

EMERGING MARKETS FOR FINANCIAL SERVICES AND INVESTMENT COMPANY
(PRIVATE SHAREHOLDING LIMITED COMPANY)
AMMAN –JORDAN

FINANCIAL STATEMENTS FOR THE
YEAR ENDED DECEMBER 31, 2025
TOGETHER WITH INDEPENDENT
AUDITOR'S REPORT

EMERGING MARKETS FOR FINANCIAL SERVICES AND INVESTMENT COMPANY
(PRIVATE SHAREHOLDING LIMITED COMPANY)
AMMAN –JORDAN
DECEMBER 31, 2025

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Independent Auditor's Report

AM/031979

To the Board of Directors
Emerging Markets for Financial Services and Investment Company
(Private Shareholding Limited Company)
Amman – Jordan

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Emerging Markets For Financial Services and Investment Company ("the Company"), which comprise the statement of financial position as at December 31, 2025, and the statement of profit or loss and comprehensive income, statement of changes in Shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 (including International Independence Standards) (IESBA Code) together with the other 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 a basis for our opinion.

Other Matter

The financial statements of the Company for the year ended December 31, 2024, were audited by another auditor who expressed an unmodified opinion on those statements on January 19, 2025.

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 Accounting Standards as issued by the IASB, 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, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We are 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 that 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 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 material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Auditors Responsibilities for the Audit of the Financial Statements (Continued)

- 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.

Report on Other Legal and Regulatory Requirements

The Company maintains proper books of accounts which agree with the financial statements. We recommend that the General Assembly of the Shareholders approve these financial statements.

Amman – Jordan
April 7, 2026


Deloitte & Touche (M.E.) – Jordan
Deloitte & Touche (M.E.)
ديلويت آند توش (الشرق الأوسط)
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EMERGING MARKETS FOR FINANCIAL SERVICES AND INVESTMENT COMPANY
(PRIVATE SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN
STATEMENT OF FINANCIAL POSITION

		December 31	
	Note	2025	2024
		JD	JD
<u>Assets</u>			
Current Assets:			
Cash and balances at bank	5	2,842,555	229,554
Brokerage accounts receivable – net	6	560,214	2,103,749
Other debit balances	7	488,297	238,493
Total current assets		<u>3,891,066</u>	<u>2,571,796</u>
Non-Current Assets:			
Property and Equipment - net	8	26,168	104,993
Investment properties – net	9	343,719	351,591
Intangible assets – net	10	114,970	100,000
Right-of-use assets – net	11	59,367	-
Deferred tax assets	13	183,126	-
Total Non-Current Assets		<u>727,350</u>	<u>556,584</u>
Total Assets		<u>4,618,416</u>	<u>3,128,380</u>
<u>Liabilities and Shareholders' Equity</u>			
Current Liabilities:			
Due to banks		-	17,301
Brokerage accounts payable		160,465	191,222
Brokerage guarantee settlement fund deposits		56,001	1,664
Lease liability – short-term	11	25,443	-
Other credit balances	12	68,519	41,293
Income tax provision	13	447,495	51,497
Total Current liability		<u>757,923</u>	<u>302,977</u>
Non-Current Liabilities:			
Lease liability – long-term		25,947	-
Total Non-Current Liabilities		<u>25,947</u>	<u>-</u>
Total Liabilities		<u>783,870</u>	<u>302,977</u>
<u>Shareholders' Equity</u>			
Share capital – Preferred shares		2,090,000	-
Share capital – Ordinary shares		660,000	2,750,000
Total paid-in capital	1	<u>2,750,000</u>	<u>2,750,000</u>
Statutory reserve		185,269	57,918
Retained earnings		899,277	17,485
Total Liabilities and shareholders' Equity		<u>3,834,546</u>	<u>2,825,403</u>
		<u>4,618,416</u>	<u>3,128,380</u>

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

EMERGING MARKETS FOR FINANCIAL SERVICES AND INVESTMENT COMPANY
(PRIVATE SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN
STATEMENT OF PROFIT OR LOSS

		For the Year Ended December 31	
	Note	2025 JD	2024 JD
<u>Revenue:</u>			
Local brokerage commission revenue		43,990	63,068
Foreign brokerage commission revenue	14	2,145,520	577,107
Margin trading commission revenue		46,258	123,006
Margin interest revenue		78,508	62,132
interest revenue from Bank		54,403	579
Rental revenue		29,804	27,554
Other revenue		1,631	6,547
Total revenue		2,400,114	859,992
<u>Expenses:</u>			
General and administrative expenses	15	(801,090)	(617,373)
Expected credit loss	6	(294,023)	(160,000)
Interest expense on lease liability	11	(2,061)	-
Loss on sale of property and equipment		(29,428)	-
Total expenses		(1,126,602)	(777,373)
Profit for the year before income tax expense		1,273,512	82,619
Income tax and national contribution expense for the year	13	(365,169)	(69,585)
Total Comprehensive income for the year		908,343	13,034

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EMERGING MARKETS FOR FINANCIAL SERVICES AND INVESTMENT COMPANY
(PRIVATE SHAREHOLDING LIMITED COMPANY)
AMMAN –JORDAN
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Paid-in capital	Issuance discount	Statutory reserve	Retained earnings	Total
	JD	JD	JD	JD	JD
<u>For the Year Ended December 31, 2025</u>					
Balance at the beginning of the year	2,750,000	-	57,918	17,485	2,825,403
Impact of IFRS 12 Adoption	-	-	-	100,800	100,800
Balance at beginning of year (Adjusted)	2,750,000	-	57,918	118,285	2,926,203
Total comprehensive income for the year	-	-	-	908,343	908,343
Transferred to statutory reserve	-	-	127,351	(127,351)	-
Balance at the end of the year	<u>2,750,000</u>	<u>-</u>	<u>185,269</u>	<u>899,277</u>	<u>3,834,546</u>
<u>For the Year Ended December 31, 2024</u>					
Balance at the beginning of the year	2,750,000	(100,000)	49,656	112,713	2,812,369
Amortization of Issue discount (note 1)	-	100,000	-	(100,000)	-
Total comprehensive income for the year	-	-	-	13,034	13,034
Transferred to statutory reserve	-	-	8,262	(8,262)	-
Balance at the end of the year	<u>2,750,000</u>	<u>-</u>	<u>57,918</u>	<u>17,485</u>	<u>2,825,403</u>

