

Shareco Brokerage Company
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Financial Statements And
Independent Auditor's Report
For The Year Ended December 31, 2024

Shareco Brokerage Company
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

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Independent Auditor's Report

To Shareholders
Shareco Brokerage Company
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Shareco Brokerage Company (Public Shareholding Company), which comprise the statement of financial position as at December 31, 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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Independent Auditor's Report for the year ended December 31, 2024

Investments property impairment

According to requirements of International Financial Reporting Standards, the investment property is measured initially at cost including transactions cost. The carrying value of investment property in the financial statements are reviewed for impairment when events or changes in the circumstances indicate that the carrying value may not be recoverable. If any such indication of impairment exists, impairment losses are calculated in accordance with impairment of assets policy

Scope of audit

Audit procedures that we have made among other things, getting evaluation from authorized properties experts to help us in determining the market value for these investment properties as of the date of the financial statement.

Other matter

On December 10, 2013 the board of Security Commissioner has approved for the company to resume its operation within cash dealing only.

Other Information

Management is responsible for the other information. The other information comprises the [information included in the annual report, but does not include the financial statements and our auditors' report thereon.]

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



Independent Auditor's Report for the year ended December 31, 2024

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

The Company has proper accounting records which are, in all material respects, consistent with the financial statements, accordingly, we recommend to approve these financial statements by the general assembly after considering.



Talal Abu-Ghazaleh & Co. International

Mohammad Al-Azraq
(License # 1000)

Amman - on February 25, 2025

Shareco Brokerage Company
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Statement of financial position as at December 31, 2024

	Note	2024	2023
		JD	JD
ASSETS			
Current Assets			
Cash and cash equivalents	3	559,535	312,831
Deposits with banks	4	1,850,000	700,000
Brokerage customers receivables	5	111,700	446,126
Other debit balances	6	553,409	796,000
Total Current Assets		3,074,644	2,254,957
Non-current Assets			
Intangible assets	7	202,486	203,107
Investment property	8	2,975,617	2,995,990
Property and equipment	9	125,960	129,129
Total current asset		3,304,063	3,328,226
Total Assets		6,378,707	5,583,183
LIABILITIES AND EQUITY			
Current Liabilities			
Brokerage customers payable		226,838	208,241
Other credit balances	10	91,480	90,060
Total Current Liabilities		318,318	298,301
Equity			
Capital	1	9,000,000	9,000,000
Statutory reserve	11	671,203	593,653
Voluntary reserve	12	220,393	220,393
Accumulated losses		(3,831,207)	(4,529,164)
Net equity		6,060,389	5,284,882
Total Liabilities and Equity		6,378,707	5,583,183

The attached notes form part of these financial statements

Shareco Brokerage Company
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Statement of comprehensive income for the year ended December 31, 2024

	Notes	2024	2023
		JD	JD
Net of brokerage commissions		55,204	48,953
Investment property rent, net	13	40,398	107,818
Other revenue	14	1,147,858	157,792
Total revenues		1,243,460	314,563
Marketing expenses		(1,035)	(2,332)
Administrative expenses	15	(206,792)	(198,003)
Legal cases expenses and lawyer fees		(260,126)	(152,304)
Total Expenses		(467,953)	(352,639)
Profit (loss)		775,507	(38,076)
Profit (Loss) per share	17	0.086	(0.004)

The attached notes form part of these financial statements

Shareco Brokerage Company
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Statement of changes in equity for the year ended December 31, 2024

	Capital	Statutory reserve	Voluntary reserve	Accumulated losses	Net
	JD	JD	JD	JD	JD
Balance as at January 1, 2023	9,000,000	593,653	220,393	(4,491,088)	5,322,958
Loss	-	-	-	(38,076)	(38,076)
Balance as at December 31, 2023	9,000,000	593,653	220,393	(4,529,164)	5,284,882
Profit	-	-	-	775,507	775,507
Statutory reserve	-	77,550	-	(77,550)	-
Balance as at December 31, 2024	9,000,000	671,203	220,393	(3,831,207)	6,060,389

