

**SPECIALIZED INVESTMENT COMPOUNDS
COMPANY**
(PUBLIC SHAREHOLDING COMPANY)

**CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT CERTIFIED PUBLIC
ACCOUNTANT'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2024**

SPECIALIZED INVESTMENT COMPOUNDS COMPANY
(PUBLIC SHAREHOLDING COMPANY)

**CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT CERTIFIED
PUBLIC ACCOUNTANT'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2024**

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INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT'S REPORT

To the Shareholders
Specialized Investment Compounds Company
(Public Shareholding Company)

Report on Auditing the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Specialized Investment Compounds Company (P.L.C.), which comprise the consolidated statement of financial position as at December 31, 2024, the related consolidated statements of income, consolidated statement of comprehensive income, consolidated statement of shareholders' equity, consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly in all material respects, the financial position of Specialized Investment Compounds Company as at December 31, 2024, its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards.

Basis for Opinion

We conduct our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in Auditor's Responsibilities for the audit of the financial statements. We are independent from the Company in accordance with the International Standard Board Code of Ethics for professional accountants ("the Code") and we have fulfilled our other ethical responsibilities in accordance with the code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters, according to our professional judgment, were of most significant importance in our auditing procedures that we performed to the consolidated financial statements. These matters were addressed in our auditing workflow to consolidated financial statements as a whole as we do not express separate opinions.

Basic Auditing Matters	The following is a description of our auditing procedures
<p>Real Estate Investments, Land and Apartments Held for Sale</p> <p>In accordance with International Financial Reporting Standards, the Company's management has recorded, real estate investments, land and apartments held for sale at cost. The Company is required to perform an impairment test on the carrying value of the projects under construction and investment properties, land and apartments held for sale in the financial position. If any indication of impairment exists, impairment losses are recognized in accordance with the impairment policy. The management assesses the impairment, if any, through valuation experts. Due to its importance, This is considered a key audit risk.</p>	<p>Real Estate Investments, Land and Apartments Held for Sale</p> <p>The audit procedures included examining the control procedures used in the verification of existence and completeness, and assessing whether there is any impairment in the value of the assets through management assumptions, taking into consideration the available external information about the risks of projects under construction, real estate investments, land and apartments held for sale. We also emphasized on the adequacy of the Company's disclosures about it.</p>

Key Audit Matters	Followed Procedures Within Key Audit Matters
<p>Accounts Receivable</p> <p>According to International Standards on auditing, the Company should review the calculation process for expected credit losses. The Company assesses the impairment of accounts receivable through assumptions and estimations, and considering its importance it's considered one of the significant audit risks and the impairment of accounts receivable provision has been recognized.</p>	<p>Accounts Receivable</p> <p>The auditing procedures included control procedures used by the Company for collecting accounts receivables, ascertaining a sample of clients' accounts through direct confirmations, it has been asserted that the account receivable impairment provision is sufficient through evaluating the management assumptions, taking into consideration the available external information about account receivable risks. Also, we evaluated the sufficiency of the Company disclosure about the important estimation in concluding the impairment provision of accounts receivable.</p>
<p>Financial Assets Designated at Fair Value Through Statement of Other Comprehensive Income</p> <p>In accordance with IFRS, the Company should classify the Company's listed shares that are traded in a hyper active market as available-for-sale financial assets and are stated at fair value. If the Company has investments in unlisted shares that are not traded in hyper active markets but are also classified as available-for-sale financial assets and carried at fair value. Management believes that fair value can be reliably measured.</p>	<p>Financial Assets Designated at Fair Value Through Statement of Other Comprehensive Income</p> <p>The audit procedures included testing the control procedures used in the process of verification of existence and completeness. It was ascertained that the financial assets were recorded at fair value through verification of the closing price of the ASE. The number of shares was also confirmed by the support of the SDC. Ascertaining of the unlisted investments in the Amman Financial Market by supporting the number of shares invested and checking the closing price through the foreign exchange markets.</p>

Other Information

Management is responsible for other information, which includes other information reported in the annual report, but not included in the consolidated financial statements and our audit report on them.

Our opinion on the consolidated financial statements does not include this other information, and we do not express any assertion over it.

As a part of our audit on the consolidated financial statements of Specialized Investment Compounds Company for the year ended December 31, 2024, we are required to review this other information. During this review, we consider the compatibility of these information with their consolidated financial statements or with the knowledge that we obtained during the audit procedures or seems to contain significant errors. If we detected based on our audit, the existence of significant errors in the information, we are required to report this fact. Regarding this, we have nothing to report.

Management and Individuals Responsible of Governance Responsibility of the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control management determined to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements for Specialized Investment Compounds Company for the year ended December 31, 2024, 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 the management either intends to liquidate the Company or to cease operations or have no realistic alternative but to do so.

Individuals responsible of governance are responsible of supervising the preparation of consolidated financial statements.

Certified Public Accountant Responsibility

Our objective is to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements from fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement even it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those 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 that 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 the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, we will modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and assess whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Legal Requirements Report

The Specialized Investment Compounds Company maintains proper books of accounting records that are in agreement with the accompanying consolidated financial statements for the year ended December 31, 2024, and with the financial information included in the Board of Directors report, and we recommend the General Assembly to approve the consolidated financial statements, what is mentioned in the paragraph of the qualification opinion.