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EMERGING MARKETS FOR FINANCIAL SERVICES AND INVESTMENT COMPANY
(PRIVATE SHAREHOLDING LIMITED COMPANY)
AMMAN - JORDAN
STATEMENT OF CASH FLOWS

	Note	For the Year Ended December 31	
		2025 JD	2024 JD
Cash Flow from Operating Activities :			
Profit for the year before income tax expense		1,273,512	82,619
Adjustments for:			
Expected credit loss	6	294,023	160,000
Depreciation of property and equipment	8	35,579	34,648
Depreciation of investment properties	9	7,872	7,872
Amortization of intangible assets	10	2,129	-
Depreciation of right-of-use assets	11	16,962	-
Interest expense on lease liability	11	2,061	-
Financing expense		13,377	18,937
Loss on sale of property, plant and equipment	8	29,428	-
Net cash flow from operating activities before changes in working capital		1,674,943	304,076
Changes in working capital:			
Decrease in brokerage accounts receivable		1,249,512	170,930
(Increase) in other debit balances		(249,804)	(95,767)
(Decrease) Increase in brokerage accounts payable		(30,757)	63,381
Increase (decrease) in brokerage guarantee settlement fund deposits		54,339	(108,476)
Increase in other credit balances		27,225	1,214
Net cash flow from operating activities before income tax paid		2,725,458	335,358
Income tax paid	13	(51,497)	(157,125)
Net cash flows from operating Activities		2,673,961	178,233
Cash Flow from Investing activity:			
(Purchase) of property, plant and equipment	8	(25,182)	(41,337)
(Purchase) of intangible assets	10	(17,100)	-
Proceeds from sale of property and equipment	8	39,000	-
Net cash flows (used in) investing activities		(3,282)	(41,337)
Cash Flow from Financing Activities:			
(Decrease) in due to banks	11	(17,301)	(40,590)
Financing expense paid		(13,377)	(18,937)
Lease liability paid		(27,000)	-
Net cash flows (used in) financing activities		(57,678)	(59,527)
Net increase in cash and cash equivalents		2,613,001	77,369
Cash and cash equivalents at the beginning of the year		229,554	152,185
Cash and cash equivalents at the end of the year	5	2,842,555	229,554
Non-Cash Transactions:			
Amortization of issuance discount		-	100,000
Right-of-use assets		59,367	-
Lease liability		51,390	-

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EMERGING MARKETS FOR FINANCIAL SERVICES AND INVESTMENT COMPANY
(PRIVATE SHAREHOLDING LIMITED COMPANY)
AMMAN –JORDAN
NOTES TO THE FINANCIAL STATEMENTS

1. General

- Emerging Markets Financial Services and Investment Company was established as a private shareholding limited company under the registration number (643) with capital of 500,000 Jordanian Dinars (JD) on June 16, 2009. The Company's capital was increased several times during previous years which have resulted in a paid-in capital of JD 2,750,000, consisting of shares premium of JD 2,090,000 and shares ordinary of 660,000 JD as at year-end.
- The Company was previously registered under the name Salwan Financial Brokerage Company.
- The company's main objectives consist of financial brokerage services.
- The financial statements were authorized for issuance by the Company's Board of Directors on April 6, 2026.

2. Basis of Preparation:

- The financial statements have been prepared in accordance with the standards issued by the International Accounting Standards Board and interpretations issued by the International Financial Standards Interpretation Committee, emanating from the International Standards Board.

The financial statements have been prepared in accordance with the historical cost principle, excluding financial assets and liabilities , which are presented at fair value at the date of the financial statement.

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

The accounting policies adopted in the preparation of the financial statements are consistent with those applied in the year ended December 31, 2024 except for the effect stated in notes (3-a).

The following are the most significant accounting policies adopted by the Company:

Receivables from Margin and Spot Customer

Receivables from margin and spot customer are presented at net realizable value.

A provision for Impairment on accounts receivable is booked if it appears that there is improbability for collecting the amounts due to the Company. Furthermore, when there is subjective evidence that an event negatively affected the future cash flows for these receivables and when it is possible to measure this impairment in accordance with IFRS, the amount of provision is booked in the statement of profit of loss.

Financial Instruments

Initial Recognition and Measurement :

Financial assets and financial liabilities are initially measured at fair value. Moreover, transaction costs directly attributable to the acquisition or issue of financial assets and liabilities are added to the fair value of the financial assets or financial liabilities or deducted from them. Where necessary, at initial recognition. The transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss and recognized directly in the statement of profit or loss.

Financial Assets

Financial assets are recognized when the entity becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets (other than financial assets measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, at initial recognition.

All recognized financial assets are subsequently measured either at amortized cost or at fair value based on the classification of the financial assets.

Classification of Financial Assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost:

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

All other financial assets are measured at fair value.

If the transaction price differs from the fair value at initial recognition, the company treats this difference as follows:

- If the fair value is evidenced by a quoted price in an active market for identical assets or liabilities or is based on a valuation technique that uses only observable market inputs, the difference is recognized in profit or loss at initial recognition (i.e., day-one gain or loss).
- In all other cases, the fair value is adjusted to align with the transaction price (i.e., the day-one gain or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be taken to statement of profit or loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would consider when pricing the asset or liability, or upon derecognition of that instrument.

Subsequent Measurement

Measurement of all recognized financial assets within the scope of IFRS (9) required to be subsequently measured at amortized cost or fair value based on the entity's business model for managing the financial assets and their contractual cash flow characteristics.

Specifically, Financial instruments held in the business model for collecting the contractual cash flows with contractual cash flows that are only principal and interest payments on the principal outstanding, and are subsequently measured at amortized cost .

Assessment of Business Models

The assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The company determines business models at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The company's business model does not depend on management's intentions regarding an individual instrument; therefore, the business model is assessed at a collective level rather than on an instrument-by-instrument basis.

The Company adopts more than one business model for managing its financial instruments that reflects how the company manages its financial assets to generate cash flow. The company's business models determine whether cash flows will result from collecting contractual cash flows or selling financial assets or both.

