

SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – THE HASHEMITE KINGDOM OF JORDAN

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

SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – THE HASHEMITE KINGDOM OF JORDAN
DECEMBER 31, 2025

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Independent Auditor's Report

AM/ 006655

To the Shareholders of
Siniora Food Industries Company
(A Public Shareholding Limited Company)
Amman – The Hashemite Kingdom of Jordan

Audit Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Siniora Food Industries and its subsidiaries (together "the Group") which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the other ethical requirements that are relevant to our audit of the consolidated 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, in our professional judgment, are the most significant matters in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Impairment of Goodwill and Trademarks</p> <p>As at December 31, 2025, the carrying amount of goodwill and trademarks was approximately JD 19,9 million, which is % 10,3 of the total assets as described in note (9). The trademarks are deemed to have indefinite useful lives.</p> <p>In accordance with IAS 36 Impairment of Assets, the Group is required to test goodwill acquired in a business combination and intangible assets with indefinite useful lives for impairment at least annually irrespective of whether there is any indication of impairment</p> <p>An impairment is recognized in the consolidated statement of profit or loss when the recoverable amount is less than the net carrying amount, as described in note (2) to the consolidated financial statements. The determination of the recoverable amount is mainly based on discounted future cash flows.</p> <p>We considered the impairment of goodwill and trademarks to be a key audit matter, given the method for determining the recoverable amount, the significance of the aggregate amount in the Group's consolidated financial statements and the level of audit effort required. In addition, the recoverable amounts are based on the use of important assumptions, estimates or assessments made by management, in particular future cash flow projections, the estimate of the discount rates and long-term growth rates.</p>	<p>We familiarized ourselves with the process implemented by the Group to determine the recoverable amount of goodwill and trademarks allocated to Cash-Generating Units (CGU). Our work consisted of:</p> <ul style="list-style-type: none"> Assessing the controls over the Group's testing of goodwill and trademarks for impairment to determine if they were appropriately designed and implemented; Assessing the principles and methods used for determining the recoverable amounts of the CGU to which the goodwill and trademarks are allocated and assessing that the methods used are in accordance with IFRS Accounting Standards; Reconciling the net carrying amount of the goodwill and trademarks allocated to the CGU with the Group's accounting records; Engaging our internal valuation specialist to assess the discount rate applied by benchmarking against independent data; Substantiating, by interviews with management, the key assumptions on which budget estimates underlying the cash flows used in the valuation models are based. For this purpose, we also compared the estimates of cash flow projections of previous periods with actual corresponding results, to assess the pertinence and reliability of the process for making forecasts; Substantiating the results of sensitivity analyses carried out by management by comparing them to those realized by us; Verifying the arithmetical accuracy of the valuations used by the Group. Assessing the disclosures in the consolidated financial statements, relating to this matter, against the requirements of IFRS Accounting Standards.

Key audit matter	How our audit addressed the key audit matter
<p>Hyperinflation Accounting of the Turkish Subsidiary</p> <p>As disclosed in note 2 to the consolidated financial statements, the economy of the Republic of Turkey was deemed a hyperinflationary economy in accordance with the requirements of IAS 29 Financial Reporting in Hyperinflationary Economies ("IAS 29").</p> <p>The Group performed the hyperinflation calculations which included utilizing the consumer price indexes as a key input into the calculations. The financial results of Tarakya Company for the Manufacture and Trade of Meat and Dairy Products, (a subsidiary) located in the Republic of Turkey, are translated to the Group's reporting currency, using the official exchange rate published by the Central Bank of the Republic of Turkey as at December 31, 2025.</p> <p>The loss on the monetary position is calculated as the difference resulting from the restatement of net non-monetary assets, equity and items in the statement of profit or loss and other comprehensive income (OCI"), and the adjustment of index linked assets and liabilities. The application of IAS (21) The Effects of Changes in Foreign Exchange Rates ("IAS 21") in conjunction with the application of IAS 29 resulted in a net monetary gain of JD 2,5 which was recognized in consolidated profit or loss for the year and 3,4 in other comprehensive income.</p> <p>The application of the requirements of IFRS Accounting Standards relative to hyperinflation and the assessment of the applicable exchange rate were areas that required significant auditor attention. Given the significance of the quantitative impact, the complexities associated with hyperinflationary accounting and the extent of audit effort required, the application of hyperinflation accounting for the Group's operations located in the Republic of Turkey and the related disclosures were deemed to be a Key Audit Matter.</p>	<p>We familiarized ourselves with the process implemented by the Group to apply IAS 29. Our work consisted of:</p> <ul style="list-style-type: none"> • We obtained an understanding of the process implemented by the Group to determine the hyperinflation adjustments and disclosures. • We assessed the controls over this area to determine if they had been designed and implemented appropriately. • We utilized our internal IFRS accounting specialists to conclude on the appropriate application of IAS 21 and IAS 29. • We assessed the inputs into the hyperinflation calculations with specific emphasis on the consumer price indices used by agreeing them to independent sources. • We reperformed the mathematical accuracy of the hyperinflation adjustments. • We determined if the exchange rates used to translate the results of Tarakya Company for the Manufacture and Trade of Meat and Dairy Products financial statement were determined in accordance with the requirements of IFRSs. • We assessed the disclosure in the consolidated financial statements relating to this area against the requirements of IFRSs.

Other Information

Management is responsible for other information. Other information consists of information provided in the annual report other than the consolidated financial statements and the related auditor's report. We expect that the annual report will be provided to us at a later date of this report.

Our opinion on the consolidated financial statements does not include other information and we do not express any type of assertion or conclusion about it.

Regarding the audit of the consolidated financial statements, it is our responsibility to read the above mentioned information when it becomes available to us, assessing whether the other information is not materially consistent with the consolidated financial statements or information obtained through our audit or that other information includes material misstatement.

Responsibilities of Management and Those Charged with Governance in the Preparation of the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on effectiveness of 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 evidenced obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguard procedures.

From the matters communicated with those charged with governance, we determine those matters of most significance in the audit of the financial statements of the current year, and are therefore, the key audit matters. We describe these matters in our auditor's report unless law and regulations preclude 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 reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The Group maintains proper accounting records duly organized and in line with the accompanying consolidated financial statements. We recommend that the General Assembly of Shareholders approve these consolidated financial statements.

The engagement partner on the audit resulting in these independent auditors is **Karim Nabulsi**

Amman – Jordan
March 31, 2026


Deloitte & Touche (M.E.) - Jordan
Deloitte & Touche (M.E.)
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SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN- THE HASHEMITE KINGDOM OF JORDAN
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		December 31,	
		2025	2024
<u>ASSETS</u>			
Current Assets:		JD	JD
Cash on hand and at banks	5	5,004,138	4,431,040
Accounts receivable - net	6	35,920,178	30,234,995
Inventory – net	7	27,545,724	24,693,124
Due from related parties	25	272,152	3,303,049
Other debit balances	8	11,037,757	10,155,955
Assets classified as held for sale	1	6,809,950	6,925,586
Total Current Assets		86,589,899	79,743,749
Non-Current Assets:			
Deferred tax assets	22/d	761,246	623,794
Intangible assets	9	22,149,150	21,308,632
Property and equipment – net	10	80,084,645	63,309,122
Right-of-use assets	11/a	2,266,123	4,904,324
Total Non-Current Assets		105,261,164	90,145,872
TOTAL ASSETS		191,851,063	169,889,621
<u>LIABILITIES</u>			
Current Liabilities:			
Borrowed fund due within one year	12	24,467,097	17,377,333
Notes payable		692,166	1,847,551
Accounts payable		15,978,252	10,606,886
Due to related parties	25	2,902,884	1,209,919
Deposits and accrued expenses	14	11,138,673	10,410,430
Lease liabilities due within one year	11/b	1,059,586	907,385
Income tax provision	22	1,817,574	621,193
Liabilities directly associated with assets classified as held for sale	1	396,749	449,279
Total Current Liabilities		58,452,981	43,429,976
Non-Current Liabilities:			
Borrowed funds due within more than one year	12	7,043,182	-
Lease liabilities due within more than one year	11/b	1,177,979	3,908,259
Provision for end-of-service indemnity	15	6,008,792	4,597,269
Long term bond	13	56,720,000	56,720,000
Deferred tax liabilities	22/e	5,079,891	4,791,422
Total Non-Current Liabilities		76,029,844	70,016,950
Total liabilities		134,482,825	113,446,926
<u>OWNERS' EQUITY</u>			
Authorized and paid in capital	16/a	32,700,000	32,700,000
Share premium		8,544,694	8,544,694
Statutory reserve	16/b	6,999,602	6,876,183
Retained earnings	16/c	10,535,399	8,004,591
Effect of the purchase of non-controlling interest shares	16/d	(2,463,786)	(2,463,786)
Foreign currencies translation differences	16/e	948,188	(918,143)
Actuarial gains arising from the end-of-service indemnity		104,141	107,455
Total Shareholder's' Equity		57,368,238	52,850,994
Non-controlling interest	16/f	-	3,591,701
Total Owners' Equity		57,368,238	56,442,695
Total Liabilities And Owners' Equity		191,851,063	169,889,621

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM.

SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN-THE HASHEMITE KINGDOM OF JORDAN
CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	For the Year Ended December 31,	
		2025	2024
		JD	JD
Net sales		176,170,397	154,598,945
Cost of sales	17	(129,577,888)	(113,194,376)
Gross Profit		46,592,509	41,404,569
Less: Selling and distribution expenses	18	(19,307,756)	(16,779,400)
General and administrative expenses	19	(14,223,949)	(10,232,107)
Operating profit before provisions		13,060,804	14,393,062
(Provision) for end-of-service indemnity	15	(1,351,624)	(835,702)
(Provision) for expected credit loss	6/b	(353,521)	(222,814)
(Provision) Recovered from slow-moving inventory	7/b	(146,024)	365,143
(Provision) Released from lawsuits and other commitments	14	(49,182)	(1,404,730)
Operating Profit		11,160,453	12,294,959
Financing expenses	20	(7,527,995)	(7,868,865)
Other revenue – net	21	403,952	28,993
Profit for the year before taxes and monetary loss from hyperinflation		4,036,410	4,455,087
Income tax expense	22/b	(832,059)	(991,769)
Profit for the year before monetary loss from hyperinflation		3,204,351	3,463,318
Net (loss) monetary from hyperinflation		(2,542,137)	(1,203,175)
Profit from continuing operations		662,214	2,260,143
Net (loss) from discontinued operations	1	(62,483)	(208,300)
Profit for the Year		599,731	2,051,843
Attributable to:			
Company's shareholder	23	911,359	2,546,522
Non- Controlling Interest		(311,628)	(494,679)
		599,731	2,051,843
Earnings Per Share for the Year from continuing operations (Company's shareholders)	23	0.03	0.087
Earnings Per Share for the Year from discontinued operations (Company's shareholders)	23	(0.002)	(0.007)

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SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN-THE HASHEMITE KINGDOM OF JORDAN
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the Year Ended December 31,	
	2025	2024
	JD	JD
Profit for the year	599,731	2,051,843
<u>Other comprehensive income items which may be reclassified to profit or loss in the subsequent period</u>		
Foreign currencies translation differences	1,945,445	4,862,657
<u>Other comprehensive income items that will not be reclassified to profit or loss in the subsequent period</u>		
Actuarial (losses) gain arising from the end of service indemnity	(3,314)	47,125
Total other comprehensive income items for the year	1,942,131	4,909,782
Total comprehensive income for the year	2,541,862	6,961,625
<u>Attributable to:</u>		
Company's shareholders	2,774,376	5,819,248
Non-controlling interest	(232,514)	1,142,377
	<u>2,541,862</u>	<u>6,961,625</u>

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM.

SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN- THE HASHEMITE KINGDOM OF JORDAN
CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

	Note	Paid-up Capital	Share Premium	Statutory Reserve	Retained Earnings	Effect of the Purchase of Non- controlling Interest Shares	Foreign Currency Translation Differences	Actuarial Gain Arising from the End of Service Indemnity	Total Shareholders' Equity	Non- controlling Interest	Total Owners' Equity
<u>For the Year Ended December 31, 2025</u>		JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year		32,700,000	8,544,694	6,876,183	8,004,591	(2,463,786)	(918,143)	107,455	52,850,994	3,591,701	56,442,695
Profit for the year		-	-	-	911,359	-	-	-	911,359	(311,628)	599,731
Other comprehensive income for the year		-	-	-	-	-	1,866,331	(3,314)	1,863,017	79,114	1,942,131
Total comprehensive income for the year		-	-	-	911,359	-	1,866,331	(3,314)	2,774,376	(232,514)	2,541,862
Transferred to statutory reserve	16/b	-	-	123,419	(123,419)	-	-	-	-	-	-
Effect of the change in the share of non-controlling interests		-	-	-	1,742,868	-	-	-	1,742,868	(3,359,187)	(1,616,319)
Balance at the End of the Year		<u>32,700,000</u>	<u>8,544,694</u>	<u>6,999,602</u>	<u>10,535,399</u>	<u>(2,463,786)</u>	<u>948,188</u>	<u>104,141</u>	<u>57,368,238</u>	<u>-</u>	<u>57,368,238</u>
<u>For the Year Ended December 31, 2024</u>											
Balance at the beginning of the year		28,000,000	-	6,597,702	10,938,816	(2,463,786)	(4,148,947)	65,533	38,989,318	3,594,117	42,583,435
Capital Increase	1	4,700,000	8,544,694	-	(2,147,059)	-	-	-	11,097,635	-	11,097,635
Profit for the year		-	-	-	2,546,522	-	-	-	2,546,522	(494,679)	2,051,843
Other comprehensive income for the year		-	-	-	-	-	3,230,804	41,922	3,272,726	1,637,056	4,909,782
Total comprehensive income for the year		-	-	-	2,546,522	-	3,230,804	41,922	5,819,248	1,142,377	6,961,625
Transferred to statutory reserve	16/b	-	-	278,481	(278,481)	-	-	-	-	-	-
Distributed dividends	16/c	-	-	-	(4,200,000)	-	-	-	(4,200,000)	-	(4,200,000)
Effect of the change in the share of non-controlling interests		-	-	-	1,144,793	-	-	-	1,144,793	(1,144,793)	-
Balance at the End of the Year		<u>32,700,000</u>	<u>8,544,694</u>	<u>6,876,183</u>	<u>8,004,591</u>	<u>(2,463,786)</u>	<u>(918,143)</u>	<u>107,455</u>	<u>52,850,994</u>	<u>3,591,701</u>	<u>56,442,695</u>

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM.

SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN- THE HASHEMITE KINGDOM OF JORDAN
CONSOLIDATED STATEMENT OF CASH FLOW

		For the Year Ended December 31,	
	Note	2025	2024
		JD	JD
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit for the year before income tax and net monetary gains from hyperinflation		1,494,273	3,251,912
(Loss) from discontinued operations		(62,483)	(208,300)
Adjustments:			
Depreciation of property and equipment	10	5,328,326	5,059,445
Depreciation of right of use assets	11/a	1,445,580	1,427,719
Amortization of intangible assets	9/d	200,048	222,632
Provision for expected credit loss	6	353,521	222,814
Provision for end-of-service indemnity	15	1,351,624	835,702
Provision (Recovered from) for slow-moving inventory	7/b	146,024	(365,143)
Provision (released) for lawsuits and other commitments	14	49,182	1,404,730
(Gain) from the sale of property and equipment	21	(36,224)	(136,364)
Losses on disposal of intangible assets	21	-	55,557
Gains on termination of lease contract		(257,199)	-
Financing expenses	20	7,527,995	7,868,865
Net loss resulting from hyperinflation		2,542,137	1,203,175
Foreign currency differences		283,805	(1,472,786)
Cash flow from Operating Activities before Changes in Working Capital		20,366,609	19,369,958
Decrease (increase) in assets			
Accounts receivable		(6,038,704)	(1,849,713)
Due from related parties		3,030,897	(3,086,587)
Inventory		(2,998,625)	(3,698,874)
Other debit balances		(856,018)	(2,094,885)
Increase (decrease) in liabilities			
Notes payable		(1,155,385)	(635,503)
Accounts payable		5,422,669	379,605
Due to related parties		1,692,965	(1,775,289)
Deposits and accrued expenses		679,061	(354,825)
Net Cash Flows from Operating Activities before Income Tax and Employees' End-of-Service Indemnity Paid		20,143,469	6,253,887
Income tax paid	22	(706,282)	(894,878)
End-of-service indemnity paid	15	(361,592)	(612,378)
Provision for lawsuits and other commitments paid	14	(849,276)	(209,076)
Net Cash Flows from Operating Activities		18,226,319	4,537,555
CASH FLOWS FROM INVESTING ACTIVITIES:			
(Purchase) of property and equipment	10	(21,147,805)	(16,035,747)
Proceeds from the sale of property and equipment		60,737	2,668,759
(Purchase) of intangible assets	9	(3,282)	(1,566,621)
Purchase of non-controlling	16	(1,616,319)	-
Net Assets and Liabilities classified as held for sale	1	63,106	(6,476,307)
Net Cash (used in) Investing Activities		(22,643,563)	(21,409,916)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Borrowed fund – net	12	14,132,946	(38,309,483)
Financing expenses paid		(7,527,995)	(6,487,126)
Proceeds from the issuance of bonds	13	-	56,720,000
Dividends paid	16/c	-	(4,200,000)
Lease liabilities paid	11/b	(1,614,609)	(594,820)
Increase in capital and Share Premium	16	-	11,097,635
Net Cash Flow from Financing Activities		4,990,342	18,226,206
Net Increase in Cash		573,098	1,353,845
Cash on hand and at banks - beginning of the year		4,431,040	3,077,195
Cash on Hand and at Banks - End of the Year	5	5,004,138	4,431,040
Non-cash Items:			
Capitalization of retained earnings	16	-	2,147,059
Transfers from projects under construction to property and equipment	10	1,206,169	5,560,115
Transfer proceeds from sale of property and equipment to accounts payable		51,303	-

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM.

SINIORA FOOD INDUSTRIES COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN- THE HASHEMITE KINGDOM OF JORDAN
NOTES TO THE FINANCIAL STATEMENTS

1. General

- a. Siniora Food Industries Company was established and registered at the Ministry of Industry and Trade as a limited liability Company under No. (2890) on July 27, 1992, with an authorized and paid-up capital of JD 400 thousand. The company's capital was increased in several stages, the latest was the decision of the General Assembly in its extraordinary meetings held on March 27, 2024, and April 28, 2024. The approval was given to increase the company's paid-up capital by allocating shares to the Aswaaq for Investment (a board member) and Mr. Magdy Kazem Al-Sharif (the company's CEO), with each of them subscribing to shares by allocating 2,470,588 shares and 82,353 shares respectively, with a nominal value of 1 Jordanian Dinar per share, in addition to an issuance premium of JD 3.347 share. As a result, the company's paid-up capital became JD 30,552,941 and the issuance share premium amounted to JD 8,544,694. The procedures for registering the capital increase with the relevant authorities were completed on June 11, 2024, and the shares were listed on the financial market on June 25, 2024. On April 28, 2024, the General Assembly also approved the distribution of free shares to shareholders amounting to 2,147,059 shares, with a nominal value of 1 Dinar per share, based on each shareholder's proportion of the capital, through capitalizing a portion of the retained earnings as of December 31, 2023. The Company obtained the approval of the Securities Commission's Board of Commissioners on July 16, 2024, for the General Assembly's decision made on April 28, 2024, bringing the Company's paid-up capital to JD 32.7 million.
- b. Following the Ministry of Industry and Trade Letter No, msh/2/2890/32377 dated November 11, 2008, which includes the approval of the Minister of Industry and Trade on transforming the legal form of Siniora Food Industries Company from a limited liability company to a public shareholding limited company, the General Assembly approved in its ordinary meeting dated February 4, 2009, the procedures followed to transform the Company's legal form from a limited liability company to a public shareholding limited company, moreover, the Company has been registered as a public shareholding limited company in the Public Shareholding Companies Register under number (459) on January 8, 2009.
- c. The Company was registered under Number 07/6315110301 to practice industrial activity on the king Abdullah II / Sahab.
- d. The Company is 60.241% owned by Arab Palestinian Investment Company, which is considered the main shareholder of the Company.
- e. The Group's main objectives are producing, selling and buying meat and its byproducts; importing and exporting the necessary raw materials; and producing food products and trading in them.
- f. The consolidated financial statements were approved by the Board of Directors on March 29, 2026.
- g. The Company owns the following subsidiaries as of December 31, 2025:

Name of Company	Paid-up Capital	Percentage of Ownership	Industry of the Company	Location	Acquisition / Inception Date
Siniora Food Industries – Palestine	USD 5.2 million	100%	Industrial	Palestine	January 25, 2006
Siniora Food Holding Limited * Tarakya Company for the Manufacture and Trade of Meat and Dairy Products **	AED 60 million	100%	Holding	United Arab Emirates	February 25, 2016
Siniora Food Industries – Saudi Arabia ***	TL 498 million	100%	Industrial	Turkey	March 1, 2021
Jordanian Diamond for Food Trading	SAR 40 million JOD 50 thousand	100%	industrial	Saudi Arabia	January 11, 2023
Siniora food industries – USA****	0.01 USD	100%	Commercial	Jordan	May 16, 2024
			Commercial	USA	August 29, 2024

- As of December 31, 2025, and 2024, Siniora Food Holding Limited owns the following subsidiary companies:

Name of Company	Paid-up Capital	Percentage of Ownership	Industry of the Company	Location	Acquisition / Inception Date
Saudi Siniora Trading (Under voluntary liquidation) **	SAR 10 million	100%	Trading	Saudi Arabia	August 17, 2009
Diamond Meat Processing	AED 300 thousand	100%	Manufacturing	United Arab Emirates	April 5, 2016
Siniora Gulf General Trading	AED 1 million	100%	Trading	United Arab Emirates	August 6, 2014

- * On July 29, 2024, the Group initiated a voluntary liquidation of Siniora Saudi Trading Company (a Subsidiary), due to the transfer of the company's commercial operations to Siniora Food Industries – Saudi Arabia, which was established on January 11, 2023. Accordingly, the Group presented the results of operations of Siniora Saudi Trading Company for the year ended December 31, 2025, under the item "Net profit from discontinued operations," as follows:

	For the Year Ended December 31,	
	2025	2024
	JD	JD
Net Sales	-	5,180,585
Cost of Goods Sold	-	(3,521,873)
Gross Profit	-	1,658,712
Selling and Distribution Expenses	(14,621)	(784,087)
General and Administrative Expenses	(19,448)	(788,149)
Provision for End-Of-Service Benefits	-	(100,932)
Bank interest income	283,031	-
Other Income (expenses)- Net	21,129	(17,053)
Zakat Expense	(332,574)	(176,791)
Net (Loss) from discontinued operations	(62,483)	(208,300)

The Group also classified all assets and liabilities as held for sale, as follows:

	December 31,	
	2025	2024
<u>Assets</u>	JD	JD
Cash on hand and at banks	6,774,325	6,612,538
Net Accounts Receivable	35,625	313,048
Assets classified as held for sale	6,809,950	6,925,586
<u>Liabilities</u>		
Deposits and Accrued Expenses	215,246	265,707
Income Tax Provision	181,503	183,572
Liabilities directly associated with assets classified as held for sale	396,749	449,279
Net assets classified as held for sale	6,413,201	6,476,307

No impairment losses were recognized as a result of the liquidation in the consolidated statements of profit or loss, as the value of the assets and liabilities is approximate their fair value.

The liquidation procedures with the official authorities had not been completed as of the date of issuance of consolidated financial statements.

The following most significant financial information for the subsidiary companies for the years 2025 and 2024:

Name of Company	December 31, 2025		For the Year 2025	
	Total Assets	Total Liabilities	Total Revenues	Total Expenses
	JD	JD	JD	JD
Siniora Food Industries - Palestine	41,351,346	20,498,765	30,670,780	26,633,487
Siniora Food Holding Limited	35,673,117	13,515,150	28,995,094	27,109,090
Trakya Company for the Manufacture and Trade of Meat and Dairy Products	51,161,096	13,477,930	58,941,898	61,938,631
Siniora Food Industries – Saudi Arabia	36,399,245	29,714,252	17,684,501	18,138,880
Jordanian Diamond for Food Trading	774,447	700,371	5,896,566	5,834,381
Siniora Food Industries - USA	947,144	1,090,765	-	143,623

Name of Company	December 31, 2024		For the Year 2024	
	Total Assets	Total Liabilities	Total Revenues	Total Expenses
	JD	JD	JD	JD
Siniora Food Industries - Palestine	29,857,921	13,042,634	28,001,779	23,505,750
Siniora Food Holding Limited	33,941,086	13,669,123	27,183,344	24,331,532
Trakya Company for the Manufacture and Trade of Meat and Dairy Products	46,657,881	14,124,361	52,278,535	56,564,442
Siniora Food Industries – Saudi Arabia	19,817,568	14,571,529	8,326,022	8,483,898
Jordanian Diamond for Food Trading	815,422	803,531	2,984,054	3,022,163

** The General Assembly, in its extraordinary meeting of Turkey Food Industries Company for Meat and Dairy Product Trading approved an increase in company share capital amounting to TRY 260 million. The legal procedures related to the capital increase were duly completed on July 3, 2025, furthermore at its extraordinary meeting held on October 5, 2025, the General Assembly approved an additional increase in the company's share capital by TRY 90 million. The related legal procedures were finalized on October 8, 2025.

