

**AKARY FOR INDUSTRIAL AND REAL ESTATE
INVESTMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)**

**INTERIM FINANCIAL STATEMENTS AND
REVIEW REPORT
FOR THE PERIOD ENDED JUNE 30, 2023**

AKARY FOR INDUSTRIAL AND REAL ESTATE INVESTMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

INTERIM FINANCIAL STATEMENTS AND REVIEW REPORT
FOR THE PERIOD ENDED JUNE 30, 2023

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REPORT ON REVIEWING THE INTERIM FINANCIAL STATEMENTS

To the president and members of the board of directors
Akary for Industrial and Real Estate Investment Company
(Public Shareholding Comapny)

Introduction

We have reviewed the accompanying Interim Statement of Financial Position for Akary for Industrial and Real Estate Investment Company (P.L.C) as of June 30, 2023, and the related statements of Interim Comprehensive income, shareholders equity and cash flows for the period then ended. The management is responsible of preparing and presenting company's interim financial statements in accordance with International Accounting Standard No. 34 (Interim Financial Reporting) which is an integral part of International Financial Reporting Standards. Our responsibility is limited to issue a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor"..Our review is primarily limited to make inquiries of the Company's accounting and financial departments personnel as well as applying analytical procedures to financial data .The range of our review is narrower than the broad range of audit procedures applied according to International Auditing Standards, Accordingly, Getting assurances and confirmations about other important aspects checked through an audit procedure was not achievable, Hence, We don't express an opinion regarding in this regard.

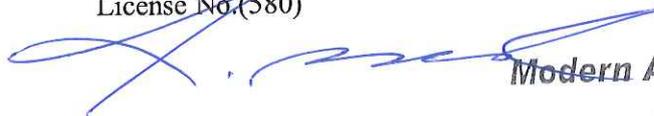
Conclusion

Based on our review, nothing has come to our attention that causes us to be believe that the accompanying interim financial statements do not give a true and fair view in accordance with International Accounting Standard No. 34.

Modern Accountants

Sinan Ghosheh
License No.(580)

Amman-Jordan
July 30, 2023



Modern Accountants



AKARY FOR INDUSTRIAL AND REAL ESTATE INVESTMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

THE STATEMENT OF INTERIM FINANCIAL POSITION (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2023 AND DECEMBER 31, 2022
(EXPRESSED IN JORDANIAN DINARS)

	Note	2023	2022
ASSETS			
Non-current assets			
Property and equipments		3	3
Real Estate Investments		206,775	206,775
Financial assets designated at fair value through other comprehensive income		40,000	40,000
Total non-current assets		246,778	246,778
Current assets			
Spare Parts Warehouse		5,217	5,217
Financial assets at fair value through comprehensive income		13,242	10,618
Cash and cash equivalents		5,428	5,428
Accounts receivable and other receivable		301,875	301,875
Total current assets		325,762	323,138
TOTAL ASSETS		572,540	569,916
LIABILITIES AND SHAREHOLDERS EQUITY			
Shareholders equity			
Share capital	1	500,000	500,000
Statutory reserve		5,246	5,246
Accumulated losses		(201,657)	(199,557)
Total Shareholders equity		303,589	305,689
Current liabilities			
Account payable		151,685	151,685
Accrued expenses and other payables		117,266	112,542
Total current liabilities		268,951	264,227
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY		572,540	569,916

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

AKARY FOR INDUSTRIAL AND REAL ESTATE INVESTMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2023
(EXPRESSED IN JORDANIAN DINAR)

	For the period		From the beginning of the year	
	April 1,2023 till June 30, 2023	April 1,2022 till June 30, 2022	June 30, 2023	June 30, 2022
Unrealized loss from Financial assets designated at fair value through comprehensive income	-	4,036	-	(766)
General and administrative expenses	(1,050)	(1,050)	(2,100)	(2,100)
Other revenue	-	-	-	46,659
(Loss) / profit for the period	(1,050)	2,986	(2,100)	43,793
Other comprehensive income:				
	(1,050)	2,986	(2,100)	43,793
(Loss) / profit per Share:				
(Loss) / profit per Share JD / Share	(0,002)	0,006	(0,004)	0,09
Weighted Average of Outstanding Shares	500,000	500,000	500,000	500,000

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

AKARY FOR INDUSTRIAL AND REAL ESTATE INVESTMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

STATEMENT OF INTERIM SHAREHOLDERS EQUITY (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2023
(EXPRESSED IN JORDANIAN DINAR)

