

GAS ENTEC CO. LTD
(FOREIGN COMPANY – OPERATING BRANCH)

**FINANCIAL STATEMENTS AND
INDEPENDENT CERTIFIED PUBLIC
ACCOUNTANT'S REPORT
FOR THE PERIOD FROM JULY 23, 2024
(ESTABLISHMENT) TO DECEMBER 31, 2024**

GAS ENTEC CO. LTD
(FOREIGN COMPANY – OPERATING BRANCH)

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DECEMBER 31, 2024**

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INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS' REPORT

To the partners
Gas Entec Co. Ltd
(Foreign Company - Operating Branch)

Review of Financial Statements

Opinion

We have audited the accompanying financial statements of Gas Entec Co. Ltd (Foreign Company - Operating Branch), which comprise the Statement of Financial Position as of December 31, 2024, Statement of Comprehensive Income, Changes in Owners' Equity and Statement of Cash Flows, for the period from July 23, 2024 (establishment) to December 31, 2024, notes about financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements give a true and fair view of financial position of Gas Entec Co. Ltd as of December 31, 2024, its financial performance and its cash flows for the period from July 23, 2024 (establishment) to December 31, 2024, in accordance with International Financial Reporting Standards.

Basis for Opinion

We conduct our audit in accordance with International Standards of Auditing. Our responsibilities under those standards are further described in Auditor's Responsibilities for the audit of the Financial Statements. We are independent of the Company in accordance with International Standard Board Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the code.

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

Management's and Individuals is Responsibility on Governance Preparation of Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards 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, the 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 the Management either intends to liquidate the Company or to cease operations or have no realistic alternative but to do so.

Individuals responsible of governance are responsible of supervising the preparation of Financial Statements.

Certified Public Accountant's Responsibility

Our objective is to obtain reasonable assurance about whether the Financial Statements 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 it is not a guarantee that an audit conducted in accordance with International Standards of Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with the International Standards of 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 the Management.
- Conclude on the appropriateness of the Management's use of the Going Concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, we will modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the initial Financial Statements represent the underlying transactions and events in a manner that achieves Fair Presentation.

We communicated with audit the Financial Management 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.

Legal Requirements Report

Gas Entec Co. Ltd maintains proper books of accounting records which are in agreement with the accompanying Financial Statements for the period from July 23, 2024, (establishment) to December 31, 2024, and we recommend approving the Financial Statement to approve.

Modern Accountants

Abdul Karim Quneis
License No. (496)

Amman- Jordan

GAS ENTEC CO. LTD
(FOREIGN COMPANY – OPERATING BRANCH)

STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

| | <u>Note</u> | |
|---|-------------|---------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Contracts in progress | 4 | <u>44,930</u> |
| TOTAL CURRENT ASSETS | | <u>44,930</u> |
| TOTAL ASSETS | | <u>44,930</u> |
| LIABILITIES AND OWNERS' EQUITY | | |
| OWNERS' EQUITY | | |
| Due to Parent Company | 1 | - |
| Loss for the period | | <u>(500)</u> |
| TOTAL OWNERS' EQUITY | | <u>(500)</u> |
| LIABILITIES | | |
| CURRENT LIABILITIES | | |
| Accrued Expenses and Other Payables | 5 | 500 |
| Accounts Payable | | <u>44,930</u> |
| TOTAL CURRENT LIABILITIES | | <u>45,430</u> |
| TOTAL LIABILITIES AND OWNERS' EQUITY | | <u>44,930</u> |

The accompanying notes are an integral part of these financial statements

GAS ENTEC CO. LTD
(FOREIGN COMPANY – OPERATING BRANCH)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM JULY 23, 2024 (ESTABLISHMENT) TO DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

| | |
|-------------------------------------|--------------|
| General and Administrative Expenses | <u>(500)</u> |
| Loss for the Period | (500) |

| | |
|---------------------------------|-----------------------------|
| Other Comprehensive Income: | <u> </u> |
| Total Comprehensive Loss | <u>(500)</u> |

The accompanying notes are an integral part of these financial statements

GAS ENTEC CO. LTD
(FOREIGN COMPANY -- OPERATING BRANCH)

STATEMENT OF CHANGES IN OWNERS' EQUITY
FOR THE PERIOD FROM JULY 23, 2024 (ESTABLISHMENT) TO DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

| | Due to Parent Company | Loss for the Period | Total |
|--|-----------------------|---------------------|-------|
| Balance at the beginning of the period | - | - | - |
| Comprehensive loss for the period | - | (500) | (500) |
| Movement in the parent company current account | - | - | - |
| Balance as of December 31, 2024 | - | (500) | (500) |