Modern Accountants

Walid M. Taha
License No.(703)

Modern Accountants



Amman-Jordan
March 25, 2025

SPECIALIZED INVESTMENT COMPOUNDS COMPANY
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

	Note	2024	2023
ASSETS			
Non-Current Assets			
Property and Equipment	4	804,673	216,132
Investments in Lands	5	4,906,443	4,110,167
Rented Buildings - Net	6	6,032,601	6,254,797
Projects in Progress	7	287,510	716,139
Financial Assets Designated at Fair Value Through Statements of			
Other Comprehensive Income	8	367,133	306,318
Total Non-Current Assets		12,398,360	11,603,553
Current Assets			
Prepaid Expenses and Other Receivables	10	309,306	446,163
Accounts Receivable and Checks Under Collection	11	1,732,799	2,000,337
Financial Assets Designated at Fair Value Through a Statement of			
Comprehensive Income	12	964,404	1,338,202
Cash and Cash Equivalent	13	64,373	78,129
Total Current Assets		3,070,882	3,862,831
TOTAL ASSETS		15,469,242	15,466,384
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' Equity			
Share Capital	1	8,100,000	8,100,000
Statutory Reserve	14	1,095,439	1,079,797
Treasury Shares	15	(422,542)	(422,542)
Fair Value Reserve		88,393	27,577
Retained Earnings		4,228,024	4,106,195
Total Shareholders' Equity		13,089,314	12,891,027
Non-Current Liabilities			
Long-Term Deferred Revenues	16	1,104,627	1,101,419
Long-Term Deferred Checks		10,500	-
Total Non-Current Liabilities		1,115,127	1,101,419
Current Liabilities			
Accrued Expenses and Other Payables	18	328,314	334,765
Accounts Payable and Deferred Checks	19	164,608	252,331
Short-Term Deferred Revenues	16	771,879	886,842
Total Current Liabilities		1,264,801	1,473,938
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		15,469,242	15,466,384

The accompanying notes are an integral part of these consolidated financial statements

SPECIALIZED INVESTMENT COMPOUNDS COMPANY
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

	Note	2024	2023
Revenue	21	1,929,021	2,282,050
Cost of Revenue	22	(1,308,987)	(1,362,301)
Gross Profit		620,034	919,749
Selling and Marketing Expenses	23	(11,128)	(6,812)
General and Administrative Expenses	24	(498,201)	(573,361)
Other Revenue and Expenses, Net	25	513,924	(9,131)
Realized Gain Through Statement of Other Comprehensive Income		-	1,827
Realized Gain of Financial Assets Designated at Fair Value Through Statement of Comprehensive Income		-	18,770
Unrealized Loss of Financial Assets Designated at Fair Value Through Statement of Comprehensive Income		(220,957)	(734,948)
Expected Credit Losses		(195,000)	(51,945)
Board of Directors' Members Remuneration		(15,000)	-
Financial Charges		(37,249)	(41,830)
Profit / (Loss) for the Year Before Tax		156,423	(477,681)
Provision for Income Tax and National Contribution	20	(18,952)	(41,960)
NET PROFIT / (LOSS) FOR THE YEAR		137,471	(519,641)
Earnings / (Loss) Per Share:			
Earnings / (Loss) Per Share - JD / Share		0,02	(0,06)
Outstanding Shares Weighted Average – Share		8,100,000	8,100,000

The accompanying notes are an integral part of these consolidated financial statements

SPECIALIZED INVESTMENT COMPOUNDS COMPANY
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED OTHER COMPREHENSIVE INCOME STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

	2024	2023
Profit / (Loss) for the Year	137,471	(519,641)
Other Comprehensive Income:		
Total Other Comprehensive Income Transferred to Retained Earnings	137,471	(519,641)
Changes in Fair Value Reserve	60,816	61,940
TOTAL INCOME / (LOSS) COMPREHENSIVE INCOME	198,287	(457,701)

The accompanying notes are an integral part of these consolidated financial statements

SPECIALIZED INVESTMENT COMPOUNDS COMPANY
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

	Share Capital	Statutory Reserve	Treasury Shares	Fair Value Reserve	Retained Earnings	Total
Balance at January 1, 2023	8,100,000	1,079,797	(422,542)	(34,363)	4,625,836	13,348,728
Comprehensive Income for the Year	-	-	-	61,940	(519,641)	(457,701)
Balance at December 31, 2023	8,100,000	1,079,797	(422,542)	27,577	4,106,195	12,891,027
Comprehensive Income for the Year	-	-	-	60,816	137,471	198,287
Transferred to Statutory Reserve	-	15,642	-	-	(15,642)	-
Balance at December 31, 2024	8,100,000	1,095,439	(422,542)	88,393	4,228,024	13,089,314

The accompanying notes are an integral part of these consolidated financial statements

