AL-DAMAN FOR INVESTMENTS COMPANY

PUBLIC SHAREHOLDING COMPANY

FINANCIAL STATEMENTS

31 DECEMBER 2021

Ernst & Young Jordan
P.O. Box 1140
Building No. 300
King Abdullah Street
Amman 11118
Hashemite Kingdom of Jordan

Tel: +962 6 552 6111
+962 6 552 7666
Fax: +962 6 553 8300
amman@jo.ey.com
ey.com/mena

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of
Al Daman for Investment Company- Public Shareholding Company
Amman Jordan

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Al Daman for Investment Public Shareholding Company (the "Company"), which comprise the statement of financial position as at 31 December 2021, statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter provided in that context .

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key Audit Matter	
Investment in an associate company's shares	**How the key audit matter was addressed in the audit**
The book value of the Company's investment in an associate amounted to JD 5,122,213 as at 31 December 2021 which represents 43.6% of the Company's total assets. The Company recorded a loss of JD 59,748 as the share from the associates' results. The investment in an associate is recorded using the equity method of accounting. According to this method, the investment in an associate is recorded in the statement of financial position at cost in addition to the subsequent changes in the Company's share of the net assets of the associate. We have focused on this matter due to its relative importance in the financial statements and as the Company's share from the associate results are considered a major part of the Company's results. Also, there is a major dependence on the results of the associate in achieving profits.	We have obtained the most recent audited financial statements of the associate company and recalculated the Company's share of profit. We have also performed some analysis on the financial statements of the associate. We have also obtained confirmation on the share of in the company's investments in the associate. We have also reviewed the disclosure related to the investment in associate in note (9) to the accompanying financial statements.

Other information included in the Company's 2021 annual report.

Other information consists of the information included in The Company's 2021 Annual Report other than the financial statements and our auditor's report thereon. Management is responsible for the other information. The Company's 2021 Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

Report on Other Legal and Regulatory Requirements

The Company maintains duly organized accounting records, which in all material respects, agree with the attached financial statements, and we recommend the General Assembly to approve them.

For and on behalf of Ernst & Young – Jordan

Waddah Issam Barkawi
License No. 591

Amman – Jordan
27 March 2022

ERNST & YOUNG
Amman - Jordan

AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Notes	2021	2020
ASSETS		JD	JD
NON-CURRENT ASSETS -			
Property and equipment	6	21,978	26,462
Investment properties	7	2,029,535	2,094,187
Right of use assets	15	1,277,459	1,337,245
Investments in an associate	9	5,122,213	5,044,089
Financial assets at fair value through other comprehensive income	10	229,466	193,850
		8,680,651	8,695,833
CURRENT ASSETS -			
Checks and notes under collection, net	11	29,554	4,455
Accounts receivable, net	12	100,355	152,966
Other current assets	13	150,288	148,082
Cash and bank balances	14	2,809,593	2,790,010
		3,089,790	3,095,513
TOTAL ASSETS		11,770,441	11,791,346
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY -			
Share capital	16	10,000,000	10,000,000
Statutory reserve	16	376,448	376,448
Voluntary reserve	16	64,164	64,164
Fair value reserve		(39,770)	(75,386)
Company's share of fair value reserve of an associate		(50,480)	(188,352)
Accumulated losses		(161,873)	(114,766)
NET EQUITY		10,188,489	10,062,108
LIABILITIES-			
NON - CURRENT LIABILITIES -			
Lease contracts liabilities	15	1,424,738	1,425,729
		1,424,738	1,425,729
CURRENT LIABILITIES -			
Other current liabilities	17	88,798	246,298
Lease contracts liabilities	15	68,416	57,211
		157,214	303,509
TOTAL LIABILITIES		1,581,952	1,729,238
TOTAL EQUITY AND LIABILITIES		11,770,441	11,791,346

The attached notes from 1 to 31 form part of these financial statements

	Notes	2021	2020
		JD	JD
Operating revenues	18	456,342	463,972
Operating expenses	19	(279,547)	(423,534)
Operating profit		176,795	40,438
Interest Income		119,490	147,075
Dividend income		7,113	4,745
Administrative expenses - Amman	20	(63,539)	(61,827)
Administrative expenses - Aqaba	21	(90,985)	(93,573)
Finance costs – Lease contracts liabilities	15	(143,087)	(143,608)
Provision for expected credit losses	12	(98,803)	(111,857)
The Company's share of an associate's results	9	(59,748)	(327,228)
Other income		105,657	16,234
Loss for the year before income tax		(47,107)	(529,601)
Income tax expense	22	-	-
Loss for the year		(47,107)	(529,601)
		JD/Fils	JD/Fils
Basic and diluted loss per share for the year	23	(0/005)	(0/053)

AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	JD	JD
Loss for the year	(47,107)	(529,601)
Add: Other comprehensive income items that will not be reclassified to profit or loss in subsequent periods		
Changes in fair value	35,616	(29,564)
Company's share from the change in fair value reserve of an associate	137,872	(22,644)
Total comprehensive income for the year	126,381	(581,809)