The Company considers all relevant information available when assessing the business model. However, this assessment is not performed based on scenarios that the company does not reasonably expect to occur, such as so-called "worst-case" or "stress case" scenarios. The company also considers all relevant evidence available, such as:

- The stated policies and objectives of the portfolio and the application of those policies, whether the management strategy focuses on obtaining contractual revenues, maintaining a specified profit rate, matching the maturity of financial assets with the maturity of financial liabilities that finance those assets, or generating cash flows through the sale of assets.
- The performance of the business model and the financial assets held in this business model are evaluated and communicated to key management personnel.
- The risks that affect the performance of the business model (and the financial assets in that model), and in particular the way those risks are managed.
- The manner of business managers compensation (for example, whether compensation is based on the fair value of assets managed or on contractual cash flows collected).

At initial recognition of a financial asset, the company determines whether the newly recognized financial assets are part of an existing business model or whether they reflect the beginning of a new business model. The company reassesses its business models in each reporting period to determine whether the business models have changed since the previous period.

Impairment

The Company recognizes the expected credit loss provisions on the following financial instruments that are not measured at fair value through profit or loss:

Except for purchased or originated credit-impaired (POCI) financial assets (which are considered separately below), ECLs are required to be measured through a loss provision at an amount equal to:

- The expected credit losses over a 12-month period, representing the portion of lifetime expected credit losses resulting from default events that are possible within 12 months after the reporting date, referred to as Stage 1.
- The expected credit losses over the lifetime of the financial instrument, representing the expected credit losses resulting from all possible default events over the instrument's lifetime, referred to as Stage 2 and Stage 3.

A loss provision for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Company under the contract and the cash flows that the Company expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's effective interest rate (EIR).

Presentation of Provision for Expected Credit Loss in the Statement of Financial Position

Expected credit loss provisions are presented in the statement of financial position for financial assets measured at amortized cost as a deduction from the gross carrying amount of the assets.

Foreign Currency Exchange Gains and Losses

The carrying amount of financial assets recorded in foreign currency is determined and translated at the prevailing exchange rate at the end of each reporting period. With respect to financial assets measured at amortized cost that are not part of a designated hedging relationship, the company recognizes currency changes in the statement of profit or loss.

With respect to other financial assets, the company recognizes expected credit losses over their lifetime if there has been a significant increase in credit risk since initial recognition. The lifetime expected credit loss represents the expected credit losses that will arise from all possible default cases over the expected life of the financial instrument.

Impairment of Financial Assets

The company recognizes a loss provision for expected credit losses on customer receivables, and the value of expected credit losses is updated at each reporting date to reflect changes in creditworthiness since the initial recognition of the relevant financial instrument.

The company continuously recognizes expected credit losses over the lifetime of customer receivables, and expected credit losses for those financial assets are estimated using a provision matrix based on the company's prior credit loss experience and adjusted to align with factors related to debtors and general economic conditions and assessment of both current and future trends at the reporting date, including the time value of money as appropriate.

With respect to other financial assets, the company recognizes expected credit losses over their lifetime if there has been a significant increase in credit risk since initial recognition. The lifetime expected credit loss represents the expected credit losses that will arise from all possible default cases over the expected life of the financial instrument.

Write-off

Financial assets are written off when the Company has no reasonable expectations of recovering the financial asset. This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

Derecognition of Financial Assets

The company recognizes a financial asset when the contractual rights to receive cash flows from the asset have expired or when the company transfers the financial asset, together with substantially all risks and benefits of ownership, to another entity. If the company does not transfer or substantially retains the risks and benefits of ownership and continues to control the transferred assets, the company recognizes its remaining interest in the transferred assets and the related liabilities that the company may be required to pay. If the company substantially retains all risks and benefits of ownership of the transferred asset, the company continues to recognize the financial asset.

When a financial asset measured at amortized cost is derecognized, the difference between the carrying amount of the asset and the amount of consideration received or receivable is recognized in the statement of profit or loss.

Classification As Debt or Equity Instruments

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

Equity Instruments

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

Repurchases of the Company's own equity instruments are recognized and deducted directly from equity. No gain or loss is recognized in the statement of profit or loss upon the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities

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

Financial liabilities that are not (1) contingent consideration of the acquiree in a business combination, or (2) held for trading, or (3) designated at fair value through profit or loss, are subsequently measured at amortized cost using the effective interest method.

Trade payables and other payables classified as "financial liabilities" are initially measured at fair value net of transaction costs, while they are subsequently measured at amortized cost using the effective interest method with interest expense recognized based on the effective yield.

The effective interest method is a method of calculating the amortized cost of financial liabilities and allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts the expected future cash payments over the expected life of the financial liability or over a shorter period as appropriate.

Derecognition Of Financial Liabilities

The Company derecognizes financial liability when it is relieved of its obligation or when the obligation is cancelled or expires. The difference between the carrying amount of the derecognized financial liability and the consideration paid or payable is recognized in the statement of profit or loss.

Fair Value

Fair value is defined as the price at which an asset is to be sold or paid to convert any of the liabilities into a structured transaction between the market participants on the measurement date, irrespective of whether the price can be realized directly or whether it is estimated using another valuation technique. When estimating the fair value of an asset or liability, the Company takes into consideration when determining the price of any asset or liability whether market participants are required to consider these factors at the measurement date. Make as separate paragraph the fair value for measurement and / or disclosure purposes in these financial statements is determined on the same basis.

Except for measurement procedures that are like fair value procedures and are not fair value such as fair value as used in IAS 36.

In addition, fair value measurements are classified for the purposes of financial reporting to level (1), (2) or (3) based on the extent to which the inputs are clear concerning the fair value measurements and the importance of inputs to the full fair value measurements. These are as follows:

Level (1) inputs: inputs derived from quoted (unadjusted) prices of identical assets or liabilities in active markets that an enterprise can obtain on the measurement date.

Level (2) inputs: inputs derived from data other than quoted prices used at level 1 and observable for assets or liabilities, either directly or indirectly.

Level (3) inputs: are inputs to assets or liabilities that are not based on observable market prices.