The attached notes form part of these financial statements

Shareco Brokerage Company
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Statement of cash flows for the year ended December 31, 2024

	2024	2023
	JD	JD
Cash flows from operating activities		
Profit (Loss)	775,507	(38,076)
Adjustments for :		
Depreciation and amortization	26,423	25,553
Gain from sale of investment property	-	(117,594)
Recovery of provision	(600,000.00)	-
Investment property rent, net	(40,398)	(107,818)
Changes in operating assets and liabilities:		
Deposits with banks	(1,150,000)	(700,000)
Brokerage customers receivables	934,426	452,523
Other debt balances	242,591	(194,286)
Brokerage customers payables	18,597	(53,453)
Other credit balances	1,420	(64,116)
Net cash from operating activities	208,566	(797,267)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment property rent proceeds	40,398	107,818
Additions of property and equipment	(2,260)	(853)
Additions of intangible assets	-	(3,106)
Proceeds from the sale of investment properties	-	348,194
Net cash from investing activities	38,138	452,053
Net change in cash and cash equivalents	246,704	(345,214)
Cash and cash equivalents- beginning of year	312,831	658,045
Cash and cash equivalents- end of year	559,535	312,831

The attached notes form part of these financial statements

Notes to the financial statements

1. Legal status and activities

- Shareco brokerage Company was established on January 19, 2006 and registered as a public shareholding company in the companies control department at the Ministry of Industry and Trade under the number (382).
- The main activities of the Company are:
 - Commission broker
 - Purchase and sale of shares, bonds and securities.
- The financial statements have been approved by board of directors in their meeting held on February 19, 2025 and it requires the approval of the General Assembly.

2. Basis for preparation of financial statements and material accounting policies

2-1 Basis for financial statement preparation

- Financial statements preparation framework

The financial statements have been prepared in accordance with International Financial Reporting Standards issued by International Accounting Standard Board.

- Measurement bases used in preparing the financial statements

The financial statements have been prepared on the historical cost basis except for measurement of certain items at bases other than historical cost.

- Functional and presentation currency

The financial statements have been presented in Jordanian Dinar (JD) which is the functional currency of the entity.

2-2 Using of estimates

- When preparing of financial statements, management uses judgments, assessments and assumptions that affect applying the accounting policies and currying amounts of assets, liabilities, revenue and expenses. Actual result may differ from these estimates.
- Change in estimates are reviewed on a constant basis and shall be recognized in the period of the change, and future periods if the change affects them.
- For example, estimates may be required for expected credit losses, useful lives of depreciable assets, provisions and any legal cases against the entity.

2-3 Standards and Interpretations issued that became effective

Standard number or interpretation	Description	Effective date
IFRS (16) Leases	The amendment clarifies how a seller – lessee subsequently measures sale and lease back transaction.	January 1, 2024
Amendments to IAS (1)	The amendments to Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date.	January 1, 2024 (Deferred from January 1, 2022).
Amendments to IAS 7 and IFRS7 regarding supplier finance arrangements	Amendments require entities to provide qualitative and quantitative information about supplier finance arrangements.	January 1, 2024

Standards and Interpretations issued but not yet effective

Standard number or interpretation	Description	Effective date
Amendments to IAS (21)	Inability to exchange a foreign currency in the normal situation.	January 1, 2025
Amendments to IAS (7) and (9)	Amendments related to the classification and measurement of financial instruments.	January 1, 2026.
IFRS (18) was issued	Presentation and disclosure of the financial statements, which will replace IAS (1)	January 1, 2027.
IFRS (19) was issued	Disclosure of subsidiaries that have no public accountability.	January 1, 2027.