The attached notes from 1 to 31 form part of these financial statements

AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Statutory reserve	Voluntary reserve	Fair value reserve	Company's share of fair value reserve of an associate	Accumulated losses	Total
	JD	JD	JD	JD	JD	JD	JD
2021 -							
Balance as at 1 January 2021	10,000,000	376,448	64,164	(75,386)	(188,352)	(114,766)	10,062,108
loss for the year	-	-	-	-	-	(47,107)	(47,107)
Changes in fair value reserve	-	-	-	35,616	-	-	35,616
Company's share from the change in fair value reserve of an associate	-	-	-	-	137,872	-	137,872
Total comprehensive Income for the year	-	-	-	35,616	137,872	(47,107)	126,381
Balance as at 31 December 2021	10,000,000	376,448	64,164	(39,770)	(50,480)	(161,873)	10,188,489

The attached notes from 1 to 31 form part of these financial statements

AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Statutory reserve	Voluntary reserve	Fair value reserve	Company's share of fair value reserve of an associate	Accumulated losses	Total
	JD	JD	JD	JD	JD	JD	JD
2020 -							
Balance as at 1 January 2020	10,000,000	376,448	64,164	(45,822)	(165,708)	414,835	10,643,917
Loss for the year	-	-	-	-	-	(529,601)	(529,601)
Changes in fair value reserve	-	-	-	(29,564)	-	-	(29,564)
Company's share from the change in fair value reserve of an associate	-	-	-	-	(22,644)	-	(22,644)
Total comprehensive Income for the year	-	-	-	(29,564)	(22,644)	(529,601)	(581,809)
Balance as at 31 December 2020	10,000,000	376,448	64,164	(75,386)	(188,352)	(114,766)	10,062,108

The attached notes from 1 to 31 form part of these financial statements

AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021	2020
		JD	JD
OPERATING ACTIVITIES			
Loss for the year before income tax		(47,107)	(529,601)
Adjustments -			
Depreciation	6,7	71,306	72,723
Amortization of right of use assets	15	30,029	30,467
Provision for expected credit losses	12	98,803	111,857
The Company's share of an associate's results	9	59,748	327,228
Interest Income		(119,490)	(147,075)
Dividend income		(7,113)	(4,745)
finance costs - lease contracts liability	15	143,087	143,608
Loss on disposal of projects under constructions	8	-	31,316
Working capital changes:			
Accounts receivable and other current assets		(58,899)	(188,143)
Checks and notes under collection		(23,335)	50,385
Other current liabilities		(157,500)	88,058
Net cash flows used in operating activities		(10,471)	(13,922)
INVESTING ACTIVITIES			
Banks deposits maturing within a period of more than 3 months	14	(39,240)	(43,368)
Purchases of property and equipment	6	(2,170)	(4,327)
Purchases of investment properties	7	-	(4,072)
Interest income received		128,227	165,099
Dividend income received		7,113	4,745
Net cash flows from investing activities		93,930	118,077
FINANCING ACTIVITY			
Payment of lease contracts liabilities	15	(103,116)	(96,743)
Net cash flows used in financing activities		(103,116)	(96,743)
Net (Decrease) increase in cash and cash equivalents		(19,657)	7,412
Cash and cash equivalents at the beginning of the year		100,476	93,064
Cash and cash equivalents at the end of the year	14	80,819	100,476

The attached notes from 1 to 31 form part of these financial statements

(1) GENERAL

Al-Daman for Investments Company ("Company") was registered and established on 17 April 1993, as a Public Shareholding Company. The Company's share capital is JD 10,000,000 divided into 10,000,000 shares at par value of 1 JD each.

The Company's objectives are to invest in projects, other companies, securities, and invest the company's cash in real estate industry.

The financial statements were authorized for issuance by the Board of Directors in their meeting held on 24 March 2022 and subject to the approval of the Company's General Assembly.

The financial statements are consolidated in the consolidated financial statement of the Social Security Corporation which owns 61.4% of the Company's share capital.

(2) BASIS OF PREPARATION FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with IFRS and on a historical cost basis, except for the financial assets at fair value through other comprehensive income which have been measured at fair value as of the date of the financial statements.

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

(3) CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies used in the preparation of the financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2020 except for that the Company adopted these amendments starting from 1 January 2021:

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

•To require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest,
•To permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued,

•To provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

These amendments had no material impact on the financial statements of the Company.

Covid-19-Related Rent Concessions beyond 30 June 2021 Amendments to IFRS 16

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, on 31 March 2021, the IASB extended the period of application of the practical expedient to 30 June 2022. The amendment applies to annual reporting periods beginning on or after 1 April 2021.

However, the Company has not received Covid-19-related rent concessions but plans to apply the practical expedient if it becomes applicable within allowed period of application.

