

**Ubour Logistics Services Company  
(Public Share Holding Company)  
Amman–The Hashemite Kingdom of Jordan  
Financial Statements with  
Independent Auditors' Report  
For the Year ended 31 December 2023**

**Ubour Logistics Services Company**  
**Amman–The Hashemite Kingdom of Jordan**  
**"Public Shareholding Company"**  
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## Independent Auditors' Report

To the Shareholders of  
Ubour Logistics Services Company  
Public Shareholding Company

### Qualified Opinion

We have audited the financial statements of Ubour Logistics Services Company(P.S) which comprise the statement of financial position as at 31 December 2023, and the statements of profit or loss and other comprehensive income, statements of changes in shareholders equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except the effect of the matter described in the basis for qualified opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Ubour Logistics Services Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

### Basis of qualified opinion:

- ✓ Referring to receivables, we would like to point out that there are indicators that show impairment in their value receivables, and in our opinion the impairment provision for receivables is not enough. Regarding this matter the company, according to what was stated in the company's lawyers letter, raised a law suit against Mr.Fayez Al Faouri valued at (336,000)JOD for 21 notes receivable on the date 13 February 2020 at the court of first instance of Amman, and a court decision was issued obliging them to pay full value of solidarity.

We conducted our audit in accordance with International Standards on Auditing; our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA) code together with the ethical requirements that are relevant to our audit of the financial statements in Jordan and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA code .we believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our opinion.

### Material uncertainty related to continuity

We would like to draw attention to the fact that there are some circumstances and events that indicate that there are significant doubts in the Company's ability to continue as a going concern and our opinion is not modified with regard to uncertainties and the following items that led to significant doubts in the Company's ability to continue:

- ✓ On June 10, 2023, the company sold its property and equipment represented by cars and tracks, which are the main assets generating revenues, which is the purpose for which the company was established and later the sale process, so the company no longer has a source to generate the operating cash flows necessary to practice the company's activities, and therefore there is a material doubt about the company's ability to continue as a going concern.

## Key audit matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statement of the current period. 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 did not recognize any key audit matters to mention.

## Other information

Management is responsible for the other information, which comprises the information does not include in the financial statements and auditors' report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work that we have performed, we conclude that there is a material misstatement of this other information, and then we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of management and those charged with governance for the financial statements:

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

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

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

## Auditors' responsibilities for the audit of the financial statements:

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in



Ubour Logistics Services Company  
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aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

- 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonable be expected to outweigh the public interest benefits of such communication.

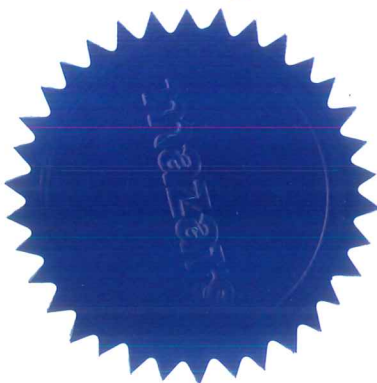
#### **The Report on other legal and regularity requirement**

The Ubour Logistics Services company maintains accounting records as required, and it is compatible with the accompanying financial statements and we recommend approving it after considering the effect of mentioned qualification.

