Jordanian Expatriates Investment Holding Company

Public Shareholding Company

Consolidated Financial Statements

31 December 2023

Jordanian Expatriates Investment Holding Company
Public Shareholding Company

	Pages
- Independent auditor's report	2 – 3
- Consolidated statement of financial position	4
- Consolidated statement of comprehensive income	5
- Consolidated statement of changes in equity	6
- Consolidated statement of cash flows	7
- Notes to the consolidated financial statements	8 – 21

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INDEPENDENT AUDITOR'S REPORT

To The Shareholders of
Jordanian Expatriates Investment Holding Company
Public Shareholding Company
Amman - Jordan

Opinion
We have audited the consolidated financial statements of **Jordanian Expatriates Investment Holding Company PLC**, which comprise the consolidated statement of financial position as at 31 December 2023, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

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

Key Audit Matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Provision for Expected Credit Loss
Included in the accompanying consolidated financial statements at the end of the year 2023 financial assets totaling JOD (7,249,341), as the provision for the expected credit loss of these financial assets are dependent on the management's estimates of different variables, the adequacy of the provision is considered a key audit matter. The audit procedures performed by us to address this key audit matter included inquiring from management about the methodology used in calculating the provision and assessing the reasonableness of estimates and assumptions used by the management in calculating the provision amount. We have also inquired about the management's collection procedures and the amounts collected post year end.

Other Information
Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.
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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management 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 is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the consolidated financial statements, management is responsible for assessing the 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.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Company 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 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 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 period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Jordanian Expatriates Investment Holding Company PLC for the year ended 31 December 2023 maintains proper accounting records and the accompanying consolidated financial statements are in agreement therewith, and with the financial data presented in the board of directors' report, and we recommend the General Assembly to approve it.

5 February 2024
Amman - Jordan

Arab Professionals Public Accountants

Arab Professionals
Amin Samara
License No. (481)

Jordanian Expatriates Investment Holding Company
Public Shareholding Company
Consolidated Statement of Financial Position
As at 31 December 2023

(In Jordanian Dinar)

	Notes	2023	2022
Assets			
Cash and cash equivalents	3	5,352,857	4,099,214
Financial assets at fair value through profit or loss	4	4,044,382	4,017,856
Brokerage receivables	5	21,853	45,336
Margin financing receivables	6	882,158	993,175
Brokers receivables		60,163	-
Settlement guarantee fund		89,000	89,000
Other current assets	7	170,337	145,577
Financial assets at fair value through other comprehensive income	8	3,933,732	3,933,732
Financial assets at amortized cost	9	1,228,127	1,343,216
Investment property	10	1,963,552	2,846,481
Property and equipment	11	17,624	23,482
Projects under construction	12	933,982	-
Brokerage license	13	200,000	200,000
Total assets		**18,897,767**	**17,737,069**
Liabilities and Equity			
Liabilities			
Brokerage payables		216,734	221,010
Brokers payables		-	161,044
Amounts due to related parties	16	25,213	20,366
Other current liabilities	14	345,440	356,885
Total liabilities		587,387	759,305
Equity	15		
Paid in capital		14,512,500	14,512,500
Additional paid in capital		105,986	105,986
Statutory reserve		2,542,950	2,401,062
Voluntary reserve		11,448	11,448
Retained earnings (Accumulated losses)		488,535	(697,602)
Total shareholders' equity		17,661,419	16,333,394
Non-controlling interests		648,961	644,370
Total equity		18,310,380	16,977,764
Total liabilities and equity		**18,897,767**	**17,737,069**

"The accompanying notes from (1) to (28) are integral part of these consolidated financial statements"

Jordanian Expatriates Investment Holding Company
Public Shareholding Company
Consolidated Statement of Comprehensive Income
For the Year Ended 31 December 2023

(In Jordanian Dinar)