*** The Board of Directors, in its meeting of Siniora Food Industries Company-(Saudi Arabia) held on June 20, 2025, approved an increase in the Company's share capital by SAR 10 million, bringing the total share capital to SAR 40 million. This increase was affected through the capitalization of a portion of the outstanding balance due to the parent company, Siniora Food Industries Company-(Jordan).

**** The Group established a company in the United States of America on August 29, 2024, with the aim of commencing commercial activity in the USA. The company is registered in the State of Delaware with 1,000 shares at a nominal value of USD 0.0001 per share and a total value of USD 0.01. The company has not conducted any activity up to the date of consolidated financial statements.

2. Material Accounting Policies Information

Basis of Preparation of the Consolidated Financial Statements

The consolidated financial statements have been prepared in accordance with the standards issued by the International Accounting Standards Board and interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC).

The consolidated financial statements are prepared in accordance with the historical cost principle for measurement adjusted for the effect of inflation where the entities operate in hyperinflationary economies particularly the subsidiary in the Republic of Turkey.

The consolidated financial statements of the Group are presented in Jordanian Dinar, which is also its functional currency.

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those applied in the year ended December 31, 2024, except for the effect of adopting the new and modified standards stated in notes (3) that have no material effect on the consolidated financial statements as follows:

Classification of Turkey as a hyperinflationary economy

From April 1, 2022, the Turkish economy has been considered hyperinflationary based on the criteria established by International Accounting Standard 29, '*Financial Reporting in Hyperinflationary Economies*' ('IAS 29'). This designation is determined following an assessment of a series of qualitative and quantitative circumstances, including the presence of accumulative inflation rate of more than 100% over the previous three years.

IAS 29 requires that financial information are stated in terms of the measuring unit current at the statement of financial position date which requires restatement of non-monetary assets and liabilities to reflect the changes in the general purchasing power of the Turkish Lira. The restatements were calculated using the consumer price index in the local currency of the reporting entity before converting it to the presentation currency of the Group's financial statements.

As of December 31, 2025, the three-years cumulative index was 211% based on the Turkish Consumer Price Index (the "Consumer Price Index"). The Consumer Price Index at the beginning of the reporting period was 2.685 and closed at 3.514 resulting in an increase of 31%.

The following are summarized for the basic principles in relation to applying International Accounting Standard (IAS) No. 29 in the consolidated financial statements:

- Adjustment of the historical carrying values of non-monetary assets and liabilities and the various items of equity from their date of acquisition or inclusion in the consolidated statement of financial position to the end of the reporting period to reflect the changes in purchasing power of the currency caused by inflation, according to the indices published by the Turkish Statistical Institute. The cumulative impact for previous years amounting to approximately JD 3.4 million has been reflected in equity through other comprehensive income. The Group comparative amounts are not restated since its presented in a stable currency.
- Monetary assets and liabilities, which are carried at amounts current at the date of statement of financial position, are not restated because they are already expressed in terms of the monetary unit current at the date of statement of financial position.
- Non-monetary assets and liabilities, which are not carried at amounts current at the date of statement of financial position, and components of shareholders' equity are restated by applying the relevant conversion factors from the date of the transaction.
- All items in the statement of profit or loss are restated by applying the average conversion factors during the year except for those amounts deriving from non-monetary items, which are calculated based on the restated values of the related items.
- The effect of application indices on the Group's net monetary position is included in the consolidated statement of profit or loss as monetary gain or loss.

Hyperinflation adjustments considered as a temporary tax difference, accordingly, deferred tax liabilities were calculated on these differences and recorded around JD 4.7 million shown within non-current liabilities.

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

- Has the power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in consolidated income statement from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Company's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the Company and its subsidiaries are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Company loses control of a subsidiary, the gain or loss on disposal recognised in income statement is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Company had directly disposed of the related assets or liabilities of the subsidiary. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Financial Reporting in Hyperinflationary Economies

The financial statements of subsidiaries whose functional currencies are the currencies of hyperinflationary economies are adjusted in terms of the measuring unit current at the end of the reporting period.

In the first period of application, the adjustments determined at the beginning of the period are recognized directly in equity as an adjustment to opening retained earnings. In subsequent periods, the prior period adjustments related to components of owners' equity and differences arising on translation of comparative amounts are accounted for in other comprehensive income.

Items in the consolidated statement of financial position not already expressed in terms of the measuring unit current at the end of the reporting period, such as non-monetary items carried at cost or cost less depreciation, are restated by applying a general price index. The restated cost, or cost less depreciation, of each item is determined by applying to its historical cost and accumulated depreciation the change in a general price index from the date of acquisition to the end of the reporting period. An impairment loss is recognized in profit or loss if the restated amount of a non-monetary item exceeds its estimated recoverable amount.

At the beginning of the first period of application, the components of owners' equity, except retained earnings, are restated by applying a general price index from the dates the components were contributed or otherwise arose. Restated retained earnings are derived from all other amounts in the restated consolidated statement of financial position.

At the end of the first period and in subsequent periods, all components of owners' equity are restated by applying a general price index from the beginning of the period or the date of contribution, if later.

All items recognized in the statement of profit or loss are restated by applying the change in the general price index from the dates when the items of income and expenses were initially earned or incurred.

Gains or losses on the net monetary position are recognized in profit or loss.

All items in the consolidated statement of cash flows are expressed in terms of the general price index at the end of the reporting period.

Going Concern basis

The Group applies the going concern basis in the preparation of consolidated financial statements based on reasonable assumptions and expectations.

Property and Equipment

Property and equipment are stated at cost after deducting the accumulated depreciation or any impairment loss. And the cost includes all the direct costs which are related to the ownership of the assets.

Property and equipment are depreciated (except for land), using the straight-line method at annual rates ranging from 2% to 25%.

When the expected recoverable amount of any property and equipment is less than its net book value, the net book value is reduced to the expected recoverable amount, and the impairment loss is taken to the consolidated statement of profit or loss.

Property and equipment's useful lives are reviewed at the end of each year and if the expected useful life differs from the previous estimate, the difference is recorded in subsequent years as a change in accounting estimates.

Property and equipment are disposed of when there are no expected future benefits from its use or its disposal.

Property and equipment in hyper inflationary economies are restated by applying the change in the general price indices from the date of acquisition to the current reporting date. Depreciation on these assets are based on the restated amounts.

Intangible Assets

Goodwill

Goodwill is booked at cost, and represents the excess amount paid to acquire or purchase on investment in a subsidiary over the Company's share of the fair value of the net assets of the subsidiary at the acquisition date, Goodwill resulting from the investment in a subsidiary is booked as a separate item within intangible assets, and reduced subsequently for any impairment loss.

Goodwill is distributed among cash generating unit(s) for the purpose of impairment test.

The value of goodwill is reviewed on the date of the consolidated financial statements, Goodwill value is reduced when there is evidence that it is impaired or the recoverable value of the cash generating unit(s) is less than the book value of the cash generating unit(s), The decline in value is booked as an impairment loss and charged to the consolidated statement of profit or loss.

Other Intangible Assets

Intangible assets purchased in an acquisition are stated at fair value at the date of acquisition. Other intangible assets purchased other than through acquisition are recorded at cost.

Intangible assets are to be classified on the basis of either definite or indefinite useful life, Intangible assets with definite useful lives are amortized over their useful lives and charged to the consolidated statement of profit or loss, Intangible assets with indefinite lives are reviewed for impairment as of the consolidated financial statements date, and impairment loss is charged to the consolidated statement of profit or loss.

No capitalization of intangible assets resulting from the Company's operations is made, they are charged to the consolidated statement of profit or loss in the year incurred.

Any indications of impairment in the value of intangible assets as of the consolidated financial statements date are reviewed. Furthermore, the estimated useful lives of the impaired intangible assets are reassessed, and any adjustments are made in the subsequent periods.

Intangible assets are amortized over their expected production life by 20% to 35% annual percentages.

Intangible assets in hyper inflationary economies are restated by applying the change in the general price indices from the date of acquisition to the current reporting date. Amortization on these assets are based on the restated amounts.

Project Under Constructions

Projects under construction are stated at cost, including the value of the works under completion, the expenses of the units, the borrowing cost and the bank interest related to it and are related to the direct costs that are deferred until the completion of the project or the capitalization on the final receipt date.

Inventory

Finished goods and work in process are stated at cost (using the first – in, first - out method) or net realizable value, whichever is lower after deducting the provision for expired and slow-moving items, cost includes raw materials cost, direct labor and other manufacturing overheads. Net realizable value represents the estimated selling price less all estimated completion costs and costs to be incurred in marketing, selling and distribution.

Spare parts are valued at cost (using the first-in, first-out method) or net realizable value, whichever is lower. Spare parts are recognized in the consolidated statement of profit or loss when used.

A provision recorded against the slow-moving and damaged inventory, so that the inventory is stated at cost or net realizable value, whichever is lower according to the IFRSs.

Foreign Currencies

For the purpose of the consolidated financial statements, the results and financial position of each group company are expressed in the functional currency of the Company, and the presentation currency for the consolidated financial statements.

The individual financial statements of each group company are presented in the currency of the primary economic environment in which it operates (its functional currency). In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in consolidated statement of profit or loss in the period in which they arise except for:

- Exchange differences on transactions entered into to hedge certain foreign currency risks; and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to consolidated statement of profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in the consolidated OCI and accumulated in a separate component of equity.

On the disposal of a foreign operation (i.e. a disposal of the Company's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest become a financial asset), all of the exchange differences accumulated in a separate component of equity in respect of that operation attributable to the owners of the Company are reclassified to consolidated statement of profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interest and are not recognized in consolidated statement of profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to consolidated statement of profit or loss.

Revenue Recognition

The Company recognizes revenue mainly from sales of goods (Cold Cuts, Frozen and Cans).

Revenue is measured based on the consideration to which the company expects to be entitled (net after returns and discounts) in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control of a product or service to a customer, being when the goods have been shipped to the specific location (delivery). Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when selling the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognized by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

If customers have a right of return. At the point of sale, a refund liability and a corresponding adjustment to revenue is recognized for those products expected to be returned. At the same time, the Company has a right to recover the product when customers exercise their right of return so consequently it recognizes a right to return goods asset and a corresponding adjustment to cost of sales. The Group uses its accumulated historical experience to estimate the number of returns on a portfolio level using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognized will not occur given the consistent level of returns over previous years.

For certain customers, the goods are sold with discounts retroactively on the basis of 12 months of total sales. Revenue of these sales is recognized based on the price specified in the contract of less estimated discounts. The Group uses its accumulated historical experience to estimate discounts, and the revenue is recognized to the extent that it is probable that there will be no material reversal. Liabilities for discounts on payments to customers are recovered in respect of sales made during the year.

The Group account for consideration payable to a customer (listing fee and promotional expenses) which occur in conjunction with purchase of goods from the Company as a reduction of the transaction, unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the Company.

Interest Income and Expenses

Interest income and expense for all financial instruments are recognized in the statement of profit or loss using the effective interest method. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The interest income/ interest expense is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (at the amortized cost of the financial asset before adjusting for any expected credit loss allowance), or to the amortized cost of financial liabilities. For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortized cost of the credit-impaired financial assets (the gross carrying amount less the allowance for expected credit losses (ECLs)). For financial assets originated or purchased credit-impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

Financial Instrument

Financial assets and financial liabilities are recognized in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial Assets

Financial assets are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (except for financial assets at fair value through statement of profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

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

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

All other financial assets are measured at fair value.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in consolidated statement of profit or loss.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses (ECL) on trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Provision for expected credit loss

The Group has adopted the simplified approach to recognize expected credit losses over the life of its receivables as permitted by IFRS 9. Accordingly, non-impaired trade receivables that do not contain a significant financing component have been classified as part of stage 2 with the recognition of expected credit losses over their lifetime.

A provision for the expected credit loss should be recognized over the life of the financial instrument if the credit risk on that financial instrument increases substantially since the initial recognition and the expected credit loss is an expected weighted estimate of the present value of the credit loss. This value is measured as the present value of the difference between the cash flows due to the Company under the contract and the cash flows that the Company expects to receive arising from the expectation of several future economic scenarios, discounted at the effective interest rate of the asset.

The Group assesses whether there is objective evidence of impairment on an individual basis for each asset of individual value and collectively for other assets that are not individually significant.

Provisions for loss of credit losses are presented as a reduction of the total carrying amount of financial assets at amortized cost.

Write off

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over 24 months past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in consolidated statement of profit or loss.

Derecognition of financial assets

The Group derecognises 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 Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in consolidated statement of profit or loss.

Classification as debt or equity

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

Equity instruments

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

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in income statement on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

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

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

Trade and other payables classified as financial liabilities are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised based on effective interest rate.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised consolidated statement of profit or loss.

Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

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

When 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 as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Employees' Benefits

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Other long term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Income tax

Income tax expenses represent accrued taxes and deferred taxes.

Income tax expenses are accounted for on the basis of taxable income. Moreover, taxable income differs from income declared in the financial statements because the latter includes non-taxable revenue or tax expenses not deductible in the current year but deductible in subsequent years, accumulated losses acceptable by the tax authorities, items not accepted for tax purposes or subject to tax.

Taxes are calculated on the basis of the tax rates prescribed according to the prevailing laws, regulations and instructions of the countries where the Group operates.

Deferred taxes are taxes expected to be paid or recovered as a result of the temporary timing differences between the value of assets or liabilities in the consolidated financial statements and the value on the basis of which taxable income is calculated. Moreover, deferred taxes are calculated based on the liability method in the consolidated statement of financial position according to the tax rates expected to be applied upon the settlement of the tax liability or realization of the deferred tax assets.

Deferred tax assets and liabilities are reviewed as of the date of the consolidated financial statements and reduced in case no benefit is expected to arise therefrom, partially or totally.

Fair Value Measurement

Fair value is defined as a price at which an asset is to be sold or paid to convert any of the liabilities in a structured transaction between the market participants on the measurement date, irrespective of whether the price can be realized directly or whether it is estimated using another valuation technique. When estimating the fair value of an asset or liability, the Company takes into consideration when determining the price of any asset or liability whether market participants are required to take these factors into account at the measurement date. The fair value of the measurement and / or disclosure purposes in these financial statements is determined on the same basis, except for measurement measures that are similar to fair value procedures and are not fair value such as fair value as used in IAS 36.

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

- Input Level (1) inputs derived from quoted (unadjusted) prices of identical assets or liabilities in active markets that the enterprise can obtain on the measurement date;
- Input level (2) inputs derived from data other than quoted prices used at level 1 and observable for assets or liabilities, either directly or indirectly; and;
- Input level (3) are inputs to assets or liabilities that are not based on quoted market prices.

Leases

The Group as lessee

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

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

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

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

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

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

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

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

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

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

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

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

The Group as Lessor

The Group enters into lease agreements as a lessor with respect to some of its investment properties.

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

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

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

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

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

Impairment of Non-Financial Assets

At the reporting date, the Group assesses whether there is evidence that the asset has been impaired. If any evidence exists, or when an impairment test is required, the Group assesses the recoverable amount of the asset. The recoverable amount of the asset is the fair value of the asset or cash-generating unit less cost of sales and value in use whichever is higher and is determined for the individual asset, unless the asset does not generate substantially independent internal cash flows from those arising from other assets or assets of the Group. Where the carrying amount of the asset or cash-generating unit exceeds the recoverable amount, the asset is considered to be impaired and is written down to its recoverable amount. In assessing the fair value used, future cash flows are discounted to their present fair value using a pre-tax discount rate that reflects current market assessments of the time value of funds and the risks specific to the asset. In determining fair value and less cost of sales, recent transactions in the market are taken into consideration if available. If such transactions can not be identified, the appropriate valuation model is used.

Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and intends to either settle them on a net basis or to realize the asset and settle the liability simultaneously.

Non-current assets held for sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the group will retain a non-controlling interest in its former subsidiary after the sale.

When the group is committed to a sale plan involving disposal of an investment in an associate or, a portion of an investment in an associate, the investment, or the portion of the investment in the associate, that will be disposed of is classified as held for sale when the criteria described above are met. The group then ceases to apply the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for using the equity method.

3. Adoption of new and revised Standards

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

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

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

New IFRS Accounting Standards in issue but not yet effective

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

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

Management anticipates adopting these new standards, interpretations, and amendments in the Company's financial statements during the initial application period. Furthermore, they expect that adopting these new standards, interpretations, and amendments will not have any significant impact on the Company's financial statements during the initial application period except for IFRS - 18 related to presentation and disclosures in the financial statements.

4. Significant Accounting Judgments and Key Sources of Uncertainty

The preparation of the consolidated financial statements and the adoption of accounting policies requires the management to make judgments, estimates and assumptions that affect the amounts of financial assets and financial liabilities and the disclosure of contingent liabilities. These estimates and judgments also affect revenues, expenses and provisions in general and expected credit losses. In particular, the Group's management is required to make judgments to estimate the amounts and timing of future cash flows. These mentioned estimates are based on multiple hypotheses and factors with varying degrees of estimation and uncertainty. Actual results may differ from estimates as a result of changes in these conditions and circumstances in the future.

Judgments, estimates and assumptions are reviewed periodically. The effect of the change in estimates is recognized in the financial period in which the change has occurred and only if the change affects the same financial period. Moreover, the effect of the change in estimates is recognized in the financial period in which the change has occurred and in future periods in case the change affects the financial period and future financial periods.

The Group management believes that its estimates in the consolidated financial statements are reasonable. The key estimates used by management in applying the Company's accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

Useful life of tangible assets and intangible assets

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

Impairment of intangible assets with infinite life

Management is required to use significant judgments and estimates to determine whether intangible assets with infinite life is impaired through estimation of the value in use of the cash-generating units to which has been allocated. The value in use calculation requires the Group's Management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Details of the estimates used to assess the impairment of goodwill are disclosed in Note (9).

Income tax

The fiscal year is charged its related income tax expense in accordance with the regulations, laws and accounting standards. The deferred taxes and income tax provision are calculated and recognized.

Lawsuit and other commitments provision

A provision is booked to meet any potential litigation obligations based on the legal study prepared by the Group's legal counsel that identifies potential risks in the future and periodically reviews the study.

Assets and liabilities presented at cost

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

Fair value measurement and valuation procedures

When estimating the fair value of financial assets and financial liabilities, the Group uses available observable market data. In case of the absence of level 1 inputs, the Company conducts evaluations using appropriate valuation models to determine the fair value of financial instruments.

End-of-Service Indemnity

Provision for end-of-service indemnity is booked for any legal or contractual obligations for the employees' services according to the current and previous services in accordance with internal policies of Group.

Provision for slow moving items

Provision is allocated for slow moving inventories based on the principles and assumptions approved by the group's management to estimate the provision to be established in accordance with International Financial Reporting Standards.

Calculation of provision for expected credit losses

The management is required to use important judgments and estimates to estimate the amounts and timing of future cash flows and to estimate the risk of significant increase in credit risk for financial assets after the initial recognition and future measurements information for expected credit losses.

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

Determining the number and relative weight of forward looking scenarios for each type of products / market and the identification of future information relevant to each scenario

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

Probability of default

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

Loss given default

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

Revenue recognition

The Group's management uses significant estimates and assumptions to determine the amount and timing of revenue recognition under IFRS 15, "Revenue from contracts with customers".

Provision for sales returns and discount

The Group uses its accumulated historical experience to estimate the number of returns on a portfolio level using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognised will not occur given the consistent level of returns over previous years.

The Group uses its accumulated historical experience to estimate discounts and the revenue is recognized to the extent that it is probable that there will be no material reversal. Liabilities for discounts on payments to customers are recovered in respect of sales made during the year.

Extension and termination options in lease contracts

Extension and termination options are included in a number of leases. These terms are used to maximize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable both by the Group and the respective lessor.

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee

Discounting of lease payments

The lease payments are discounted (if any) using the Group's incremental borrowing rate ("IBR"). Management has applied judgments and estimates to determine the IBR at the commencement of lease.

Hyperinflation

The Group exercises significant judgement in determining the onset of hyperinflation in countries in which it operates and whether the functional currency of its subsidiaries, associates or joint venture is the currency of a hyperinflationary economy.

Various characteristics of the economic environment of each country are taken into account. These characteristics include, but are not limited to, whether:

- The general population prefers to keep its wealth in non-monetary assets or in a relatively stable foreign currency;
- Prices are quoted in a relatively stable foreign currency;
- Sales or purchase prices take expected losses of purchasing power during a short credit period into account;
- Interest rates, wages and prices are linked to a price index; and
- The cumulative inflation rate over three years is approaching, or exceeds, 100%.

Management exercises judgement as to when a restatement of the financial statements of a Group entity becomes necessary.

5. Cash on Hand and at Banks

This item consists of the following:

	December 31,	
	2025	2024
	JD	JD
Cash on hand	92,313	265,730
Current accounts at banks	3,968,018	2,243,344
Term deposits account *	943,807	1,921,966
	<u>5,004,138</u>	<u>4,431,040</u>

* The Term deposits with banks in the Republic of Türkiye which are due every 3 months and renewable. The interest rate was 39% in year 2025 (48.2% in the year 2024).

6. Accounts Receivable - Net

a. This item consists of the following:

	December 31,	
	2025	2024
	JD	JD
Trade receivables	35,876,644	28,945,667
Short-term cheques are due within 3 months	2,487,766	3,386,380
	<u>38,364,410</u>	<u>32,332,047</u>
<u>Less:</u> Provision for expected credit loss	<u>(2,444,232)</u>	<u>(2,097,052)</u>
Net Accounts Receivables	<u>35,920,178</u>	<u>30,234,995</u>

The average credit period ranges from 30 to 90 days. No interest charged on the outstanding trade receivable balances.

The Group has adopted the simplified approach as permitted by IFRS 9. The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses ("ECL"). The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the consolidated financial statements date.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, for example when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

The table below illustrates the determination of the risk of trade receivables based on the provision's matrix after considering the grace period:

As of December 31, 2025		Receivables are past due				
	Current receivables (not past due) *	Less than 90 days	From 91 days to 180 days	From 181 days to 365 days	More than 365 days	Total
	JD	JD	JD	JD	JD	JD
Total trade receivables	28,057,497	7,366,777	263,968	351,698	2,324,470	38,364,410
Expected credit loss	112,230	515,674	92,389	140,679	1,583,260	2,444,232
Expected credit loss rate	0.4%	7%	35%	40%	68%	6%

As of December 31, 2024		Receivables are past due				
	Current receivables (not past due) *	Less than 90 days	From 91 days to 180 days	From 181 days to 365 days	More than 365 days	Total
	JD	JD	JD	JD	JD	JD
Total trade receivables	23,569,418	6,825,587	326,164	334,065	1,276,813	32,332,047
Expected credit loss	96,295	477,791	112,527	133,626	1,276,813	2,097,052
Expected credit loss rate	0.4%	7%	35%	40%	100%	7%

* Current receivables include short-term checks due within 3 months.

b. The movement on the expected credit loss during the year is as follows:

For the year ended December 31, 2025			
	Stage 2	Stage 3	Total
	JD	JD	JD
Balance – beginning of the year	820,239	1,276,813	2,097,052
Provision booked during the year	43,639	309,882	353,521
Foreign currencies translation	(2,906)	(3,435)	(6,341)
Balance – End of the Year	<u>860,972</u>	<u>1,583,260</u>	<u>2,444,232</u>

For the year ended December 31, 2024			
	Stage 2	Stage 3	Total
	JD	JD	JD
Balance – beginning of the year	743,535	1,358,618	2,102,153
Provision booked during the year	110,481	112,333	222,814
Foreign currencies translation	(33,777)	(62,739)	(96,516)
Transferred to Assets classified as held for sale	-	(131,399)	(131,399)
Balance – End of the Year	<u>820,239</u>	<u>1,276,813</u>	<u>2,097,052</u>

7. Inventory - Net

a. This item consists of the following:

December 31,		
	2025	2024
	JD	JD
Raw materials	16,691,394	11,529,391
Finished products	7,902,247	10,143,617
Detergents and uniforms	553,040	430,980
Spare parts	3,137,357	2,941,836
	<u>28,284,038</u>	<u>25,045,824</u>
<u>Less:</u> Provision for slow-moving items	<u>(1,027,414)</u>	<u>(894,900)</u>
	27,256,624	24,150,924
Goods in transit	289,100	542,200
	<u>27,545,724</u>	<u>24,693,124</u>

b. The movement on the provision for slow-moving items during the year is as follows:

	2025	2024
	JD	JD
Balance - beginning of the year	894,900	1,389,013
<u>Add:</u> Provision booked (Recovered from) during the year	<u>146,024</u>	<u>(365,143)</u>
<u>Less:</u> Written-off Goods	<u>(14,324)</u>	<u>(128,970)</u>
Differences from foreign currency translation	814	-
Balance - End of the Year	<u>1,027,414</u>	<u>894,900</u>

8. Other Debit Balances

This item consists of the following:

December 31,		
	2025	2024
	JD	JD
Advances to suppliers	2,841,948	2,633,912
Prepayments	3,291,346	3,161,729
Refundable deposits	524,167	362,163
Sales tax deposits related to foreign subsidiaries	2,789,905	1,575,480
Income tax deposits related to foreign subsidiaries	1,552,231	1,550,919
Bank guarantee deposit related to foreign subsidiaries	23,156	804,758
Others	15,004	66,994
	<u>11,037,757</u>	<u>10,155,955</u>