SPECIALIZED INVESTMENT COMPOUNDS COMPANY
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

	2024	2023
OPERATING ACTIVITIES		
Profit / (Loss) for the Year Before Tax	156,423	(477,681)
Adjustments for Income / (Loss) of the Year Before Tax:		
Depreciation	585,477	526,428
Realized Gain of Financial Assets Designated at Fair Value Through Statement of Comprehensive Income	-	(18,770)
Unrealized Losses of Financial Assets Designated at Fair Value Through Statement of Comprehensive Income	220,957	734,948
Financial Charges	37,249	41,830
Expected Credit Loss	195,000	51,945
Board of Directors' Remuneration Expenses	15,000	-
Changes in Operating Assets and Liabilities:		
Financial Assets Designated at Fair Value Through Statement of Other Comprehensive Income	1	-
Financial Assets Designated at Fair Value Through a Statement of Comprehensive Income	152,841	(73,046)
Accounts Receivable and Checks Under Collection	72,538	1,027,097
Prepaid Expenses and Other Receivables	136,857	(177,316)
Accounts Payable and Deferred Checks	(77,223)	(77,003)
Accrued Expenses and Other Payables	(40,403)	(853,881)
Deferred Revenues	(111,755)	(186,178)
Net Cash Available from Operating Activities	1,342,962	518,373
INVESTING ACTIVITIES		
Equipment and Property, Rented Building and Land Investment	(1,748,098)	(384,602)
Construction Under Process	428,629	(263,018)
Proceeds from the Sale of Assets	-	74,022
Net Cash Used in Investing Activities	(1,319,469)	(573,598)
FINANCING ACTIVITIES		
Paid Financial Charges	(37,249)	(41,830)
Net Cash Used in Financing Activities	(37,249)	(41,830)
Net Change in Cash and Cash Equivalents	(13,756)	(97,055)
Cash and Cash Equivalents, January 1	78,129	175,184
CASH AND CASH EQUIVALENTS, DECEMBER 31	64,373	78,129

The accompanying notes are an integral part of these consolidated financial statements

SPECIALIZED INVESTMENT COMPOUNDS COMPANY
(PUBLIC SHAREHOLDING COMPANY)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

1. ORGANIZATION AND ACTIVITIES

Specialized Investment Compound Company is a Jordanian public shareholding company registered on August 7, 1994 under No. (252). the authorized and paid capital is 8,100,000JD divided to 8,100,000 shares of JD 1 each.

The Company main activities are utilizing, developing and investing lands for establishing, selling and investing industrial buildings and specialized craft warehouses.

The Company and its subsidiary are located in Amman.

2. New and Amended International Financial Reporting Standards

The following new and amended standards and interpretations have not yet become effective

It is valid for annual periods beginning on or after

Non-Fungibility of Exchange Rates (Amendments to IAS (21))

January 1, 2025

Presentation and Disclosure in Financial Statements (Amendments to IFRS (18))

January 1, 2027

Investments in Associates and Joint ventures (Amendments to IAS (28) and IFRS (10))

The implementation has been postponed indefinitely.

Management anticipates that these new standards, interpretations and amendments will be adopted in the Company's financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the financial statement of the Company in the period of initial application.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Preparation of Consolidated Financial Statements

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

Basis of Preparation

These consolidated financial statements, were presented in Jordanian Dinar as the majority of the Company's transactions are recorded in the Jordanian Dinar.

The consolidated financial statements have been prepared on historical cost basic; however financial instruments and investment in property are stated at fair value. The following is a summary of significant accounting policies applied by the Company.

SPECIALIZED INVESTMENT COMPOUNDS COMPANY
(PUBLIC SHAREHOLDING COMPANY)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

Basis of Consolidation Financial Statements

The consolidated financial statements incorporate the financial statements of Specialized Investment Compounds Company (Public Shareholding Company) and the subsidiaries controlled by the Company.

Control is achieved where the Company:

- Has the ability to exert power over the investee.
- Has exposure, or rights, to variable returns from its involvement with the investee.
- Has the ability to exert power over the investee to affect the amount of the investor's returns.

The Company reassesses whether or not it controls an investee or not, if facts and circumstances indicate to one or more of the elements of control described in the accounting policy for subsidiaries above.

When the Company has less than a majority of the voting. The Company shall have control over the investee when the voting rights sufficient to give it the practical ability to direct relevant activities of the investee individually.

When the Company reassesses whether or not it controls an investee, it considers all the relevant facts and circumstances which includes:

- Size of the holding relative to the size and dispersion of other vote holders
- Potential voting rights, others vote-holders, and other parties
- Other contractual rights
- Any additional facts and circumstances may indicate that the Company has, or does not have, the current ability to direct the activities related to the time needed to make decisions, including how to vote at previous shareholder's meetings.

The consolidation process begins when the Company's achieve control on the investee enterprise (subsidiary), while that process stops when the Company's loses control of the investee (subsidiary). In particular Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated income statement, and the consolidated comprehensive income statement from the effective date of acquisition and up to the effective date of which it loses control of a subsidiary Company.

The profit or loss and each component of other comprehensive income is distributed to the owners of the parent and to the non-controlling interests, total comprehensive income to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the parent Company.

All transactions including assets, liabilities, shareholders' rights, profits, expenses and cash flows resulting from internal transactions between the Company and its subsidiaries are excluded upon consolidation.

SPECIALIZED INVESTMENT COMPOUNDS COMPANY
(PUBLIC SHAREHOLDING COMPANY)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

The Consolidated Financial Statements as at December 31, 2024 consist of the financial statements of the following subsidiary:

Company	Place of Registration	Paid Capital	Vote and Ownership Ratio	Paid Capital Ratio	Main Activity
Pluto Residential Projects	Jordan	850,000 JOD	100%	100%	Building and selling residential projects without interests and purchase, sell and invest in real estate and lands

Equity Instruments at FVTOCI

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the cumulative changes in fair value of securities reserve. The cumulative changes or loss will not be reclassified investments, but reclassified to retained earnings. The Company has designated all instruments that are not held for trading as at FVTOCI

Dividends on these investments in equity instruments are recognized in profit or loss when the Company right to receive the dividends is established, unless the dividends clearly represent a recovery of a part of the cost of the investments. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

The Company assesses the classification and measurement of the cash flow characteristics of the contractual asset and the Company's business model for managing the asset.

For an asset to be classified and measured at amortized cost or at FVTOCI, its contractual terms should give rise to cash flows that are solely represent payments of principal and interest on the principal outstanding (SPPI).