Property and Equipment

- Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. Cost includes all direct costs related to the acquisition of these assets.
- Property, plant and equipment are depreciated using the straight-line method over their expected useful lives at annual rates ranging between 15% and 25% per annum.
- When the recoverable amount of any property, plant and equipment is less than its netbook value, the asset is written down to its recoverable amount, and the impairment loss is recognized in the statement of profit or loss.
- The useful lives of property, plant and equipment are reviewed at the end of each year. If expectations regarding useful lives differ from previously made estimates, the change in estimate is recognized in the statement of profit or loss as a change in accounting estimate.
- Property, plant and equipment are derecognized upon disposal or when no future economic benefits are expected from their use or disposal.

Investment Properties

Investment properties are assets acquired for the purpose of generating rental income or investment returns and not for sale in the ordinary course of the Company's business. Investment properties are stated at cost net of accumulated depreciation at year-end, and their fair value is disclosed in the financial statements on an annual basis by independent real estate experts, based on market prices at year-end. Investment properties are depreciated using the straight-line method over their expected useful lives at a rate of 2% per annum. When the recoverable amount of any investment property is less than its netbook value, the asset is written down to its recoverable amount, and the impairment loss is recognized in the statement of profit or loss.

Brokerage Accounts Payable

Trade payables represent obligations of the Company arising in the ordinary course of business. Trade payables are classified as current liabilities if they are due for payment within one year or less, and as non-current liabilities if they are due for payment in more than one year.

Accrued Expenses and Other Payables

Liabilities are recognized for amounts that will be paid in the future in consideration for services when the risks and benefits associated with goods are transferred to the Company or when services are received, whether they have been invoiced or not to the Company.

Income Tax

Tax expense represents amounts of current taxes payable and deferred taxes.

Current tax expense is calculated based on taxable profit. Taxable profit differs from profit reported in the financial statements because the reported profit includes non-taxable income or expenses that are not deductible in the current financial year but may be deductible in subsequent years, or accumulated losses that are tax-acceptable, or items that are not subject to or acceptable for tax deduction purposes.

Taxes are calculated in accordance with the tax rates prescribed under the laws, regulations and instructions in force in the countries in which the Company operates.

Deferred taxes are taxes expected to be paid or recovered because of temporary timing differences between the amounts of assets or liabilities in the financial statements and the amounts used in calculating taxable profit. Deferred taxes are calculated using the balance sheet liability method and are calculated in accordance with the tax rates expected to apply when the tax liability is settled or when deferred tax assets and liabilities are realized.

The balance of deferred tax assets and liabilities is reviewed at the date of the financial statements and is reduced in cases where it is expected that such tax assets cannot be utilized in part or in full or where tax liabilities are realized.

Provision

Provision are recognized when the Company has a present obligation (legal or constructive) as of the date of the statement of financial position arising from a past event, settlement of the obligation is probable, and the amount of the obligation can be measured reliably.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the date of the statement of financial position, considering the risks and uncertainties surrounding the obligation.

When a provision is measured using estimated cash flows to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When it is expected that some or all the economic benefits required to settle a provision will be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Lease Arrangements**The Company as a Lessee**

The Company assesses whether contract is or contains a lease, at inception of the contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line item in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the modified lease contract date by discounting the revised lease payments using a revised discount rate at the actual price at the date of modification.

The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfer's ownership of the underlying asset or the cost of the right-of-use of asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

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

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss as described in the 'Property and equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Other expenses' in the statement of profit or loss.

The Company as Lessor

The Company enters into lease agreements as a lessor with respect to some of its investment properties. The Company also rents equipment to retailers necessary for the presentation and customer fitting and testing of footwear and equipment manufactured by the Company.

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the main lease.

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

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

When a contract includes both lease and non-lease components, the Company applies IFRS 15 to allocate the consideration under the contract to each component.

Offsetting

Financial assets and financial liabilities are offset, and the net amount is presented in the statement of financial position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

Purchase and Sale Commission

Commission on the purchase and sale of shares are recognized as revenue when earned and expenses are recognized on an accrual basis.

Revenue and Expense Recognition

Revenue is recognized in accordance with the five-step model of International Financial Reporting Standard No. 15, which includes identifying the contract, determining the transaction price, identifying performance obligations in the contract, and recognizing revenue based on the satisfaction of performance obligations. Revenue is as follows:

Commission revenue and financial brokerage expense:

Revenue from commission on the purchase and sale of shares is recognized when an invoice is issued to the customer and expenses are recognized on an accrual basis

Expenses

General and administrative expenses include direct and indirect expenses that are not directly related to cost of sales/contracts in accordance with the accounting standards applied and are recognized on an accrual basis.

Provision For Expected Credit Losses

The provision for expected credit losses is based on credit losses expected to occur over the life of the asset, unless there has been a significant change in credit risk from the date of initial recognition, in which case the provision is based on the expected credit loss for a 12-month period.

The expected credit loss weighted by the probability of default for credit exposure for 12 months is part of the expected credit losses over the life of the asset resulting from default events on financial instruments that could occur within 12 months from the reporting date.

Expected credit losses are calculated for both the lifetime expected credit loss on the credit exposure and the 12-month expected credit loss weighted by the probability of default for credit exposure either on an individual basis or on a collective basis depending on the nature of the financial instruments in the portfolio.

The Company has established a policy to assess, at the end of each reporting period, whether the credit risk of a financial instrument has increased significantly from the date of initial recognition, considering the change in the probability of default over the remaining life of the financial instrument.

Based on the above, the Company classifies credit facilities into Stage (1), Stage (2), and Stage (3), as described below:

STAGE 1: Upon initial recognition of an investment for the first time, the company records a provision based on the 12-month expected credit loss weighted by the probability of default for credit exposure. Stage 1 also includes investments that have been reclassified from Stage 2.

STAGE 2: When there is a significant increase in credit risk from the date of initial recognition, the company records a provision for the lifetime expected credit loss on the credit exposure. Stage 2 also includes investments that have experienced an improvement in credit risk and have been reclassified from Stage 3.

STAGE 3: Impaired investments subject to the impairment concept. The Company recognizes an expected credit loss (ECL) over the entire lifetime of credit exposure. For specific assets where the Company has no reasonable expectation of recovering the full outstanding balance or any portion thereof, the carrying amount of such assets is written down, which constitutes a (partial) derecognition of the specific assets.