	Notes	2023	2022
Dividends income		1,441,019	979,046
Brokerage commissions		359,847	301,177
Interest income on margin financing accounts		27,864	26,021
Changes in fair value of financial assets at fair value through profit or loss		64,442	(826,832)
Gain (loss) from sale of financial assets at fair value through profit or loss		18,395	(25,343)
Interest income from bank deposits		214,172	130,954
Interest income from financial assets at amortized cost		87,524	87,689
Loss from sale of financial assets at amortized cost		(23,479)	(212,754)
Provision for expected credit loss for receivables	5 , 6	(43,928)	(4,320)
Provision for expected credit loss for deposit and bonds	3 , 9	(64,416)	(5,472)
Legal expenses	19	(41,842)	(125,963)
Administrative expenses	17	(483,028)	(464,412)
Marketing expenses		(105,201)	(72,862)
Other expenses and revenues, net	18	(30,979)	(12,392)
Board of directors remuneration		(36,505)	(4,200)
Profit (loss) for the year before income tax		**1,383,885**	**(229,663)**
Income and National Contribution tax for the year	22	(51,269)	(26,643)
Total comprehensive income (loss) for the year		**1,332,616**	**(256,306)**
Attributable to:			
Shareholders of the Company		1,328,025	(266,780)
Non-controlling interests		4,591	10,474
		1,332,616	**(256,306)**
Basic and diluted profit (loss) per share attributable to the shareholders of the company	20	**0.092**	**(0.018)**

“The accompanying notes from (1) to (28) are integral part of these consolidated financial statements"

Jordanian Expatriates Investment Holding Company
Public Shareholding Company
Consolidated Statement of Changes in Equity
For the Year Ended 31 December 2023

(In Jordanian Dinar)

	Paid in capital	Additional paid in capital	Reserves		Retained earnings (Accumulated losses)	Total shareholders equity	Non-controlling interests	Total equity
			Statutory	Voluntary				
Balance at 1 January 2023	**14,512,500**	**105,986**	**2,401,062**	**11,448**	**(697,602)**	**16,333,394**	**644,370**	**16,977,764**
Total comprehensive income for the year	-	-	-	-	1,328,025	**1,328,025**	4,591	**1,332,616**
Statutory reserve	-	-	141,888	-	(141,888)	**-**	-	**-**
Balance at 31 December 2023	**14,512,500**	**105,986**	**2,542,950**	**11,448**	**488,535**	**17,661,419**	**648,961**	**18,310,380**
Balance at 1 January 2022	**14,512,500**	**105,986**	**2,401,062**	**11,448**	**(430,822)**	**16,600,174**	**633,896**	**17,234,070**
Total comprehensive income for the year	-	-	-	-	(266,780)	**(266,780)**	10,474	**(256,306)**
Balance at 31 December 2022	**14,512,500**	**105,986**	**2,401,062**	**11,448**	**(697,602)**	**16,333,394**	**644,370**	**16,977,764**

* Retained earnings as at 31 December 2023 included unrealized gains relate to changes in fair value of financial assets at fair value through profit or loss amounting to JOD 64,442 for the year 2023, which are not allowed to be distributed to shareholders.

"The accompanying notes from (1) to (28) are integral part of these consolidated financial statements"

Jordanian Expatriates Investment Holding Company
Public Shareholding Company
Consolidated Statement of Cash Flows
for the Year Ended 31 December 2023

(In Jordanian Dinar)

	2023	2022
Operating Activities		
Profit (loss) for the year before income tax	1,383,885	(229,663)
Depreciation	8,679	8,635
Changes in fair value of financial assets at fair value through profit or loss	(64,442)	826,832
Loss from sale of financial assets at amortized cost	23,479	212,754
Provision for expected credit loss for receivables	43,928	4,320
Provision for expected credit loss for deposit and bonds	64,416	5,472
Provision against end of service indemnity	8,970	8,953
Board of directors remuneration and transportation	50,505	18,200
Foreign currency revaluation	(10,240)	13,112
Changes in Working Capital		
Financial assets at fair value through profit or loss	37,916	124,417
Brokerage receivables	6,630	305,865
Margin financing receivables	79,666	(99,654)
Brokers receivables	(221,207)	70,036
Other current assets	(60,548)	(31,279)
Other current liabilities	(47,490)	(140,210)
Paid income tax	(38,911)	(35,413)
Net Cash Flows From Operating Activities	1,265,236	1,062,377
Investing Activities		
Financial assets at amortized cost	37,434	(23,651)
Property and equipment	(2,821)	(285)
Projects under construction	(8,256)	-
Investment property	(42,797)	-
Net Cash Flows Used in Investing Activities	(16,440)	(23,936)
Financing Activities		
Amounts due to related parties	4,847	(130,898)
Changes in cash and cash equivalents	1,253,643	907,543
Cash and cash equivalents, beginning of year (before provision for expected credit losses)	4,101,216	3,193,673
Cash and cash equivalents, end of year (before provision for expected credit losses)	**5,354,859**	**4,101,216**