2-4 Summary of material accounting policies

– Financial instruments

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

– Financial assets

- A financial asset is any asset that is:
 - (a) Cash;
 - (b) An equity instrument of another entity;
 - (c) A contractual right to receive cash or another financial asset from another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the entity.
 - (d) A contract that will or may be settled in the entity's own equity instruments.
- Financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset, but for financial assets at fair value through profit or loss, transaction costs are recognized in profit or loss.
- Financial assets are classified to three categories as follows:
 - Amortized cost.
 - Fair value through other comprehensive income.
 - Fair value through profit or loss.
- A financial asset is measured at amortized cost if both of the following conditions are met:
 - (a) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
 - (b) 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.
- Financial assets are measured at fair value through other comprehensive income if both of the following conditions are met:
 - The financial assets 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 assets give rise on specified dates to cash flows that are solely payments of principal and interests on that principal amount outstanding.
- All other financial assets (excluding financial assets at amortized cost or at fair value through other comprehensive income) are subsequently measured at fair value in profit or losses.
- On initial recognition of an equity investment that is not held for trading, the entity may irrevocably elect to present subsequent changes in the investments fair value in other comprehensive income.

Subsequent measurement of financial assets

Subsequently financial assets are measured as follows:

Financial assets	Subsequent measurement
Financial assets at fair value through profit or loss	Are subsequently measured at fair value net gains or losses, including interests revenues or dividends, are recognized in profit or loss
Financial asserts at amortized cost	Are subsequently measured at amortized cost using effective interests method. <ul style="list-style-type: none"> – Amortized cost is reduced by impairment losses. – Interests income, gain and loss of foreign exchange and impairment loss are recognized in profit or loss. – Gain and loss from disposal are recognized in profit or loss.
Debts instruments at their value through other comprehensive income	Are subsequently measured at fair value <ul style="list-style-type: none"> – Interests income is calculated using effective interests method, gains and losses from foreign exchange, impairment losses are recognized in profit or loss. – Other net gains or losses are recognized in other comprehensive income. – On derecognition accumulated gains and losses in other comprehensive income are reclassified into profit or loss.
Equity instruments at fair value through other comprehensive income	Are subsequently measured at fair value <ul style="list-style-type: none"> – Dividends are recognized as income in profit or loss, unless the dividends clearly represent a recovery of part of investment cost. – Other net gains and losses are recognized in other comprehensive income (OCI) and are never reclassified from equity to profit or loss.

Derecognition of financial assets

Derecognition of financial assets (or a part of a group of similar financial assets) when:

- The contractual rights to the cash flow from the financial assets expire, or
- It transfers the contractual rights to receive the cash flows of the financial assets or assume a contractual obligation to pay the cash flows entirely to a third party.

Financial liabilities

- A financial liability is any liability that is:
 - (a) A contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; or
 - (b) A contract that will or may be settled in the entity's own equity instruments.
- Financial liabilities are initially recognized at fair value less transaction costs, directly attributable to the acquisition or issue of those liabilities, except for the financial liabilities classified as at fair value through profit or loss, which are initially measured at fair value. After initial recognition, the entity measures all financial liabilities at amortized cost using the effective interest method, except for financial liabilities at fair value through profit or loss which are measured at fair value and other determined financial liabilities which are not measured under amortized cost method.
- Financial liabilities at fair value through profit or loss are stated at fair value, with any resulting gain or loss from change in fair value is recognized through profit or loss.

Trade payables and accruals

Trade payables and accruals are liabilities to pay for goods or services that have been received or supplied and have been either invoiced or formally agreed with the suppliers or not.

Offsetting financial instruments

A financial asset and a financial liability are offset and the net amount presented in the statement of financial position when, and only when, an entity currently has a legally enforceable right to set off amounts and intends either to settle in a net basis, or through realize the asset and settle the liability simultaneously.

– Cash and cash equivalents

Cash comprises cash on hand, current accounts and short term deposits at banks with a maturity date of three months or less, which are subject to an insignificant risk of changes in value.

– Trade receivables

- Trade receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.
- Trade receivables are stated at invoices (claims) amount net of allowance expected credit losses which represents the collective impairment of receivables.