9. Intangible Assets

This item consists of the following:

For the year ended December 31, 2025	Goodwill JD	Trademark JD	Customer relations JD	Software and programs JD	Total JD
Cost					
Balance - beginning of the year	4,810,944	14,248,280	2,646,208	390,349	22,095,781
Additions	-	-	-	3,282	3,282
Foreign currencies translation*	8,320	865,823	202,492	108	1,076,743
Balance - End of the Year	4,819,264	15,114,103	2,848,700	393,739	23,175,806
Accumulated Amortization					
Balance - beginning of the year	-	-	507,190	279,958	787,148
Additions	-	-	142,605	57,443	200,048
Foreign currencies translation*	-	-	39,460	-	39,460
Balance - End of the Year	-	-	689,255	337,401	1,026,656
Net book value as December 31, 2025	4,819,264	15,114,103	2,159,455	56,338	22,149,150
For the year ended December 31, 2024	Goodwill JD	Trademark JD	Customer relations JD	Software and programs JD	Total JD
Cost					
Balance - beginning of the year	4,792,774	10,848,600	2,196,552	442,727	18,280,653
Additions	-	1,508,683	-	57,938	1,566,621
Disposals	-	-	-	(110,316)	(110,316)
Foreign currencies translation*	18,170	1,890,997	449,656	-	2,358,823
Balance - End of the Year	4,810,944	14,248,280	2,646,208	390,349	22,095,781
Accumulated Amortization					
Balance - beginning of the year	-	-	311,178	270,653	581,831
Additions	-	-	158,568	64,064	222,632
Disposals	-	-	-	(54,759)	(54,759)
Foreign currencies translation*	-	-	37,445	-	37,445
Balance - End of the Year	-	-	507,191	279,958	787,149
Net book value as December 31, 2024	4,810,944	14,248,280	2,139,017	110,391	21,308,632

* Foreign currency translation differences include the effect of adjusting the values of property and equipment of Tarakya Meat and Dairy Products Manufacturing and Trading Company due to inflation based on changes in the relevant price index.

a. Goodwill resulted from the acquisition of shares at a value that exceeds the fair value of some of the subsidiaries as follows:

	December 31,	
	2025	2024
	JD	JD
Siniora Food Industries - Palestine	311,530	311,530
Diamond Meat Processing	4,392,480	4,392,480
Tarakya Company for the Manufacture and Trade of Meat and Dairy Products	115,254	106,934
	4,819,264	4,810,944

b. This item represents the value of the brands purchased as follows:

	December 31,	
	2025	2024
	JD	JD
Quality Food Co. Ltd	1,611,147	1,611,147
Siniora Brand - USA*	1,508,683	1,508,683
Tarakya Meat and Dairy Products Manufacturing and Trading Company	11,994,273	11,128,450
	<u>15,114,103</u>	<u>14,248,280</u>

* During the third quarter of 2025, the Group completed the legal procedures to purchase a trademark from an external party in the United States of America for a value of JD 1,420,000. The value of the trademark was recorded at JD 1,508,683 as of December 31, 2025 (including fees and charges related to the purchase of the trademark). Based on the management estimates, it was determined that the trademark has no specific indefinite useful life

c. The impairment in the value of goodwill and trademarks was tested at the end of 2025 and 2024, and the Group's management concluded that there was no impairment in its value. The most important assumptions followed by the Group's management when preparing the impairment loss were as follows:

	As of December 31, 2025		
	Weighted Average Cost of Capital	Expected growth rate during next five years	Terminal growth rate
Goodwill from the acquisition of Siniora Palestine	11.6%	4%	2%
Goodwill from the acquisition of Al Masa for Meat Production.	13.26%	6%	2%
Goodwill and trademark from the acquisition of Tarakya Company for the Manufacture and Trade of Meat and Dairy Products	21.8%	25.4%	12%
The trademark (Unium)	12.4%	2%	2%

	As of December 31, 2024		
	Weighted Average Cost of Capital	Expected growth rate during next five years	Terminal growth rate
Goodwill from the acquisition of Siniora Palestine.	11.3%	6%	2%
Goodwill from the acquisition of Al Masa for Meat Production.	11%	2%	2%
Goodwill and trademark from the acquisition of Tarakya Company for the Manufacture and Trade of Meat and Dairy Products	20.09%	34.2%	13%
The trademark (Unium)	12.4%	2%	2%

d. Customer relations resulted by allocating the purchase price of Tarakya Company for the Manufacture and Trade of Meat and Dairy Products and amortized over a period of 20 years from the date of acquisition March 1, 2021.

10. Property and Equipment

This item consists of the following:

For the year ended December 31, 2025	Land	Buildings and Constructions	Furniture and Fixtures	Vehicles	Machinery and Equipment	Tools and Equipment	Project Under Constructions**	Total
Cost:	JD	JD	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	8,139,136	26,921,627	4,228,296	5,655,021	48,070,481	2,258,498	11,745,899	107,018,958
Additions	-	216,239	216,017	444,946	795,750	242,328	19,232,525	21,147,805
Disposals	-	(7,272)	(4,421)	(181,781)	(112,992)	(13,487)	-	(319,953)
Transfers	-	36,236	81,022	293,912	777,473	17,526	(1,206,169)	-
Foreign currencies translation *	225,009	82,467	(177,207)	62,619	897,620	10,459	182,605	1,283,572
Balance - End of the Year	8,364,145	27,249,297	4,343,707	6,274,717	50,428,332	2,515,324	29,954,860	129,130,382
Accumulated Depreciation:								
Balance - beginning of the year	-	9,403,203	2,939,132	3,910,331	26,114,583	1,342,587	-	43,709,836
Deprecation for the year	-	925,993	424,379	546,191	3,170,777	260,986	-	5,328,326
Disposal	-	(13,671)	(4,419)	(143,242)	(69,996)	(12,809)	-	(244,137)
Foreign currencies translation	-	18,545	(163,083)	44,617	340,813	10,820	-	251,712
Balance - End of the Year	-	10,334,070	3,196,009	4,357,897	29,556,177	1,601,584	-	49,045,737
Net Book Value as of December 31, 2025	8,364,145	16,915,227	1,147,698	1,916,820	20,872,155	913,740	29,954,860	80,084,645

* Foreign currency translation differences include the effect of adjusting the values of property and equipment of Tarakya Meat and Dairy Products Manufacturing and Trading Company due to inflation based on changes in the relevant price index.

For the year ended December 31, 2024	Land	Buildings and Constructions	Furniture and Fixtures	Vehicles	Machinery and Equipment	Tools and Equipment	Project Under Constructions**	Total
Cost:	JD	JD	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	8,847,745	25,395,201	4,255,826	5,951,249	44,222,870	2,099,030	4,162,101	94,934,022
Additions	-	201,156	564,942	384,321	1,487,002	329,368	13,068,958	16,035,747
Disposals	(1,206,429)	(2,517,594)	(766,047)	(907,201)	(592,739)	(289,945)	(151,242)	(6,431,197)
Transfers	7,518	3,668,996	42,242	96,370	1,648,115	96,874	(5,560,115)	-
Foreign currencies translation *	490,302	173,868	131,333	130,282	1,305,233	23,171	226,197	2,480,386
Balance - End of the Year	8,139,136	26,921,627	4,228,296	5,655,021	48,070,481	2,258,498	11,745,899	107,018,958
Accumulated Depreciation:								
Balance - beginning of the year	-	10,469,158	2,824,931	4,042,669	23,240,756	1,255,169	-	41,832,683
Deprecation for the year	-	925,237	493,995	546,554	2,851,184	242,475	-	5,059,445
Disposal	-	(2,046,108)	(465,045)	(753,591)	(564,780)	(69,278)	-	(3,898,802)
Foreign currencies translation	-	54,916	85,251	74,699	587,423	(85,779)	-	716,510
Balance - End of the Year	-	9,403,203	2,939,132	3,910,331	26,114,583	1,342,587	-	43,709,836
Net Book Value as of December 31, 2024	8,139,136	17,518,424	1,289,164	1,744,690	21,955,898	915,911	11,745,899	63,309,122

- Fully depreciated property and equipment amounted to JD 18,693,622 as of December 31, 2025 (19,678,514 as of December 31, 2024).

** This item represents amounts that were paid for machines, equipment, and projects as at the end of the year and are not ready for use as at the date of the consolidated financial statements. The value of the contractual obligations related to these projects has been disclosed in note (24).

11. Lease contract

a. Right of use assets

The Company leases several assets including properties and cars. The average lease term is 5 years. The movement for right-of-use assets during 2025 and 2024 as follows:

For the year ended December 31, 2025			
	Properties	Cars	Total
	JD	JD	JD
Beginning balance	4,702,940	201,384	4,904,324
<u>Add</u> : Contracts added during the year	824,928	773,131	1,598,059
<u>Less</u> : Depreciation for the year	(1,103,583)	(341,997)	(1,445,580)
Derecognition	(2,103,629)	(18,716)	(2,122,345)
Foreign currency translations	(366,073)	(302,262)	(668,335)
Ending balance	1,954,583	311,540	2,266,123

For the year ended December 31, 2024			
	Properties	Cars	Total
	JD	JD	JD
Beginning balance	3,904,075	772,403	4,676,478
<u>Add</u> : Contracts added during the year	1,990,801	255,833	2,246,634
<u>Less</u> : Depreciation for the year	(1,001,487)	(426,232)	(1,427,719)
Derecognition	(78,876)	(369,192)	(448,068)
Foreign currency translations	(111,573)	(31,428)	(143,001)
Ending balance	4,702,940	201,384	4,904,324

b. Lease obligations

The movement for lease obligations during 2025 and 2024 was as follows:

For the year ended December 31, 2025			
	Properties	Cars	Total
	JD	JD	JD
Beginning balance	4,372,552	443,092	4,815,644
<u>Add</u> : Additions during the year	1,025,629	477,829	1,503,458
Interest during the year	245,961	146,458	392,419
<u>Less</u> : Paid during the year	(1,261,261)	(353,348)	(1,614,609)
Derecognition	(2,617,403)	(18,717)	(2,636,120)
Foreign currency translations	(135,314)	(87,913)	(223,227)
Ending balance	1,630,164	607,401	2,237,565

For the year ended December 31, 2024			
	Properties	Cars	Total
	JD	JD	JD
Beginning balance	3,703,200	828,811	4,532,011
<u>Add</u> : Additions during the year	1,596,838	82,530	1,679,368
Interest during the year	217,434	41,695	259,129
<u>Less</u> : Paid during the year	(403,791)	(191,029)	(594,820)
Derecognition	(148,629)	(285,909)	(434,538)
Foreign currency translations	(592,500)	(33,006)	(625,506)
Ending balance	4,372,552	443,092	4,815,644

The following is an analysis of the maturity of lease obligations as at December 31, 2025 and 2024:

For the year ended December 31, 2025			
	Properties	Cars	Total
	JD	JD	JD
Less than one year	790,452	269,134	1,059,586
From one to five years	413,951	329,571	743,522
More than five years	425,761	8,696	434,457
Ending balance	1,630,164	607,401	2,237,565

For the year ended December 31, 2024			
	Properties	Cars	Total
	JD	JD	JD
Less than one year	536,909	370,476	907,385
From one to five years	3,310,326	72,616	3,382,942
More than five years	525,317	-	525,317
Ending balance	4,372,552	443,092	4,815,644

c. The following are the amounts recorded in the consolidated profit or loss statement:

For the year ended December 31, 2025			
	Properties	Cars	Total
	JD	JD	JD
Depreciation for the year	1,103,583	341,997	1,445,580
Interest for the year	245,961	146,458	392,419
Total	1,349,544	488,455	1,837,999

For the year ended December 31, 2024			
	Properties	Cars	Total
	JD	JD	JD
Depreciation for the year	1,001,487	426,232	1,427,719
Interest for the year	217,434	41,695	259,129
Total	1,218,921	467,927	1,686,848

12. Borrowed Fund

This item consists of the following:

	December 31	
	2025	2024
	JD	JD
Overdraft	17,265,973	12,805,799
Revolving Loans	7,201,124	4,571,534
Bank Loans	7,043,182	-
	<u>31,510,279</u>	<u>17,377,333</u>
<u>Analysis of Borrowed Funds Maturity:</u>		
Due within one year	24,467,097	17,377,333
Due within more than one year and less than five years	7,043,182	-
	<u>31,510,279</u>	<u>17,377,333</u>
<u>Analysis of Borrowed Funds Interest:</u>		
Fixed rate	22,362,764	11,397,080
Variable rate	9,147,515	5,980,253
	<u>31,510,279</u>	<u>17,377,333</u>

The movement on borrowed funds during the years 2025 and 2024 as follows:

	For the year ended December 31,	
	2025	2024
	JD	JD
Balance - beginning of the year	17,377,333	57,043,362
Borrowed funds – net	14,132,946	(38,309,483)
Foreign currency translation differences	-	(1,356,546)
Balance - End of the Year	<u>31,510,279</u>	<u>17,377,333</u>

The interest rate on borrowed funds during the years 2024 and 2023 as follows:

	For the year ended December 31	
	2025	2024
Overdraft	From 5.3% To 8.5%	From 6.25% To 7.37%
Revolving loans	From 3% To 8.5%	From 7.11% To 50%
Bank loans	2.59%	-

- * Siniora Food Industries Company – Saudi Arabia (a subsidiary) obtained a loan from the Saudi Industrial Development Fund amounting to SAR 75 million, equivalent to JOD 14.175 million, dated 2 February 2025. The loan is intended to finance the construction costs of the factory and is to be repaid over six years through 12 semi-annual instalments, with the first repayment due on 15 February 2028. The amount disbursed during 2025 amounted to JOD 7,043,182. The loan cost totals SAR 5,250,000, in addition to other expenses amounting to SAR 10,270,000. The loan is secured by a mortgage over all fixed assets of the factory and by a corporate guarantee covering 100% from Siniora Food Industries – Jordan (the parent company).