"The accompanying notes from (1) to (28) are integral part of these consolidated financial statements"

1 . General

Jordanian Expatriates Investment Holding Company was established on 2 July 1988 and registered in accordance with Jordanian Companies Law under No.(202) as public Shareholding Company. The Company's head office is in the Hashemite Kingdom of Jordan. Company's main objectives are to invest in industrial, commercial, agricultural, tourism and other economic fields.

Company's shares are listed in Amman Stock Exchange - Jordan.

The accompanying consolidated financial statements were authorized for issue by the Company's Board of Directors on 29 January 2024 and require the approval of the General Assembly.

2 . Summary of significant accounting policies

Basis of preparation

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

The consolidated financial statements have been prepared on historical cost basis except for financial assets measured at fair value.

The consolidated financial statements are presented in Jordanian Dinar which is the functional currency of the Company.

The accounting policies are consistent with those used in the previous year.

Basis of Consolidation

The consolidated financial statements comprise of the financial statements of the parent and its subsidiaries where the Company has the power to govern the financial and operating policies of the subsidiary so as 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 statement of profit or loss 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 comprehensive income to the disposal date which is the date on which the Company loses control over the subsidiaries.

Non - controlling interest represent the subsidiary equity not owned by the parent shareholders.

The following subsidiaries have been consolidated:

Company	Paid in capital	Ownership	Activity
Jordanian Expatriates for Financial Brokerage L.L.C	2,250,000	75%	Brokerage services
Jordanian Expatriates for Real estate and Development L.L.C	1,600,000	100%	Real estate investment

Adoption of new and revised IFRS standards

The following amendments to standards have been published that are mandatory for accounting periods beginning on or after 1 January 2023.

New IFRS and amendments	Effective Date
The amendments aim to improve accounting policy disclosures and to help users of the financial statements to differentiate between changes in accounting estimates and changes in accounting policies. (Amendments to IAS 1 & IAS 8)	1 January 2023
These amendments require companies to recognize deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences. (Amendments to IAS 12).	1 January 2023

The adoption of these amendments has no material impact on the consolidated financial statements of the Company for the current and past year.

Use of Estimates

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues, expenses and the provisions. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future changes in such provisions.

Management believes that the estimates are reasonable and are as follows:

- Management reviews periodically the tangible and intangible assets in order to assess the depreciation and amortization for the year based on the useful life and future economic benefits. Any impairment is taken to the consolidated statement of profit or loss.
- The measurement of impairment losses under IFRS 9 requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. Elements of the expected credit loss model that are considered accounting judgments and estimates include Probability of default (PD), Loss given default (LGD) and Exposure at default (EAD).
- The company uses licensed real estate appraiser to measure the fair value of the Investment properties.

Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand, deposits held at call with banks and other short - term highly liquid investments.

Accounts Receivable

Accounts receivables are carried at original invoice amount less an estimate made for expected credit loss based on a review of all outstanding amounts at the year end. Bad debts are written off when identified.

Property, Plant and Equipment

Property plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss. When assets are sold or retired, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in the consolidated statement of profit or loss.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, are normally charged to income in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property, plant and equipment.

Depreciation is computed on a straight-line basis at annual depreciation rates:

Computers and Software	10-25%
Office Equipment	10-15%
Furniture and Decoration	10-20%

The useful life and depreciation method are reviewed periodically to ensure that the method and period of deprecation are consistent with the expected pattern of economic benefits from items of property plant and equipment.

Financial Assets at Fair Value Through Profit or Loss

It is the financial assets held by the company for the purpose of trading in the near future and achieving gains from the fluctuations in market prices in the short term or trading margins.

Financial assets at fair value through profit or loss are initially stated at fair value at acquisition date (purchase costs are recorded at the consolidated statement of profit or loss upon acquisition) and subsequently measured at fair value. Moreover, changes in fair value are recorded in the consolidated statement of profit or loss including the change in fair value resulting from translation of non-monetary assets stated at foreign currency. Gains or losses resulting from the sale of these financial assets are taken to the consolidated statement of profit or loss.