(4) USE OF ESTIMATES

The preparation of the financial statements and appliance of accounting policies requires the company's management to use estimation and professional judgement that affects the amounts of assets and liabilities and the disclosure of contingent liabilities. These estimates and judgements also affect revenues, expenses, and provisions. They especially require from the management to make important estimates and provisions that affect future cash flow and their timing that are a result of the situation and circumstances of those estimates in the future. Those mentioned estimates are based on multiple theories and factors that have multiple degrees of estimation and uncertainty. Therefor the actual results might differ from the estimates as a result in the change in future conditions and circumstances for those provisions.

(5) SIGNIFICANT ACCOUNTING POLICES

Property and equipment

Property and equipment are stated at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated on a straight-line basis. depreciation rates were estimated based on the useful lives of the assets as follows:

	%
Vehicles	15
Office equipment	15 – 25
Furniture and Fixtures	9 – 15
Machinery and Equipment	15
Advertisement signs	15
Tools and presentation area equipment	10 - 20

When the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use and the impairment is recorded in the statement of income.

The useful lives of assets are periodically reassessed to ensure the correct depreciation method and useful lives are consistent with the expected economic benefits from the property and equipment.

Investment properties

Investment properties are stated at cost less accumulated depreciation. Investment properties are depreciated when its ready for use using the straight-line method over the useful life of the properties and the estimated rates as follows:

	%
Buildings	2
Project’s lakes	2
Electro-mechanical equipment	9

Investment in an associate

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Company’s investments in its associate are accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company’s share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of income reflects the Company’s share of the results of operations of the associate. Any change in other comprehensive income of those investees is presented as part of the Company’s statement of income. In addition, when there has been a change recognised directly in the equity of the associate, the Company recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Company and the associate are eliminated to the extent of the interest in the associate (if any).

The Company’s share of profit or loss of an associate is shown on the statement of income and represents profit or loss after tax and non-controlling interests in the subsidiary of the associate.

The financial statements of the associate are prepared for the same reporting period as the Company using the same accounting policies.

After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in its associate. 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 amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as share of profit of an associate in the statement of income.

Upon loss of significant influence over the associate, the Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in the statement of income.

Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease contracts liabilities

At the commencement date of the lease, the Company recognizes lease contracts liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate.

The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease contracts liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease contracts liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Significant judgement in determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has the option, under some of its leases to lease the assets for additional terms. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew.

That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

The Company included the renewal period as part of the lease term for leases of plant and machinery due to the significance of these assets to its operations. These leases have a short non-cancellable period and there will be a significant negative effect on production if a replacement is not readily available.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are recorded at fair value when the plus acquisition costs and subsequently measured at fair value. Changes in fair value are reported as a separate component in the statement of comprehensive income and in the statement of equity including the change in fair value resulting from conversion differences of non-cash items of assets at foreign currencies, in case of sale of such assets or part of it, the gain or loss is recorded at the statement of comprehensive income and in the statement of changes in equity and the valuation reserve balance for sold assets will be transferred directly to retained earnings not through the statement of income .These assets are not subjected to the impairment test.

Accounts receivable

Trade receivables are stated at original invoice amount less any provision for Expected Credit Losses (ECL). The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, bank balances, and short-term deposits with an original maturity of three months or less, net of outstanding bank overdrafts if any.

Fair value

The Company evaluates its financial instruments such as financial assets at fair value through other comprehensive income at the date of the financial statements. Also, the fair value of investment properties is disclosed in (Note 7) and the fair value of investment in associate is disclosed in (Note 9).

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 is based on the presumption that the transaction to sell the asset or transfer the liability in the principal market for the asset or liability. In the absence of a principal market, in the most advantageous market for the asset or liability is used. The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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 to 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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Accounts payable and accruals

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Provisions

Provisions are recognized when the Company has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and able to be reliably measured.

Revenues and expenses recognition

The Company's main activity is operating "Aqaba Gateway Complex". Most of the Company's revenues are generated from rental revenues, payments from lessees are recorded as deferred revenues and are recognized when the rent period starts over the period of the contract.

Revenue is recognized based on IFRS 15 as the standard establishes a five-step model to account for revenue arising from contracts with customers. The Company has concluded that revenue from rendering of services should be recognised over the period of time as the customer receives and consumes the benefits provided by the Company.

Other revenues are recognized according to the accrual basis of accounting

Dividend's income is recognized when declared and approved by the shareholders general assembly.

Expenses are recognized when incurred according to the accrual basis of accounting.

Impairment of financial Assets

The Company assesses at each balance sheet date whether there is any objective evidence to record allowance for expected credit losses on a financial asset or a group of financial assets.

Impairment is determined based on lifetime expected credit losses through establishing a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Impairment is recognized as an allowance for expected credit losses in the statement of income. If in a subsequent period, the amount of the impairment loss decreases, the income is recognized in the statement of income.

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 such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

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 classified as current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading.
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a Liability for at least twelve months after the reporting period.

The Company classifies all other assets 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; or
- That there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Offsetting

Offsetting between financial assets and financial liabilities and presenting the net amount on the statement of financial position is performed only when there are legally enforceable rights to offset, the settlement is on a net basis, or the realization of the assets and satisfaction of the liabilities is simultaneous.