– Impairment of financial assets

- At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVTOCI are credit - impaired. A financial assets is "credit impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.
- The entity recognizes loss allowance for expected credit loss (ECL) on:
 - Financial assets measured at amortized cost.
 - Debt investments measured at FVOCI.
 - Contract assets.
- The entity measures loss allowances at an amount equal to lifetime ECLs.
- Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.
- When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Entity considers reasonable and supportable information that is relevant and available without undue cost or effort based in the entity's historical experience and forward looking information.
- The entity considers a financial asset to be in default when:
 - The client is unlikely to pay its credit obligations to the entity in full, without recourse by the entity to actions such as realizing security (if any); or
 - The financial asset is more than 360 days past due.
- Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.
- A financial assets is written off when there is no reasonable expectation of recovering the contractual cash flows. The entity write off the gross carrying amount of the financial asset is in case of, liquidation, bankruptcy or issuance of a court ruling to reject the claim for financial asset.

– **Property and equipment**

- Property and equipment are initially recognized at their cost being their purchase price plus any other costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by management.
- After initial recognition, the property and equipment are carried, in the statement of financial position, at their cost less any accumulated depreciation and any accumulated impairment. Land is not depreciated.
- The depreciation charge for each period is recognized as expense. Depreciation is calculated on a straight line basis, which reflects the pattern in which the asset's future economic benefits are expected to be consumed over the estimated useful life of the assets using the following rates:

Category	Depreciation rate
	%
Building	2
Furniture and decorations	10-15
Electrical and office equipment	10-15
Vehicles	15
Computers	15

- The estimated useful lives are reviewed at each year-end, with the effect of any changes in estimate accounted for on a prospective basis.
- The carrying values of property and equipment are reviewed for impairment when events or changes in the circumstances indicate the carrying value may not be recoverable. If any such indication of impairment exists, impairments losses are calculated in accordance with impairment of assets policy.
- On the subsequent derecognition (sale or retirement) of the property and equipment, the resulting gain or loss, being the difference between the net disposal proceed, if any, and the carrying amount, is included in profit or loss.
- Amount paid to build up property and equipment are initially carried to projects under construction account. When the project becomes ready for use, it will be transferred to property and equipment caption.

Investment property

- Investment property is property (land or building- or part of a building- or both):
 - Held by the entity to earn rentals,
 - For capital appreciation, or both, rather than for use in production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business.
- Investment property is measured initially at its cost, including transaction costs.
- After initial recognition, investment property is carried, in the statement of financial position, at its cost less any accumulated depreciation and any accumulated impairment. Land is not depreciated.
- Buildings depreciation charge for each period is recognized in the statement of comprehensive income. Depreciation is calculated on a straight line basis, which reflects the pattern in which the buildings' future economic benefits are expected to be consumed by the entity over their estimated useful life of 50 years.
- The estimated useful lives are reviewed at each year-end, with the effect of any changes in estimate accounted for on a prospective basis.
- The carrying values of investments property are reviewed for impairment when events or changes in the circumstances indicate the carrying value may not be recoverable. If any such indication of impairment exists, impairments losses are calculated in accordance with impairment of assets policy.
- On the subsequent derecognition (sale or retirement) of the investment property, the resulting gain or loss, being the difference between the net disposal proceed, if any, and the carrying amount, is included in profit or loss.

Intangible assets

- Intangible assets are identifiable non-monetary assets without physical substance.
- Intangible assets acquired separately are reported at cost less accumulated amortization and accumulated impairment losses.
- Acquisition costs comprise the purchase price and other costs directly attributable to preparing the assets for their intended use. Intangible asset acquired through business combination is recognized at its cost, being its fair value at the acquisition date, separately from goodwill.
- Amortization charge is recognized as loss, on a straight-line basis over the following useful lives of intangible assets:

<u>Category</u>	<u>Useful Life (in years)</u>
License	-
Software	25

- The estimated useful lives are reviewed at each financial year-end, with the effect of any changes in estimate being accounted for on a prospective basis.
- The carrying values of intangible assets are reviewed for impairment when events or changes in the circumstances indicate the carrying value may not be recoverable. If any such indication of impairment exists, impairment loss is calculated in accordance with impairment of assets policy.