Dividends from these financial assets are recorded in the consolidated statement of profit or loss as a separate line item.

Financial Assets at Fair Value Through Other Comprehensive Income

These financial assets represent investments in equity instruments held for the purpose of generating gain on a long term and not for trading purpose.
Financial assets at fair value through other comprehensive income initially stated at fair value plus transaction costs at purchase date.

Subsequently, they are measured at fair value with gains or losses arising from changes in fair value recognized in the consolidated statement of other comprehensive income and within owner's equity, including the changes in fair value resulting from translation of non-monetary assets stated at foreign currency. In case those assets – or part of them-were sold, the resultant gain or loss is recorded in the consolidated statement of comprehensive income within owners' equity and the reserve for the sold assets is directly transferred to the retained earnings and not through the consolidated statement of profit or loss.

Dividends from these financial assets are recorded in the consolidated statement of profit or loss as a separate line item.

Financial Assets at Amortized Cost
Financial assets at amortized cost are the financial assets which the company management intends according to its business model to hold for the purpose of collecting the contractual cash flows which comprise the contractual cash flows that are solely payments of principal and interest on the principal outstanding.

Financial assets are recorded at cost upon purchase plus acquisition expenses. Moreover, the issue premium\discount is amortized using the effective interest rate method, and recorded to interest account. Provisions associated with the decline in value of these investments leading to the inability to recover the investment or parts thereof are deducted. Any impairment is registered in the consolidated statement of profit or loss and should be presented subsequently at amortized cost less any impairment losses.

Trading and Settlement Date Accounting
Purchases and sales of financial assets are recognized on the trade date, i.e. the date on which the Company commits its self to purchase or sell the asset.

Fair Value
For fair value of investments, which are traded in organized financial markets, is determined by reference to the quoted market bid price at the close of the business on the consolidated statement of financial position date. For investments which are listed in inactive stock markets, traded in small quantities or have no current prices, the fair value is measured using the current value of cash flows or any other method adopted. If there is no reliable method for the measurement of these investments, then they are stated at cost less any impairment in their value.

Projects under construction
Projects under construction are recorded at cost which represents the contractual obligations of the Company for the construction. Allocated costs directly attributable to the construction of the asset are capitalized. The Projects under construction is transferred to the appropriate asset category and depreciated in accordance with the Company's policies when construction of the asset is completed and commissioned.

Investment Properties
Property held to earn rentals or for capital appreciation purposes as well as those held for undetermined future use are classified as investment property. Investment property is measured at cost less any accumulated depreciation and any accumulated impairment losses. The cost of constructed property includes the cost of material and any other costs directly attributed to bringing the property to a working condition for its intended use. Borrowing costs that are directly attributed to acquisition and construction of a property are included in the cost of that property.

Intangible Assets
Intangible assets are classified on the basis of whether their useful lives are definite or indefinite. Those with definite useful lives are amortized over their lives and the amortization expense is taken to the consolidated statement of profit or loss. On the other hand, intangible assets with indefinite lives are reviewed for impairment as of the consolidated financial statements date, and the impairment loss (if any) is taken to the consolidated statement of profit or loss.

Accounts Payable and Accruals
Accounts payable and accrued expenses are recognized when goods are received and services are performed.

Provisions
Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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.

Revenues
Revenues from sale of goods are recognized when control transferred to the buyer, while revenues from rendering services are recognized over time and according to percentage of completion. In all cases, it is necessary that the amount of revenue can be measured reliably.

Interest income is recognized on time proportion basis that reflects the effective yield on the assets.

Dividend income is recognized when it is declared by the General Assembly of the investee Company.

Other revenues are recognized on the accrual basis.

Short-Term-Leases and Leases of Low-Value Assets
The company applies the short-term lease recognition exemption to some of its short-term leases (I.e., those leases that have lease terms of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Foreign Currencies
Assets and liabilities denominated in foreign currencies are translated to Jordanian Dinar using the prevailing exchange rates at year end. Foreign currency transactions during the year are recorded using exchange rates that were in effect at the dates of the transactions. Foreign exchange gains or losses are reflected in the consolidated statement of profit or loss.

