

JORDAN INDUSTRIAL RESOURCES COMPANY
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN

INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD FROM
JANUARY 1, 2025 TILL SEPTEMBER 30, 2025

Report on review of Interim Consolidated Condensed Financial Statements
To the Board of Directors
Jordan Industrial Resources Company
(Public Shareholding Limited Company)
Amman – Jordan

We have reviewed the accompanying Interim condensed financial statements which comprise the statement of Interim consolidated statement of financial position as of September 30, 2025, and the Interim consolidated statement of comprehensive income, Interim consolidated statement of changes in equity and Interim consolidated statement of cash flows for the three months period then ended, and explanatory notes. The Board of Directors are responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with International Financial Reporting Standards IAS 34 (Interim Financial Reporting). Our responsibility is to express a conclusion on this interim financial statement's information based on our review.

Scope of review

Except as described in the following paragraph, we conducted our review in accordance with International Standards on review engagements No.2410, "Review of interim financial information's performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries primarily of review with persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Opinion

We did not obtain audited financial statements from an external auditor for the subsidiary company, in Ukraine because of the presence of the company in a separate zone from Ukraine, where there is no possibility of external audit in the separate region because of the war, We were unable to perform alternative procedures to verify the fair value of the company's assets in Ukraine, which represent about 95% of the total of assets of the financial statements. The consolidated financial statements have been prepared based on the disclosures submitted to us by the Company's management in Amman, Jordan.

Affirmation Paragraph

- Without further reservation in our opinion, we would like to point out the following:

On January 30, 2025, it was revealed that the company's project in Ukraine was facing a number of obstacles due to the war, preventing the continuation of manufacturing and sales operations in Ukraine. Accordingly, the company's board of directors decided to suspend the company's operations in Ukraine until the obstacles threatening the continuity of the factory's operations are removed, and the company takes appropriate measures to preserve the company's assets and property.

Based on the Extraordinary General Assembly meeting held on 12/08/2025, it was approved to reduce the capital of its subsidiary, International Industrial Resources Company (Exempted) LLC, from JD 6,250,000 to JD 2,101,325.

Other matter

- Jordan Industrial Resources Company did not undertake any commercial activities and has not operated its factories in Jordan since the year 2006 until the date of this consolidated condensed statements of financial statements, Jordan Industrial Resources Company in Jordan undertakes the operations and management of the Ukrainian company.
- We have to draw your attention that the company's land No. (1070) basin (10 / Mawares Al-Dar) plate No. (27) with an area of (Dunum and 306 M2) and including building is a mortgage for the Integrated Financial Leasing Company PLC, and that to a loan amounting JD 214,056 (the original amount is JD 140,000 and the remaining amount with interest) to be paid according to monthly payments, which is (54) cheques, the value of each payment is JD 3,964, as the first payment is due on July 5, 2023, and the last payment is due on December 5, 2027.
- On february 17, 2025, it was disclosed that the company's management had leased some of the spaces in the company's project building in Ukraine under a monthly lease contract worth USD 13,500 to a Russian investment company.

Result of Qualified Opinion

Except of any adjustments on interim information's which could come to our attention and except for the situation shown above and upon our review nothing has come to our attention for any other matters which let us believe that Interim consolidated condensed Financial Statements has not been prepared in all material respects in accordance with standard IAS 34.

AMMAN-JORDAN
October 27, 2025

BROTHERS CPA JORDAN
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
AFFILIATED WITH INPACT INTERNATIONAL
AHMAD ARARAWI
LICENSE NO. (921)



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JORDAN INDUSTRIAL RESOURCES COMPANY
PUBLIC SHAREHOLDING LIMITED COMPANY
AMMAN - JORDAN
Interim Consolidated Statement of Financial Position

