

**Sura Development And Investment Company**  
**"Public Shareholding Company"**  
**Amman–The Hashemite Kingdom of Jordan**  
**Consolidated Interim Financial Statements**  
**For three months ended**  
**31 March 2025**  
**with**  
**Report on Review of Interim Financial Statements**

**Sura Development And Investment Company**  
**"Public Shareholding Company"**  
**Amman–The Hashemite Kingdom of Jordan**

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**To the Shareholders of  
Sura Development And Investment Company  
(Public Shareholding Company)**

**Introduction**

We have reviewed the accompanying interim Consolidated financial statement of Sura Development And Investment Company as of March 31, 2025 and interim statement of profit or loss and other comprehensive income and interim statement of changes in equity and interim statements of cash flows for the three months period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standard (34). Our responsibility is to express a conclusion on this interim financial information based on our review.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements (2410). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, except the effect of what we mentioned above, nothing has come to our attention that causes us to believe that the accompanying interim financial statement does not give a true and fair view of the Consolidated financial position of the Sura Development And Investment Company entity as at March 31, 2025, and of its financial performance and its cash flows for the three – months period then ended in accordance with International Financial Reporting Standards

**Other matters**

- ✓ Reference to notes (4.2) and (12) to the financial statements, on 4/5/2020, the Court of Cassation issued a ruling regarding the Court of First Instance case No. 200/2013 in favor of the company, obligating the defendant to pay an amount of (7,058,582) JOD in addition to interest and penalties.

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



**Amman- Jordan  
30 April 2025**

**Sura Development And Investment Company**  
**“Public Shareholding Company”**  
**Consolidated Interim Statement of Financial Position (JOD)**

Assets	Notes	As at	
		31/03/2025	31/12/2024
<b>Current Assets</b>			
Cash and cash equivalent	5	17,894	20,376
Financial assets at fair value through OCI	6	-	750
Other debit balances	7	11,442	10,197
		<b>29,336</b>	<b>31,323</b>
<b>Non-current assets</b>			
Investment Property (net)	8	3,621,000	3,621,000
Property and equipment(net)	9	2,131	2,190
		<b>3,623,131</b>	<b>3,623,190</b>
<b>Total assets</b>		<b>3,652,467</b>	<b>3,654,513</b>
<b>Liabilities and Shareholders' Equity</b>			
<b>Current Liabilities</b>			
Trade payables		114,070	96,697
Deferred cheques		147,769	147,769
Due to related parties	10	25,925	-
Other credit balances	11	95,066	131,691
<b>Total Current liabilities</b>		<b>382,830</b>	<b>376,157</b>
<b>Total liabilities</b>		<b>382,830</b>	<b>376,157</b>
<b>Shareholders 'Equity</b>			
Capital		3,182,121	20,000,000
Statutory reserve		140,622	42,054
Retained (loss)		(53,106)	(4,193,045)
		<b>3,269,637</b>	<b>15,849,009</b>
<b>Total Shareholders' equity and liabilities</b>		<b>3,652,467</b>	<b>16,457,258</b>

The notes on pages 6 to 19 are an integral part of these financial statements.

**Sura Development And Investment Company**  
**"Public Shareholding Company"**  
**Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income (JOD)**  
**For the Period ended**

	<u>Note</u>	<u>31/03/2025</u>	<u>31/03/2024</u>
<b>Continuing operations</b>			
Revenue		-	-
<b>Gross Profit For Period</b>		-	-
Unrealized (Loss) in fair value of financial assets through (IS)		-	(125)
Administrative and general expenses		(8,719)	(13,418)
<b>Operating (Loss) For Period</b>		<b>(8,719)</b>	<b>(13,543)</b>
<b>Other comprehensive income</b>			
<b>Comprehensive income For Period</b>		<b>(8,719)</b>	<b>(13,543)</b>
Weighted average of shares		3,182,121	3,182,121
<b>Earnings per share</b>		<b>(0.003)</b>	<b>(0.004)</b>