Probability of Default

Probability of Default is an estimate of the likelihood of default occurring within a specified time horizon. Default may occur during a specific period within the assessment period, provided that the investments have not been previously derecognized and remain in the portfolio.

Exposure at Default

Exposure at Default is an estimate of the outstanding amount subject to default at a future date, considering expected changes to the outstanding amount after the reporting date, including scheduled repayments of principal and interest on the credit facilities, expected drawdowns from committed credit facilities, and accrued interest on overdue payments.

Loss Given Default

Loss Given Default is an estimate of the loss that would arise in the event of default occurring at a specific point in time. It represents the difference between the contractual cash flows due and the amount the lender expects to recover from the realization of collateral. It is typically expressed as a percentage of the Exposure at Default.

When estimating expected credit losses, the Company considers three scenarios (base case scenario, upside scenario, and downside scenario), each weighted by different probabilities of default. Each scenario is associated with different probabilities of Probability of Default, Exposure at Default, and Loss Given Default.

The assessment of multiple scenarios also includes how the value of the investment in impaired finance lease contracts is recovered, including the probability of resolving impaired contracts and the value of collateral or amounts expected to be collected from the sale of collateral.

Impairment losses are calculated and disclosed separately from the profit or loss resulting from adjustments to the total carrying amount of financial assets.

Intangible Assets

- Intangible assets are recorded at cost and are classified based on an estimate of their useful life for a defined period or an indefinite period. Intangible assets with a defined useful life are amortized at a rate of 25% annually.
- Any indicators of impairment of intangible assets are reviewed at the date of the financial statements. The estimate of the useful life of those assets is also reviewed, and impairment is recognized in the profit or loss statement for the year.
- Intangible assets resulting from the Company's operations are not capitalized; rather, they are treated as expenses and charged to the profit or loss statement for the year.

3. Adoption of New and Revised Standards

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

The following new and revised IFRSs, which became effective for annual periods beginning on or after January 1, 2025, have been adopted in these financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements:

- Amendments to IAS 21 – Lack of Exchangeability.
- Amendments to the SASB standards to enhance their international applicability.

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

The Company has not applied the new and revised IFRS Accounting Standards that have been issued but are not yet effective, management is in the process of assessing the impact of the new requirements:

New and revised IFRS Accounting Standards	Effective for annual periods beginning on or after
Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments	January 1, 2026
Annual Improvements to IFRS Accounting Standards — Volume 11	January 1, 2026
IFRS - 18 Presentation and Disclosures in Financial Statements	January 1, 2027
IFRS - 19 Subsidiaries without Public Accountability	January 1, 2027
IFRS S2 Amendments: Greenhouse Gas Emissions Disclosure Requirements	January 1, 2027

Management expects to adopt these new standards, interpretations, and amendments in the financial statements of the Company in the initial application period. Management also expects that the adoption of these new standards, interpretations, and amendments will not have a material impact on the financial statements in the initial application period, except for IFRS 18, which relates to the reclassification and arrangement of items in the financial statements.

4. Significant Accounting Judgments and Key Sources of Uncertainty

Preparation of the financial statements and application of the accounting policies require management to make judgments, estimates, and assumptions that affect the amounts of financial assets and financial liabilities and to disclose potential liabilities. Moreover, these estimates and judgments affect revenues, expenses, provisions, in general, expected credit losses, as well as changes in fair value that appear in the statement of comprehensive income and within shareholders' equity. In particular, the Company's management requires judgments to be made to estimate the amounts and timing of future cash flows. These estimates are necessarily based on multiple hypotheses and factors with varying degrees of estimation and uncertainty. Meanwhile, the actual results may differ from estimates due to the changes arising from the conditions and circumstances of those estimates in the future.

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

Management believes that its estimates in the financial statements are reasonable. And are as follows.

Useful life of tangible assets

The management periodically re-estimates the useful life of tangible assets for the purpose of calculating the annual depreciation based on the general condition of those assets and estimated future useful lives. The impairment loss is recognized in the statement of profit or loss for the year.

Financial assets and liabilities presented at cost:

Management reviews the financial assets and liabilities presented at cost periodically for the purpose of estimating any impairment in value, any impairment loss is recognized in the statement of profit or loss for the year.

Income tax

The fiscal year is charged with its related income tax expense in accordance with the regulations, laws and accounting standards.

Lawsuit provision

A provision is booked to meet any potential litigation obligations against the company (if exists) based on the legal study prepared by the Company's legal counsel that identifies potential risks in the future and periodically reviews the study.

Provision for expected credit loss

Management is required to use significant judgments and estimates to estimate the amounts and timing of future cash flows and assess the risks of a significant increase in credit risks for financial assets after initial recognition and future measurement information for the expected credit losses.

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

The number and the weighted average for the future scenarios for each type of the product types/ markets and determination of the future information related to each scenario.

When measuring the expected credit loss, the Company uses reasonable and reliable future information based on the assumptions of the future movement of the various economic factors and how these economic factors affect the calculation of expected credit loss.

Probability of Default

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

Loss Given Default

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

Grouping of Assets with Similar Credit Risk Characteristics

When expected credit losses are measured on a collective basis, financial instruments are grouped based on shared risk characteristics (such as instrument type, credit risk rating, type of collateral, initial recognition date, remaining period to maturity date, industry, borrower's geographic location, etc.). The Company continuously monitors the appropriateness of credit risk characteristics to assess whether they remain similar. This is required to ensure that if credit risk characteristics change, assets are appropriately reclassified. This may result in the creation of new portfolios or the transfer of assets to an existing portfolio that better reflects the similar credit risk characteristics of that group of assets.

Models and Assumptions Used

The Company uses various models and assumptions in measuring the fair value of financial assets and in assessing expected credit loss. Judgment is applied in determining the most appropriate models for each type of asset and in determining the assumptions used in those models, which include assumptions relating to the key drivers of credit risk.

a. Classification and Measurement of Financial Assets and Liabilities

The Company classifies financial instruments or components of financial assets upon initial recognition as either a financial asset, financial liability, or equity instrument in accordance with the substance of the contractual agreements and the definition of the instrument. The reclassification of a financial instrument in the financial statements is based on its substance rather than its legal form.