Income Tax
Income tax expenses are accounted for on the basis of taxable income. Taxable income differs from income declared in the consolidated financial statements because the latter includes non-taxable revenues or disallowed taxable expenses in the current year but deductible in subsequent years, accumulated losses acceptable by the tax law, and items not accepted for tax purposes or subject to tax.

3 . Cash and cash equivalents

	2023	2022
Current banks accounts	720,336	650,796
Bank deposits	4,634,523	3,450,420
Provision for expected credit loss	(2,002)	(2,002)
	5,352,857	**4,099,214**

Time deposits mature within (1) to (5) months, with an annual interest rate ranging between (3.25%) and (6.75%).

Movements on the provision for expected credit loss are as follows:

	2023	2022
Balance at beginning of the year	2,002	1,530
Provision for the year	-	472
Balance at end of the year	**2,002**	**2,002**

4 . Financial assets at fair value through profit or loss

	2023	2022
Investment in listed shares – inside Jordan	759,823	784,712
Investment in unlisted shares – inside Jordan	93,694	93,694
Investment in listed shares – outside Jordan	3,190,865	3,139,450
	4,044,382	**4,017,856**

5 . Brokerage receivables

	2023	2022
Brokerage receivables	181,932	210,458
Provision for expected credit loss	(160,079)	(165,122)
	21,853	**45,336**

Movements on the provision for expected credit loss are as follows:

	2023	2022
Balance at beginning of the year	165,122	328,918
Receivables written-off during the year	(17,620)	(39,154)
(Unneeded) provision for expected credit loss	12,577	(124,642)
	160,079	**165,122**

The ageing of receivables past due but not impaired is as follows:

	2023	2022
Receivables past due for less than one month	-	4,356
Receivables past due for more than one month and less than (12) months	21,853	40,980
	21,853	**45,336**

Management believes that all past due but not impaired receivables are collectable in full.

6 . Margin financing receivables

	2023	2022
Accounts receivable	1,042,471	1,122,137
Provision for expected credit loss	(160,313)	(128,962)
	882,158	**993,175**

Movements on the provision for expected credit loss are as follows:

	2023	2022
Balance at beginning of the year	128,962	-
Provision for the year	31,351	128,962
	160,313	**128,962**

The ageing of margin financing receivables past due but not impaired is as follows:

	2023	2022
Receivables past due for less than one month	682,684	829,439
Receivables past due for more than one month and less than (12) months	199,474	163,736
	882,158	**993,175**

Management believes that all past due but not impaired margin financing receivables are collectable in full.

7 . Other current assets

	2023	2022
Margin on letter of guarantees	64,400	57,500
Prepaid expenses	24,610	24,523
Accrued revenues	75,833	48,014
Income tax withholdings (Note 22)	-	10,047
Others	5,494	5,493
	170,337	**145,577**

8 . Financial assets at fair value through other comprehensive income

	Country of Incorporation	Ownership percentage	Book value	Market Value
Trust Bank Algeria	Algeria	4.881%	3,933,731	Unquoted
Lebanese Canadian Bank (under liquidation) *	Lebanon	2%	1	Unquoted
			3,933,732	

* Board of Directors believe that the Company will receive some proceeds from selling Lebanese Canadian Bank's net assets and it will pay its share from legal and consulting fees, while it is difficult to estimate these proceeds and expenses at meantime.

9 . Financial assets at amortized cost

	2023	2022
Government and corporate bonds – outside Jordan	1,192,427	1,252,664
Government bonds – inside Jordan	197,988	198,664
Provision for expected credit loss	(159,416)	(95,000)
Foreign currency revaluation	(2,872)	(13,112)
	1,228,127	**1,343,216**

Bonds maturity extends to the year 2047 with an annual interest rate ranging between (3.75%) and (8.5%).

Movements on the provision for expected credit loss for the financial assets at amortized cost are as follows:

	2023	2022
Balance at beginning of the year	95,000	90,000
Provision for the year	64,416	5,000
Balance at end of the year	**159,416**	**95,000**

10 . Investment property

The fair value of the investment properties as assessed by real estate appraiser equals to an amount of JOD (4,366,598) as at 31 December 2023.