	September 30, <u>2025</u> <u>Unaudited</u> <u>JD</u>	December 31, <u>2024</u> <u>Audited</u> <u>JD</u>
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalent	22,499	9,945
Accounts receivable - Net and other debit balances	191,748	204,134
Inventory	-	26,199
Undue and unpaid interest and bank charges	37,028	49,371
Prepaid expenses	-	123
Refundable deposits	1,265	1,265
Total Current Assets	<u>252,540</u>	<u>291,037</u>
Non - Current Assets:		
Lands - at cost local and foreign	924,337	924,337
Property and equipment, net local and foreign	3,840,350	3,854,975
Total Non - Current Assets	<u>4,764,687</u>	<u>4,779,312</u>
TOTAL ASSETS	<u>5,017,227</u>	<u>5,070,349</u>
<u>SHAREHOLDERS' EQUITY & LIABILITIES</u>		
<u>SHAREHOLDERS' EQUITY</u>		
Authorized capital	2,492,834	2,492,834
Paid-up capital	1,798,498	1,798,498
Statutory reserve	873,196	873,196
Accumulated (losses) - Exhibit (C)	(325,982)	(246,415)
Foreign Currency exchange differences	363,357	406,992
Net Shareholders' Equity	<u>2,709,069</u>	<u>2,832,271</u>
Non - Current Liabilities:		
Long - term loan	976,074	976,074
The comprehensive leasing company loan	107,027	142,704
Chairman board of Directors Payable	861,615	798,313
Total non - current liabilities	<u>1,944,716</u>	<u>1,917,091</u>
Current Liabilities:		
Accounts payable and other credit balances	362,042	319,162
Accrued expenses	1,400	1,825
Total current liabilities	<u>363,442</u>	<u>320,987</u>
NET SHAREHOLDERS' EQUITY & LIABILITIES	<u>5,017,227</u>	<u>5,070,349</u>

The accompanying notes from (1) to (7) are an integral part of these financial statements

JORDAN INDUSTRIAL RESOURCES COMPANY
PUBLIC SHAREHOLDING LIMITED COMPANY
AMMAN - JORDAN
Interim Consolidated Statement of Comprehensive Income
For The Period Ended September 30, 2025 & 2024

	<u>2025</u>	<u>2024</u>
	<u>Unaudited</u>	
	<u>JD</u>	<u>JD</u>
Sales	-	238,251
<u>Less: Cost of Sales :</u>		
Finished goods beginning of period after evaluation	2,882	47,072
Cost of production	44,380	218,943
Finished goods end of period	-	(17,862)
Cost of Sales	<u>47,262</u>	<u>248,153</u>
(loss) from operations	(47,262)	(9,902)
<u>Less/Add :</u>		
Selling and distributing expenses	(34)	(17,778)
General, administrative and financial expenses	(33,159)	(161,218)
Foreign Currency exchange differences	(9,910)	(3,948)
Ukraine income tax	(205)	(4,623)
Other revenue	11,003	2,670
(Losses) for the period Exhibit (C)	<u><u>(79,567)</u></u>	<u><u>(194,799)</u></u>

The accompanying notes from (1) to (7) are an integral part of these financial statements

JORDAN INDUSTRIAL RESOURCES COMPANY
PUBLIC SHAREHOLDING LIMITED COMPANY

AMMAN - JORDAN

Interim Consolidated Statement of Changes in Shareholders' Equity
For The Period Ended September 30, 2025 & 2024