Foreign currency

Transactions in foreign currencies are recorded at the rate ruling by the Central bank of Jordan using average of the rates Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the transaction date. All differences are taken to the statement of income.

Income Tax

Accrued tax expenses are calculated based on taxable income, which may be different from accounting income as it may include tax-exempt income, nondeductible expenses in the current year that are deductible in subsequent years, tax-accepted accumulated losses or tax-deductible items.

Deferred income tax is provided using the liability method on temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax is measured at the tax rates that are expected to apply to the year when the tax liability is settled, or the tax asset is realized.

(6) PROPERTY AND EQUIPMENT

2021 -	Vehicles	Office Equipment	Furniture and Fixtures	Machinery and Equipment	Advertisement Signs	Tools and Presentation area equipment	Total
	JD	JD	JD	JD	JD	JD	JD
Cost -							
Balance as at 1 January 2021	15,778	118,320	125,346	117,657	1,290	733,692	1,112,083
Additions	-	2,170	-	-	-	-	2,170
Balance as at 31 December 2021	15,778	120,490	125,346	117,657	1,290	733,692	1,114,253
Accumulated depreciation -							
Balance as at 1 January 2021	15,778	111,691	119,100	104,261	1,099	733,692	1,085,621
Depreciation for the year	-	2,768	840	3,000	46	-	6,654
Balance as at 31 December 2021	15,778	114,459	119,940	107,261	1,145	733,692	1,092,275
Net book value -							
As at 31 December 2021	-	6,031	5,406	10,396	145	-	21,978

* The cost of fully depreciated items in property and equipment amounted to JD 1,076,144 as of 31 December 2021 (2020: JD 1,071,854).

2020 -	Vehicles	Office Equipment	Furniture and Fixtures	Machinery and Equipment	Advertisement Signs	Tools and Presentation area equipment	Total
	JD	JD	JD	JD	JD	JD	JD
Cost -							
Balance as at 1 January 2020	15,778	118,320	125,211	113,465	1,290	733,692	1,107,756
Additions	-	-	135	4,192	-	-	4,327
Balance as at 31 December 2020	15,778	118,320	125,346	117,657	1,290	733,692	1,112,083
Accumulated depreciation -							
Balance as at 1 January 2020	15,778	107,413	118,263	101,433	955	733,692	1,077,534
Depreciation for the year	-	4,278	837	2,828	144	-	8,087
Balance as at 31 December 2020	15,778	111,691	119,100	104,261	1,099	733,692	1,085,621
Net book value -							
As at 31 December 2020	-	6,629	6,246	13,396	191	-	26,462

(7) INVESTMENT PROPERTIES

Investment properties represent the Aqaba Gateway Project, which was established on a leased land from Aqaba Special Economic Zone Authority.

2021 -	Buildings*	Project's lakes	Electro mechanical equipment	Total
	JD	JD	JD	JD
Cost -				
Balance as at 1 January 2021	2,791,696	253,324	1,077,154	4,122,174
Balance as at 31 December 2021	2,791,696	253,324	1,077,154	4,122,174
Accumulated depreciation -				
Balance as at 1 January 2021	932,974	46,242	1,048,771	2,027,987
Depreciation for the year	55,833	5,067	3,752	64,652
Balance as at 31 December 2021	988,807	51,309	1,052,523	2,092,639
Net book value as at 31 December 2021	1,802,889	202,015	24,631	2,029,535

2020 -	Buildings*	Project's lakes	Electro mechanical equipment	Total
Cost -				
Balance as at 1 January 2020	2,786,796	253,324	1,077,154	4,117,274
Additions	4,072	-	-	4,072
Transferred from project in progress (note 8)	828	-	-	828
Balance as at 31 December 2020	2,791,696	253,324	1,077,154	4,122,174
Accumulated depreciation -				
Balance as at 1 January 2020	877,156	41,176	1,045,019	1,963,351
Depreciation for the year	55,818	5,066	3,752	64,636
Balance as at 31 December 2020	932,974	46,242	1,048,771	2,027,987
Net book value as at 31 December 2020	1,858,722	207,082	28,383	2,094,187

* The fair value of the investment properties is estimated, by a licensed real estate valuer as of 31 December 2021 at JD 2,351,585.

(8) PROJECT IN PROGRESS

This item represents the cost incurred for Aqaba Gateway rehabilitation and development project. The movement on the projects in progress is as follows:

	Balance as at 1 January	Transfers to investment properties (note 7)	Transfers to expenses*	Balance as at 31 December
	JD	JD	JD	JD
2021-	-	-	-	-
2020-	32,144	(828)	(31,316)	-

*Based on the Board of Directors approval, the Company disposed of projects in progress in an amount of JD 31,316 and recognized it as an expense which is related to projects that are no longer needed and for which there is no future benefits (note 19).