13. Long-Term Loan Bonds

On March 10, 2024, after obtaining the approval of the Securities Commission, the company issued loan bonds through a private placement. The issuance included 800 bonds, each with a par value of USD 100,000, with a total value of USD 80 million (equivalent to JOD 56,720,000). The bonds carry a fixed interest rate of 7.75%, payable semi-annually on March 10 and September 10 of each year for a period of 5 years. The principal (par value) of the bonds will be repaid in full on September 10, 2029.

These bonds are unsecured, and the company's obligations are limited to the full repayment of the principal and interest payments as per the specified schedule. Covenants related to the bonds are calculated based on the company's financial results excluding the impact of International Accounting Standard (IAS) 29 – Financial Reporting in Hyperinflationary Economies, and are as follows:

1. The Net Debt to EBITDA ratio (Earnings Before Interest, Taxes, Depreciation, and Amortization) shall not exceed 4.0x for the years 2024 and 2025, 75x for the year 2026, and 3.5x for the remaining years of the bond term.
2. The Interest Coverage Ratio must not be less than 2 times during the bond term
3. the company is prohibited from pledging its assets to any external party during the bond period, except for any legal attachments.

In addition to the above covenants, the bond includes a condition requiring the company to maintain its ownership percentage in its subsidiaries an exception is allowed in cases where a strategic investor enters through a capital increase in the subsidiary, provided that the company retains at least 51% ownership.

The company's compliance period with conditions began in 2024, with the first compliance report to be issued as of year-end 2024, within a maximum period of 90 days. Thereafter, a periodic compliance report shall be submitted every 6 months. The Group were in compliance with all conditions as of December 31, 2024.

The bonds were listed on the Amman Stock Exchange on July 16, 2024.

The issuer undertakes, during the issuance period, not to pledge the company's assets to any external party throughout the issuance period, except for the following:

1. Any legal or judicial liens or seizures.
2. Pledging the assets and properties of Siniora Food Industries Saudi Arabia (a subsidiary) in favour of the Saudi Industrial Development Fund in exchange for obtaining a loan amounting to SAR 70 million (equivalent to JD 13.230 million).

Additionally, on June 22, 2025, the bondholders approved the addition of some definitions to the financial covenants in the issuance prospectus as follows:

1. Profit before tax, finance expenses, and depreciation: Profit before tax, finance expenses, and depreciation after excluding any non-recurring or non-operational expenses or revenues.
2. Profit before tax and finance expenses: Profit before tax and finance expenses after excluding any non-recurring or non-operational expenses or revenues.
3. When calculating the semi-annual financial covenants for each year, profit before tax, finance expenses, and depreciation, profit before tax and finance expenses, and finance expenses are calculated for the previous 12 months.
4. When calculating the semi-annual financial covenants, net debt to profit before tax, finance expenses, and depreciation is calculated based on the ratio approved for the previous year.

14. Deposits and Accrued Expenses

This item consists of the following:

	December 31,	
	2025	2024
	JD	JD
Remunerations and accrued salaries	2,627,832	1,349,723
Sales tax deposits	642,808	959,932
Provision for lawsuits and other commitments *	234,276	1,427,837
Accrued customer's sales commissions	1,162,801	1,199,257
Accrued insurance expenses	672,646	546,437
Provision for paid leaves	690,514	588,277
Sales return provision	266,598	474,044
Credit cards	13,742	233,185
Accrued utilities and phone expenses	142,728	104,011
Professional fees	228,943	293,053
Social security deposits	494,884	237,671
Media and advertising	430,025	248,095
Accrued interest expenses	658,208	-
Accrued bond interest	1,381,739	1,381,739
Advanced payment from customers	328,390	250,094
Provision for trade discount	360,922	365,681
Accrued rent	57,900	-
Board of directors' remuneration	45,000	45,000
Board members transportation and representation of committees	191,092	191,092
Other	507,625	515,302
	<u>11,138,673</u>	<u>10,410,430</u>

- * This item includes a provision booked by the Company against contingent liabilities that may arise; the movement on this provision during the year was as follows:

	<u>2025</u>	<u>2024</u>
	JD	JD
Provision Balance – beginning of the year	1,427,837	233,735
<u>Add</u> : Provision during the year	49,182	1,404,730
<u>Less</u> : Paid during the year	(849,276)	(209,076)
<u>Less</u> : Foreign currencies translation	(393,467)	(1,552)
Balance – End of the Year	<u>234,276</u>	<u>1,427,837</u>

15. Provision for Employees End-of-Service Indemnity

The provision for employee end-of-service indemnity balance relates to subsidiary companies, the movement on this provision is as follows:

	<u>2025</u>	<u>2024</u>
	JD	JD
Balance - Beginning of the year	4,597,269	4,429,974
<u>Add</u> : Additions during the year	1,351,624	835,702
<u>Less</u> : Paid from the provision	(361,592)	(612,378)
Foreign currency translation	439,399	(46,161)
Actuarial (loss)	(17,908)	(9,868)
Balance – End of the Year	<u>6,008,792</u>	<u>4,597,269</u>

16. Owner Equity

a. Paid-up Capital

The company's capital was increased in several stages, the latest was the decision of the General Assembly in its extraordinary meetings held on March 27, 2024, and April 28, 2024. The approval was given to increase the company's paid-up capital by allocating shares to the Aswaaq for Investment (a board member) and Mr. Magdy Kazem Al-Sharif (the company's CEO), with each of them subscribing to shares by allocating 2,470,588 shares and 82,353 shares respectively, with a nominal value of 1 Jordanian Dinar per share, in addition to an issuance premium of JD 3.347 share. As a result, the company's paid-up capital became JD 30,552,941 and the issuance share premium amounted to JD 8,544,694. The procedures for registering the capital increase with the relevant authorities were completed on June 11, 2024, and the shares were listed on the financial market on June 25, 2024. On April 28, 2024, the General Assembly also approved the distribution of free shares to shareholders amounting to 2,147,059 shares, with a nominal value of 1 Dinar per share, based on each shareholder's proportion of the capital, through capitalizing a portion of the retained earnings as of December 31, 2023. The Company obtained the approval of the Securities Commission's Board of Commissioners on July 16, 2024, for the General Assembly's decision made on April 28, 2024, bringing the Company's paid-up capital to JD 32.7 million

b. Statutory Reserve

This item represents the accumulated amounts transferred from the annual net income before tax at a rate of 10% during the year and prior years in Jordan in accordance with the Jordanian Companies Law. This reserve cannot be distributed to shareholders.

c. Retained Earnings

The General Assembly, in its ordinary meeting held on 28 April 2024, approved the cash distribution dividends at a rate of 15% of the company's paid-up capital, equivalent to JOD 4,200,000 JOD.

Retained earnings include an amount of JD 761,246 that is restricted against deferred tax assets as on December 31, 2025, which cannot be utilized through capitalization or distribution unless actually realized, (JD 623,974 as of December 31, 2024).

d. The impact of the purchase of the non-controlling interest

On April 30, 2018, Siniora Food Holding Limited has signed an agreement to purchase the shares of the partner in Diamond Meat Processing Company for the amount of JD 3,752,466. The Company has completed the ownership transfer procedures with the legal authorities during the second half of the year 2018. The value of the agreement exceeds the carrying amount of the net non-controlling interest at the date of acquisition by JD 2,463,786. This amount has been booked within the shareholder's equity under "effect of the purchase of non-controlling interest shares".

e. Foreign Currency Translation Differences

This item represents the Company's share of differences resulting from translated and consolidated the financial statements of subsidiary company (Tarakya Company for the Manufacture and Trade of Meat and Dairy Products).

f. Non-controlling interests

On 23 June 2025, the group acquired the entire non-controlling interests in the net assets of Trakia Meat and Dairy Products Manufacturing and Trading Company (a subsidiary), representing 11.04%, for an amount of JOD 1,616,319. The acquisition resulted in recognizing non-controlling interests' rights amounting to JOD 1,742,868 in retained earnings. The group's ownership percentage in Trakia Meat and Dairy Products Manufacturing and Trading Company (a subsidiary) reached 100% as of 31 December 2025 (compared to 11.04% as of 31 December 2024).

17. Cost of Sales

This item consists of the following:

	Note	2025	2024
		JD	JD
Finished goods - Beginning of the year	7	10,143,617	5,920,938
Cost of production *		127,336,518	117,417,055
Cost of Good Available for Sale		137,480,135	123,337,993
<u>Less: Finished goods - End of the year</u>	7	<u>(7,902,247)</u>	<u>(10,143,617)</u>
Cost of Sales		<u>129,577,888</u>	<u>113,194,376</u>

* Cost of production represents the following:

	Note	2025	2024
		JD	JD
Raw materials - Beginning of the year	7	11,529,391	10,561,876
Purchases of raw materials and finished inventory during the year		103,727,964	90,692,997
Raw Materials Available for Production		115,257,355	101,254,873
<u>Less: Raw materials - End of the year</u>	7	<u>(16,691,394)</u>	<u>(11,529,391)</u>
Raw Materials Used in Production		<u>98,565,961</u>	<u>89,725,482</u>
Salaries, wages, and other employee benefits		12,752,203	12,362,612
Social security		319,726	301,120
Transportation		324,460	203,643
Training		15,361	10,493
Health insurance		537,619	523,878
		<u>13,949,369</u>	<u>13,401,746</u>

Indirect Industrial Expenses:

Depreciation of property and equipment	4,037,474	3,666,584
Depreciation of Right of use assets	545,400	387,301
Electricity, water, and fuel	3,492,176	3,866,591
Maintenance	2,631,753	2,526,636
Storage and transportation of production supplies	1,512,927	1,294,548
Rents	722,084	747,040
Insurance expense	410,348	389,092
Tools, uniform and cleaning	533,529	477,552
Damaged goods	162,450	135,820
Staff meals	193,260	184,541
Laboratory tests	124,687	122,774
Security expenses	102,822	108,115
Research and development	12,656	4,379
Others	339,622	378,854
	<u>14,821,188</u>	<u>14,289,827</u>
Cost of Production	<u>127,336,518</u>	<u>117,417,055</u>

18. Selling and Distribution Expenses

This item consists of the following:

	2025	2024
	JD	JD
Salaries, wages, allowances and benefits	7,721,034	6,898,652
Vehicle expenses	3,604,202	3,490,580
Sales commission	2,286,725	1,687,773
Marketing expenses	1,828,158	1,099,856
Depreciation of property and equipment	663,547	842,498
Depreciation of right of use assets	667,835	355,264
Exports and tenders expenses	341,448	257,214
Social security	333,081	305,979
Insurance	457,832	391,475
Professional fees	433,931	284,983
Rent	121,826	157,576
Travel and accommodation expenses	166,851	375,064
Communications	68,075	141,428
Maintenance	67,966	116,360
Training	1,726	3,514
Electricity and water	148,519	176,020
Stationery	3,035	4,747
Others	391,965	190,417
	<u>19,307,756</u>	<u>16,779,400</u>

19. General and Administrative Expenses

This item consists of the following:

	2025	2024
	JD	JD
Salaries, wages, allowances and benefits	6,948,551	5,149,514
Professional fees	1,865,418	932,006
Depreciation of property and equipment	627,305	550,363
Insurance	543,830	263,721
Travel, accommodation, and transport	287,809	157,697
Utilities	521,838	504,946
APIC expenses *	297,780	-
Maintenance	317,153	199,750
Communications	195,100	155,389
Social security	136,889	131,431
Donations	283,315	226,562
Memberships, subscriptions and licenses	100,203	125,201
Vehicle expenses	129,835	134,568
Amortization of intangible assets	200,048	222,632
Depreciation of right of use assets	232,345	685,154
Printing, stationery and computer accessories	65,625	48,891
Trademark registration	35,416	92,421
Rent	123,675	30,667
Training	41,388	39,278
Hospitality	116,079	72,207
Customs & clearing expenses	218,155	-
Legal cases	139,724	-
Bank charges	331,925	87,276
Others	464,543	422,433
	<u>14,223,949</u>	<u>10,232,107</u>

- * This item represents the expenses paid by Siniara Food Industries Company – Palestine (a subsidiary company) to Arab Palestinian Investment Company (the Holding Company) for managerial services rendered by the Holding Company.