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**Sura Development And Investment Company**  
**"Public Shareholding Company"**

**Consolidated Interim Statement of Changes in Equity (JOD)**

<b>For the Period ended at 31 March 2025</b>	<b>Capital</b>	<b>Statutory reserve</b>	<b>Retained (Losses)</b>	<b>Total Shareholders 'equity</b>
<b>Balance at 1 January 2025</b>	<b>3,182,121</b>	<b>140,622</b>	<b>(44,387)</b>	<b>3,278,356</b>
<b>(Loss) for the Period</b>	<b>-</b>	<b>-</b>	<b>(8,719)</b>	<b>(8,719)</b>
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>(8,719)</b>	<b>(8,719)</b>
<b>Balance at 31, March 2025</b>	<b>3,182,121</b>	<b>140,622</b>	<b>(53,106)</b>	<b>3,269,637</b>
<b>For the Period ended at 31 March 2024</b>	<b>Capital</b>	<b>Statutory reserve</b>	<b>Retained (Losses)</b>	<b>Total Shareholders 'equity</b>
<b>Balance at 1 January 2024</b>	<b>3,182,121</b>	<b>140,622</b>	<b>(13,443)</b>	<b>3,309,300</b>
<b>(Loss) for the Period</b>	<b>-</b>	<b>-</b>	<b>(13,543)</b>	<b>(13,543)</b>
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>(13,543)</b>	<b>(13,543)</b>
<b>Balance at 31, March 2024</b>	<b>3,182,121</b>	<b>140,622</b>	<b>(26,986)</b>	<b>(3,295,757)</b>

The notes on pages 6to 19 are an integral part of these financial statements

**Sura Development And Investment Company**  
**"Public Shareholding Company"**  
**Amman -The Hashemite Kingdom of Jordan**  
**Consolidated Interim Statement of Cash Flows (JOD)**

	For the Period		
	Note	31/03/2025	31/03/2024
<b>Cash flows from operating activities</b>			
(Loss) the period		(8,719)	(13,543)
<b>Adjustments</b>			
Depreciation		59	59
Unrealized (Loss) in fair value of financial assets through (IS)		-	125
<b>Changes in working capital:</b>			
Due to related parties		25,925	-
Other debit balances		(1,245)	(2,700)
Other credit balances		(36,625)	(981)
Trade payables		17,373	7,129
<b>Net cash from operating activities</b>		<b>(3,232)</b>	<b>(9,911)</b>
<b>Cash flows from investment activities</b>			
Financial assets at fair value through OCI		750	-
Purchase of property and equipment		-	-
<b>Net cash flows from investment activities</b>		<b>750</b>	<b>-</b>
Net (decrease)in cash		(2,482)	(9,911)
Cash and cash equivalents at 1 January		20,376	18,718
<b>Cash and cash equivalent at 31 March</b>		<b>17,894</b>	<b>8,807</b>

The notes on pages 6 to 19 are an integral part of these financial statements

**Sura Development And Investment Company**  
**"Public Shareholding Company"**  
**Amman -The Hashemite Kingdom of Jordan**  
**Notes to the consolidated Interim Financial Statements**

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## **1- Reporting Entity**

Sura Development And Investment Company is a public shareholding company established on May 19, 2008, and registered with the Companies Controller under registration number (453). Its authorized and paid-up capital amounts to 7,000,000 Jordanian Dinars, divided into 7,000,000 shares, each with a nominal value of one Jordanian Dinar.

Based on the minutes of the Company's Extraordinary General Assembly meeting held on June 3, 2023, it was approved to write off the Company's accumulated losses as of December 31, 2022, by reducing the authorized and paid-up capital from 7,000,000 Jordanian Dinars/shares to 3,182,121 Jordanian Dinars/shares, through the write-off of 3,817,879 million Jordanian Dinars of accumulated losses as of December 31, 2022. This action was approved by the Companies Controller according to letter No. M.Sh/01/453/82698 dated October 22, 2023.