(9) INVESTMENT IN AN ASSOCIATE

This item represents the Company's share in Al-Sharq for Investment projects PLC. – Movenpick Amman hotel with an ownership percentage of 26.03% as of 31 December 2021 (2020: 26.03%), The Company owns 4,164,153 shares as of 31 December 2021 (2020: 4,164,153 shares) with a market value of JD 8,036,815 as at 31 December 2021(2020: JD 10,410,383).

The movement on this item is as follows:

	2021	2020
	JD	JD
At the beginning of the year	5,044,089	5,393,961
The Company's share of an associate results	(59,748)	(327,228)
The Company's share of the change in fair value reserve of financial assets of an associate	137,872	(22,644)
At the end of the year	5,122,213	5,044,089

The following table illustrates the summarized financial information of the Company's investment in Al-Sharq for Investment Projects PLC:

	2021	2020
	JD	JD
Current assets	1,542,164	993,099
Non-current assets	18,991,935	18,859,712
Current liabilities	(827,889)	(493,354)
Non-current liabilities	(399,515)	(352,941)
Net equity	19,306,695	19,006,516
Adjustments	374,474	374,474
Equity	19,681,169	19,380,990
Percentage of the Company's ownership	26,03%	26,03%
Carrying amount of the investment	5,122,213	5,044,089
Operating revenues	3,679,047	2,027,305
Operating costs	(1,224,052)	(862,400)
Administrative, maintenance, marketing and depreciation expenses	(2,761,235)	(2,435,653)
Other income	76,667	13,437
Loss for the year before tax	(229,573)	(1,257,311)
Income tax expense	-	-
Loss for the year	(229,573)	(1,257,311)
Company's share of results for the year	(59,748)	(327,228)

(10) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2021	2020
	JD	JD
Investments in quoted shares	229,466	193,850

(11) CHECKS AND NOTES UNDER COLLECTION

	2021	2020
	JD	JD
Checks and notes under collection	44,833	21,498
Less: Provision for expected credit losses	(15,279)	(17,043)
	29,554	4,455

The following represents the movement on provision for expected credit losses:

	2021	2020
	JD	JD
At the beginning of the year	17,043	31,275
Transferred to expected credit losses provision for accounts receivable (note 12)	(1,764)	(14,232)
At the end of the year	15,279	17,043

(12) ACCOUNTS RECEIVABLE

This item represents receivable balances from shops and restaurant tenants in Aqaba Gateway project related to rent and service fees.

	2021	2020
	JD	JD
Accounts receivable	434,621	386,665
Less: Provision for expected credit losses	(334,266)	(233,699)
	100,355	152,966

The movements on provision for expected credit losses are as follows:

	2021	2020
	JD	JD
At the beginning of the year	233,699	107,610
Provision for the year	98,803	111,857
Transferred from expected credit losses provision for checks and notes under collection (note 11)	1,764	14,232
At the end of the year	334,266	233,699

As at 31 December, the aging of not impaired accounts receivable is as follows:

	Past due but not impaired			
	1 – 90 days	91 – 180 days	181 – 270 days	Total
	JD	JD	JD	JD
2021	66,293	23,960	10,102	100,355
2020	56,589	68,976	27,401	152,966

The Company's management expects unimpaired receivables to be fully recoverable.

(13) OTHER CURRENT ASSETS

	2021	2020
	JD	JD
Accrued interest	89,221	97,958
Prepaid expenses	3,502	3,441
Refundable deposits	636	640
Income tax receivables	52,168	43,192
Others	4,761	2,851
	150,288	148,082

(14) CASH AND BANK BALANCES

	2021	2020
	JD	JD
Banks current accounts	80,819	100,476
Deposits maturing within a period of three months to one year*	2,728,774	2,689,534
	2,809,593	2,790,010

For the purpose of the statement of cash flow, cash and cash equivalent comprise the following:

	2021	2020
	JD	JD
Cash and bank balances	2,809,593	2,790,010
Deposits maturing within a period of more than three months to one year*	(2,728,774)	(2,689,534)
	80,819	100,476

* Deposits at banks earned yearly interest rate at a range between 3.87% to 4.25% during 2021 (2020: 4% and 5.5%). Deposits are held for a period between one month and one year.

(15) LEASE CONTRACTS LIABILITIES

Set out below, are the carrying amounts of the Company's right-of-use assets and lease contracts liabilities for Aqaba land and Amman office and the movements during the year ended 31 December 2021:

	Right of use assets	Lease contracts Liabilities*
	JD	JD
At 1 January 2021	1,337,245	1,482,940
Additions	22,909	22,909
Adjustments	(52,666)	(52,666)
Depreciation	(30,029)	-
Finance costs	-	143,087
Payments	-	(103,116)
At 31 December 2021	1,277,459	1,493,154

* Details of lease contracts liabilities as at 31 December 2021 and 2020 are as follows:

2021			2020		
JD			JD		
Short term	Long term	Total	Short term	Long term	Total
68,416	1,424,738	1,493,154	57,211	1,425,729	1,482,940

(16) EQUITY

SHARE IN CAPITAL

The authorised and paid in capital amounted to JD 10,000,000 divided into 10,000,000 share at par value of (JD 1) each. Below is a summarized list of the main shareholders and their percentage of share capital:

	%
Social security corporation	61.4
Arab Bank	10
Housing Bank for Trade and Finance	10
Cairo Amman Bank	10
Etihad Bank	5
Other shareholders	3.6

STATUTORY RESERVE

This account balance represents the transfers from the annual profit before income tax at a rate of 10% as required by the Jordanian Companies Law. Transfers to statutory reserve should not be stopped until the balance reaches 25% of the Company's share capital. However, the Company may continue transferring to the statutory reserve up to 100% of the Company's share capital if general assembly approval is obtained. This reserve is not available for distribution to shareholders.