At initial recognition of a financial asset, the Company determines whether newly recognized financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Company reassess its business models each reporting period to determine whether the business models have changed since the preceding period. For the current and prior reporting period the Company has not identified a change in its business models.

When a debt instrument measured at FVTOCI is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured FVTOCI, the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to profit or loss, but transferred within equity.

Debt instruments that are subsequently measured at amortized cost or FVTOCI are subject to impairment.

SPECIALIZED INVESTMENT COMPOUNDS COMPANY
(PUBLIC SHAREHOLDING COMPANY)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

Financial Assets at FVTPL

Financial assets at FVTPL are:

- Assets with contractual cash flows that are not simple; or and
- Assets that are held in a business model other than held to collect contractual cash flows or held to collect and sell; or
- Assets designated at FVTPL using the fair value option.

These assets are measured at fair value, with any gains / losses arising on remeasurement recognized in profit or loss.

Fair value option: A financial instrument with a reliably measurable fair value can be designated as FVTPL (the fair value option) on its initial recognition even if the financial instrument was not acquired or incurred principally for the purpose of selling or repurchasing. The fair value option can be used for financial assets if it eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities, or recognizing related gains and losses on a different basis (an "accounting mismatch").

Reclassifications

If the business model under which the Company holds financial assets changes. The financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the Company's financial assets. During the current financial year and previous accounting period, there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

Impairment

IFRS 9 replaces the "incurred loss" model in IAS 39 with an expected credit loss model (ECLs). The Company recognizes loss allowance for expected credit losses on the following financial instruments that are not measured at FVTPL

- Cash and bank balances;
- Trade and other receivables;
- Due from related party.

With the exception of purchased or originated credit impaired (POCI) financial assets (which are considered separately below), ECLs are required to be measured through a loss allowance at an amount equal to:

- 12 Month ECL, i.e., lifetime ECL that results from those default events on the financial instrument that are possible within 12 months after the reporting date (referred to as stage1); or
- Full lifetime ECL, i.e. Lifetime ECL that results from all possible default events over the life of the financial instruments, (referred to as stage2 and stage3).

SPECIALIZED INVESTMENT COMPOUNDS COMPANY
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
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A loss allowance 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.

The Company has elected to measure loss allowances of cash and bank balances, Trade and other receivables, and due from a related party at an amount equal to life time ECLs.

ECLs are probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flow to the Company under the contract and the cash flows that the Company expects to receive arising from weighting of multiple future economic scenarios. Discounted at the asset's EIR.

Loss allowance for financial investments measured at amortized costs is deducted from gross carrying amount of assets. For debt securities at FVTOCI, the loss allowance is recognized in the OCI, instead of reducing the carrying amount of the asset.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue costs or effort. This includes both quantitative and qualitative including forward-looking information.

For certain categories of financial assets, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio, as well as observable changes in national or local economic conditions that correlate with default on receivables.

Impairment losses related to cash and bank balances, trade and other receivables and due from a related party, are presented separately in the statement of income and other comprehensive income. The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally accepted definition of the grade of the investment.

Measurement of ECL

The Company employs statistical models for ECL calculations. ECLs are a probability-weighted estimate of credit losses. For measuring ECL under IFRS 9, the key input would be the term structure of the following variables.

- Probability of Default (PD);
- Loss Given Default (LGD); and
- Exposure at Default (ED).

These parameters will be derived from our internally developed statistical models and other historical data. They will be adjusted to reflect forward-looking information.

SPECIALIZED INVESTMENT COMPOUNDS COMPANY
(PUBLIC SHAREHOLDING COMPANY)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

Credit-Impaired Financial Assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred. Credit-impaired financial assets are referred to stage 3 assets. At each reporting date, the Company assesses whether financial assets carried at amortized costs and debt securities at FVTOCI are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Derecognition of Financial Assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost or measured at FVTPL, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss

On derecognition of a financial asset that is classified as FVTOCI, the cumulative gain or loss previously accumulated in the cumulative changes in fair value of securities reserve is not reclassified to profit or loss, but is reclassified to retained earnings.

Presentation of Allowance for ECL Is Presented in the Financial Information

Loss allowances for ECL are presented in the financial information as follows:

For financial assets measured at amortized cost (loans and advances, cash and bank balances): as a deduction from the gross carrying amount of the assets.

For debt instruments measured at FVTOCI no loss allowance is recognized in the statement of financial position as the carrying amount is at fair value. However, the loss allowance is included as part of the revaluation amount in revaluation reserve and recognized in other comprehensive income.

Recognition of Revenues and Expenses

Revenue is recognized when it is probable that economic benefits will flow to the Company as a result of a reliably measurable exchange.

Rental income is calculated on the basis of the value of the consideration received or expected to be received on a straight-line basis and over the term of the lease contract.

Expenses are recognized on an accrual basis.

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Critical Accounting Judgments and Key Sources of Estimation Uncertainty

The preparation of consolidated financial statements requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these consolidated financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual consolidated financial statements.

Critical Judgments in Applying the Company's Accounting Policies in Respect Of IFRS 9

Business Model Assessment:

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets were managed together to achieve a particular business objective. This assessment includes judgments reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Significant Increase of Credit Risk

ECLs are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Company considers both qualitative and quantitative reasonable and supportable forward-looking information.