The main objectives for which the Company was established include investing in other companies, establishing and managing tourist hotels, acquiring agencies and patents, owning movable and immovable assets to achieve the Company's goals, and borrowing the necessary funds from banks.

## **2- Significant accounting policies**

### **2.1 Basis of preparation**

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

### **2.2 Basis of consolidation**

- The consolidated financial statements comprise the financial statements of the group and its subsidiary as at 31 March 2025.
- Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary.
- Control is achieved when the group has power over the investee or rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect its returns (generally, there is a presumption that a majority of voting rights results in control).



- Profit or loss and each component of OCI are attributed to the equity holders of the parent of the group 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 in line with the group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

### **3-Accounting policies**

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

#### **A- Investments in subsidiaries**

Where the company has control over an investee, it is classified as a subsidiary. The company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

#### **B- Investment in associates**

- ✓ An associate is an entity over which the company has significant influence and that is neither subsidiary nor an interest in a joint venture.
- ✓ Significant influence is the power to participate in the financial and operating policy decisions of the investment but is not control or joint control over those policies.
- ✓ The company's investment in an associate is accounted for using equity method. Under this method, the investment in an associate is initially recognized at cost. The carrying amount of
- ✓ the investment is adjusted to recognize changes in the company's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately.
- ✓ At each reporting date, the company determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the company calculates the impairment as the difference between the recoverable amount of the associate and carrying value, and then recognizes the loss in the statement of profit or loss.

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

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

##### **An asset is current when it is:**

- Expected to be realized or intended to be sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period.

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

**A liability is current when:**

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period.
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

**D-Fair value measurement**

- Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of principal market, the most advantageous market to asset or liability.
- All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
  - Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
  - Level 2 - Valuation techniques for which the lowest level input that is significant the fair value measurement is directly or indirectly observable.
  - Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**E- Revenue from contracts with customers**

- Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.
- The company shall account for a contract with a customer only when all of the following criteria are met:
  - The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations.
  - The company can identify each party's rights regarding the goods or services to be transferred.
  - The company can identify the payment terms for the goods or services to be transferred.

**Sura Development And Investment Company**  
**Notes to consolidated Interim financial Statements**

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- The contract has commercial substance (risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract).
- It is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due. The amount of consideration to which the entity will be entitled may be less than the price stated in the contract if the consideration is variable because the entity may offer the customer a price concession.
- When a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price that is allocated to that performance obligation.

**D- Taxes**

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

**Tax position:**

The company has been submitted the tax declarations for the years 2019,2020,2021,2022, 2021 declaration has been accepted according to the sample system, about the years 2019-2020-2022 they have not been discussed by the Income and Sales Tax Department until the date of these financial statements.

**F-Foreign currency**

- **Transactions and balances**
  - ✓ Transactions in foreign currencies are translated into the respective functional currency spot rate of company at exchange rates at the dates of the transactions.
  - ✓ Differences arising on translation of monetary items are recognized in profit or loss except those that are designated as part of the hedging which will be recognized in other comprehensive income.
  - ✓ Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

### **Group companies**

On consolidation, the assets and liabilities of foreign operations are translated into JOD at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is reclassified to profit or loss.

### **H-Cash dividend**

The Company recognizes a liability to pay a dividend when the distribution is authorized and the distribution is no longer at the discretion of the company. As per the corporate laws of Jordan, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

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

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

### **J- Leases**

#### **Lessee**

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

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

**Lessor**

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

**K- Borrowing costs**

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

**L- Financial Instruments- initial recognition and subsequent measurement**

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

**1- Financial assets**

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

For purposes of subsequent measurement, financial assets are classified as follow:

**- Financial assets at amortized cost**

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

**- Impairment of financial assets**

- ✓ Financial assets not classified at fair value, are assessed at each reporting date to determine whether there is objective evidence of impairment such as indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security because of financial difficulties.