VOLUNTARY RESERVE

The accumulated balance represents the transfers from the annual net profits before income tax at a maximum rate of 20% annually. This reserve is available for distribution to the shareholders.

(17) OTHER CURRENT LIABILITIES

	2021	2020
	JD	JD
Deferred income	53,145	104,894
Provision for rent discount *	-	103,625
Government and license fees accrual	-	20,000
Accrued expenses	34,157	17,692
Shareholders' deposits	1,496	87
	88,798	246,298

* According to the Board of Director decision dated 28 December 2020, the Company recorded a provision in the amount of JD 103,625 to cover the rent discount that will be granted to the tenants for the year ended 31 December 2020. This decision was cancelled by the Board of Directors in their meeting held on 12 December 2021. Accordingly, JD 103,625 was recognized in other income for the year 2021.

(18) OPERATING REVENUES

	2021	2020
	JD	JD
Rent and services	386,742	411,890
Company's share from shops' sales	69,600	52,082
	456,342	463,972

(19) OPERATING EXPENSES

	2021	2020
	JD	JD
Salaries and wages	89,665	98,571
Company's contribution in Social Security	12,521	11,226
Rent discount provision expense (note17)	-	103,625
Depreciation	70,132	71,304
Projects under construction write off (note 8)	-	31,316
Studies and research	18,000	-
Electricity and water	28,132	31,204
Licenses and Governmental fees	7,401	24,674
Depreciation of the leased land right of use	19,018	19,639
Maintenance	6,284	5,035
Donations	1,650	4,698
Employee's health insurance	2,888	3,906
Travel and transportation	5,151	2,747
Postage and telephone	2,275	2,034
Aqaba Gateway project insurance	1,768	1,798
Employees' bonuses	1,300	1,550
Vehicles and fuel expenses	1,014	1,080
Cleaning	1,118	960
Advertisement and marketing	1,677	855
Hospitality	796	834
Others	8,757	6,478
	279,547	423,534

(20) ADMINISTRATIVE EXPENSES - AMMAN

	2021	2020
	JD	JD
Salaries and wages	29,685	28,263
Company's contribution in Social Security	2,654	2,051
Depreciation of the leased offices right of use	11,031	10,828
Employees' vacations allowance and bonuses	300	300
Depreciation	1,174	1,418
Telephone	1,806	1,660
Water and electricity	1,475	1,716
Licenses and subscriptions	12,394	12,408
Employees' health Insurance	993	1,087
Others	2,027	2,096
	63,539	61,827

(21) ADMINISTRATIVE EXPENSES - AQABA

	2021	2020
	JD	JD
Board of Directors' transportation allowances	54,000	54,000
Board of Directors' remunerations	9,750	14,250
Professional and consultation fees	26,827	24,960
Bank charges	408	363
	90,985	93,573

(22) INCOME TAX

The reconciliation of accounting profit and taxable profit is as follow:

	2021	2020
	JD	JD
Accounting loss	(47,107)	(529,601)
Add: Non-deductible expenses	234,523	515,090
Less: Non-taxable income	(110,738)	(4,745)
Adjusted profit (loss)	76,678	(19,256)
Less: Prior years accumulated losses	(76,678)	-
Taxable loss	-	-
Income Tax	-	-
Statutory income tax rate	6 - 21%	6 - 21%

No provision for income tax was calculated for the year ended 31 December 2021 due to the accumulated losses from prior years in accordance with the Income Tax Law No. (34) of 2014 its amendments and in accordance with the Income Tax Law for Aqaba Special Economic Zone Authority No. (32) of 2000 and its amendments. No provision for income tax was calculated for the year ended 31 December 2020 due to excess of deductible expenses over taxable income in accordance with the Income Tax Law No. (34) of 2014 and its amendments and in accordance with the Income Tax Law for Aqaba Special Economic Zone Authority No. (32) of 2000 and its amendments.

The Company reached a final settlement with the Income and Sales Tax Department for its operations in Amman up to the year 2018. The Company submitted its tax declaration for the years 2019 and 2020, which have not been reviewed by the Income and Sales Tax Departments up to the date of these financial statements.

The Company reached to a final settlement with Aqaba Special Economic Zone Authority for its operations in Aqaba up to the year 2017.

The Company submitted its tax declarations for its operation in Aqaba for the years 2018,2019 and 2020. Aqaba Special Economic Zone Authority has not reviewed it up to the date of these financial statements.