20. Financing Expenses

This item consists of the following:

	2025	2024
	JD	JD
Interest expense on borrowed funds	2,431,410	3,783,629
Interest expense on leasing	392,419	259,129
Interest expense in bond	4,704,166	3,826,107
	<u>7,527,995</u>	<u>7,868,865</u>

21. Other Revenue – Net

This item consists of the following:

	2025	2024
	JD	JD
Gain from foreign currency translations	71,185	13,662
Gain from the sale of property and equipment	36,224	136,364
Loss from disposal of intangible assets	-	(55,557)
Board of Directors' remunerations	(45,000)	(45,000)
Board members' transportation and representation of committees	(182,500)	(182,500)
Gain from lease termination	257,199	-
Other – Net	266,844	162,024
	<u>403,952</u>	<u>28,993</u>

22. Income Tax

a. Income Tax Provision

The movement on the income tax provision is as follows:

	2025	2024
	JD	JD
Balance - Beginning of the year	621,193	604,078
Income tax paid	(706,282)	(894,878)
Accrued income tax on current year's profit	904,308	715,877
Foreign currency translation	174,391	196,116
Adjustments	823,964	-
Balance – End of the Year	<u>1,817,574</u>	<u>621,193</u>

b. The income tax expense in the consolidated statement of profit or loss consists of the following:

	2025	2024
	JD	JD
Income tax expense for the year	904,308	715,877
Deferred tax assets for the year	(18,690)	(57,481)
Deferred tax liabilities for the year	(53,559)	333,373
	<u>832,059</u>	<u>991,769</u>

a. Tax Status

Siniora Food Industries - Jordan has reached a final settlement for its income tax up to the end of the year 2022. The Company has also submitted its self-assessment statement for 2023 and 2024. A decision has not yet been issued by the Income and Sales Tax Department. In the opinion of management and the tax advisor, the provisions set aside in the financial statements are sufficient to meet potential tax liabilities as of December 31, 2025.

On February 9, 2012, Siniora Food Industries Company - Palestine (Subsidiary company) obtained a full income tax exemption from the General Authority for Investment Promotion on February 9, 2012, for a period of five years, from January 1, 2010, to December 31, 2014, and a nominal 50% exemption from income tax for one year, from January 1, 2015, to December 31, 2029. The company will pay income tax at a rate of 7.5%.

- Siniora Food Industries Company - Palestine (Subsidiary Company) has reached a final settlement up to the end of the year 2021. The Company has submitted its tax return for the year 2022, 2023, and 2024 and paid the declared tax. While a decision has not yet been issued by the Income and Sales Tax Department. In the opinion of the Company's management and its tax advisor, the income tax provision booked in the consolidated financial statements is sufficient to meet any future tax liabilities.

- A 9% income tax rate has been implemented in the United Arab Emirates starting from the beginning of 2024. According to management and the tax advisor, the provisions recorded in the interim financial statements are sufficient to meet potential tax liabilities.
- Trakya for manufacture and Trade of Meat and Dairy Products (Subsidiary Company) has reached a final settlement up to the end of the year 2025.
- A 20% income tax rate is applied in Saudi Arabia. No income tax provision was recognized during 2025 as Siniora Food Industries Saudi Arabia incurred losses during the year
- Income tax was calculated for the year ended December 31, 2025, in accordance with the effective income tax law in Jordan and other locations, and in the opinion of the management and the tax consultant of the Company, the provision allocated is sufficient to meet any tax obligations and there is no need to an additional provision for the year ended December 31, 2025.
- 20% income tax rate is applied in the USA. No income tax provision was recognized during 2025 as Siniora Food Industries USA incurred losses during the year.

d. Deferred tax assets

This item consists of the following:

Included Items	For the Year Ended December 31, 2025					December 31,	
	Balance- Beginning of the Year	Released Amounts	Additional Amounts	Foreign currency translation	Balance- End of the Year	2025	2024
	JD	JD	JD	JD	JD	Deferred Tax JD	JD
<u>Assets</u>							
Provision for expected credit losses *	1,856,262	-	283,561	-	2,139,823	156,530	146,534
Provision for slow-moving inventory	804,533	-	113,600	-	918,133	55,088	56,214
Provision for end-of-service indemnity **	3,553,272	(81,399)	779,335	-	4,251,208	549,628	421,046
	<u>6,214,067</u>	<u>(81,399)</u>	<u>1,176,496</u>	<u>-</u>	<u>7,309,164</u>	<u>761,246</u>	<u>623,794</u>

The movement on the deferred tax assets account is as follows:

	2025	2024
	JD	JD
Balance- Beginning of the year	623,794	566,313
Additions	97,057	133,761
Released	(80,330)	(123,924)
Foreign currency translation	120,725	47,644
Balance- End of the Year	<u>761,246</u>	<u>623,794</u>

e. Deferred tax liabilities

This item represents deferred tax liabilities arising from goodwill resulting from the acquisition of Diamond Meat Processing Company, the amount of deferred tax liabilities amounted to approximately JD 395 thousand as of December 31, 2025. Additionally, there are deferred tax liabilities resulting from the application of International Accounting Standard (IAS) 29 'Financial Reporting in Hyperinflationary Economies' for the subsidiary Tarakya for Meat and Dairy Products Trading Company, the amount of deferred tax liabilities resulting from the application of IAS 29 amounted to approximately JD 4.6 million as of December 31, 2025.

23. Earnings per Share for the Company's Shareholders

This item consists of the following:

	For the year ended December 31	
	2025	2024
	JD	JD
Profit for the year from continuing operations attributable to the Company's shareholders	973,842	2,754,822
(Loss) for the year from discontinued operations attributable to the Company's shareholders	(62,483)	(208,300)
Profit for the year attributable to the Company's shareholders	<u>911,359</u>	<u>2,546,522</u>

Earnings per share attributable to shareholders are calculated as follows:

	For the year ended December 31	
	2025	2024
	JD	JD
Profit for the year from continued operations attributable to the Company's shareholders	<u>973,842</u>	<u>2,754,822</u>

	Share	Share
	32,700,000	31,566,914
	JD/Share	JD/Share
Basic and diluted earnings per share from continuing operations attributable to the Company's shareholders	<u>0.03</u>	<u>0.087</u>

	For the year ended December 31	
	2025	2024
	JD	JD
(Loss) for the year from discontinued operations attributable to the Company's shareholders	<u>(62,483)</u>	<u>(208,300)</u>

	Share	Share
	32,700,000	31,566,914
	JD/Share	JD/Share
Basic and diluted (loss) earnings per share from discontinued operations attributable to the Company's shareholders	<u>(0.002)</u>	<u>(0.007)</u>

* The weighted average number of shares used in calculating earnings per share attributable to shareholders of the company was determined based on the number of shares outstanding. The capital increase included both shares and subscribed shares. The weighted average number of shares was calculated in accordance with the requirements of International Accounting Standard IAS 33.

24. Contingent Liabilities

- a. There are several lawsuits filed against Siniora Food Industries Company – Jordan, equivalent to JD 52,863 as of December 31, 2025. In the opinion of the Company's legal advisor and its management, no obligations will arise from these lawsuits. (JD 155,031 as of December 31, 2024).
- b. There are several lawsuits filed against Siniora Food Industries Company – Palestine, equivalent to JD 552,446 as of December 31, 2025, to cancel the Company's claims against others and/or labor claims. In the opinion of the Company's legal advisor and its management, no obligations will arise from these lawsuits. (JD 128,681 as of December 31, 2025).
- c. As of 31 December 2025, there are no legal claims filed against Trakia Meat and Dairy Products Manufacturing and Trading Company (a subsidiary). According to the legal advisor and the company's management, the provisions recorded in the financial statements are sufficient to cover any potential liabilities (amounting to JOD 1,023,573 as of 31 December 2024).
- d. The Parent Company had contingent liabilities represented in bank guarantees equivalent to JD 123,758 and bills of collection equivalent to JD 1,456,363 as of December 31, 2025. (Bank guarantees equivalent to JD 119,930, bills of collections equivalent to 1,081,217 and letter of credit equivalent 82,013 as at December 31, 2024).
- e. Siniora Food Industries Company – Palestine (subsidiary company) had contingent liabilities represented in bank guarantees equivalent to JD 777,900 in addition to the letter of credit equivalent to JD 26,673 as at December 31, 2025. (The Company had contingent liabilities represented in bank guarantees equivalent to JD 737,185 in addition to bills of collection equivalent to JD 33,536 as at December 31, 2024).
- f. Tarakya Company for the Manufacture and Trade of Meat and Dairy Products (subsidiary company) had contingent liabilities represented in bank guarantees equivalent to JD 947,296 as at December 31, 2025. (The Company had contingent liabilities represented in bank guarantees equivalent to JD 185,510 and there were no letter of credit as of 31 December 2024).
- g. Siniora Food Industries - Saudi Arabia (a subsidiary company) had contractual obligations amounting to JD 1,708,494 as of December 31, 2025, which mainly represent commitments for the purchase of assets and equipment. Contractual obligations amounted to JOD 2,411,703 as of 31 December 2024.
- h. The Group had unutilized overdraft and revolving loans limits that amounted to JD 24,039,267 as at December 31, 2025 (The unutilized overdraft and revolving loans ceiling was JD 22,943,320 as of December 31, 2024).
- i. The net value of projects in progress amounted to JD 29,954,860 as at December 31, 2025 and the remaining cost of completion to complete the implementation of these projects is estimated to be amounted to JD 2,277,145 and is expected to be completed and to be ready for use by the Group during the first half of 2026.

25. Balances and Transactions with Related Parties

The Company enters into transactions with companies that fall within the definition of a related party as stated in International Accounting Standard No. 24: "Related Party Disclosures". Related parties consist of companies under common ownership and/or joint management and control and key management personnel. Transactions with these related parties were made on substantially the same terms that prevailed at the same time for similar transactions with customers and third parties. Balances and transactions between the Company and its subsidiaries, which are related parties, are eliminated on consolidation and are not disclosed in this note.

	December 31, 2025		December 31, 2024	
	Receivables	Payables	Receivables	Payables
<u>Consolidated Statement of Financial Position</u>	JD	JD	JD	JD
Unipal General Trading Company *	-	2,435,397	2,268,142	-
Medical Supplies and Services Company	1,809	-	-	55,584
Palestinian Automobile Company *	-	316,439	-	1,134,450
Employees receivables	187,341	-	200,693	-
SKY Advertising, Publication and Promotion Company	-	67,004	-	-
Arab Palestinian Investment Company **	81,950	-	833,790	-
National Aluminum and Profile Company	1,052	-	424	-
Arab Financial Leasing Company *	-	75,881	-	19,885
Oyoun media company	-	8,163	-	-
Total	272,152	2,902,884	3,303,049	1,209,919

The above balances represent trade receivables and payables which bear no interest and have no repayment schedules.

	2025		2024	
	Expenses/ Purchases	Sales	Expenses/ Purchases	Sales
<u>Consolidated Statement of profit or loss</u>	JD	JD	JD	JD
Unipal General Trading Company *	-	10,166,330	-	10,091,115
Arab Palestinian Shopping Centers Company *	-	617	-	742
SKY Advertising, Publication, and Promotion Company*	217,462	-	237,642	-
Arab Palestinian Investment Company **	297,780	-	-	-
Arab Financial Leasing Company *	71,272	-	68,007	-

* A Company owned by the holding company.

** Holding Company.

The salaries of executive management amounted to JD 2,298,151 for the year 2025 (JD 1,356,651 for the year 2024).

26. Risk Management

The Group is exposed to various financial risks related to its operations, moreover, operating risks are inherent in business activities. As such, management endeavors to strike a proper balance between risks and rewards and works to mitigate the risks probable adverse effects on the Group's financial performance. The most significant risks faced by the Group are credit risks resulting from credit sales, liquidity risks, market risks, and geographic risks. Moreover, the Group's Board of Directors is responsible for setting up the framework for monitoring and managing these risks, accordingly, the Board of Directors together with executive management periodically follow up on the various risks to monitor and manage the financial risks related to the Group 's operations and activities through preparing and issuing internal reports on risk management, thus analyzing the risks to which the Group is exposed.