	<u>Paid - up</u>	<u>Statutory</u>	<u>Accumulated</u>	<u>Foreign</u>	<u>Total</u>	<u>Minority</u>	<u>Total</u>
	<u>Capital</u>	<u>Reserve</u>	<u>(losses)</u>	<u>Currency</u>	<u>exchange</u>	<u>interest</u>	<u>interest</u>
	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>
For The Period Ended September 30, 2025							
Balance - Beginning of year	1,798,498	873,196	(246,415)	406,992	2,832,271	-	2,832,271
Net (Losses) for the period Exhibit (B)	-	-	(79,567)	-	(79,567)	-	(79,567)
Foreign Currency exchange differences	-	-	-	(43,635)	(43,635)	-	(43,635)
Balance - End for the period	<u>1,798,498</u>	<u>873,196</u>	<u>(325,982)</u>	<u>363,357</u>	<u>2,709,069</u>	<u>-</u>	<u>2,709,069</u>
For The Period Ended September 30, 2024							
Balance - Beginning of year	6,285,649	873,196	(4,487,151)	408,423	3,080,117	2,750	3,082,867
Net (Losses) for the period Exhibit (B)	-	-	(194,799)	-	(194,799)	-	(194,799)
Amortization of accumulated losses	(4,487,151)	-	4,487,151	-	-	-	-
Foreign Currency exchange differences	-	-	-	4,761	4,761	-	4,761
Withdrawal minority interest	-	-	-	-	-	(2,750)	(2,750)
Balance - End for the period	<u>1,798,498</u>	<u>873,196</u>	<u>(194,799)</u>	<u>413,184</u>	<u>2,890,079</u>	<u>-</u>	<u>2,890,079</u>

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JORDAN INDUSTRIAL RESOURCES COMPANY
PUBLIC SHAREHOLDING LIMITED COMPANY

AMMAN - JORDAN

Interim Consolidated Statement of Cash flows
For The Period Ended September 30, 2025 & 2024

	<u>2025</u>	<u>2024</u>
	<u>Unaudited</u>	
	<u>JD</u>	<u>JD</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
(Losses) for the period-Exhibit (B)	(79,567)	(194,799)
Adjustments :		
Depreciation and amortization	14,625	12,076
Cash flows (used in) operations before changes		
in working capital	<u>(64,942)</u>	<u>(182,723)</u>
Decrease (Increase) in accounts receivable and other debit balances	12,386	(66,526)
Decrease in inventory	26,199	39,296
Decrease in undue and unpaid interest and bank charges	12,343	16,459
Decrease in prepaid expenses	123	2,243
Increase in accounts payable and other credit balances	42,880	48,399
(Decrease) in accrued expenses	<u>(425)</u>	<u>(2,515)</u>
Cash flows from (used in) operating activities	<u>28,564</u>	<u>(145,367)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank Payable	-	(165)
Foreign Currency exchange differences	(43,635)	4,761
Paid for Loan	(35,677)	(55,626)
Chairman board of Directors Payable	63,302	88,295
Minority interest	<u>-</u>	<u>(2,750)</u>
Net cash flows (used in) from financing activities	<u>(16,010)</u>	<u>34,515</u>
Net Increase (Decrease) in cash flow	12,554	(110,852)
Cash and cash equivalent - beginning of year - Exhibit (A)	<u>9,945</u>	<u>121,206</u>
Cash and cash equivalent -end of period - Exhibit (A)	<u><u>22,499</u></u>	<u><u>10,354</u></u>

The accompanying notes from (1) to (7) are an integral part of these financial statements

JORDAN INDUSTRIAL RESOURCES COMPANY
(PUBLIC SHAREHOLDING LIMITED COMPANY)