**Mazars – Jordan**  
**Dr. Reem AL-Araj**  
**License No. (820)**



**Amman-Jordan**  
**26 march 2024**



**Ubour Logistics Services Company**  
**"Public Shareholding Company"**  
**Statement of Financial Position (JOD)**

	Notes	As at 31 December	
		2023	2022
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalent	5	4,283	972
Receivables (net)	6	367,312	337,308
Other debit balances	7	10,585	10,190
		<b>382,180</b>	<b>348,470</b>
<b>Non – current assets</b>			
Property and equipments (net)	8	1	1
Financial assets at fair value through OCI	9	5,510	8,642
		<b>7,217</b>	<b>8,643</b>
<b>Total assets</b>		<b>387,691</b>	<b>357,113</b>
<b>Liabilities and Shareholder's Equity</b>			
<b>Current liabilities</b>			
Payables		52,813	63,771
Deferred cheques		5,000	5,000
Other credit balances	10	3,760	3,760
		<b>61,573</b>	<b>72,531</b>
<b>Total liabilities</b>		<b>61,573</b>	<b>72,531</b>
<b>Shareholder's Equity</b>			
Capital		555,000	555,000
Other equity		(90,800)	(87,669)
Retained (losses)		(138,082)	(182,749)
		<b>326,118</b>	<b>284,582</b>
<b>Total Liabilities &amp; Shareholder's Equity</b>		<b>387,691</b>	<b>357,113</b>

Financial statements should be read in conjunction with the companying note from page 9-19

**Ubour Logistics Services Company**  
**"Public Shareholding Company"**  
**Statement of Profit or Loss and Other Comprehensive Income (JOD)**

	<u>Note</u>	<b>For the year ended 31 December</b>	
		<u>2023</u>	<u>2022</u>
Revenues		7,250	9,000
Depreciation		-	(18,412)
<b>Gross profit (Loss)</b>		<b>7,250</b>	<b>(9,412)</b>
Administrative general expenses	11	(8,333)	(11,401)
Other revenue		45,750	12,495
<b>Profit (Loss) of the year</b>		<b>44,667</b>	<b>(8,318)</b>
<b>Other comprehensive income</b>			
Changes in fair value of financial assets through OCI	9	(3,131)	(4,899)
<b>Comprehensive income for the year</b>		<b>41,536</b>	<b>(13,217)</b>
Weighted average of shares		555,000	555,000
<b>Earnings per share</b>		<b>(0.080)</b>	<b>(0.014)</b>

Financial statements should be read in conjunction with the companying note from page 9-19



**Ubour Logistics Services Company**  
**"Public Shareholding Company"**  
**Statement of Changes in Shareholders Equity (JOD)**

<b>As of 31 December 2023</b>	<b>Note</b>	<b>Capital</b>	<b>Other equity</b>	<b>Retained (losses)</b>	<b>Total</b>
<b>Balance at 1 January 2023</b>		<b>555,000</b>	<b>(87,669)</b>	<b>(182,749)</b>	<b>284,582</b>
(Loss) of the year		-	(3,131)	44,667	44,667
Changes in fair value of financial assets through OCI		-	(3,131)	44,667	(3,131)
<b>Total comprehensive income</b>		<b>555,000</b>	<b>(90,800)</b>	<b>(138,082)</b>	<b>41,536</b>
<b>At 31 December 2023</b>					<b>326,118</b>
<b>As of 31 December 2022</b>				<b>Retained (losses)</b>	<b>Total</b>
<b>Balance at 1 January 2022</b>		<b>555,000</b>	<b>(82,770)</b>	<b>(174,431)</b>	<b>297,799</b>
(Loss) of the year	9	-	(4,899)	(8,318)	(8,318)
Changes in fair value of financial assets through OCI		-	(4,899)	-	(4,899)
<b>Total comprehensive income</b>		<b>555,000</b>	<b>(87,669)</b>	<b>(8,318)</b>	<b>(13,217)</b>
<b>At 31 December 2022</b>				<b>(182,749)</b>	<b>284,582</b>

Financial statements should be read in conjunction with the companying note from page 9-19

**Ubour Logistics Services Company**  
**"Public Shareholding Company"**  
**Statement of Cash Flows (JOD)**

	For the year ended 31 December	
	2023	2022
<b>Operating activities</b>		
Profit (Loss) of the year	44,667	(8,318)
<b>Adjustments</b>		
Depreciation	-	18,412
<b>Working capital adjustments</b>		
Receivables	(30,004)	(138)
Other debit balance	(395)	
Other credit balance	-	
Payables	(10,957)	(12,770)
<b>Net cash flows from operating activities</b>	<b>3,311</b>	<b>(2,676)</b>
<b>Investing activities</b>		
Proceeds from sale of property and equipment	-	-
<b>Net cash flows from investing activities</b>	<b>-</b>	<b>-</b>
Net increase (decrease) in cash and cash equivalents	3,311	(2,676)
Cash and cash equivalents at 1 January	972	3,648
<b>Cash and cash equivalent at 31 December</b>	<b>4,283</b>	<b>972</b>