Impairment of non-financial assets

- At each statement of financial position date, management reviews the carrying amounts of its non-financial assets (property, plant and equipment and investment property) to determine whether there is any indication that those assets have been impaired.
- If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any, being the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of asset's fair value less costs to sell and the value in use. The asset's fair value is the amount for which that asset could be exchanged between knowledgeable, willing parties in arm's length transaction. The value in use is the present value of the future cash flows expected to be derived from the asset.
- For the purpose of impairment valuation, assets are grouped at the lower level that have cash flow independently (cash generating unit), previous impairment for non-financial assets (excluding goodwill) is reviewed for the possibility of reversal at the date of the financial statements.
- An impairment loss is recognized immediately as loss.
- Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but the increased carrying amount due to reversal should not be more than what the depreciated historical cost would have been if the impairment had not been recognized in prior years. A reversal of an impairment loss is recognized immediately as income.

Provisions

- Provisions are present obligations (legal or constructive) resulted from past events, the settlement of the obligations is probable and the amount of those obligations can be estimated reliably. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the statement of financial position date.
- Provisions reviewed and adjusted at each statement of financial position date. If outflows, to settle the provisions, are no longer probable, reverse of the provision is recorded as income.
- If the entity expected to be reimbursed for a part or full provision, the reimbursement shall be recognized within assets, when it is virtually certain and its value can be measured reliably.

- In the statement of comprehensive income, the expense relating to a provision may be presented net of the amount recognized for reimbursement.
- Where the effect of the time value of money is material, provisions are discounted by using a currently pre-tax discount rate that reflect the risks specific to the liability, when using discount any increase in provision is recognized as a financial cost over time.
- Related parties
 - Transactions with related parties represent transfer of resources, services, or obligations between related parties.
 - Terms and conditions relating to related party transactions are approved by management.
- Earnings per share from profit or loss

Basic earnings per share is calculated by dividing profit or loss, attributable to ordinary shareholders, by the weighted average number of ordinary shares outstanding during the year.
- Revenue recognition
 - The entity recognize revenue from sale of good and rendering of service when control is transferred to the customer.
 - Revenues are recognized based on consideration specified in contract with customer that expected to be received excluding amounts collected on behalf of third parties.
- Rendering of service

Revenue is recognized when trading contracts are executed for the benefit of the customers.
- Leases contract
 - A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee. As for other types of lease contract, they are classified as operating lease contracts. The contracts are classified upon the start of the lease contract.
 - Lease income from operating lease is recognized in income on a straight-line basis over the term of the relevant lease. Initial direct costs incurred by the entity in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognized as an expense over the lease term on the same basis as the lease income. Assets leased under operating leases are depreciated based on the same depreciation policy adopted by the entity for similar assets.
- Dividend and interest revenue
 - Dividend revenue from investments is recognized when the shareholder's right to receive payment is established.
 - Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.
- Income tax

Income tax is calculated in accordance with Jordanian laws and regulations.
- Foreign currencies
 - In preparing the financial statements, transactions in currencies other than the functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the statement date (closing rate). Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value was determined.

- Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognized in profit or loss in the period in which they arise.

Contingent liabilities

- Contingent liabilities are possible obligations depending on whether some uncertain future events occur, or they are present obligations but payments are not probable or the amounts cannot be measured reliably.
- Contingent liabilities are not recognized in the financial statements.

3. Cash and cash equivalents

	2024	2023
	JD	JD
Current accounts at banks	327,201	104,590
Current accounts at bank against brokerage customers payables	226,838	208,241
Cash on hand	5,496	-
Total	559,535	312,831

4. Deposits at banks

- The deposits tied for year with on interest rate of 6.5% to 6.75%.