## **2- Financial liabilities**

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

## **N- Inventories**

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

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

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset or cash generated units' fair value less costs of disposal and its value in use.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or cash generated units exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

- A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

**Q- Cash and cash equivalent**

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

**T- Provisions**

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

**U- Employee benefits**

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

**4. Other information.**

**4.1 Events after the reporting period**

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

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

There are no subsequent events to mention

**4.2- Contingent Liabilities**

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

The Amman Court of First Instance issued its decision to compensate Sera for Development and Investment for the damage value resulting from the purchase of shares in Otad Company. This case was appealed, and the Amman Court of Appeal issued its decision to reject the appeal and uphold the compensation, as stated in the decision of the Amman Court of First Instance. This is as shown in Note (12).

**4.3- Significant estimates and judgments:**

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

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



The areas involving significant estimates or judgments are:

1-Estimation of useful life of property & equipment and annual depreciation. (Note9)

#### **4.4 Financial risk management**

The company may expose to different kinds of financial risk, company's board and management oversees these risks and has overall responsibility for the establishment and oversight of the company risk management framework. The company risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company activities. The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The company may expose to the following risks:

##### **a- Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices; it comprises three types of risk:

- Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of change in market interest rates. The company's exposure to the risk of changes in market interest rate primary to the company's long-term obligations with floating interest rate

The company manages its interest rate risk by obtaining short term facilities in different currencies.

- Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to operating activities when revenue or expense is denominated in a foreign currency, and company's net investment in foreign subsidiaries

The company manages its foreign currency by limiting main transactions in USD as the price is fixed against JOD, in addition to make hedges against other currencies if needed.

- Price risk:

The company's listed and non – listed equity investments are susceptible to market price risk arising from uncertainties about future values of the investment securities.

**b- Credit risk**

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

An impairment analysis is performed at each reporting date to measure expected credit  
The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its other activities including deposits with banks.

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

The company manages credit risk by dealing with letter of credits and advances from new clients

**c- Liquidity risk**

Liquidity risk is the risk that the company may be unable to close out market position and to meet its short-term obligations when due

The company monitors its risk of shortage of funds using liquidity planning tool

The Company manages the liquidity risk by diversifying its options in this regard, such as delaying payments of obligations to make the repayment period of creditors close to the receivables collection period. The Company also makes the necessary efforts to accelerate collection of revenues by discounting LCs, in addition to obtain the required financing from commercial banks to finance their external purchases.

**5- Cash and cash equivalents**

	<b>31/03/2025</b>	<b>31/12/2024</b>
	<b>JOD</b>	<b>JOD</b>
Cash on hand	17,894	20,376
<b>Total</b>	<b>17,894</b>	<b>20,376</b>

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

	<b>31/03/2025</b>	<b>31/12/2024</b>	<b>Shares</b>
	<b>JOD</b>	<b>JOD</b>	
Al Ahliya Projects Company	-	750	25,000
Eqari for Industries and Investments Company	-	-	1
Specialized Investment Compounds Company	-	-	1
<b>Total</b>	<b>-</b>	<b>750</b>	

**7-Other debit balance**

	<b>31/03/2025</b>	<b>31/12/2024</b>
	<b>JOD</b>	<b>JOD</b>
Refundable deposits	200	200
Due to Income and Sales Tax	9,897	9,897
Others	1,345	100
<b>Total</b>	<b>11,442</b>	<b>10,197</b>

**8-Investment Properties**

According to the records of Sara for Hotel and Tourist Resorts Development Company (wholly owned by Noor Jordan Consulting Company, which in turn is wholly owned by Sara for Development and Investment Company), as of October 9, 2008, the company owns plot No. 1003, Basin of Square Mousa No. 10, located in West Amman – Wadi Al-Seer village, with an area of 4,260 square meters. The land was recorded at a value of JOD 8,500,000, in addition to full registration fees and expenses for converting the land use from Residential (A) to Local Commercial, paid to the Greater Amman Municipality, amounting to JOD 171,731, along with other related expenses. The total of fees and other expenses amounted to JOD 933,881, bringing the total cost to JOD 9,605,612.