11 . Property and equipment

	Computers and software	Office equipment	Furniture and decoration	Total
Cost				
Balance at 1/1/2023	144,574	44,705	111,358	**300,637**
Additions	2,821	-	-	**2,821**
Balance at 31/12/2023	147,395	44,705	111,358	**303,458**
Accumulated depreciation				
Balance at 1/1/2023	125,104	40,694	111,357	**277,155**
Depreciation	8,148	531	-	**8,679**
Balance at 31/12/2023	133,252	41,225	111,357	**285,834**
Net book value at 31/12/2023	**14,143**	**3,480**	**1**	**17,624**
Cost				
Balance at 1/1/2022	144,289	44,705	111,358	**300,352**
Additions	285	-	-	**285**
Balance at 31/12/2022	144,574	44,705	111,358	**300,637**
Accumulated depreciation				
Balance at 1/1/2022	117,094	40,069	111,357	**268,520**
Depreciation	8,010	625	-	**8,635**
Balance at 31/12/2022	125,104	40,694	111,357	**277,155**
Net book value at 31/12/2022	**19,470**	**4,011**	**1**	**23,482**

12 . Projects under construction

Lands cost	
Transfer from investment property	925,726
Balance at 31/12/2023	**925,726**
Capitalized expenses	
Additions	8,256
Balance at 31/12/2023	8,256
Total cost of project under construction at 31 / 12 / 2023	**933,982**

This item represents the cost of constructing a commercial building, which is owned by a subsidiary (Jordanian Expatriates for Real estate and Development). The expected cost to complete this project is JOD (250,000), and expected to be completed during the year 2024.

13 . Brokerage license

This item represents the cost of brokerage license.

14 . Other current liabilities

	2023	2022
Shareholders' withholdings	195,635	240,538
Income tax provision (Note 22)	2,311	-
End of service provision	59,350	50,380
Board of directors remuneration and transportation provision	50,505	18,200
Accrued expenses	21,651	30,976
Others	15,988	16,791
	345,440	**356,885**

15 . Equity

Paid-in capital

The Company's authorized, subscribed and paid in capital is JOD (14,512,500) divided equally into (14,512,500) shares with par value of JOD (1) for each share as at 31 December 2023 and 2022.

Additional paid in capital

The Additional paid in capital is JOD (105,986) as at 31 December 2023 and 2022 resulted from the issuing some of the company's shares with price above the par value amounted to JOD (1).

Statutory reserve

The accumulated amounts in this account represent 10% of the Company's net income before income tax according to the Companies Law. The statutory reserve is not available for distribution to shareholders.

Voluntary reserve

The accumulated amounts in this account represent 20% of the Company's net income before income tax according to the Companies Law. The voluntary reserve is available for distribution to shareholders.

Non – controlling interests

This presents the non - controlling interests of the Company from the subsidiaries shareholders equity, and the non - controlling interests are presented as a separate account into the consolidated statements of financial position, consolidated statement of other comprehensive income.

16 . Related parties transactions

Party	Relationship nature	Transaction nature	Balance at year end
Nest Investment Company	Sister Company	Financing	23,440
Trust Holding Company	Sister Company	Financing	1,773
			25,213

17 . Administrative expenses

	2023	2022
Salaries , wages and other benefits	265,517	254,333
Social security	17,758	18,472
Rents	31,023	29,803
Professional fees	27,096	26,149
Insurance	24,245	21,197
Fees and licenses	22,478	19,636
Maintenance	16,888	15,652
Board of directors transportation	14,000	14,000
Subsidiary's board of directors transportation	8,000	12,000
End of service remuneration	8,970	8,953
Bank fees	9,499	8,763
Depreciation (Note 11)	8,679	8,635
Post and telephone	4,669	4,837
Utilities	3,685	3,967
Hospitality	2,340	2,585
Stationary	3,409	2,521
Travel and transportation	2,414	1,759
Companies controller fees	600	600
Advertisement	1,040	490
Fees of investors' protection fund	255	291
Miscellaneous	10,463	9,769
	483,028	**464,412**

18 . Other expenses and revenues, net

	2023	2022
Currency exchange differences	(30,989)	(16,598)
Other	10	4,206
	(30,979)	**(12,392)**

19 . Legal expenses

This item consists of an amount totaling to JOD (23,440) which represents the amounts paid during the year 2023 by the Company for its share from consultancy fees, legal fees, court fees, and costs of liquidating the Lebanese Canadian Bank. The Board of Directors believes that there will be some proceeds to be received by the Company against the sale of Bank's net assets, and an amount totaling to JOD (18,402) represents professional fees and lawsuit fees filed against the Jordanian Expatriates Brokerage Company (subsidiary company).