5. Brokerage customers receivables

	2024	2023
	JD	JD
Brokerage customers receivables -bad and old	5,029,912	5,969,112
Less: expected credit losses allowance - old (*)	(5,029,912)	(5,969,112)
Net	-	-
Brokerage customers receivables	1,574,560	1,570,361
Less: Expected credit losses allowance	(1,462,860)	(1,124,235)
Net	111,700	446,126

(*) The following is the movement on expected credit losses allowance - old during the year:

	2024	2023
	JD	JD
Balance at beginning of the year	5,969,112	6,459,826
Recovery of a provision	(600,000)	-
Disposals during the year	(575)	-
Transfers	(338,625)	(490,714)
Balance at ending of year	5,029,912	5,969,112

(**) The following is the movement on expected credit losses allowance during the year:

	2024	2023
	JD	JD
Balance beginning of year	1,124,235	633,521
Transfers	338,625	490,714
Balance ending of year	1,462,860	1,124,235

On March 20, 2010, a memorandum of understanding was signed between a former Chairman of the Board of Directors, and former and current Board members and one of the shareholder; and it was agreed on the following:

- The Chairman of the Board of Directors and the former General Manager undertake to provide a personal real estate mortgage in value of JD 4 million in benefit for the company in order to guarantee the debt, as per the decision of the committee composed from next board of directors, these debts were a result from general manager's personal error or an acts outside his powers as general manager of the company that were not at all for interest of the company and in whatever the value of debt, It is worth to mention that a real estate mortgage bond was submitted in the amount of JD 4 million on 29 March, 2010 and it is due on 28 March 2015.
- All parties related to this memorandum shall be committed for full cooperation with the company to be re listed in Amman Stock exchange and do all efforts for company to succeed and to be one of the competitive brokerage companies.
- The Board of Directors appointed a collection committee in its decision No. 43/2010 dated July 10, 2010, which started its work and made reports on some of those debts, Those reports states that those debts were as result of administrative and legal violations of the former management and it were submitted to the current Board of Directors which affirm these debts resulted from violations of former management.
- As a result the former General Manager of not complying to settle the debts which approved by the collection committee as these debts resulted from his personal error and acts beyond his powers, the company took legal actions in front of the courts and the related authorities against the former general manager and against brokerage doubtful receivables. As well as the company started taking the necessary actions related to execute the real estate mortgage bond which was due on March 28, 2015 and there was public auction for all plots of land included in the mortgage bond, and all shares of Mr. Ibrahim Al-Daoud of plots of land which included in the mortgage deed were transferred to Sherco Brokerage Company on April 17, 2017 at a value of JD 908,031 based on a decision issued by the Chamber of Execution of the Court of (Northern Amman). Accordingly, the Company's management decided to recover partially of the provision for doubtful debts with the value of the plots of land that was acquisitioned by the company.
- Final decisions were issued in favor of the company in cases raised by the company against clients and the former general manager, and the company implemented these cases through the implementation department. Lands belongs to the general manager has been seized to proceed for the procedures to be auctioned. The specialized committees conducted the assessments under the supervision of the implementation department to assess the value of these lands that were seized for approximately JD 7,000,000 to be auctioned in accordance with applicable law.
- In 29 October 2022 the company made an agreement with Ibrahim Zafer Dawood who was the director & the general manager of the company, the agreement mention that the successors of Ibrahim Zafer Dawood had to pay 5,072,000 JOD cash through the sale of his properties that are reserved for Shareco brokerage company as long as the sale percentage is not less than 80% from the estimated pwhole amount approximately October 30,2023 , In return to drop down all the affairs against Ibrahim Zafer Dawood ,Note that the gross amounts paid & received to the company in accordance with the agreement that reached in total 694,317 JOD .

- The heirs of the deceased didn't abide to the agreement so new case raised to the court to pay the remaining of the mortgage bond & to continue on the cases raised against the former general manager.
- On November 8, 2023, there was an announcement in the Official Gazette of the sale by public auction of plot No.(1471) of Hanutia in the district of the village of Wadi Al-Seer, which owned by the deceased Ibrahim Al-Daoud and pawned by the company. At the end of the legal period for the practical auction to reach the sale of the plot of land amounting to 1,353,635 Jordanian dinars.
- During the last quarter of 2024, executive procedures were initiated in the competent courts on new plots of land from the heirs of the deceased (Ibrahim Dawood), as a result of which those plots were offered for public auction.