Capital Risk Management

The Group manages its capital to ensure its ability to continue as a going concern and to maximize the return to stakeholders through achieving an optimal balance between equity and debts. Moreover, the Group has a strategy to maintain a reasonable debt-to-equity ratio. The approval was given to increase the company's paid-up capital by allocating shares to the Aswaaq for Investment (a board member) and Mr. Magdy Kazem Al Sharif (the company's CEO), with each of them subscribing to shares by allocating 2,470,588 shares and 82,353 shares respectively, with a nominal value of 1 Jordanian Dinar per share, in addition to an issuance premium of JD 3.347 share. As a result, the company's paid-up capital became JD 30,552,941, and the issuance share premium amounted to JD 8,544,694. The procedures for registering the capital increase with the relevant authorities were completed on June 11, 2024, and the shares were listed on the financial market on June 25, 2024. On April 28, 2024, the General Assembly also approved the distribution of free shares to shareholders amounting to 2,147,059 shares, with a nominal value of 1 Dinar per share, based on each shareholder's proportion of the capital, through capitalizing a portion of the retained earnings as of December 31, 2023. The Company obtained the approval of the Securities Commission's Board of Commissioners on July 16, 2024 to become JD 32.7 million.

Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy to support and guarantee the Group's position of late payment through proper documentation by possessing necessary documents, as appropriate, with the assistance of its legal advisor. Moreover, the Group monitors its credit risk through analysis of the debtors' level of solvency to mitigate the risk of financial loss from defaults, as well as checking that the total accumulated credit related to certain parties is approved by management. Review and approval of the credit limits are performed regularly.

The book value of the financial assets recorded in the Group's financial statements net after discounting the impairment losses represent the maximum risks to which the Group could be exposed.

The Group has a concentration in credit risk, where the trade receivables of ten customers amounted to 69% of the total trade receivables as of December 31, 2025, and the group has a concentration in sales, where sales to ten customers amounted to 54% of the total sales for the year 2025. (The trade receivables of ten customers amounted to 70% of the total trade receivables as of December 31, 2024, and the group has a concentration in sales, where sales to ten customers amounted to 55% of the total sales for the year 2024).

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet its commitments. The Group mitigates liquidity risk by maintaining reserves and by continuously monitoring actual cash inflows as well as matching the maturities of current assets with current liabilities as follows:

	December 31,	
	2025	2024
	JD	JD
Current Assets	86,589,899	79,743,749
<u>Less : Current Liabilities</u>	<u>58,452,981</u>	<u>43,429,976</u>
Excess in Working Capital	<u>28,136,918</u>	<u>36,313,773</u>

Risk Concentration in Geographical Segments

All of the Group's operations are conducted inside the Kingdom and represent its local operations. Moreover, the Group does not perform any work outside of Jordan. However, the subsidiary companies operate in the countries where they have been founded. As for Siniora Food Industries Company - Palestine (a subsidiary company), the instability of the political and economic situation in the region increases the operating risk and may negatively affect the Company's performance.

The following is information on the Group's activities inside and outside the Kingdom:

	Inside the Kingdom		Total	
	Inside the Kingdom (Excluding Aqaba)	Aqaba	Outside the Kingdom	
	JD	JD	JD	
Net sales	40,880,684	1,395,786	133,893,927	176,170,397
Cost of sales	(28,703,689)	(1,126,671)	(99,747,528)	(129,577,888)
Gross Profit	12,176,995	269,115	34,146,399	46,592,509
Selling and distribution expenses				(19,307,756)
General and administrative expenses				(14,223,949)
Provision for end-of-service indemnity				(1,351,624)
Provision for doubtful debts				(353,521)
Provision for slow-moving inventory				(146,024)
Provision for lawsuit and other commitment				(49,182)
Operating Profit				11,160,453
Financing expenses				(7,527,995)
Other revenue – net				403,952
Profit for the year before taxes and monetary gain from hyperinflation				4,036,410
Income tax Expense				(832,059)
Profit for the year before monetary gain from hyperinflation				3,204,351
Net (loss) from discontinued operations				(2,542,137)
Profit from continuing operations				662,214
Net (loss) from discontinued operations				(62,483)
Profit for the Year				599,731
				2,051,843

Segmental Information

The Group operates in one operational sector which is canning, packing, distribution, and trading frozen meat, all information related to this report / operational sector is shown in the statement of financial position statement profit or loss and the disclosures in the consolidated financial statements.

Foreign Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Jordanian Dinar is the Group 's functional currency, and the Group also monitors foreign currency positions continually and follows certain strategies to mitigate the effects of these risks.

The following is the concentration of assets and liabilities as of December 31, 2025 and 2024 according to the currency type:

	December 31, 2025 / Jordanian Dinar							
	JD	USD	EUR	SAR	AED	TL	Other Currencies	Total
<u>Assets:</u>								
Cash on hand and at banks	237,445	807,165	47,161	92,164	86,814	1,859,455	1,873,935	5,004,138
Accounts receivable – net	4,830,545	80,043	-	5,800,770	7,082,116	16,627,985	1,498,719	35,920,178
Inventory – net	8,116,411	-	-	2,835,499	5,002,328	5,087,811	6,503,675	27,545,724
Due from related parties	-	272,152	-	-	-	-	-	272,152
Other debit balances	3,301,173	1,605,684	50,702	782,679	1,490,903	3,291,391	515,225	11,037,757
Assets classified as held for sale	-	-	-	6,809,950	-	-	-	6,809,950
Deferred tax assets	171,028	324,735	-	-	-	265,483	-	761,246
Intangible assets	3,445,659	-	-	6,055	4,399,818	14,297,618	-	22,149,150
Property and equipment – net	22,110,353	15,805,890	-	26,411,981	5,378,860	8,542,392	1,835,169	80,084,645
Right of use assets	-	729,239	-	470,097	-	1,066,787	-	2,266,123
	<u>42,212,614</u>	<u>19,624,908</u>	<u>97,863</u>	<u>43,209,195</u>	<u>23,440,839</u>	<u>51,038,921</u>	<u>12,226,723</u>	<u>191,851,063</u>
<u>Liabilities:</u>								
Borrowed funds	15,319,642	8,073,899	-	7,043,182	381,391	-	692,165	31,510,279
Notes payable	-	348,824	-	-	-	-	343,341	692,165
Accounts payable	2,585,842	1,145,066	685,872	1,751,460	1,405,969	5,988,358	2,415,686	15,978,252
Due to related parties	-	450,926	-	-	-	-	2,451,958	2,902,884
Deposits and accrued expenses	4,006,585	684,992	-	1,942,661	2,642,385	1,219,198	642,852	11,138,673
Lease liability	-	800,690	-	512,520	-	924,355	-	2,237,565
Income tax provision	335,235	1,255,905	-	21,757	204,677	-	-	1,817,574
Liabilities directly associated with assets classified as held for sale	-	-	-	396,749	-	-	-	396,749
Provision for end-of-service benefits	59,428	-	-	171,547	1,009,708	493,729	4,274,380	6,008,792
Provision for employees end-of-service indemnity	-	56,720,000	-	-	-	-	-	56,720,000
Deferred tax liabilities	-	-	-	-	395,323	4,684,568	-	5,079,891
	<u>22,306,732</u>	<u>69,480,301</u>	<u>685,872</u>	<u>111,839,876</u>	<u>6,039,454</u>	<u>13,310,208</u>	<u>10,820,383</u>	<u>134,482,825</u>
Net Position	<u>19,905,881</u>	<u>(49,855,393)</u>	<u>(588,008)</u>	<u>31,369,319</u>	<u>17,401,385</u>	<u>37,728,713</u>	<u>1,406,341</u>	<u>57,368,238</u>

	December 31, 2024 / Jordanian Dinar							
Assets:	JD	USD	EUR	SAR	AED	TL	Other Currencies	Total
Cash on hand and at banks	690,205	11,006	9,764	218,849	485,489	2,266,589	749,138	4,431,040
Accounts receivable – net	4,043,100	498,036	-	5,624,534	6,449,995	12,771,316	848,014	30,234,995
Inventory – net	7,144,936	1,670,731	-	-	4,788,658	5,892,451	5,196,348	24,693,124
Due from related parties	1,871,894	833,790	-	-	-	-	597,365	3,303,049
Other debit balances	2,634,243	1,791,652	144,603	1,707,393	1,224,162	2,109,416	544,486	10,155,955
Assets classified as held for sale	-	-	-	6,925,586	-	-	-	6,925,586
Deferred tax assets	185,874	-	-	-	-	191,413	246,507	623,794
Intangible assets	3,452,657	-	-	7,697	4,406,746	13,441,532	-	21,308,632
Property and equipment – net	23,100,349	16,307,460	-	9,786,470	5,455,925	8,658,918	-	63,309,122
Right of use assets	28,524	-	-	801,894	2,150,575	1,287,169	636,162	4,904,324
	<u>43,151,782</u>	<u>21,112,675</u>	<u>154,367</u>	<u>25,072,423</u>	<u>24,961,550</u>	<u>46,618,804</u>	<u>8,818,020</u>	<u>169,889,621</u>
Liabilities:								
Borrowed funds	11,417,098	4,233,957	-	-	-	1,726,278	-	17,377,333
Notes payable	-	26,256	-	-	-	1,387,036	434,259	1,847,551
Accounts payable	2,150,577	849,375	220,891	1,290,805	1,236,485	3,247,145	1,611,608	10,606,886
Due to related parties	-	1,181,764	-	-	-	-	28,155	1,209,919
Deposits and accrued expenses	3,119,645	711,211	-	1,404,411	2,422,281	2,301,758	451,124	10,410,430
Lease liability	85,156	756,915	-	843,004	2,383,317	747,252	-	4,815,644
Income tax provision	143,871	281,741	-	28,350	167,231	-	-	621,193
Liabilities directly associated with assets classified as held for sale	-	-	-	449,279	-	-	-	449,279
Income tax provision	55,380	-	-	58,351	852,764	392,380	3,238,394	4,597,269
Provision for employees end- of-service indemnity	-	56,720,000	-	-	-	-	-	56,720,000
Deferred tax liabilities	-	-	-	-	395,323	4,396,099	-	4,791,422
	<u>16,971,727</u>	<u>64,761,219</u>	<u>220,891</u>	<u>4,074,200</u>	<u>7,457,401</u>	<u>14,197,948</u>	<u>5,763,540</u>	<u>113,446,926</u>
Net Position	<u>26,180,055</u>	<u>(43,648,544)</u>	<u>(66,524)</u>	<u>20,998,223</u>	<u>17,504,149</u>	<u>32,420,856</u>	<u>3,054,480</u>	<u>56,442,695</u>

Interest Rate Risk

The sensitivity analysis for the accounts exposed to interest rate risk according to currency is as follows:

Sensitivity Analysis for the year 2025		Sensitivity Analysis for the year 2024	
Effect of the Increase in Interest rate by 1% on the Statement of profit or loss	Effect of the Decrease in interest rate by 1% on the Statement of profit or loss	Effect of the Increase in Interest Rate by 1% on the Statement of profit or loss	Effect of the Decrease in Interest Rate by 1% on the Statement of profit or loss
JD (91,475)	JD 91,475	JD (59,803)	JD 59,803

Foreign Currency Risk

The sensitivity analysis for the year 2025 is as follows:

Currency	Effect of the Increase in the exchange Rate by 5% on the Statement of profit or loss	Effect of the Decrease in the exchange Rate by 5% on the Statement of profit or loss
	JD	JD
EURO – EUR	(29,400)	29,400
Turkish Lira - TL	1,886,435	(1,886,435)
Other currencies	70,317	(70,317)

The sensitivity analysis for the year 2024 is as follows:

Currency	Effect of the Increase in the exchange Rate by 5% on the Statement of profit or loss	Effect of the Decrease in the exchange Rate by 5% on the Statement of profit or loss
	JD	JD
EURO – EUR	(3,326)	3,326
Turkish Lira - TL	1,621,043	(1,621,043)
Other currencies	152,724	(152,724)

Regarding the risk of fluctuations in currency exchange rates which applies to payments in US Dollar, the Group 's management believes that the foreign currency risk is immaterial due to the fact that the Jordanian Dinar is pegged to the US. Dollar.

27. Fair Value Hierarchy

The fair value of financial assets and financial liabilities of the Group (non-specific fair value on an ongoing basis):

We believe that the carrying value of financial assets and financial liabilities in the consolidated financial statements of the Group approximates their fair value, as the Group's management believes that the carrying value is approximated their fair value, due to either their short-term maturity or repricing of interest rates during the year.

28. subsequent events

Subsequent to the date of the consolidated financial statements, the General Assembly of Trakia Meat and Dairy Products Manufacturing and Trading Company approved, in its extraordinary meeting held on 5 March 2026, a capital increase of TRY 120 million. All legal procedures for the capital increase were completed on 16 March 2026. An amount of TRY 50 million was paid from this increase, with the remaining balance to be covered later. It is noted that Turkish law permits the payment of capital within 24 months, provided that 25% of the increase is paid upon registration.