AMMAN – JORDAN

Notes on the Interim Consolidated Condensed Financial Statements

1- GENERAL

- A- The Company was established and registered as a public shareholding limited company in Jordan under no. (211) on October 22, 1991 with its head office in Amman-Jordan. Branches or agencies of the company can be established in Jordan and abroad. In accordance with the controller of the companies' approval, the company commenced its operations as of March 1, 1992.
- General Assembly in its extraordinary meeting held on March 19, 2009 and decided the following adjustments:
- 1) Restructuring the company's capital amounted to JD (13,250,000), amortize the accumulated losses amounting to JD (7,368,894) of capital by an amount JD (6,625,000) and the premium by JD (743,894), according to Article (114 / d) of the Companies law and the adjustment of article No. (4) Of the articles of association and the Memorandum of Association to read as follows: the capital of the company JD (6,625,000) divided into (6,625,000) six million six hundred and twenty five thousand shares par value and each share has one vote in the General Assembly.
 - 2) General Assembly decided to increase the capital of the company from JD (6,625,000) to JD (16,625,000), all procedures were completed legally.
 - 3) General Assembly decided on the meeting held on 15/4/2021 to reduce the company's capital from 16,625,000 shares/JD to 6,285,649 shares/JD by amortizing the company's accumulated losses as in the financial statements ended on December 31, 2021 the amount of 10,357,957 JD and amortization of the share premium reserve amounting to 18,606 shares / JD.
 - 4) General Assembly decided on the meeting held on 30/6/2024 to reduce the company's capital from 6,285,649 shares/JD to 1,798,498 shares/JD by amortizing the company's accumulated losses as in the financial statements ended on December 31, 2023 the amount of 4,487,151 JD, the procedures were completed at the companies control department on 15 September ,2024.
- B- International Industrial Resources - exempt was established and registered with the Ministry of Industry and trade under number (10) on 9 August 1997 with a capital of JD (30,000), the general assembly decided in its extraordinary meeting held on 25 August, 1999 to increase the capital to JD (1,250,000) and decided in its meeting held on 17 January, 2002 to increase the capital by JD (3,000,000) to JD (4,250,000), the general assembly decided in its extraordinary meeting held on 11 January, 2003 to increase capital to JD (6,250,000) .
- C- Ukrainian company resources were established on May 6, 1999 in Donetsk – Ukraine under no.593 with a capital of USD 2,504,573 equivalent to JD 1,778,247, the capital was increased during 2008 to USD 4,356,323 equivalent to JD 3,092,990 there was increase in capital during the year 2011 to become USD 7,634,808 equivalent to JD 5,420,714 and there was another increased in capital through the year 2014 to become 10,657,436 USD equivalent to JD 7,566,708, it was increased in capital during the year 2015 to be USD 11,781,896, equivalent to JD 8,365,146, The capital was reduced during the year 2021 to USD 8,999,158, equivalent to JD 6,389,402, The capital was reduced during the year 2024 to USD 3,943,470, equivalent to JD 2,799,864.
- The company registered its project in Russia following the accession of the Donetsk Republic to the Russian Federation.

The accompanying notes from (1) to (7) are an integral part of these financial statements

- D- The Company had (12) and (63) employees as of September 30, 2025 and 2024.
- E- The board of directors approved the financial statements for issuance in their meeting held on October 27, 2025 and the F/S requires the approval of the general assembly of shareholders.

2 - The objectives of the Company:

- A) Manufacturing and production of vegetable oils and their derivatives for human consumption, industrial purposes and marketing.
- B) Import and export of raw materials for these industries and related accessories
Furthermore the company has the right to undertake all types of investments, borrow, lend, mortgage, and join or cooperate with any establishment within Jordan or outside, in order to achieve its objectives.
- C) General Assembly in its extraordinary meeting held on July 31, 2008 decided to adjust the Memorandum of association and articles of association and add other related objectives:
- 1- The company guarantee debts and obligations of corporations owned by the company, subsidiaries and its related party including mortgage of company funds movable and immovable to ensure that such debts and obligations of banks and financial institutions inside and outside the Kingdom.
 - 2- Purchase, sell and invest properties and land within the organization and outside the organization of all types and uses according to the laws and regulations.
 - 3- Purchase and sale of land after development, regulation, improving, dividing, sorting and delivery of all services to them by the laws and regulations and exploit its resources and preparing it for all kinds of investment including agricultural and manufacturing management on condition not to undertake brokerage business.
 - 4- Establishment of real estate projects of all types and purposes of residential, tourist, commercial, industrial and investment according to the laws and regulations.
 - 5- Purchase of land and the establishment of buildings and apartments are sold without interest.
 - 6- Building trade and apartments.
 - 7- Maintenance and rehabilitation of existing buildings, updating and development, commensurate with the regulations and requirements of modern buildings and perform all related services according to the laws and regulations in force.
 - 8- Import of all materials, machinery, equipment, machinery, raw materials and all building materials needed to implement the objectives of the company according to the laws and regulations.
 - 9- To undertake the work and management / supervision / implementation for the work and the projects mentioned above.
 - 10- To act the work of management, operation and development of investment activities in various fields, establishing and participating.
 - 11- To undertake the work of buying, selling, leasing, investment, distribution and supply of all products, materials, tools, supplies, devices and services.