6. Other debit balances

	2024	2023
	JD	JD
Guarantee margin / facilities	423,770	491,410
Accrued revenues and uncollected revenues	48,489	-
Cash contribution - Settlement Guarantee Fund	25,000	25,000
Income tax deposits	18,768	10,384
Prepaid expenses	17,178	13,712
Trade settlement	6,341	71,622
other	6,288	10,185
Petty cash	4,492	3,487
Employee receivables	2,333	3,065
Refundable deposits	750	1,400
Refundable deposits - auction entry	-	165,735
Total	553,409	796,000

7. Intangible assets

	License (*)	Software	Total
2024	JD	JD	JD
Cost			
Beginning of year balance	200,000	148,957	348,957
End of year balance	200,000	148,957	348,957
Accumulated amortization			
Beginning of year balance	-	145,850	145,850
Amortization	-	621	621
End of year balance	-	146,471	146,471
Net	200,000	2,486	202,486
2023			
Cost			
Beginning of year balance	200,000	145,851	345,851
	-	3,106	3,106
End of year balance	200,000	148,957	348,957
Accumulated amortization			
Beginning of year balance	-	145,850	145,850
End of year balance	-	145,850	145,850
Net	200,000	3,107	203,107

(*) The license does not have a specified useful life and it is tested for impairment.

8. Investment property

	Lands	Building	Total
2024	JD	JD	JD
Cost			
Beginning of year balance	2,258,876	1,018,693	3,277,569
End of year balance	2,258,876	1,018,693	3,277,569
Accumulated depreciation			
Beginning of year balance	-	281,579	281,579
Depreciation	-	20,373	20,373
End of year balance	-	301,952	301,952
Net	2,258,876	716,741	2,975,617
2023			
Cost			
Beginning of year balance	2,489,476	1,018,693	3,508,169
Disposals	(230,600)	-	(230,600)
End of year balance	2,258,876	1,018,693	3,277,569
Accumulated depreciation			
Beginning of year balance	-	261,206	261,206
Depreciation	-	20,373	20,373
End of year balance	-	281,579	281,579
Net	2,258,876	737,114	2,995,990

- The investment part of the building represent 85.4% of the building value which is built on plot No. (672), basin No. (12) On Northern Alluwaybida in Shimisani.
- The average fair value of the lands and the whole building in accordance with real estate appraisers dated January 5 and 7, 2022 amounting to JD 4,338,408 and its book value amounting to JD 2,975,617.

	2023					
Cost						
Beginning of year balance	170,920	277,163	98,447	44,200	170,810	761,540
Additions	-	-	573	-	280	853
End of year balance	170,920	277,163	99,020	44,200	171,090	762,393
Accumulated depreciation						
Beginning of year balance	44,407	277,122	95,292	44,199	167,064	628,084
Depreciation	3,418	-	737	-	1,025	5,180
End of year balance	47,825	277,122	96,029	44,199	168,089	633,264
Net	123,095	41	2,991	1	3,001	129,129

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10. Other credit balances

	2024	2023
	JD	JD
Shareholders deposits	47,330	47,330
Accrued expenses	15,062	14,594
Unearned revenues	14,659	13,388
Unpresented checks for disbursement	13,608	13,608
Social security deposits	777	1,140
Others	44	-
Total	91,480	90,060

11. Statutory reserve

- Statutory reserve is allocated according to the Jordanian Companies Law by deducting 10% of the annual net profit until the reserve equals one quarter of the Company's subscribed capital. However, the Company may, with the approval of the General Assembly, continue to deduct this annual ratio until this reserve equals the subscribed capital of the Company in full. Such reserve is not available for dividends distribution.
- For the general assembly after exhausting other reserves to decide in an extraordinary meeting to quench its losses from the accumulated amounts in statutory reserve, and to rebuild it in accordance with the provisions of the law.

12. Voluntary reserve

This reserve is determined in accordance with the Jordanian Companies Law by allocating not more than 20% annually of the profit to this reserve.