Financial statements should be read in conjunction with the companying note from page 9-19

**Ubour Logistics Services Company**  
**"Public Shareholding Company"**  
**Amman–The Hashemite Kingdom of Jordan**  
**Notes to Financial Statements**

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## **1- Reporting Entity**

Ubour Logistics Services Company was established and registered as Public Shareholding Company at 17August, 2009 under the number (462) paid up capital (3,000,000) JOD. The capital was decreased to become (1,157,156) JOD at2April, 2018.On February 16, 2020, the company decreased its capital to become (555,000) JOD.

Main objectives of the company are public transportation, goods transportation and inland transportation in addition to other purposes mentioned in the company's registration letter.

## **2- Significant accounting policies**

### **2.1 Basis of preparation**

- These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.
- These financial statements have been prepared based on going concern assumption and under the historical cost basis (except those financial assets and other items that measured by fair value as at the date of financial statement in compliance with International Standards).
- These financial statements are presented in JOD, all values are rounded to nearest (JOD), except when otherwise indicated.
- The financial statements provide comparative information in respect of the previous period.

## **3- Accounting policies**

The company has consistently applied the following accounting policies to all periods presented in these financial statements.

### **A-Current versus non-current classification**

The company presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period.
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

**All other assets are classified as non-current.**

A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period.

**Ubour Logistecs Servises Company**  
**Notes to financial Statements**

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- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

**B-Fair value measurement**

- Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of principal market, the most advantageous market to asset or liability.
- All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
  - Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
  - Level 2 - Valuation techniques for which the lowest level input that is significant the fair value measurement is directly or indirectly observable.

**C- Revenue from contracts with customers**

- Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.
- The company shall account for a contract with a customer only when all of the following criteria are met:
  - The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations.
  - The company can identify each party's rights regarding the goods or services to be transferred.
  - The company can identify the payment terms for the goods or services to be transferred.
  - The contract has commercial substance (risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract).
  - It is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due. The amount of consideration to which the entity will be entitled may be less than the price stated in the contract if the consideration is variable because the entity may offer the customer a price concession.

## **Ubour Logistecs Servises Company**

### **Notes to financial Statements**

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- When a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price that is allocated to that performance obligation.

#### **D- Taxes**

- Income tax for the period is based on the taxable income for the year. Taxable income differs from profit as reported in the statement of comprehensive income for the period as there are some items which may never be taxable or deductible for tax and other items which may be deductible or taxable in other periods.
- Tax expense is recognizing in compliance with regulations.
- 1% of taxable profit will be deducted as national contribution tax
- Expenses and assets are recognized net of the amount of sales tax, except:
  - When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
  - When receivables and payables are stated with the amount of sales tax included the net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

#### **E-Foreign currency**

##### **Transactions and balances**

- Transactions in foreign currencies are translated into the respective functional currency spot rate of company at exchange rates at the dates of the transactions.
- Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of at the exchange rate at the reporting date.
- Differences arising on translation of monetary items are recognized in profit or loss except those that are designated as part of the hedging which will be recognized in other comprehensive income.
- Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.
- Assets classified as held for sale are presented separately as current items in the statement of financial position.