The accompanying notes from (1) to (7) are an integral part of these financial statements

- 12- The sale and purchase and possess of securities, stocks, bonds, shares in public companies or private company, and in the establishment and management of companies of different types and objectives alone or jointly with others.
- 13- To participate or contribute in any company, project or other works have an interest in, or with.
- 14- To sell or behave in any of its assets and shares and stocks and bonds in companies owned.
- 15- Engage in bidding and tenders of government and private regarding the realization of the company.
- 16- Be bought, buys and leases and rents and mortgage imports of any property, movable or immovable, or any rights or privileges see the company necessary or appropriate to its goals, including the land, buildings, machinery, transportation, and goods and create, evaluate and act and conduct the necessary changes in the buildings and works where necessary or appropriate for the purposes of the company without end be trafficking land immovable or just achieved.
- 17- Borrow the funds necessary for the realization of the company to achieve its earnings and its projects as it deems appropriate and that of any party and that are proven money movable and immovable guarantee of debts and obligations.
- 18- The company conducts all actions that are necessary and will help to achieve the goals of the company in accordance with the provisions of the law and regulations in force.
- 19- To do all the things mentioned in the above objectives or any of them, either by itself or through agents or trustees about, or otherwise, and whether alone or in combination with other.
- 20- The company credited the achievement of its goals tightly applicable laws and regulations in force.
- 21- Manufacturing soap, detergents, perfumes and any other chemicals for industrial purposes.

3 - Basis of consolidation

The consolidated financial statements include the assets, liabilities, revenues and expenses of both the holding and subsidiary companies.

Inter – company transactions are eliminated.

<u>Company name</u>	<u>Country of incorporation</u>	<u>Percentage of ownership direct & indirect</u>
International Industrial Resources - exempt	Jordan	100
Ukraine Industrial Resources	Ukraine	100

4- Significant Accounting Policies

a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the related interpretations issued by IASB .

The accompanying notes from (1) to (7) are an integral part of these financial statements

The preparation of financial statements was done in conformity with International Financial Reporting Standards which requires the use of significant accounting estimates and requires management to express an opinion on the process of applying joint accounting policies. Areas of high opinion, complexity or areas where assumptions and estimates are considered to be material to the financial statements.

The financial statements in accordance with the historical cost principle, except for financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and financial derivatives which are stated at fair value as of the date the financial statements.

The financial statements have been prepared in accordance with the going concern.

The figures shown in the financial statements have been rounded to the nearest whole Jordanian Dinar.

The financial statements have been presented in Jordanian Dinars"JD" which is the functional currency of the Company.

b) Changes in Accounting policies

The accounting policies adopted in the preparation of the financial statements are consistent with those used in the preparation of the financial statements for the year ended 31 December 2024, However, the company has adopted the following amendments and interpretations that apply for the first time in 2025 and have not materially affected the financial statements for the year and prior years, which may have an impact on the accounting treatment of future transactions and arrangements.

New and Amended Standards and Interpretations Issued but Not Yet Effective

The following new standards and amendments have been issued by the International Accounting Standards Board (IASB) but are not yet effective as of the reporting date. The Group is currently evaluating the potential impact of these changes on its consolidated financial statements:

Amendments to the Classification and Measurement of Financial Instruments

(Amendments to IFRS 9 and IFRS 7)

On May 30, 2024, the IASB issued amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*, in response to a series of application questions arising in practice. The amendments include new requirements applicable to both financial institutions and non-financial entities.