Establishing Group of Assets with Similar Credit Risk Characteristics

When ECLs are measured on a collective basis, the financial instruments are grouped based on shared risk characteristics (e.g., instrument type, credit risk grade, collateral type, date of initial recognition, remaining term to maturity, industry, geographic location of the borrower, etc.). The Company monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. This is required in order to ensure that should credit risk characteristics change there is appropriate re-segmentation of the assets. This may result in new portfolios being created or assets moving to an existing portfolio that better reflects the similar credit risk characteristics of that group of assets. Re-segmentation of portfolios and movement between portfolios is more common when there is a significant increase in credit risk (or when that significant increase reverses) and so assets move from 12-month to lifetime ECLs, or vice versa, but it can also occur within portfolios that continue to be measured on the same basis of 12 month or lifetime ECLs but the amount of the ECLs changes because the credit risk of the portfolios differ.

Models and Assumptions Used

The Company uses various models and assumptions in measuring fair value of financial assets as well as in estimating ECL. Judgment is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk.

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Key Sources of Estimation Uncertainty in Respect of IFRS 9

The following are key estimations that the management has used in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in consolidated financial statements:

Establishing the number and relative weightings of forward-looking scenarios for each type of product/market determining the forward-looking information relevant to each scenario. When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other

Probability of Default

PD is a key input in measuring ECL. It represents an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Loss Given to Default

LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Realized Revenue

Revenue from sale of real estate is recognized when the construction is completed for the purpose of sale and the buyer delivers the sold property and transfers the risks to the buyer.

Rental income and services of leased units are recognized on the basis of the contract period for those leased units and after delivery of the property to the lessee and after service is done.

Expenses

Selling and marketing expenses principally comprise of costs incurred in the marketing and sale of the Company's products. All other expenses are classified as general and administrative expenses.

General and administrative expenses include direct and indirect costs not specifically part of cost of revenues as required under International Accounting Standards; Expenses are distributed, if necessary, between general and administrative expenses, the cost of real estate sales and the cost of rental properties.

Cash and Cash Equivalents

Cash and cash equivalent include cash, demand deposits, and highly liquid investments with original maturities of three months or less.

Treasury Shares

Treasury shares are reported as a separate item deducted from owners' equity. These shares do not have the right to the distributed dividends to the shareholders, nor do they have the right to vote at the Company's general assembly meetings . They are reported and presented at acquisition cost.

Provision for Impairment of Receivables

The management assesses the collectability of receivables, and the allowance for impairment of receivables is estimated by collecting them based on previous experience and the prevailing economic environment.

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Investments in Subsidiary Companies

Investments in companies that are at least 20% owned, in which the Company exercises significant influence, are recorded using the equity method. Under which the investments are stated initially at cost and adjusted thereafter for the post acquisition change in the Company's share of the net assets of the investee. These are referred to as subsidiaries (ownership over 50%) companies. Company's share in the subsidiary companies' net income/losses for the year is included in the consolidated statement of income.

Revenue from investments in securities is recorded when dividends are declared.

Accounts Receivable

Accounts receivable is recorded at the original amount less a provision for any uncollectible amount. An estimate for doubtful debts is made when there is substantive evidence that the collection of the full amount is no longer probable.

Accounts Payable and Accrual

Accounts payable are stated at the obligation amounts for received services and goods, whether billed by the suppliers or not.

Real Estate Held for Sale

Real estate for sale stated at the lower of cost or net realizable value.

Construction Under Process

Construction under process appear at cost. Borrowing costs are capitalized which was acquired for financing these projects.

Real Estate Investments

Rented Real estates are stated at cost less accumulated depreciation. Depreciation is provided over the estimated useful live of building using the straight-line method and with annual rate ranged between 2% – 4%.

Lands investments are stated at cost (In accordance with IAS 40) the standarad has given the Company the choice of recording its investments at cost or at fair value, on the condition that there is no impediment to determine relaiably the exact value of the investments, and the the management has chosen to record the investments at cost.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Expenditure on maintenance and repairs is expensed. Depreciation is provided over the estimated useful lives of the applicable assets using the straight-line method. The estimated rates of depreciation of the principal assets using the straight-line method. The estimated rates of depreciation of the principal classes of assets are as follows:

	Annual Depreciation Rate
Building	4%
Furniture and Decoration	9-15%
Computers, Office and Electrical Equipment	25%
Vehicles	15%
Tools and Equipment	20%
Banners	10%
Solar Cell System	7%

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

In case of any indication to the impairment value, impairment losses are calculated according to the policy of the low value of the assets.

At any subsequent exclusion of property and equipment, the value of gains or losses resulting recognized, this represents the difference between the net proceeds of exclusion and the value of the property and equipment that appears in the Statement of Financial Position, Gross Profit and loss.

Leasing Contracts

Leases are classified as capital leases if the lease results in a significant transfer of the benefits and risks of ownership of the underlying asset to the lessee. Other leases are classified as operating leases.

Rents due under operating leases are charged to the statement of comprehensive income during the term of the operating lease using the straight-line method.

Provisions

A provision is recognized when the Company has a present obligation (legal or expected) arising from past events which its cost of repayment considers accepted and it has ability to estimate it reliably.

The provision is measured based on the best expectations of the required alternative to meet the obligation as of the consolidated statement of financial position date after considering the risks and not assured matters about the obligation. When the provision is measured with the estimated cash flows to pay the present obligation, the accounts receivable is recognized as an asset if receipt and replacement of the amount is certain and issuable to measure the amount reliably.

The Sector Report Represents

The business sector represents a collection of assets and operation engaged together in providing product or services subjected to risks and returns that are different from those of other business sectors, which are measured according to the reports that are used by the executive director and the main decision - makers in the Company.