The average market value of the above-mentioned land as of December 31, 2022, was JOD 3,621,000. In the event the land use is successfully converted from Residential (A) to Commercial, the estimated average value would be JOD 5,112,000, based on the average of valuations carried out by real estate appraisers during 2022. This necessitated conducting an impairment test, which resulted in an impairment loss of JOD 1,384,500, in addition to a previously recorded impairment loss.

It is also noted that the land No. 1003, Basin No. 10, Square Mousa, located in West Amman – Wadi Al-Seer village, with an area of 4,260 square meters, and owned by Sara for Hotel and Tourist Resorts Development Company, is fully seized in favor of the Income and Sales Tax Department.

	<b>31/03/2025</b>	<b>31/12/2024</b>
	<b>JOD</b>	<b>JOD</b>
Cost of Investment Properties	5,005,500	5,005,500
Provision for Impairment of Investment Properties	(1,384,500)	(1,384,500)
<b>Total</b>	<b>3,621,000</b>	<b>3,621,000</b>

**ura Development And Investment Company**  
**Notes to consolidated Interim financial statements**

**1- Property and equipment (Net)**

	Computer hardware JOD	Devices Electrical JOD	Furniture and decorations JOD	Total JOD
<b>Cost</b>				
At 1 January 2024	3,126	3,899	1,958	8,983
Additions	-	-	-	-
At 31 December 2024	3,126	3,899	1,958	8,983
Additions	-	-	-	-
At 31 March 2025	3,126	3,899	1,958	8,983
<b>Depreciation</b>				
At 1 January 2024	3,126	2,857	578	6,561
Additions	-	88	144	232
At 31 December 2024	3,126	2,945	722	6,793
Additions	-	22	37	59
At 31 March 2025	3,126	2,967	759	6,852
<b>Net book value</b>				
At 31 December 2024	-	954	1,236	2,190
At 31 March 2025	-	932	1,199	2,131

**Sura Development And Investment Company**  
**Notes to consolidated Interim financial Statements**

**10- Due to related parties**

	<u>31/03/2025</u> <b>JOD</b>	<u>31/12/2024</u> <b>JOD</b>	<b>Nature of relation</b>	<b>Type of transaction</b>
Mr. Suhail Issa Mukaabala	25,925	-	Chairman Board of Directors	Financing
<b>Total</b>	<u><b>25,925</b></u>	<u><b>-</b></u>		

**11- Other Credit balances**

	<u>31/03/2025</u> <b>JOD</b>	<u>31/12/2024</u> <b>JOD</b>
Accrued expenses payable	27,113	50,183
Provision for Board Members' Bonuses	6,920	6,920
Board Members' Travel	36,760	35,385
Research Support Fund	11,559	11,559
Provision for Jordanian Universities' Fees	11,559	11,559
Others	1,155	16,085
<b>Total</b>	<u><b>95,066</b></u>	<u><b>131,691</b></u>

**12- Accounts Receivable**

The balance due from Amwal Invest Company consists of advance payments for the purchase of restricted shares of Outad Investments Company, totaling 966,667 shares, with a cost of 5.1 Jordanian Dinars per share and an overall value of 1,450,000 Jordanian Dinars. The payment was made by the company via checks and wire transfers to Amwal Invest Company. The paid amount of 1,450,000 Jordanian Dinars has been reclassified as an account receivable from Amwal Invest Company because it was unable to transfer the ownership of these shares to Sary Development and Investment Company.

A ruling was issued by the Amman Court of First Instance in its criminal capacity in case number 200/2013 on January 25, 2017, imposing a fine equivalent to the damage value of purchasing the Outad shares under the agreement. The case was appealed by the former board members, and the Amman Court of Appeal issued its decision on November 12, 2017, rejecting the appeal and upholding the compensation as per the decision of the Amman Court of First Instance. The Court of Cassation issued its decision on May 5, 2020, obligating the defendants to pay the owed amount along with interest and penalties. However, no amounts have been collected as of the date of the consolidated interim financial statements.

**13- Comparison figures**

Comparison figures represent prior year figures, some of them were reclassified to be incompatible with the figures of the current year.