These amendments are effective for annual periods beginning on or after **January 1, 2026**.

IFRS 18 – Presentation and Disclosure in Financial Statements

Issued on April 9, 2024, IFRS 18 *Presentation and Disclosure in Financial Statements* replaces IAS 1 in respect of the presentation and disclosure requirements for financial statements. These new standard addresses investor concerns regarding transparency and comparability in reporting financial performance. Key features include:

- Clearer definitions of subtotals, especially "operating profit or loss"
- Enhanced disclosures of management-defined performance measures

The standard aims to improve comparability between entities with similar operations. IFRS 18 is effective for annual periods beginning on or after **January 1, 2027**, with **early application permitted**.

The accompanying notes from (1) to (7) are an integral part of these financial statements

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

IFRS 19 provides reduced disclosure requirements for eligible subsidiaries, while maintaining recognition and measurement requirements in line with other IFRS Standards. The standard is **optional** and can be applied by a subsidiary if:

- It does not have public accountability; and
- Its ultimate or intermediate parent produces IFRS-compliant consolidated financial statements available for public use.

The aim is to balance the information needs of users with cost relief for preparers. IFRS 19 is effective for annual periods beginning on or after **January 1, 2027**.

Lack of Exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* to provide guidance on:

- Assessing whether a currency is exchangeable
- Determining the spot exchange rate when exchangeability is lacking

The amendments also introduce new disclosure requirements to help users understand the financial impact of non-convertible currencies on the entity's financial position, performance, and cash flows.

These amendments had no material impact on the consolidated interim financial statements.

c) Use of estimate

The preparation of the financial statements requires management to make estimate and assumptions that effect the reported amount of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also effect the revenues, expenses and the provisions. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future change in such provisions.

Management believes that these estimates are reasonable and re as follows:

- Management reviews periodically the tangible asset in order to assess the depreciations for the year based on the useful life and future economic benefits. Any impairment is taken to the statement of profit or loss.
- The measurement of impairment losses under IFRS (9) requires judgment, in particular, the estimations of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by number of factors, changes in which can result in different levels of allowances. Elements of the expected credit loss model that are considered accounting judgment and estimates include probability of default (PD), loss given default (LGD) and exposure at default (EAD).

d) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks balances with an original maturity of three months or less.

e) Accounts receivable

Accounts receivable are carried at original invoice amount less an estimate made for expected credit loss.

The Group uses the simplified method in calculating the expected credit loss in accordance with International Financial Reporting Standards (IFRSs) No. (9).

The accompanying notes from (1) to (7) are an integral part of these financial statements

f) **Inventory**

Raw materials , packing materials , finished goods , goods under process and semi finished goods are stated at cost using the first – in first –out or net realizable value, net of a provision for slowmoving items or net realizable value, whichever is lower.

Moreover, working on procces inventory are stated at cost.

g) **Payables and Accrued Expenses**

Laibilities are recognized based on the amount to be paid in the future fir goods received or services rendered, whether they were billed by the supplier or not.

Trade receivables and other accounts payable are recognized at fair value.

h) **Revenue recognition and realization expenses**

Revenue recognized in accordance with the five – step model of IFRS (15) which includes identifying the contract with the customer, identifying all the individual performance obligations within the contract, determining the transaction price, allocating the price to the performance obligations, and recognize revenue as the performance obligations are fulfilled.

Where revenue is recognized for the sale of goods when he sale transaction is completed and the invoice is issued to customers, which usually takes place at a certain point of time.

Expenses are recognized on an accrual basis.

i) **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 100%.

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 asa change in accounting estimates.

j) **Offsetting**

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

k) **Provisions**

Provisions are recognized when the company has a personal legal or constructive obligation as result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

l) **Investment in subsidiary and associates companies**

Investments appear in the shares of the associate and sister companies which increase the proportion of its capital contribution the company's capital over 20% share of the company's net equity of these companies.