20 . Basic and diluted profit (loss) per share attributable to the shareholders of the company

	2023	2022
Profit (loss) for the year	1,328,025	(266,780)
Weighted average number of shares	14,512,500	14,512,500
	0.092	**(0.018)**

21 . Executive management remunerations

The remunerations of executive management during the years 2023 and 2022 amounted to JOD (109,796) and JOD (89,640) respectively.

22 . Income tax

The movement on (withholding) provision for the income and National Contribution tax during the year is as follows:

	2023	2022
Balance at beginning of the year	(10,047)	(1,277)
Income and National Contribution tax for the year	51,269	26,643
Paid income tax	(38,911)	(35,413)
Balance at end of the year (Note 14 , 7)	**2,311**	**(10,047)**

Income tax expense for the year in the consolidated statement of comprehensive income consists of the following:

	2023	2022
Income tax expense for the year	33,772	17,005
National Contribution tax for the year	17,497	9,638
	51,269	**26,643**

The following is the reconciliation between declared profit and taxable profit:

	2023	2022
Declared loss (except for profit from foreign investments)	(73,400)	(910,150)
Net of tax exempted (income) expenses	(35,191)	(201,111)
Taxable loss (subject to 20%) taking in consideration accumulated taxable losses	(108,591)	(1,111,261)
Profit from foreign investments (subject to 10%)	156,987	-
Subsidiaries companies taxable profit (subject to 24%)	75,308	70,854
Income tax expense for the year	33,772	17,005
National Contribution tax for the year	17,497	9,638
Income tax for the year	**51,269**	**26,643**

- The Company has settled its tax liability with Income Tax Department up to the year ended 2018.
- The income tax returns for the years 2019 , 2020 ,2021 and 2022 have been filed with the Income Tax Department but the Department has not reviewed the Company's, records till the date of this report.
- The Income and National Contribution tax provision for the year 2023 was calculated in accordance with the Income Tax Law.

23 . Segment reporting

The Company is engaged mainly in investment in financial assets and real estate and brokerage activities as follow:

	2023		**2022**	
	Inside Jordan	**Outside Jordan**	**Inside Jordan**	**Outside Jordan**
Income from investment in financial assets	258,184	1,525,494	307,228	(174,468)
Income from brokerage activities	387,711	-	327,198	-
Assets related to investment in financial assets	5,684,026	8,154,736	4,527,490	8,217,734
Assets related to investment in real estate	2,897,534	-	2,846,481	-
Assets related to brokerage activities	1,253,174	-	1,327,511	-

24 . Contingent liabilities

The Company is contingently liable with respect to bank letters of guarantee for JOD (473,000) with cash margin of JOD (64,400).

25 . Analysis of the maturities of assets and liabilities

The following table illustrates the analysis of assets and liabilities according to the expected period of their recoverability or settlement.

2023	Less than one year	More than one year	Total
Assets			
Cash and cash equivalents	5,352,857	-	**5,352,857**
Financial assets at fair value through profit or loss	4,044,382	-	**4,044,382**
Brokerage receivables	21,853	-	**21,853**
Margin financing receivables	882,158	-	**882,158**
Brokers receivables	60,163	-	**60,163**
Settlement guarantee fund	89,000	-	**89,000**
Other currents assets	170,337	-	**170,337**
Financial assets at fair value through other comprehensive income	-	3,933,732	**3,933,732**
Financial assets at amortized cost	-	1,228,127	**1,228,127**
Investment property	-	1,963,552	**1,963,552**
Property and equipment	-	17,624	**17,624**
Projects under construction	-	933,982	**933,982**
Brokerage license	-	200,000	**200,000**
Total assets	**10,620,750**	**8,277,017**	**18,897,767**
Liabilities			
Brokerage payables	216,734	-	**216,734**
Amount due to related parties	25,213	-	**25,213**
Other current liabilities	345,440	-	**345,440**
Total liabilities	**587,387**	**-**	**587,387**