#### **F-Cash dividend**

The Company recognizes a liability to pay a dividend when the distribution is authorized and the



Distribution is no longer at the discretion of the company. As per the corporate laws of Jordan, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

### **G- Property, plant and equipment**

- Items of property, plant and equipment are measured at cost, the cost of replacing parts of the plant and equipment, and borrowing cost for long term construction projects if the recognition criteria are met, less accumulated depreciation and any accumulated impairment losses such cost includes.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Any gain or loss on disposal of an item of property plant and equipment is recognized in profit or loss.
- Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the company all other repair and maintains costs are recognized in profit or loss as incurred.
- Depreciation is calculated with percentage from 5%-20% to write off the cost of items of property, plant and equipment less their estimated residual values using the declining method over their estimated useful lives, and is generally recognized in profit or loss.
- Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

### **H- Leases**

#### **Lessee**

- IFRS (16) shall be applied to all leases that convey the right to control the use of an identified asset for a period of time in exchange of consideration, all lease contracts shall be capitalized with recognizing assets and liabilities against it, except short term lease and lease for which the underlying assets is of low value, whereas the lease payment shall be recognized as an expense on either straight line basis over lease term or another systematic basis.
- At the commencement date, a lessee shall recognize a right-of-use asset and a lease liability.
- At the commencement date, a lessee shall measure the right-of-use asset at cost which includes:
  - The amount of the initial measurement of the lease liability.

- Any lease payments made at or before the commencement date less any lease incentives received.
- Any initial direct cost incurred by the lessee.
- An estimate of cost to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.
- At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.
- The lessee shall depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.
- If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.
- A lessee shall apply IAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

#### **Lessor**

- A lessor shall classify each of its leases as either an operating lease or a finance lease.
- A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.
- At the commencement date, a lessor shall recognize assets held under a finance lease in its statement of financial position and present them as receivables at an amount equal to the net investment in the lease.
- A lessor shall recognize lease payments from operating leases as income on either a straight-line basis or another systematic basis. The lessor shall apply another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

#### **I- Borrowing costs**

- Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset.
- All other borrowing costs are expensed in the period in which they occur.
- Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

## **J- Financial Instruments- initial recognition and subsequent measurement**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### **1-Financial assets**

- Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them.
- In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

#### **- Financial assets at amortized cost**

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains on losses are recognized in profit or loss when the asset is derecognized, modified or impaired. Financial assets at amortized cost includes trade receivables, loans to other parties...etc

#### **- Financial assets designated at fair value through OCI**

Financial assets at fair value through OCI are initially measured at cost plus transaction cost, subsequently they are measured at fair value and changes there in are recognized in OCI. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

#### **- Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value.

Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

Dividends on listed equity investments are also recognized as other income in the statement of profit or loss when the right of payment has been established.

### **Impairment of financial assets**

Financial assets not classified as at fair value, are assessed at each reporting date to determine whether there is an objective evidence of impairment such as indications that a debtor or issuer

Will enter bankruptcy, the disappearance of an active market for a security because of financial difficulties.

## **2-Financial liabilities**

- Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.
- All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
- The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts .....etc.
- The subsequent measurement of financial liabilities depends on their classification. Loans and borrowings are subsequently measured at amortized cost using the effective interest ratemethod. Gains or losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate amortization process.
- Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included as finance costs in the statement of profit or loss.

## **K-Inventories**

- Inventories are valued at the lower of cost and net realizable value.
- Costs incurred in bringing each product to its present location and condition are accounted for purchase price and other cost incurred to bring it in use excluding borrowing cost
- Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

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

- The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generated units fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or cash generated units exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.
- A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

#### **M. Cash and cash equivalent**

Cash and cash equivalent in the statement of financial position comprise cash at banks and on hand and cash equivalent with a maturity of three months or less, which are not subject to an insignificant risk of changes in value.

#### **N. Provisions**

- Provisions are recognized when the company has a presented obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.
- The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.
- The expense relating to a provision is presented in the statement of profit or loss
- If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

#### **O. Employee benefits**

Employee benefits are expensed as the related services are provided. A liability is recognized for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated.

#### **4. Other information.**

##### **4.1 Events after the reporting period**

Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue and there are two kinds of events after the reporting period:

- 1- Those that provide evidence of conditions that existed at the end of the reporting period and an entity shall adjust the amounts recognized in its financial statements
- 2- Those that are indicative of conditions that arose after the reporting period, an entity shall not adjust the amounts recognized in its financial statements.