The accompanying notes from (1) to (7) are an integral part of these financial statements

m) **Foreign currencies**

Foreign currency transactions during the year are translated into Jordanian Dinar using exchange rates that were in effect at the dates of transactions. Gains or losses from foreign currency transactions are included in the statement of income.

n) **Income tax**

The company deducts a provision for income tax in accordance with laws, regulations, and instructions in effect, and a provision for the tax is taken on the basis of estimates of the expected tax obligations, and any income tax differences incurred on the company for previous years are taken into the income statement when they are paid and a percentage of 24% of the company's net profit is deducted to income tax provision and 4% of the company's net profit is deducted to national contribution account.

The income tax has been settled until the end of the year 2023.

The annual statement was submitted of the year 2024 and the Income and Sales Tax Department did not review the records to date.

o) **Fair value for the financial instruments**

Financial Instruments comprise of financial assets and financial liabilities.

Financial assets consist of cash and bank balances and cheque under collection, trade receivable, due from related parties and some other current assets.

Financial liabilities consist of trade payables, due to related parties, lease obligations and some other current liabilities.

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

p) **Financial Assets**

Impairment of Assets

At the end of the financial year the Company reviews the carrying value of financial assets, except for those financial assets through the statement of comprehensive income whether there is objective evidence of impairment in the financial assets, and have a financial asset low in case there is objective evidence to suggest an event resulting in a loss after recognition The initial financial asset, and it is recognized lows when you become a book value in excess of the amount expected to be recovered from a financial asset, in accordance with the requirements of international financial reporting standards.

Financial assets are stated at cost amortized

Represents the impairment loss reduced the present value of future cash flows expected to be collected discounted at Murabaha original when recognition at the beginning of financial assets (recoverable value) for the financial value of the asset on the books, and this represents the difference impairment loss is recognized in the statement of comprehensive income and in the case of low value decline the decline recorded in the statement of comprehensive income.

Loans

All loans and borrowings are initially recognized fair value. After initial recognition, they are subsequently measured at amortized cost using the effective interest method.

Non-controlling interest

Minority rights represent non-owned by the Company of ownership rights in subsidiaries companies.

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5- Financial risk management

a) **Risk interest rate**

IAS no. (9) requires disclosure about the interest rates risks which most financial instruments in the financial position is not subject to the risk of interest rates with the exception of creditor banks and long-term loans, the interest rates amount as of June 30, 2024 as follows:

<u>Loans</u>	<u>Interest rate</u>
FUIB bank loan amount 33,765,292 UAH	0%

b) **Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge its obligation towards the Company.

The Company believes it is not exposed to significant credit risk as it deposits its cash in reputable financial institutions.

c) **Currency risk**

Currency risk is the risk that the value of financial instruments will fluctuate due to fluctuations in foreign exchange rate, as most of the company's transactions are in the Jordanian dinar and the US dollar, and since the dinar exchange rate is pegged to a fixed rate with the US dollar, balances in the US dollar do not represent risks, general to foreign exchange fluctuations and loss sensitivity.

Liquidity risk

- Liquidity risk is the risk arising from the company's inability to meet its financial obligation when they become due. The company's liquidity management lies in ensuring as much as possible, that the company always maintains sufficient liquidity to meet its obligations when they become payable in normal and emergency conditions without incurring unacceptable losses or risks that may arise. Affect the company's reputation and there is on the company because the company's maintains credit facilities.
- ### d)

6- Statutory Reserve

This balance represent what have been transfeered from the annual profits beford taxes at of (10%) and it's not permissible to suspend it before the amount of the company's authorized capital is reached, and it is not available for distribution to the shareholders.

7- These interim condensed consolidated financial statements

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the annual report for the year ended 31 December 2024 Furthermore, the results of opeation for the nine months ended 30 September 2025 do not necessarily reflect the expected results for the year ended 31 December 2025.

The accompanying notes from (1) to (7) are an integral part of these financial statements