The accompanying notes are an integral part of these financial statements

GAS ENTEC CO. LTD
(FOREIGN COMPANY – OPERATING BRANCH)

STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM JULY 23, 2024 (ESTABLISHMENT) TO DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

OPERATING ACTIVITIES

| | |
|--|----------|
| Loss for the period | (500) |
| Changes in current assets and liabilities: | |
| Accounts payable | 44,930 |
| Contracts in progress | (44,930) |
| Prepaid expenses and other receivables | 500 |
| Net cash used in operating activities | - |

FINANCING ACTIVITIES

| | |
|---|----------|
| Movement in the parent company current account | - |
| Net cash available from financing activities | - |

| | |
|--|----------|
| Net change in cash and cash equivalents | - |
| Cash and cash equivalents, July 23 | - |
| Cash and cash equivalents, December 31 | - |

The accompanying notes are an integral part of these financial statements

GAS ENTEC CO. LTD
(FOREIGN COMPANY – OPERATING BRANCH)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM JULY 23, 2024 (ESTABLISHMENT) TO DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

1. ORGANIZATION AND ACTIVITIES

Gas Entec Co. Ltd is a foreign company – operating branch (“the Company”), registered on July 23, 2024, with the Companies Controller at the Ministry of Industry and Trade under No. (1107).

The Company’s main activities are engineering and design services, as well as construction works.

These financial statements are the first audited financial statements issued for the Company for the period from July 23, 2024 (establishment) to December 31, 2024.

The Company’s place of business is located in Amman, Jordan.

2. NEW AND AMENDED INTERNATIONAL FINANCIAL REPORTING STANDARDS

| The following new and amended standards and interpretations have not yet become effective: | It is valid for annual periods beginning on or after |
|---|---|
| Non-Fungibility Exchange Rates (Amendments to IAS 21) | January 1, 2025 |
| Presentation and Disclosure in Financial Statements (Amendments to IFRS 18) | January 1, 2027 |
| Investments in Associates and Joint Ventures (Amendments to IAS 28 and IFRS 10) | The implementation has been postponed indefinitely. |

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE PERIOD FROM JULY 23, 2024 (ESTABLISHMENT) TO DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Preparation of Financial Statements

The accompanying financial statements have been prepared in accordance with International Financial Reporting Standards.

Basis of Preparation

These financial statements are presented in Jordanian Dinar, as most transactions are recorded in this currency.

The financial statements have been prepared on a historical cost basis. However, financial assets and financial liabilities are stated at fair value. The following is a summary of significant accounting policies applied by the Company.

Contracts in Progress

Contracts in progress are contracts that are executed in stages or over a long period of time, such as construction, engineering, or supply projects that require an extended period to complete.

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

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

Use of Estimates

The preparation of financial statements and the application of accounting policies require the Company's management to make estimates and judgments that affect the amounts of assets and liabilities and the disclosure of potential obligations. These estimates and judgments also affect revenues, expenses, provisions, as well as changes in fair value presented in the statement of comprehensive income. In particular, management is required to make significant judgments and estimates to assess the amounts and timing of future cash flows. Such estimates are necessarily based on various assumptions and factors that involve different degrees of estimation uncertainty, and actual results may differ from these estimates due to changes in the circumstances affecting these assumptions in the future.

Offsetting

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE PERIOD FROM JULY 23, 2024 (ESTABLISHMENT) TO DECEMBER 31, 2024
(EXPRESSED IN JORDANIAN DINAR)

4. CONTRACTS IN PROGRESS

| | |
|-------------------------|---------------|
| Contracts in progress * | 44,930 |
| | <u>44,930</u> |

* This project relates to the “Sheikh Sabah Al-Ahmad Al-Jaber LNG Terminal Project,” located in the Port of Aqaba, Jordan. It aims to enhance Jordan’s energy security by establishing an on-shore regasification unit to complement or replace the existing floating storage and regasification unit (FSRU), enabling the import of liquefied natural gas (LNG) from multiple sources. The expected execution period of the project is 22 months from the date of contract signing, with full operational commissioning anticipated in the second quarter of 2026.

5. PREPAID EXPENSES AND OTHER RECEIVABLES

| | |
|------------|------------|
| Audit Fees | 500 |
| | <u>500</u> |

6. FINANCIAL INSTRUMENTS

Capital Risk Management

The Company manages its capital to ensure that it continues as a going concern, while seeking to maximize returns through the optimal balance of debt and equity.

The Company’s capital structure includes the equity of the Company, which consists of the current account with the parent company and the loss for the period, as presented in the statement of changes in equity.

7. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements have been approved by the Company’s management and authorized for issuance on

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