The Company determines the classification upon initial recognition and also performs a reassessment of that determination, where possible and appropriate, at the date of each statement of financial position.

When measuring financial assets and liabilities, certain Company assets and liabilities are remeasured at fair value for financial reporting purposes. The Company uses available observable market data when estimating the fair value of any assets or liabilities. In the absence of Level 1 inputs, the Company engages qualified independent valuers to perform the valuations.

b. Fair Value Measurement

Where fair values of financial assets and financial liabilities listed in the statement of financial position cannot be obtained from active markets, those fair values are determined using a range of valuation techniques that include the use of computational models. The data inputs for those models are obtained from market data, where possible. In the absence of such market data, fair values are determined through the exercise of judgment. These judgments include considerations of liquidity and model inputs such as derivative volatility, longer-term discount rates, prepayment rates, and default rates for asset-backed securities. Management believes that the valuation techniques selected and used are appropriate for determining the fair value of financial instruments.

c. Derivative Financial Instruments

Fair values of derivative financial instruments measured at fair value are generally obtained by reference to listed market prices, discounted cash flow models, and recognized pricing models where appropriate. Where prices are not available, fair values are determined using valuation techniques that reflect observable market data. These techniques include comparison with similar instruments where observable market prices are available, discounted cash flow analysis, option pricing models, and other valuation techniques commonly used by market participants. The key factors that management considers when applying the model are:

- The expected timing and probability of occurrence of future cash flows on the instrument. These cash flows are generally subject to the terms and conditions of the instrument; however, management judgment may be required in cases where the counterparty's ability to settle the instrument in accordance with the contractual terms is in doubt.
- An appropriate discount rate for the instrument. Management determines this rate based on its estimate of the margin on the instrument above the risk-free rate. When valuing the instrument by reference to comparable instruments, management considers the maturity, structure, and credit rating of the instrument based on the system against which the current position is compared. When valuing instruments on a model basis using the fair value of key components, management also considers the need to adjust accounts for several factors such as bid-ask spreads, credit condition, portfolio servicing costs, and model uncertainty.

5. Cash and Balances at Bank

This item consists of the following:

	December 31,	
	2025	2024
	JD	JD
Bank deposit*	2,531,000	-
Cash at bank	311,247	229,554
Cash on hand	308	-
	<u>2,842,555</u>	<u>229,554</u>

- * This item represents deposits in Jordanian Dinars held at the Housing bank for Trade and Finance with on average interest rate of 5.25%.

6. Brokerage Accounts Receivables - Net

This item consists of the following:

	December 31,	
	2025	2024
	JD	JD
Margin customer receivables	644,835	1,743,526
Spot receivables	316,402	720,223
Margin receivables - related party*	253,000	-
<u>(Less): Expected credit loss **</u>	<u>(654,023)</u>	<u>(360,000)</u>
	<u>560,214</u>	<u>2,103,749</u>

- * Margin receivables from related party amounted to JD 253,000 as of December 31, 2025. Additionally, local brokerage commission revenue, margin trading commission revenue, and margin interest revenues from related parties amounted to JD 5,843, JD 21,961, and JD 11,523, respectively, for the year ended December 31, 2025.

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

	December 31,	
	2025	2024
	JD	JD
Balance at the beginning of the year	360,000	200,000
Additions	294,023	160,000
Balance at the end of the year	654,023	360,000

The movement in the provision for expected credit losses during the year is as follows:

	2025				2024
	Stage 1	Stage 2	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance as of December 31	91,974	468,240	654,023	1,214,237	2,463,749
	91,974	468,240	654,023	1,214,237	2,463,749

The Company follows a policy of obtaining adequate collateral from customers where appropriate, to mitigate the risk of financial losses resulting from non-performance of obligations. The Company makes provisions against uncollectible receivables in accordance with International Financial Reporting Standards (IFRS).

7. Other Debit Balances

This item consists of the following:

	December 31,	
	2025	2024
	JD	JD
Employees receivable	-	115,560
Bank guarantee deposits	80,000	80,000
Settlement guarantee fund	25,000	25,000
Accrued revenue *	296,986	-
Trade receivables	60,142	1,822
Refundable deposits	9,581	9,581
Prepaid expenses	13,639	6,530
Income tax deposits	2,949	-
	488,297	238,493

* This item represents accrued and uncollected revenues from the foreign intermediary (a related party) as of December 31, 2025.

8. Property and Equipment

This item consists of the following :

	Furniture and fixtures	Decorations	Computer equipment	Vehicles	Total
	JD	JD	JD	JD	JD
For the year ended December 31, 2025					
<u>Cost:</u>					
Balance - beginning of the year	16,688	62,454	176,074	57,176	312,392
Additions	4,959	-	6,723	13,500	25,182
Disposals	(16,688)	(62,454)	(153,049)	(57,176)	(289,367)
Balance - end of the year	4,959	-	29,748	13,500	48,207
<u>Accumulated Depreciation:</u>					
Balance - beginning of the year	12,731	56,457	110,931	27,280	207,399
Depreciation for the year	2,815	3,446	23,998	5,320	35,579
Disposals	(14,970)	(59,903)	(115,140)	(30,926)	(220,939)
Balance - end of the year	576	-	19,789	1,674	22,039
Net book value as of December 31, 2025	4,383	-	9,959	11,826	26,168
For the year ended December 31, 2024					
<u>Cost:</u>					
Balance - beginning of the year	16,688	62,454	169,737	92,478	341,357
Additions	-	-	6,337	35,000	41,337
Disposals	-	-	-	(70,302)	(70,302)
Balance - end of the year	16,688	62,454	176,074	57,176	312,392
<u>Accumulated depreciation:</u>					
Balance - beginning of the year	10,504	52,977	87,094	92,478	243,053
Additions	2,227	3,480	23,837	5,104	34,648
Disposals	-	-	-	(70,302)	(70,302)
Balance - end of the year	12,731	56,457	110,931	27,280	207,399
Net book value as of December 31, 2024	3,957	5,997	65,143	29,896	104,993
Annual depreciation rate (%)	20%	20%	15%	25%	

- The fully depreciated property , plant and equipment amount to JD 10,542 as of December 31, 2025 (JD 3,928 as of December 31, 2024).