	Share capital	Statutory reserve	Accumulated losses	Total
Balance at January 1, 2023	500,000	5,246	(199,557)	305,689
Comprehensive income for period	-	-	(2,100)	(2,100)
Balance at June 30, 2023	500,000	5,246	(201,657)	303,589
Balance at January 1, 2022	500,000	720	(240,294)	260,426
Comprehensive income for period	-	-	43,793	43,793
Balance at June 30, 2022	500,000	720	(196,501)	304,219

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

AKARY FOR INDUSTRIAL AND REAL ESTATE INVESTMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)

STATEMENT OF INTERIM CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED JUNE 30, 2023
(EXPRESSED IN JORDANIAN DINAR)

	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Operating Activities		
(Loss) / Profit for the period	(2,100)	43,793
Adjustments on (Loss) / Profit for the period:		
Unrealized loss from Financial assets designated at fair value through comprehensive income	-	766
Changes in operating assets and liabilities :		
Financial assets designated at fair value through comprehensive income	(2,624)	
Account payable	-	(53,723)
Accrued expenses and other payables	4,724	9,164
Cash used in operating activities	-	-
Net change in cash and cash equivalents	-	-
Cash and cash equivalents, January 1	-	-
Cash and cash equivalents, June 30	-	-

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

**AKARY FOR INDUSTRIAL AND REAL ESTATE INVESTMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)**

**NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(EXPRESSED IN JORDANIAN DINAR)**

1. ORGANIZATION AND ACTIVITY

The Akary for Industrial and Real Estate Investment Company is a Public Shareholding Company (the "Company") registered as Public Shareholding Company on November 15, 1961 under No. (20). The Company's capital is 500,000 JD divided into 500,000 shares each for of 1 JD.

The main activity of the company is to establish companies, purchase and sell shares, bonds and securities for the company, purchase lands, set up residential apartments and sell them without interest and land development for sale and investment, leasing finance for movable and immovable assets and investing the company's money in commercial, real estate, economics and industrial fields.

The Company's headquarter is located in Amman.

2. NEW AND AMENDED IFRS STANDARDS

The following new and revised Standards and Interpretations are not yet effective	It is valid for annual periods beginning on or after
Classification of liabilities as current or not-current (Amendments to IAS 1)	January 1, 2023
IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts	January 1, 2023
Definition of Accounting Estimate (Amendments to IAS 8)	January 1, 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2)	January 1, 2023
Deferred Tax related to Assets and liabilities arising from a Single Transaction (Amendments to IAS 12)	January 1, 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Deferred Indefinitely

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting".

The interim financial statements have been presented in Jordanian Dinars because the majority of the Company's transactions are recorded in Jordanian Dinars.

The interim financial statements have been prepared on the historical cost basis.

The interim financial statements do not include all the information and clarifications required in the annual financial statements and should be read in conjunction with the annual financial statements ended December 31, 2022. In addition, the results for the six months ended June 30, 2023 are not necessarily indicative of the results to be expected for the financial year ended on December 31, 2023.

AKARY FOR INDUSTRIAL AND REAL ESTATE INVESTMENT COMPANY
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NOTES TO INTERIM FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED JUNE 30, 2023
(EXPRESSED IN JORDANIAN DINAR)

Significant accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the audited financial statements for the year ended December 31, 2022.

Equity instruments at FVTOCI

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

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

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

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

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

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

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

AKARY FOR INDUSTRIAL AND REAL ESTATE INVESTMENT COMPANY
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NOTES TO INTERIM FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED JUNE 30, 2023
(EXPRESSED IN JORDANIAN DINAR)

Financial assets at FVTPL

Financial assets at FVTPL are:

- (i) assets with contractual cash flows that are not SPPI ; or and
- (ii) assets that are held in a business model other than held to collect contractual cash flows or held to collect and sell; or
- (iii) assets designated at FVTPL using the fair value option.

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

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

Reclassifications

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

Impairment

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

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

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

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

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

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

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NOTES TO INTERIM FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED JUNE 30, 2023
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ECLs are probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flow to the Company under the contract and the cash flows that the Company expect to receive arising from weighting of multiple future economic scenarios. Discounted at the asset's EIR.

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

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

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

Impairment losses related to cash and bank balances, trade and other receivables and due from a related party, are presented separately in the interim condensed statement of income and other comprehensive income

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of the grade of the investment.

Measurement of ECL

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

- Probability of default (PD);
- Loss given default (LGD); and
- Exposure at default (EAD).

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

Credit-impaired financial assets

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

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NOTES TO INTERIM FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED JUNE 30, 2023
(EXPRESSED IN JORDANIAN DINAR)

DE-recognition of financial assets

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

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

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

Presentation of allowance for ECL are presented in the interim financial information

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

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

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

Expenses and revenue recognition

The Revenue is recognized when there is a probability of economic benefits for the company in result of interchangeable process that's its measurable in a reliable way.

