which several capital reductions were made through amortization of accumulated losses to reach 6 000 000 JD in February 2017.

On July 11, 2019, the Extraordinary General Assembly decided to approve the reduction of the company's capital from 6 000 000 JD to 3 600 000 JD by returning the value of the nominal shares to the shareholders, each according to its percentage, since it is over the company's need.

Statutory reserve

Statutory reserve is allocated according to the Jordanian Companies Law by deducting 10% of the annual net profit until the reserve equals 25% of the Company's subscribed capital However, the Company may, with the approval of the General Assembly, continue to deduct this annual ratio until this reserve equals the subscribed capital of the Company in full. Such reserve is not available for dividends distribution. The General Assembly may, after depletion the other reserves, decide at an extraordinary meeting to resolved the accumulated losses from the amounts collected in the Statutory reserve account, provided that they are rebuilt in accordance with the provisions of the Law.

Retained earnings

	2021 JD	2020 JD
Balance as at Beginning of the year	81 060	300 920
Profit (loss) for the year	122 869	(219 860)
Balance as at Ending of the year	**203 929**	**81 060**

20) Brokerage commission

	2021 JD	2020 JD
Revenue Brokerage commissions	270 980	101 485
Commissions Payment	(10 903	(6 014)
	260 077	**95 471**

21) Other revenues

	2021 JD	2020 JD
Management fees	45 858	13 437
Interest revenues	20 182	44 142
Foreign exchange commissions Revenues	19 165	-
Dividends on financial assets	6 729	-
Bonds revenues	44 730	12 311
	136 664	**69 890**

22) Profit (loss) from financial assets at fair value

	2021 JD	2020 JD
Profit (Loss) from sale of financial assets at fair value	132 092	(17 405)
Change in fair value of financial assets at fair value through profit or loss	4 451	(29 866)
	136 543	**(47 271)**

23) Administrative expenses

	2021 JD	2020 JD
Salaries and wages	145 123	135 072
Group contribution social security	20 328	15 597
Licenses and Fees	21 012	17 720
Securities commission fees	19 828	20 126
Professional fees	15 971	15 798
Health insurance	12 276	12 888
Maintenance	9 099	8 760
Provident fund Group contribution	8 219	8 971
Electricity and Water	700	680
Vehicles	5 677	4 625
Postage, Telecommunication and Internet	4 167	5 860
Others	7 326	5 148
Stationery and printing	1 495	2 847
Marketing and advertising	100	915
Hospitality	284	356
General Assembly meetings expenses	1 200	600
	272 805	**255 963**

24) Financing expenses

	2021 JD	2020 JD
Bank, guarantees fees	**13 298**	**11 774**

25) Basic and diluted earnings profit (loss) per share

	2021 JD	2020 JD
Profit (Loss) for the year	122 869	(219 860)
Weighted average number of outstanding shares	3 600 000	3 600 000
Basic and diluted earnings profit (loss) per share	**0.034 JD**	**(0.061) JD**

26) Cash and cash equivalents

	2021 JD	2020 JD
Current account	1 155 188	1 148 921
Restricted accounts *	(612 848)	(565 680)
	542 340	**583 241**

* This item represents banks balances for the customers in accordance with the instructions of the jordan Securities Commission.

27) Contingent liabilities

As of the date of the consolidated financial statements, the Group is contingently liable in accordance with a bank guarantee amounting to JD 300 000, for the benefit of the Jordan Securities Commission, in addition to other bank letters of guarantee for the Securities Depository Center Amman to JD 100 000 as of 31 December 2021.

28) Fair value levels

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1
Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2
Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3
Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

	Level 1 JD	Level 2 JD	Level 3 JD	Total JD
2020				
Financial assets at fair value	**241 104**	**539 665**	**-**	**780 769**
2021				
Financial assets at fair value	**541 934**	**459 665**	**-**	**1 001 599**

29) Related parties' transactions

Related parties represent major shareholders, directors and key management personnel of the Group, and entities controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management. Balances with related parties included in the consolidated financial statements are as follows:

The balances of related parties included in the consolidated statement of the financial position are as follows:

	Nature of the relationship	2021 JD	2020 JD
Real Estate and Investments Portfolio	Management fees	**10 000**	**10 000**

Compensation of key management personnel of the Group is as follows:

	2021 JD	2020 JD
Salaries and other benefits	**57 750**	**56 012**

30) Risk management

Interest rate risk

Interest rate risk arises from the possible impact of changes in interest rates on the fair value or future cash flows of financial instruments.

The Group is exposed to interest rate risk on its interest-bearing assets and liabilities (bank deposits, due to banks and loans).

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

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Moreover, the Group manages interest rate risks through applying the sensitivity analysis of interest rate instruments in a manner that does not negatively affect net interest income, The Group also manages its Interest rate risk regularly by evaluating the different alternatives such as funding and renewing current positions and alternative funding.

2020	Increase (Decrease) in basis points point	Effect on profit JD
Jordan dinar	100	(5 539)
Jordan dinar	(100)	5 539
2021		
Jordan dinar	100	(5 000)
Jordan dinar	(100)	5 000

The effect of decrease in interest rates is expected to be equal and opposite to the effect of the increase shown above.