Geographical segment is associated in providing products in particular economic environment subject to risks and returns that are differed from those for sectors to work in economic environment.

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Offsetting

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

Income Tax

The Company is subject to Income Tax Law for the year and its subsequent amendments and the regulations issued by the Income Tax Department in the Hashemite Kingdom of Jordan and provided on accrual basis. Income Tax is computed based on adjusted net income. According to International Accounting Standard number 12, the Company may have deferred taxable assets resulting from the differences between the accounting value and tax value of the assets and liabilities related to the provisions, these assets are not shown in the financial statements since it is immaterial.

The Council of Ministers decided in 2004 to grant the developers of the eligible industrial cities special privileges and exemptions granted to industrial cities and decided to subject the purchases of existing companies in the industrial areas to the general tax on sales by zero.

Foreign Currency Translation

Foreign currency transactions are translated into Jordanian Dinar at the rates of exchange prevailing at the time of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rates prevailing at that date. Gains and losses from settlement and translation of foreign currency transactions are included in the consolidated statement of comprehensive income.

When the financial statements of subsidiaries abroad are consolidated with the Parent Company's financial statements, the assets and liabilities of these companies are translated to the Jordanian Dinar at the prevailing rates at the end of the year. The income and expenses are translated on the basis of the average price for the period unless the exchange rates are accepted the prevailing exchange rates are used at the year end. The resulting exchange differences, if any, are included in the consolidated equity.

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4. PROPERTY AND EQUIPMENT

2024	Buildings	Furniture and Decorations	Computers, Office and Electrical Equipment	Vehicles	Tools and Equipment	Banners	Solar Cell System	Total
Cost:								
Balance at January 1	302,702	153,665	303,303	112,327	42,048	75,321	54,000	1,043,366
Additions	626,539	-	-	38,535	-	-	-	665,074
Disposal	(18,516)	(111,202)	(166,266)	(75,489)	(29,611)	(70,338)	-	(471,422)
Balance at December 31	910,725	42,463	137,037	75,373	12,437	4,983	54,000	1,237,018
Depreciation:								
Balance at January 1	182,765	153,665	298,617	68,424	42,048	74,965	6,750	827,234
Depreciation	10,837	-	1,858	13,139	-	72	6,480	32,386
Disposal	-	(111,965)	(166,650)	(48,834)	(29,619)	(70,207)	-	(427,275)
Balance at December 31	193,602	41,700	133,825	32,729	12,429	4,830	13,230	432,345
Net Book Value December 31	717,123	763	3,212	42,644	8	153	40,770	804,673

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2023	Buildings	Furniture and Decorations	Computers, Office and Electrical Equipment	Vehicles	Tools and Equipment	Banners	Solar Cell System	Total
Cost:								
Balance at January 1	302,702	153,665	299,584	112,431	42,048	75,321	54,000	1,039,751
Additions	-	-	6,800	47,800	-	-	-	54,600
Disposal	-	-	(3,081)	(47,904)	-	-	-	(50,985)
Balance at December 31	302,702	153,665	303,303	112,327	42,048	75,321	54,000	1,043,366
Depreciation:								
Balance at January 1	176,046	153,665	299,584	66,232	42,048	74,893	5,670	818,138
Depreciation	6,719	-	1,475	11,409	-	72	1,080	20,755
Disposal	-	-	(2,442)	(9,217)	-	-	-	(11,659)
Balance at December 31	182,765	153,665	298,617	68,424	42,048	74,965	6,750	827,234
Net Book Value December 31	119,937	-	4,686	43,903	-	356	47,250	216,132

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5. INVESTMENTS IN LANDS

	2024	2023
Investments in Land	5,793,160	5,793,160
Additions	-	-
Transfers	-	-
Disposal	-	-
Impairment Provision	-	-
Total Cost of Investments in Land:	5,793,160	5,793,160
Less: Impairment Allowance	(1,682,993)	(1,682,993)
Add: Land Revaluation Income	796,276	-
Net Investments in Land	4,906,443	4,110,167

6. RENTED BUILDINGS -NET

	2024	2023
Rented Buildings Cost at Beginning of the Year	14,678,030	14,794,847
Additions During the Year	279,271	-
Disposals During the Year	-	-
Transfers	(8,376)	(116,817)
Total Rented Buildings Cost	14,948,925	14,678,030
Less: Accumulated Depreciation	(8,458,608)	(7,905,517)
Less: Rented Building Impairment	(457,716)	(517,716)
Net Value of Rented Building at the Year End	6,032,601	6,254,797

7. PROJECTS IN PROGRESS

	2024	2023
Balance on January 1	716,139	453,131
Additions	197,910	263,008
Transferred to Property and Equipment	(626,539)	-
Balance on December 31	287,510	716,139

8. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2024	2023
Investment in Tourism Projects Compounds Company P.L.C. by 5,743 shares (2023: 5,743 shares)	3,466	2,928
Investment in Al Tajamouat for Catering and Housing Company by 674,199 shares (2023: 674,199 shares)	363,667	303,390
	367,133	306,318

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9. TRANSACTIONS WITH RELATED PARTIES

During the year, Specialized Investment Groups Company P.S.C. recorded the following bonuses, allowances and benefits for the Chairman, members of the Board of Directors and the General Manager:

	2024	2023
Transportation Allowances for the President and Members of Board of Directors	72,852	91,011
Salaries, Allowances and Remunerations for the President and the Members of Board of Directors	15,000	-
Benefits and Rewards Received By the General Manager	-	4,000