The Rent Revenues is calculated based on the value of the consideration received or expected to receive on fixed installment basis and the lease agreement.

The expenses are recognized in accrual basis.

Critical accounting judgments and key sources of estimation uncertainty

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

In preparing these interim financial statements, the significant judgments made by management in applying the company accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements.

**AKARY FOR INDUSTRIAL AND REAL ESTATE INVESTMENT COMPANY
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**NOTES TO INTERIM FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED JUNE 30, 2023
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Critical judgments in applying the Company's accounting policies in respect of IFRS 9

Business model assessment:

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

Significant increase of credit risk

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

Establishing Company's assets with similar credit risk characteristics

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

Models and assumptions used

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

Key sources of estimation uncertainty in respect of IFRS 9

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

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

AKARY FOR INDUSTRIAL AND REAL ESTATE INVESTMENT COMPANY
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NOTES TO INTERIM FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED JUNE 30, 2023
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Probability of Default

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

Loss Given to Default

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

Cash and cash equivalents

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

Accounts receivable

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

Accounts payable

Accounts payable are stated at the obligation amounts for received services and goods from client .

Expenses

Expenses are recognized in the interim statement of comprehensive income according to their nature and consist mainly of salaries, wages, depreciation, and rents, all other expenses are classified as general and administrative expenses.

Property and Equipments

Property and equipment are stated at cost less accumulated depreciation, repair and maintenance expenses are revenues expenditures. Depreciation is calculated on the basis of the estimated useful life of the property using the straight-line method.

Useful lives and the depreciation method are reviewed periodically to make sure that the method and depreciation period appropriate with the expected economic benefits of property and equipment.

Impairment test is performed to the value of the property and equipment that appears in the Statement of Interim Financial Position when any events or changes in circumstances shows that this value is non-recoverable.

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

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

**AKARY FOR INDUSTRIAL AND REAL ESTATE INVESTMENT COMPANY
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**NOTES TO INTERIM FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED JUNE 30, 2023
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Real Estate Investment

Investment properties are stated at cost (in accordance with IAS 40). The Company's standard for recording investments are either at cost or at fair value provided that there is no impediment to the ability to reliably determine the value of the investments.

Inventory

Inventories are stated at the lower of cost and net realizable value. Cost is determined on a weighted average basis.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and reliable estimate can be made regarding the amount of the obligation.

The amount recognised as 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. When a provision is measured using the cash flow estimated to settle the present obligation.

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

The sectoral report

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

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

Offsetting

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

Income tax

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

Foreign currency translation

Foreign currency transaction are translated into Jordanian Dinars at the rates of exchange prevailing at the time of the transactions. Monetary assets and liabilities denominated in foreign currencies at the interim financial position are translated at the exchange rates prevailing at that date. Gains and losses from settlement and translation of foreign currency transactions are included in the interim statement of comprehensive income.

**AKARY FOR INDUSTRIAL AND REAL ESTATE INVESTMENT COMPANY
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**NOTES TO INTERIM FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED JUNE 30, 2023
(EXPRESSED IN JORDANIAN DINAR)**

4. FINANCIAL INSTRUMENT

Management of share capital risks

The Company manages its capital to make sure that the Company will continue when it is take the highest return by the best limit for debts and shareholders equity balances. The Company's strategy doesn't change from 2022.

Structuring of Company's capital includes shareholders equity that consists of share capital, Statutory reserve, and accumulated losses as it listed in the changes in shareholders equity statement.

The debt ratio

The board of directors is reviewing the share capital structure periodically. As a part of this reviewing, the board of directors consider the cost of share capital and the risks that is related in each faction from capital and debt factions. The Company's capital structure includes debts from the borrowing. The Company doesn't determine the highest limit of the debt ratio and it doesn't expect increase in the debt ratio.

The management of the financial risks

The Company's activities might be exposing mainly to the followed financial risks:

Management of the foreign currencies risks

The Company is not exposed to significant risks related to foreign currency price changes, so there is no need to effective management for this exposure

Management of the interest price risks

Interest rate risk is mainly caused by borrowing money at floating (floating) interest rates and from short-term deposits at fixed interest rates. The company is not exposed to interest rate risk due to the absence of any borrowed funds or deposits for the company until the date of the interim financial statements.

Other price risk

The Company exposes to price risks resulting from its investments in owners' equity to other companies. The Company keeps investments in other company's owner's equity for strategic purposes and not for trading purposes, and the Company has no trading activity in those investments.

Credit risk management

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

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

5. APPROVAL OF INTERIM FINANCIAL STATEMENTS

The interim financial statements were approved by the Board of Directors and authorized for issuance on July 30, 2023 .