(23) BASIC AND DILUTED LOSS PER SHARE

	2021	2020
Loss for the year (JD)	(47,107)	(529,601)
Weighted average for number of shares (Share)	10,000,000	10,000,000
	JD/ Fils	JD/ Fils
Basic and diluted loss per share for the year	(0/005)	(0/053)

(24) RELATED PARTY TRANSACTIONS

Related parties represent major shareholders, board of directors and key management personnel of the Company, and entities controlled, jointly controlled, or significantly influenced by such parties.

The Company had transactions with related parties. The following is summary of salaries, remunerations and other benefits of the Company's executives:

	2021	2020
	JD	JD
Statement of Financial Position items:		
Current accounts at banks		
Etihad Bank (Shareholder)	38	76
Housing Bank (Shareholder)	3,711	3,745
Statement of income items:		
Bank interest income *	-	41,853
Social Security contribution – Company's share	15,175	13,277
Salaries and wages of executives	21,723	28,871
Board of Directors transportation allowance	54,000	54,000
Travel and transportation expenses	5,090	2,730
Board of Directors committees' remuneration	9,750	14,250

* Bank interest income represents income on bank deposits held at banks which are members in the Board of Directors.

(25) CONTINGENCIES

At 31 December 2021, the Company had outstanding letters of performance guarantee bond issued to the Civil Defense Department amounting to JD 5,000 (2020: JD 5,000).

(26) FAIR VALUE

FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets and financial liabilities.

Financial assets consist of assets at fair value through other comprehensive income, cash on hand and at banks, accounts receivable and some other current assets. Financial liabilities consist of lease contracts liabilities and some other current liabilities.

The fair values of financial instruments are not materially different from their carrying values.

FAIR VALUE MEASUREMENT

At the date of the financial statements, the Company has financial instruments representing financial assets at fair value through other comprehensive income. The Company used level 1 to evaluate these financial assets using market prices in the active markets. The fair value for these assets shown in the financial statements amounted to JD 229,466 as at 31 December 2021 (2020: JD 193,850).

The Company discloses the fair value of its investment properties based on valuations from licensed independent valuers. The Company used level “3” to measure investments properties fair value which amounted to JD 2,351,585 as at 31 December 2021.

The Company discloses the fair value of its investment in associate based on market prices in active markets using level “1” measurement.

(27) CAPITAL MANAGEMENT

The primary objective of the Group’s capital management is to ensure that it maintains appropriate capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in business conditions. No changes were made in the objectives, policies or processes during the current year and previous year.

Capital comprises of the share capital, reserves, and accumulated losses and is measured at JD 10,188,489 as of 31 December 2021 (2020: JD 10,062,108).

(28) RISK MANAGEMENT

Interest rate risk

The Company is exposed to interest rate risk on its interest-bearing assets and liabilities such as bank deposits.

The following table demonstrates the sensitivity of the statement of income to reasonably possible changes in interest rates, with all other variables held constant.

2021 -	*Increase in interest rate*	*Effect on loss of the year*
	points	*JD*
Currency -		
JD	100	(27,288)

2020 -	*Increase in interest rate*	*Effect on loss of the year*
	points	*JD*
Currency -		
JD	100	(26,895)

The effect of decrease in interest rates with the same percentage is expected to be equal and opposite to the effect of the increase shown above.

Change in shares price risk -

Share price risk represents the risk resulting from changes in the fair value of investment in shares. The Company manages these risks by diversifying investments in several economic sectors and geographical areas. Investments in shares included within the financial statements are mainly listed in Amman Stock Exchange.

The following table demonstrates the sensitivity of the Company's statement of comprehensive income and fair value reserve to reasonably possible changes in equity prices, with all other variables held constant.

Indicator-

2021-	Change in index	Effect on other comprehensive income and equity
	%	JD
Amman Stock Exchange	5	11,473

2020-	Change in index	Effect on other comprehensive income and equity
	%	JD
Amman Stock Exchange	5	9,693

In the case of a negative change, the effect will be equal to the change above the opposite effect.

Credit risk -

Credit risk is the risk that debtors and other parties will fail to meet their obligations towards the Company.

The Company seeks to limit its credit risk with respect to customers by setting credit limits for individual customers and constantly monitoring outstanding receivables. Also, the Company deals with reputable banks.

The Company has made investment and rental contracts with a limited number of customers. The largest 3 customers represent a percentage of 63% of accounts receivable as of 31 December 2021 (2020: 53%)

Liquidity risk -

The Company manage its liquidity risk by ensuring the availability of funds to cover any outstanding or contingent liabilities.

The table below summarizes the maturities of the Company’s (undiscounted) financial liabilities based on contractual payment dates and current market interest rates.