9. Investment Properties - Net

This item consists of the following:

	December 31,	
	2025	2024
	JD	JD
Investments in real estate	368,270	368,270
Accumulated depreciation	(24,551)	(16,679)
	<u>343,719</u>	<u>351,591</u>

The movement of the investment properties during the year are as follows :

For the year ended December 31, 2025

	Land	Industrial Warehouses	Total
	JD	JD	JD
<u>Cost:</u>			
Beginning balance	171,470	196,800	368,270
Ending balance	171,470	196,800	368,270
<u>Accumulated depreciation:</u>			
Balance - beginning of the year	-	(16,679)	(16,679)
Depreciation for the year	-	(7,872)	(7,872)
Balance - End of the year	-	(24,551)	(24,551)
Net book value	171,470	172,249	343,719

For the year ended December 31, 2024

	Land	Industrial Warehouses	Total
	JD	JD	JD
<u>Cost:</u>			
Beginning balance	171,470	196,800	368,270
Ending balance	171,470	196,800	368,270
<u>Accumulated depreciation :</u>			
Balance - beginning of the year	-	(8,807)	(8,807)
Depreciation for the year	-	(7,872)	(7,872)
Balance - end of the year	-	(16,679)	(16,679)
Net book value	171,470	180,121	351,591

The fair value of the above investment properties amounted to JD 387,470 as of December 31, 2025. The Company determines fair value by appointing external appraisals for impairment testing purposes. The valuation is performed using Level 2 inputs by comparing the properties with similar assets.

10. Intangible Assets - Net

This item consists of the following:

	December 31,	
	2025	2024
Cost:	JD	JD
Balance – beginning of the year	124,831	24,831
Additions	17,100	-
Disposals	(1,824)	-
Balance - end of the year	140,107	24,831
<u>Accumulated Amortization:</u>		
Balance - beginning of the year	24,831	24,831
Additions	2,129	-
Disposals	(1,823)	-
Balance - end of the year	25,137	24,831
Net book value	114,970	100,000

Intangible assets include fully amortized assets with a nil value as of December 31, 2025 (JD 23,007 as of December 31, 2024).

The Company obtained a license to conduct financial brokerage activities and paid the prescribed fees. Management assessed the nature of the license and whether it has a definite or indefinite useful life and its fair value. It was determined that the license is not renewable under the law and the fees are paid once only. Accordingly, management concluded that the license has an indefinite useful life and its fair value equals JD 100,000.

11. Right-of-Use Assets - Net

The right of use assets movement are as follows:

	December 31,	
	2025	2024
Cost:	JD	JD
Additions during the year	76,329	-
(Less): Depreciation expenses for the year	16,962	-
Balance - end of the year	59,367	-

	December 31,	
	2025	2024
Lease liability:	JD	JD
Additions during the year	76,329	-
Add: Interest expense for the year	2,061	-
(Less): Lease paid during the year	(27,000)	-
Balance - end of the year	51,390	-

Maturity Analysis of Lease Liability:

	December 31,	
	2025	2024
	JD	JD
Due within one year	25,443	-
Due more than one year	25,947	-
	51,390	-

	December 31,	
	2025	2024
Amounts recognized in the statement of profit or loss:	JD	JD
Depreciation for the year	16,962	-
Interest expense for the year	2,061	-
	19,023	-

A discount rate of 8.15% was used to discount the lease liability payments.

12. Other Credit Balances

This item consists of the following:

	December 31,	
	2025	2024
	JD	JD
Foreign company deposits	39,776	35,891
Accrued expenses	27,950	3,603
Income tax	-	1,549
Market commission	179	250
Other	614	-
	<u>68,519</u>	<u>41,293</u>

13. Income Tax Provision

a. The movement in the income tax provision is as follows:

	December 31,	
	2025	2024
	JD	JD
Balance - beginning of the year	51,497	139,037
Income tax expense for the year	447,495	69,585
Income tax paid during the year	<u>(51,497)</u>	<u>(157,125)</u>
Balance - end of the year	<u>447,495</u>	<u>51,497</u>

b. Income tax expense:

The income tax expense shown in the statement of profit or loss represents the following:

	2025	2024
	JD	JD
Income tax payable on the year's profit	447,495	69,585
Impact of IFRS 12 adoption	<u>(82,326)</u>	<u>-</u>
	<u>365,169</u>	<u>69,585</u>

c. Deferred tax assets

The movement in the deferred tax assets is as follows:

	December 31,	
	2025	2024
	JD	JD
Balance - beginning of the year	-	-
Impact of IFRS 12 adoption	100,800	-
Opening balance (Adjusted)	100,800	-
Deferred tax assets for the year	82,326	-
Balance - end of the year	<u>183,126</u>	<u>-</u>

During 2025, the Company recognized deferred tax assets against the expected credit loss provision for the first time, after management concluded that it is probable that future economic benefits will be realized.

d. Tax Status

A final settlement was reached with the Income and Sales Tax Department through the end of the year 2024.

The Company's income tax provision for 2025 was calculated in accordance with Income Tax Law No. (34) of 2014 and its amendments, at the statutory income tax rate of 28% (24% + 4% national contribution). In the opinion of the Company's management and its tax expert, the provisions taken are sufficient to cover potential tax liabilities.

14. Foreign Brokerage Commission Revenue

This item consists of the following:

	2025	2024
	JD	JD
Customer trading revenue *	741,040	248,592
Continuation of trading revenue *	913,908	-
Salaries and bonuses revenue *	458,005	309,287
Expense compensation revenue *	32,567	19,228
	<u>2,145,520</u>	<u>577,107</u>

- * These items represents revenue generated from trading transactions with the foreign intermediary (a related party) for the years ended December 31, 2025, and 2024.