There are no subsequent events to mention

##### **4.2- Contingent Liabilities**

Contingent liabilities are obligations that could result from a past event and will confirm their presence only by the occurrence or non-occurrence of a future uncertain and not within the control of the company and are not recognized in the records because it is not likely to flow release of economic benefits for the payment of the obligation cannot be measured amount of the obligation reliably.

Law suits against the company	(1,090) JOD
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#### 4.3 Significant estimates and judgments:

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual result. Management also needs to exercise judgment in applying the accounting policies.

Estimates and judgments are continually evaluated, they are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The areas involving significant estimates or judgments are:

- 1-Estimation of useful life of property & equipment, depreciation and impairment. (Note 8)
- 2-Estimation of Impairment provision in accounts receivable. (Note 6)

#### 4.4 Financial risk management

The company may expose to different kinds of financial risk, company's board and management oversees these risks and has overall responsibility for the establishment and oversight of the company risk management framework. The company risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company activities.

The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

##### a- Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to financial loss.

The maximum limit of credit risk is presented by financial assets stated in financial position.

##### b- Liquidity risk

Liquidity risk is the risk that the company may be unable to close out market position and to meet its short term obligations when due. It may also result from the inability to sell a financial asset at an amount close to its fair value. Financial liabilities at the end of the reporting period consist of payables and due amount presented in the statement of financial position.

#### 5- Cash and cash equivalents

	2023	2022
	JOD	JOD
Petty cash	406	654
Al-Ahli Bank- JOD	3,877	318
<b>Total</b>	<b>4,283</b>	<b>972</b>

Ubour Logistecs Servises Company  
Notes to financial Statements

6-Receivables (net)

	2023 JOD	2022 JOD
Receivables	386,961	356,957
Receivables' impairment provision	(19,649)	(19,649)
<b>Total</b>	<b>367,312</b>	<b>337,308</b>

7-Other debit balances

	2023 JOD	2022 JOD
Refundable deposit	190	190
Banks guarantees	10,000	10,000
Prepaid expense	395	-
<b>Total</b>	<b>10,585</b>	<b>10,190</b>

8- Property and equipment (Net)

	Cars and Trucks	Total
<b>Cost</b>		
At 1 January 2022	1,774,352	1,774,352
Disposal	-	-
At 31 December 2022	1,774,352	1,774,352
Disposal	(1,774,352)	(1,774,352)
At 31 December 2023	-	-
<b>Depreciation</b>		
At 1 January 2022	1,377,382	1,377,382
Additions	-	-
At 31 December 2022	1,377,382	1,377,382
Additions	(1,377,382)	(1,377,382)
At 31 December 2023	-	-
<b>Impairment provision</b>		
At 1 January 2022	396,969	396,969
Disposal	-	-
At 31 December 2022	396,969	396,969
Disposal	(396,969)	(396,969)
At 31 December 2023	-	-
<b>Net book value</b>		
At 31 December 2022	1	1
At 31 December 2023	1	1

**9-Financial assets through other comprehensive income**

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Shares</b>	<b>Shares</b>	<b>JOD</b>	<b>JOD</b>
AL- Ahlyeh for Projects (P.S)	85,276	85,276	3,411	5,969
Arabian Aviation Investment (P.S)	1,794	1,794	2,099	2,673
<b>Total</b>			<b>5,510</b>	<b>8,642</b>

**10- Other credit balances**

	<b>2023</b>	<b>2022</b>
	<b>JOD</b>	<b>JOD</b>
Employees income tax	2,282	2,282
Income tax 5%	1,217	1,217
Others	261	261
<b>Total</b>	<b>3,760</b>	<b>3,760</b>

**11- Administrative and general expenses**

	<b>2023</b>	<b>2022</b>
	<b>JOD</b>	<b>JOD</b>
Professional fees	3,480	6,980
Governmental fees and subscriptions	1,410	2,967
Adverting	-	600
Guarantees	240	240
Bank commissions	-	10
General assembly meetings	718	604
Penalties expenses	2,363	-
Miscellaneous	122	-
<b>Total</b>	<b>8,333</b>	<b>11,401</b>