	Less than one year	From 1 to 5 years	More than 5 years	Total
	JD	JD	JD	JD
As at 31 December 2021				
Lease contracts liabilities	103,097	513,147	28,644,966	29,261,210
Total	103,097	513,147	28,644,966	29,261,210

	Less than one year	From 1 to 5 years	More than 5 years	Total
	JD	JD	JD	JD
As at 31 December 2020				
Lease contracts liabilities	90,824	511,612	29,816,582	30,419,018
Total	90,824	511,612	29,816,582	30,419,018

Currency risk -

Most of the Company's transactions are in Jordanian Dinar. The Jordanian Dinar exchange rate is fixed against U.S. Dollar (USD 1.41 for each one JD). Accordingly, the Company is not exposed to significant currency risk.

(29) SEGMENTS INFORMATION

The Business segment represents a group of assets and operations that work together to provide products or services that are subject to risk and returns that differ from that related to other business segments.

The geographical segment is linked to providing products or services in a specific economic environment subject to risks and returns that differ from those related to business in economic environment.

The Companies activities consists of one economical segment which represents revenues and expenses on the project in Aqaba in addition to Amman office and the Board of Directors expenses. There are no other segments, and the Company is not involved in any other trade activity. The following is a summary of operations:

	Amman	Special Economic Zone	Total
2021 -	JD	JD	JD
Operating revenues	-	456,342	456,342
Operating expenses	-	(279,547)	(279,547)
Company's share of results of an associate	(59,748)	-	(59,748)
Administrative expenses - Amman	(63,539)	-	(63,539)
Administrative expenses – Aqaba	-	(90,985)	(90,985)
Provision for expected credit losses	-	(98,803)	(98,803)
Dividend income	7,113	-	7,113
Bank interest income and other income	-	225,147	225,147
Finance cost	(318)	(142,769)	(143,087)
(LOSS) PROFIT BEFORE INCOME TAX	(116,492)	69,385	(47,107)

	Amman	Special Economic Zone	Total
2020 -	JD	JD	JD
Operating revenues	-	463,972	463,972
Operating expenses	-	(423,534)	(423,534)
Company's share of results of an associate	(327,228)	-	(327,228)
Administrative expenses - Amman	(61,827)	-	(61,827)
Administrative expenses – Aqaba	-	(93,573)	(93,573)
Provision for expected credit losses	-	(111,857)	(111,857)
Dividend income	4,745	-	4,745
Bank interest income and other income	-	163,309	163,309
Finance cost	(1,091)	(142,517)	(143,608)
LOSS BEFORE INCOME TAX	(385,401)	(144,200)	(529,601)

(30) STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) which was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

A specific adaptation for contracts with direct participation features (the variable fee approach),
A simplified approach (the premium allocation approach) mainly for short-duration contracts.

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Company.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement,
- That a right to defer must exist at the end of the reporting period,
- That classification is unaffected by the likelihood that an entity will exercise its deferral right,
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

The amendments are not expected to have a material impact on the Company's financial statements.

Reference to the Conceptual Framework – Amendments to IFRS 3

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.

The amendments are not expected to have a material impact on the Company's financial statements.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

In May 2020, the IASB issued Property, Plant and Equipment — Proceeds before Intended Use, which prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

The amendments are not expected to have a material impact on the Company's financial statements.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022. The Company will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

The amendments are not expected to have a material impact on the Company's financial statements.

IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued an amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted.

The amendments are not applicable to the Company's financial statements.

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received by the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Company will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendments are not expected to have a material impact on the Company's financial statements.

IAS 41 Agriculture – Taxation in fair value measurements
As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued amendment to IAS 41 Agriculture. The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after 1 January 2022 with earlier adoption permitted.

The amendments are not expected to have a material impact on the Company's financial statements.

Definition of Accounting Estimates - Amendments to IAS 8
In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments are not expected to have a material impact on the Company's financial statements.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2
In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Company is currently assessing the impact of the amendments to determine the impact they will have on the Company's accounting policy disclosures.

(31) THE IMPACT OF (COVID-19) OUTBREAK ON THE COMPANY

The global economy was affected by the coronavirus outbreak, which has led to major disruption to the global economy and various business sectors. This was therefore reflected in the services sector, which was affected by the suspension of activities and the extensive quarantine imposed, as well as the impact of other government actions to combat the virus.

The World Health Organization made an assessment during March 2020 that the outbreak of the Coronavirus (COVID-19) can be characterized as a pandemic. This coronavirus outbreak has impacted the global economy and global markets. This had a significant impact on the tourism sector in which the associate operates as a result of the restriction on travel procedures in addition to the quarantine of travellers, the cancellation of conferences and the decrease in travellers' reservations in order to combat the spread of the Coronavirus.

The extent and duration of these effects is not certain and depends on future developments that are not accurately predicted at the moment, such as the rate of spread of the virus and the effectiveness of the actions taken to contain it. Future developments may affect the Company's future results, cash flows and financial position. According to the information available to date on these financial statements, the Company's management believes that the Covid-19 effect is summarized as follows:

- The Company recorded provision for expected credit losses in the amount of JD 98,803 for the year ended 31 December 2021.
- The Company recorded a loss from an associate in the amount of JD 59,748 for the year ended 31 December 2021 as a result of the decline in hotel occupancy rates resulting from the economic conditions on the tourism sector.