15. General and administrative expenses

This item consists of the following:

	2025	2024
	JD	JD
Salaries, wages and benefits	506,286	403,314
Company's contribution to social security	65,887	46,311
Depreciation of property, plant and equipment	35,579	34,648
Depreciation of right-of-use assets	16,962	-
Amortization of intangible assets	2,129	-
Depreciation of investment properties	7,872	7,872
Board members' travel expense	-	4,800
Financing expenses	13,377	22,470
Rent	27,007	25,131
Fees and subscriptions	28,921	34,173
Postage, telephone and internet	19,836	12,752
Vehicle expenses	4,023	5,946
Health insurance	4,419	6,579
Professional fees	25,180	5,530
Income tax penalties	28,615	-
Other expenses	14,997	7,847
	<u>801,090</u>	<u>617,373</u>

16. Legal Cases

There are no legal cases filed against the Company as of December 2025, and in the opinion of management, there is no need to recognize any provisions.

17. Off-Balance Sheet Items

There are bank guarantees amounting to JD 650,000 secured by a cash deposit of JD 80,000. The Company has contingent liabilities represented by a guarantee to the Securities Commission amounting to JD 650,000 as of December 31, 2025.

18. Risk Management

a. Capital Risk Management

The Company manages its capital to ensure its ability to continue operations and maximize shareholders' returns while complying with local regulations, achieving an optimal balance between debt and shareholders' equity.

The Company's capital structure consists of shareholders' equity, which comprises paid-up capital and other reserves.

The Company follows a strategy to maintain a reasonable debt-to-equity ratio (calculated by dividing total debt by total shareholders' equity). There have been no changes to the Company's policy since 2025.

b. Liquidity Risk

Liquidity risk, also known as financing risk, is the risk that the Company will face difficulty in providing the necessary funds to meet its obligations. The Company manages liquidity risk by maintaining continuous monitoring of actual cash flows and matching the maturity of financial assets with financial liabilities.

Management believes that the risks associated with liquidity risk are minimal, as the Company's shareholders' ensure that the Company is provided with the necessary funds to enable it to meet its short-term obligations when they become due in the foreseeable future.

c. Credit Risk

Credit risk relates to the risk of the other party's failure to fulfill its contractual obligations, which may cause losses to the Company. The Company follows a policy of dealing with creditworthy parties and obtaining adequate collateral where appropriate, to mitigate the risk of financial losses resulting from non-performance of obligations (if any).

d. Interest Rate Risk

Interest rate risk is the risk related to changes in the value of a financial instrument because of changes in market interest rates. The Company continuously manages its exposure to interest rate risk, and various models are evaluated such as refinancing, renewal of current positions, and alternative financing.

Sensitivity analyses are determined in accordance with the exposure of interest rates related to bank deposits and bonds as of the balance sheet date. The analysis was prepared on the assumption that the amount outstanding as of the balance sheet date remained constant throughout the year.

e. Foreign Currency Risk

Foreign Currency risk is the risk related to changes in the value of a financial instrument because of changes in foreign exchange rates. Since the Company's operations are conducted in Jordanian dinars, management believes that foreign currency risk is not material.

19. Fair Value Levels

The Company's financial assets and financial liabilities are not measured at fair value on a continuous basis, except as set out in the table below. The Company's management believes that the carrying amount of the financial assets and financial liabilities shown in the financial statements approximates their fair value:

	<u>December 31, 2025</u>		<u>December 31, 2024</u>	
	<u>Book value</u>	<u>Fair value</u>	<u>Book value</u>	<u>Fair value</u>
<u>Financial assets not measured at fair value :</u>	JD	JD	JD	JD
Investment properties at amortized cost	<u>343,719</u>	<u>387,470</u>	<u>351,591</u>	<u>384,290</u>
Total investment properties at amortized cost	<u>343,719</u>	<u>387,470</u>	<u>351,591</u>	<u>384,290</u>

20. Maturity Analysis of Financial Assets and Liabilities

The following table shows the maturity analysis of financial assets and liabilities according their expected recovery or settlement:

	Within one year	More than one year	Total
<u>For the year ended December 31, 2025</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>
<u>Financial assets:</u>			
Cash on hand and balance at banks	2,842,555	-	2,842,555
Brokerage accounts receivable – net	560,214	-	560,214
Other debit balances	488,297	-	488,297
Total financial assets	<u>3,891,066</u>	<u>-</u>	<u>3,891,066</u>
<u>Financial liabilities:</u>			
Brokerage guarantee settlement fund deposits	56,001	-	56,001
Brokerage accounts payable	160,465	-	160,465
Other credit balances	68,519	-	68,519
Income tax provision	442,286	-	442,286
Total financial liabilities	<u>727,271</u>	<u>-</u>	<u>727,271</u>
Net amount	<u>3,163,795</u>	<u>-</u>	<u>3,163,795</u>
	Within one year	More than one year	Total
<u>For the year ended December 31, 2024</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>
<u>Financial Assets:</u>			
Cash in hand and balance with banks	229,554	-	229,554
Brokerage accounts receivable – net	2,103,749	-	2,103,749
Other debit balances	238,493	-	238,493
Total financial assets	<u>2,571,796</u>	<u>-</u>	<u>2,571,796</u>
<u>Financial liabilities:</u>			
Due to banks	17,301	-	17,301
Brokerage accounts payable	191,222	-	191,222
Brokerage guarantee settlement fund deposits	1,664	-	1,664
Other credit balances	41,293	-	41,293
Income tax provision	51,497	-	51,497
Total financial liabilities	<u>302,977</u>	<u>-</u>	<u>302,977</u>
Net amount	<u>2,268,819</u>	<u>-</u>	<u>2,268,819</u>

21. Comparative Figures Ended

Some comparative figures for the year ended December 31, 2024 have been reclassified to conform to the presentation of the financial statements for the current year ended December 31, 2025. These reclassifications had no impact on the statement of profit or loss and shareholders' equity as of December 31, 2024.

22. Subsequent Events

- Following the date of the financial statements, on September 22, 2025, the Extraordinary General Assembly approved an increase in the Company's capital by JD 4,250,000, bringing the Company's total capital to JD 7,000,000. The increase is allocated equally between shareholder Hatem Bashir and Ahmad Al-Disi, in the form of premium shares. An approval from the Securities Commission was obtained on January 14, 2026.
- Following the date of the financial statements, one of the shareholders filed a civil lawsuit against the Company and others at Amman Court of First Instance and was registered under the case number 2026/83, for an amount of JD 50,000 (estimated for fee purposes). The case is still in its preliminary stages at the Court of First Instance.