10. PREPAID EXPENSES AND OTHER RECEIVABLES

	2024	2023
Refundable Deposits	156,438	155,943
Prepaid Expenses	106,097	268,821
Income Tax Deposits	16,536	1,517
Other Receivables	30,235	19,882
	309,306	446,163

11. ACCOUNTS RECEIVABLE AND CHECKS UNDER COLLECTION

	2024	2023
Accounts Receivable	3,858,667	3,945,333
Checks Under Collection	123,276	114,765
	3,981,943	4,060,098
Less: expected credit losses *	(2,249,144)	(2,059,761)
	1,732,799	2,000,337

*Expected credit losses

	2024	2023
Balance 1 January	2,059,761	1,298,799
Additions	250,000	760,962
Transfers	(60,617)	-
	2,249,144	2,059,761

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12. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH STATEMENT OF COMPREHENSIVE INCOME

	2024	2023
Investment in Latent Energies for Investments Company by 1,063,055 shares (2023: 1,063,055 shares)	754,770	1,009,902
Investment in Al-Tajamouat Food and Housing Company by 100,738 shares (2023: 100,738)	58,428	45,332
Investment in Jordan Company for Development and Financial Investment by 22,530 shares (2023: 22,530 shares)	22,531	45,511
Investment in Union Tobacco and Cigarettes Industries Company by 66 shares (2023: 66 shares)	10	53
Investment in Injaz for Development and Projects Company by 422,490 shares (2023: 422,490 shares)	122,522	101,398
Investment in Sheba Metal Casting Company by 6,143 shares (2023: 6,143 shares)	6,143	136,006
	964,404	1,338,202

** A permanent impairment provision was taken for Saba Metal Casting Company shares amounting to 129,863 JD and a provision for impairment of shares for Jordan Development and Financial Investment Company amounting to 22,981 JD, in application of International Financial Reporting Standard No. 9.

13. CASH AND CASH EQUIVALENTS

	2024	2023
Cash at the Banks	64,373	78,129
	64,373	78,129

14. STATUTORY RESERVE:

In accordance with the Companies' Law in the Hashemite Kingdom of Jordan and the Company's Article of Association, the Company has established a statutory reserve by the appropriating 10% of net income until the reserve equals 25% of the capital. However, The Company may, with the approval of the General Assembly continue deducting this annual ratio until this reserve is equal to the authorized capital of The Company in full. This reserve is not available for dividends distribution, the General Assembly is entitled to decide, in its unusual meeting, to amortize its losses by the accumulated statutory reserve if all other reserves pay off, to rebuild it again in accordance with the law.

15. TREASURY SHARES

During the year 2020, the Company purchased treasury shares 299,490 the cost amount JD 422,542, these shares do not have a right to dividends to shareholders and vote in the General Assembly meetings of the Company.

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16. DEFERRED REVENUES

	2024	2023
Long-Term Deferred Rent Revenues and Services	1,104,627	1,101,419
Short-Term Deferred Rent Revenues and Services	771,879	886,842
	<u>1,876,506</u>	<u>1,988,261</u>

17. POST-DATED CHECKS IN RETURN FOR A FINANCE LEASE

The Company obtained a finance lease with a total value of 439,200 JD in return for post-dated checks issued on their date in exchange for mortgaging plot No. (1314) of Abu Sawaneh Basin No. (3) and ground floor No. (301) of Building No. (3) and floor No. (311) of Building No. (3), which is the building erected on the mortgaged land.

18. ACCRUED EXPENSES AND OTHER PAYABLES

	2024	2023
Accrued Expenses	3,546	11,561
Employees' Vacations Provision	3,712	-
Jordanian Universities Fees	20,335	75,335
Shareholders' Deposits	16,335	16,335
Secretariats of the Investment Promotion Authority	60,200	68,458
Sales Tax Deposits	3,681	7,628
Customs Rewards	60,836	42,286
Other Provisions	119,161	69,162
Income Tax Provision	37,009	40,964
Miscellaneous	3,499	3,036
	<u>328,314</u>	<u>334,765</u>

19. ACCOUNTS PAYABLE AND DEFERRED CHECKS

	2024	2023
Short-Term Post- Deferred Checks	47,412	172,389
Vendors Account Payable	117,196	79,942
	<u>164,608</u>	<u>252,331</u>

20. INCOME TAX

The tax return of Specialized Investment Compounds Company (parent company) was finalized with the Income and Sales Tax Department until the end of 2021. As for the years 2022 and 2023, a self-assessment statement was submitted and it has not been discussed yet.

The tax return of Pluto Housing Projects Company (Subsidiary) with the Income and Sales Tax Department has been terminated until the end of 2023.

21. REVENUES

	2024	2023
Rent Revenue	1,248,239	1,496,098
Compounds Services Revenues	680,782	785,952
	<u>1,929,021</u>	<u>2,282,050</u>

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22. COST OF REVENUES

	2024	2023
Depreciation	527,464	505,673
Salaries, Wages and Benefits	127,931	138,295
Insurance	14,001	15,232
Maintenance and Repairs	71,645	110,721
Water and Electricity	59,481	18,809
Fuel Expenses	2,395	1,958
Vehicles and Transportation Expenses	10,218	14,858
Security	53,147	60,433
Sewage	248,094	342,814
Cleaning	117,045	114,171
Other	77,566	39,337
	<u>1,308,987</u>	<u>1,362,301</u>

23. SELLING AND MARKETING EXPENSES

	2024	2023
Salaries, Wages and Benefits	11,128	6,812
	<u>11,128</u>	<u>6,812</u>

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24. GENERAL AND ADMINISTRATIVE EXPENSES