2022	Less than one year	More than one year	Total
Assets			
Cash and cash equivalents	4,099,214	-	**4,099,214**
Financial assets at fair value through profit or loss	4,017,856	-	**4,017,856**
Brokerage receivables	45,336	-	**45,336**
Margin financing receivables	993,175	-	**993,175**
Settlement guarantee fund	89,000	-	**89,000**
Other currents assets	145,577	-	**145,577**
Financial assets at fair value through other comprehensive income	-	3,933,732	**3,933,732**
Financial assets at amortized cost	-	1,343,216	**1,343,216**
Investment property	-	2,846,481	**2,846,481**
Property and equipment	-	23,482	**23,482**
Brokerage license	-	200,000	**200,000**
Total assets	**9,390,158**	**8,346,911**	**17,737,069**
Liabilities			
Brokerage payables	221,010	-	**221,010**
Brokers payables	161,044	-	**161,044**
Amount due to related parties	20,366	-	**20,366**
Other current liabilities	356,885	-	**356,885**
Total liabilities	**759,305**	**-**	**759,305**

26 . Fair Value of Financial Instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets of the Company include cash and cash equivalents, accounts receivable and securities. Financial liabilities of the Company include accounts payables.

The fair values of the financial assets and liabilities are not materially different from their carrying values as most of these items are either short-term in nature or re-priced frequently.

Financial assets and financial liabilities measured at fair value in the consolidated statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

2023	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	3,950,688	93,694	-	**4,044,382**
Financial assets at fair value through other comprehensive income	-	-	3,933,732	**3,933,732**
	3,950,688	**93,694**	**3,933,732**	**7,978,114**

2022	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	3,924,162	93,694	-	**4,017,856**
Financial assets at fair value through other comprehensive income	-	-	3,933,732	**3,933,732**
	3,924,162	**93,694**	**3,933,732**	**7,951,588**

Financial assets included in level 3 are stated at cost less impairment charges, as the fair value of these assets cannot be measured reliably due to the lack of available active markets for identical assets.

27 . Financial Risk Management

Credit Risk

Credit risks are those risks resulting from the default of counterparties to the financial instrument to repay their commitment to the Company. The Company limits its credit risk by only dealing with reputable banks and by setting credit limits for individual customers and monitoring outstanding receivables. The maximum exposure to credit risk is represented by the carrying value of each financial asset.

The balance of the largest client amounted to JOD (102,857) from the total outstanding receivables as at 31 December 2023 compared to JOD (220,457) as at 31 December 2022.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will affect the Company's income or the value of its holdings of financial instruments.
The sensitivity of the Company's results or equity to movements in interest rates is not considered significant.

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its net financial obligation. In this respect, the Company's management diversified its funding sources, and managed assets and liabilities taking into consideration liquidity and keeping adequate balances of cash, and cash equivalents and quoted securities.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the consolidated financial position date to the contractual maturity date:

2023	Less than one year	More than one year	Total
Brokerage payables	216,734	-	**216,734**
Amounts due to related parties	25,213	-	**25,213**
Other current liabilities	345,440	-	**345,440**
	587,387	**-**	**587,387**

2022	Less than one year	More than one year	Total
Brokerage payables	221,010	-	**221,010**
Brokers payables	161,044	-	**161,044**
Amounts due to related parties	20,366	-	**20,366**
Other current liabilities	356,885	-	**356,885**
	759,305	**-**	**759,305**

Currency Risk
The management considers that the Company is not exposed to significant currency risk. The majority of their transactions and balances are in either Jordanian Dinar or US Dollar. As the Jordanian Dinar is pegged to the US Dollar, balances in US Dollar are not considered to represent significant currency risk and the Company's results or equity to movements in exchange rates is not considered significant.

Equity Price Risk
Equity price risk results from the change in the fair value of equity securities. The Company manages these risks through the diversification of investments in several geographical areas and economic sectors. If the quoted market price of listed equity securities had increased or decreased by 10%, the consolidated comprehensive income for the year 2023 would have been reduced / increased by JOD (395,069) (2022: JOD 392,416).

28 . Capital Management
The Company’s board of directors manages its capital structure with the objective of safeguarding the Company’s ability to continue as an ongoing entity and providing an adequate return to shareholders by Investing Company’s assets commensurately with the level of risk.