13. Investments property rent, net

	2024	2023
	JD	JD
Office rents	84,021	140,323
Building expenses (*)	(43,623)	(32,505)
Net	40,398	107,818

(*)Building expenses consist of:

	2024	2023
	JD	JD
Depreciation	20,373	20,373
Governmental	11,265	11,760
Maintenance	11,985	372
Total	43,623	32,505

14. Other revenue

	2024	2023
	JD	JD
Recovery of a provision	600,000	-
Interest on litigation	420,322	-
Bank interest	126,194	39,208
Others	1,342	990
Gains from the sale of investment properties	-	117,594
Total	1,147,858	157,792

15. Administrative expenses

	2024	2023
	JD	JD
Salaries and wages and related benefits	132,878	128,629
Bank commissions	9,914	9,254
Contribution to social security	9,400	9,000
Subscriptions	8,878	9,025
Professional fees	6,960	6,960
Health insurance	6,183	6,037
Maintenance	5,374	3,922
Depreciation and amortization	6,050	5,180
Electricity and water	4,886	4,387
Governmental fees	4,228	5,509
Communication	3,458	3,922
Miscellaneous	3,134	2,179
Vehicle expenses	1,708	-
Hospitality	1,574	1,615
Stationery and printing	1,206	1,024
Advertising	541	620
	420	740
Total	206,792	198,003

16. Litigations

- There are legal cases raised by the Company against others (within solidarity) amounting to JD 7, 560, 506 a case of claiming the remaining mortgage bond, amounting to JD 3,109,000.
- There are legal cases raised by others against company amounting JD 42,000 and there are two cases with undetermined amounts.

17. Profit (Loss) per share

	2024	2023
	JD	JD
Profit (loss)	775,507	(38,076)
Weighted average number of share	9,000,000	9,000,000
Earnings per share from profit (loss)	<u>-/086 JD</u>	<u>(-/004) JD</u>

18. Contingent liabilities

	Liability amount	Insurance amount
	JD	JD
Guarantees	417,000	7,000
Facilities	-	416,770
Total	<u>417,000</u>	<u>423,770</u>

19. Tax status

- The tax status was settled until year 2021 with Income Tax Department.
- Tax returns for years 2022 and 2023 were submitted within the legal period but still not reviewed until the financial statements issuance date.

20. Risk management

a) Capital risk:

Regularly, the capital structure is reviewed and the cost of capital and the risks associated with capital are considered. In addition, capital is managed properly to ensure continuing as a going concern while maximizing the return through the optimization of the debt and equity balance.

b) Currency risk:

- Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.
- The risk arises on certain transactions denominated in foreign currencies, which imposes sort of risk due to fluctuations in exchange rates during the year.
- The entity is not exposed to currency risk.

c) Interest rate risk:

- Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.
- The risk arises on exposure to a fluctuation in market interest rates resulting from borrowings and depositing in banks.
- The risk is managed by maintaining an appropriate mix between fixed and floating interest rates balances during the financial year.

d) Other price risk:

- Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

- The risk arises from investing in equity investments.
- The entity is not exposed to other price risk.

e) Credit risk:

- Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.
- The brokerage clients receivables are guaranteed to be collected under the investment portfolios of those receivables, and the lower the market value of those portfolios, the higher the risk of collecting those receivables.

f) Liquidity risk:

- Liquidity risk is the risk of encountering difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.
- Liquidity risk is managed through monitoring cash flows and matching with maturity dates of the financial assets and liabilities.
- The following table shows the maturity dates of financial assets and liabilities as of December 31:

Description	Less than a year	
	2024	2023
	JD	JD
Financial assets:		
Cash and cash equivalents	559,535	312,831
Deposits in banks	1,850,000	700,000
Brokerage customer receivables	111,700	446,126
Other debit balances	536,231	782,288
Total	3,057,466	2,241,245
Financial liabilities:		
Brokerage customers payables	226,838	208,241
Other credit balances	76,821	76,672
Total	303,659	284,913

21. The potential effects of economic fluctuations

As a result of the current global conflict, where the entity has taken into account any possible impact of current economic fluctuations in the inputs of future macroeconomic factors when determining the severity and probability of economic scenarios to determine expected credit losses.