Risk of stock prices changes

The following table demonstrates the sensitivity of the consolidated statement of comprehensive income and accumulated change in fair value as a result of reasonably possible changes in stock prices, with all other variables held constant:

	Change in Index %	Impact on Profit and Loss JD	Impact on Fair value reserve JD
2020			
Amman Stock Exchange	**%1**	**7 210**	**299**
2021			
Amman Stock Exchange	**%1**	**9 467**	**45**

In the event of a negative change In the Index, the effect Is equal to the change above with an opposite sign.

Credit risk

Credit risk Is the risk that the other party will fail to meet Its contractual obligations, causing losses to the Group. Moreover, the Group has a policy of dealing with creditworthy counterparties in order to mitigate the risk of financial losses arising from non-fulfillment of obligations. Where it establishes a credit ceiling for customers with continuous monitoring of outstanding receivables. The Group also maintains balances and deposits with leading banking institutions.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group reputation.

The following are the contracted maturities of financial liabilities:

	Less than 3 months JD	3 to 12 months JD	1 to 5 years JD	Total JD
31 December 2020				
Accounts payable	-	472 186	-	472 186
Shareholders deposits	-	563 837	-	563 837
Other credit balances	-	26 409	-	26 409
	-	**1 062 432**	**-**	**1 062 432**
31 December 2021				
Accounts payable	-	600 856	-	600 856
Shareholders deposits	-	476 012	-	476 012
Other credit balances	-	64 808	-	64 808
	-	**1 141 676**	**-**	**1 141 676**

Foreign exchange risk

The Group's major transactions are In Jordanian Dinar; therefore, the risk of foreign currency is not significant to the consolidated financial statements.

31) Fair Value of Financial Instruments

Financial instruments comprise of financial assets and financial liabilities.

Financial assets consist of cash and cash equivalents, accounts receivable, financial assets at fair value through profit or loss, Trading settlement receivable, financial assets at fair value through other comprehensive Income, financial assets at amortized cost and other debit balances.

Financial liabilities consist of bank overdraft, accounts payable, shareholders deposits, trading settlement payable, lease liability and other credit balances.

The fair values of financial instruments are not materially different from their carrying values.

32) Capital Management

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

The Group manages its capital structure and makes adjustments to it in light of changes in business conditions. No changes were made in the objectives, policies or processes during the years ended 31 December 2021 and 2020.

Capital comprises Share capital, Statutory reserves, Fair value reserve, and Retained earnings, and is measured at JD 6 581 977 as at 31 December 2021 (2020: JD 6 463 982).

33) Managed accounts for customers

Within the normal activities of business, the Group has an investment portfolio in foreign markets for its clients in custody against brokerage commissions shown in the consolidated statement of income. The net assets of this portfolio amounted to JD 189 543 as of 31 December 2021,(2020: JD 154 218) Are kept in separate accounts from the Group's assets and are not reflected in the Group's consolidated financial statements.

34) Standards Issued but Not Yet Effective

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

IFRS 17 Insurance Contracts

IFRS 17 provides a comprehensive model for insurance contracts covering the recognition and measurement and presentation and disclosure of insurance contracts and replaces IFRS 4 - Insurance Contracts. The standard applies to all types of insurance contracts (i.e. life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. The standard general model is supplemented by the variable fee approach and the premium allocation approach.

The new standard will be effective for annual periods beginning on or after 1 January 2023 with comparative figures required. Early application is permitted provided that the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17.

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

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

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

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively.

Reference to the Conceptual Framework -Amendments to IFRS 3

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.
The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential `day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.
At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.
The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.
The amendments are not expected to have a material impact on the group.

Property, Plant and Equipment: Proceeds before Intended Use Amendments to IAS 16

In May 2020, the IASB issued Property, Plant and Equipment Proceeds before Intended Use, which prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

The amendments are not expected to have a material impact on the group.

Onerous Contracts Costs of Fulfilling a Contract Amendments to IAS 37

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities.

General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022. The group will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments. The amendments are not expected to have a material impact on the group.

IFRS 9 Financial Instruments Fees in the '10 per cent' test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received by the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The group will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendments are not expected to have a material impact on the group.

35) Comparative Figures

Some of 2020 balances were reclassified to correspond with 2021 presentation, reclassifications have no effect on the profit and equity for the year ended at 2020.

36) Coronavirus Impact

The coronavirus outbreak has impacted and caused significant disruption in the global economy and different business sectors along with restrictions and procedures implemented by governments the spread of this epidemic has been impact on decreasing group activity (revenue) and decrease salaries and social security that impact on decreasing in the Group's administrative expenses, and on the group's consolidated financial statements as of 31 December 2020.

During the year 2021 the company has taken into the consideration potential impacts of economic fluctuations when determining the recorded of the company's financial and non-financial assets. It represents the best assessment of management observable information. However, markets remain volatile and reported amounts remain variable.