	2024	2023
Salaries, Wages and Benefits	196,022	193,022
Board of Directors Members Transportation Allowance	72,852	109,760
Fees, Licenses and Subscriptions	38,982	33,349
Investment Authority Fees	9,087	31,554
Professional and Consulting Fees	29,503	32,955
Rents	16,000	16,000
Water and Electricity	7,020	6,687
Post and Telephone	4,451	3,346
Employees Course and Remunerations	12,550	24,229
Stationary	3,699	5,721
Hospitality	6,761	12,034
Depreciation	16,864	20,755
Maintenance	6,293	417
General Assembly Meetings Expenses	1,750	800
Cleaning	1,879	7,300
Duties and Powers of the Investment Committee	17,500	18,000
Advertising	791	2,223
Oil and Fuel	22,800	16,989
Real Estate Evaluation	2,304	-
Insurance	7,300	-
Investment Committee Fees	10,946	11,101
Other	12,847	27,119
	498,201	573,361

25. OTHER REVENUES AND EXPENSES

	2024	2023
Net Gain on Sale of Assets	-	34,696
Net Gain on Sale of Property and Equipment	6,741	123
Other Expenses	-	(2,294)
Share Impairment Provision	(152,844)	-
Miscellaneous Provisions	(50,000)	-
Prior Year Revenues and Expenses	(86,249)	(41,656)
Land Reversal Income	796,276	-
Gains on Sale of Assets	513,924	9,131

26. LEGAL STATUS OF THE COMPANY

Summary of cases brought by the Company and its subsidiaries to others:

The value of cases filed by the Company and its subsidiary companies with a value of 1,245,503 JD.

Summary of cases filed by others against the company and its subsidiary:

The value of the cases filed by third parties against the Company and its subsidiaries amounted to 135,720 JD.

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27. FINANCIAL INSTRUMENTS

Fair Value

The fair value of financial assets and financial liabilities include cash and cash equivalents and checks under collection and receivables, securities, and include accounts payable, credit facilities, loans, credits, and other financial liabilities.

Level I: market prices stated in active markets for the same financial instruments.

Level II: Assessment methods that depend on the inputs which affect the fair value and can be observed directly or indirectly in the market.

Level III: valuation techniques based on inputs affect the fair value cannot be observed directly or indirectly in the market.

December 31, 2024	Level I	Level II	Level III	Total
Financial assets stated at fair value through statement of comprehensive income	964,404	-	-	964,404
Financial assets stated at fair value through statement of other comprehensive income	367,133	-	-	367,133
	1,331,537	-	-	1,331,537
December 31, 2023	Level I	Level II	Level III	Total
Financial assets stated at fair value through statement of comprehensive income	1,338,202	-	-	1,338,202
Financial assets stated at fair value through statement of other comprehensive income	306,318	-	-	306,318
	1,644,520	-	-	1,644,520

Management of Share Capital Risks

The Company manages its capital to ensure that the Company will continue when it takes the highest return by the best limit for debts and shareholders' equity balances. The Company's strategy does not change from 2023.

Risk Management

Include the risks those they may be exposed to the following risks:

Foreign Currency Risk

When consolidating financial statements of subsidiaries outside Jordan with the parent Company, the assets and liabilities are exchanged as of financial position date to Jordanian Dinar by exchange rates as at the year end, for revenues and expenses it exchanged based on average exchange rates for the period, exchange differences, if any, included in shareholders' equity.

Other Price Risk

The Company is exposed to price risk arising from its investments in the equity of other companies. The Company maintains investments in the equity of other companies for strategic purposes and not for trading purposes, and the Company does not actively trade in those investments.

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FOR THE YEAR ENDED DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

Sensitivity Analysis of the Owner Investments Prices

Sensitivity analysis followed based on that the Company exposed to investments prices risks in owners' equity of other companies at the date of the financial statements.

In case investments prices in owners' equity of other companies higher/ lower by 5%:

The Company's owners' equity reserves become higher/lower of 66,577 JD (2023: higher/ lower of 82,225 JD) resulting from the Company's portfolio that classified as financial assets classified at fair value through comprehensive income.

The Company's sensitivity to investments prices in owners' equity of others companies have changed substantially compared to the previous year are resulting to the disposal of important part from the investments portfolio during the year.

Credit Risk Management

The credit risks represent in one part of the financial instruments contracts has not obligated to pay the contractual obligations and cause of that. The Company is exposing financial losses. However, there are no contracts with any other parts so The Company doesn't expose to different types of the credit risks, The significant credit exposed for any parts or group of parties that have a similar specification have been disclosed in note No.8. The Company classified the parties which have similar specifications as a related party. Except the amounts which are related in the cash money. The credits risks that are resulting from the cash money are specific because the parties that are dealing with it are local banks have good reputations and have been controlled from control parties.

The amounts had listed in the financial statements data represents the highest credit risk expose to the trade accounts receivable and to the cash and cash equivalent.

Management of Liquidity Risks

Board of Directors is responsible for managing liquidity risks to manage the cash requirements, short, medium and long term liquidity. The Company managed the liquidity risks through controlling the future cash flow that evaluated permanently and correspond the due dates of assets and liabilities.

28. COMPARATIVE FIGURES

Certain figures for 2023 have been reclassified to conform to the presentation in the current year.

29. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Board of Directors and authorized for issuance on March 25, 2025. These consolidated financial statements require the approval of the General Assembly of shareholders.