



**UNION LAND
DEVELOPMENT**

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نموذج رقم (5-1)
Form No. (1-5)

<p>To: Jordan Securities Commission Amman Stock Exchange Date: 1/11/2020 Subject: Quarterly Report as of 30/9/2020</p>	<p>السادة هيئة الأوراق المالية السادة بورصة عمان التاريخ: 2020/11/1 الموضوع: التقرير ربع السنوي كما هي في 2020/9/30</p>
<p>Attached the Quarterly Report of (Union Land Development Co. P.L.C) in English as of 30/9/2020</p>	<p>مرفق طيه نسخة من البيانات المالية ربع السنوية (لشركة الاتحاد لتطوير الأراضي م.ع.م) باللغة الإنجليزية كما هي بتاريخ 2020/9/30</p>
<p>Kindly accept our highly appreciation and respect Union Land Development Co. P.L.C General Manager's Signature Muath Enayah</p>	<p>وتفضلوا بقبول فائق الاحترام... شركة الاتحاد لتطوير الأراضي م.ع.م توقيع المدير العام معاذ عناية</p>

شركة الاتحاد لتطوير الأراضي
المساهمة العامة المسجلة
عمان ١١٩٠٠

بورصة عمان
الدائرة الإدارية والمالية
الديوان

٠١ تمهيد ٢٠٢٠

الرقم المتسلسل: 4016
رقم الملف: 31073
الجهة المختصة: 11/11/2020

UNION LAND DEVELOPMENT CORPORATION

PUBLIC SHAREHOLDING COMPANY

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)**

30 SEPTEMBER 2020



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**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TO THE BOARD OF DIRECTORS OF UNION LAND DEVELOPMENT CORPORATION
PUBLIC SHAREHOLDING COMPANY
AMMAN - JORDAN**

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Union Land Development Corporation (the "Company") and its subsidiaries (the "Group") as at 30 September 2020, comprising of the interim condensed consolidated statement of financial position as at 30 September 2020 and the related interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the nine months then ended and explanatory information. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard IAS 34 interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the independent Auditor of the Entity". A review of Interim financial information consists of making inquiries, primarily of persons responsible for the 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Emphasis of matters

- As disclosed in note (8) to the interim condensed consolidated financial statements, investment properties include land plots with an amount of JD 2,785,399 that are not registered in the name of the Group as at 30 September 2020.
- As disclosed in note (13) to the interim condensed consolidated financial statements, and as a result of the continued impact of the Corona virus (Covid-19) on the global and local economy and various business sectors, it is possible that operational activities may be affected.

Amman – Jordan
28 October 2020

UNION LAND DEVELOPMENT CORPORATION - PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020

	Notes	30 September 2019 JD (Unaudited)	31 December 2019 JD (Audited)
ASSETS			
Non-current assets -			
Property, plant and equipment	6	2,516,977	2,506,128
Projects under construction		3,088,526	3,080,376
Investment properties	8	40,515,726	40,820,060
Financial assets at fair value through other comprehensive income	9	6,238,683	4,999,690
		<u>52,359,912</u>	<u>51,406,254</u>
Current Assets -			
Inventories		18,022	18,022
Trade receivables		281,042	209,581
Other current assets		290,472	336,048
Due from related parties	5	17,388,344	17,677,195
Cash and bank balances	7	621,288	247,386
		<u>18,599,168</u>	<u>18,488,232</u>
Total Assets		<u>70,959,080</u>	<u>69,894,486</u>
EQUITY AND LIABILITIES			
Equity -			
Paid in capital	1	42,065,129	42,065,129
Share premium		4,253,659	4,253,659
Statutory reserve	3	2,174,694	2,174,694
Voluntary reserve	3	1,495,745	1,495,745
Other reserves		1,309,287	1,309,287
Fair value reserve		(1,696,967)	(1,771,859)
Retained earnings		2,094,135	2,229,050
Total Equity		<u>51,695,682</u>	<u>51,755,705</u>
Liabilities			
Non-Current liabilities -			
Long term loan	10	12,855,590	11,990,774
Current Liabilities -			
Current portion of long-term loans	10	2,888,460	2,833,902
Trade and other payables		3,276,274	3,071,031
Income tax provision		243,074	243,074
		<u>6,407,808</u>	<u>6,148,007</u>
Total Liabilities		<u>19,263,398</u>	<u>18,138,781</u>
Total Equity and Liabilities		<u>70,959,080</u>	<u>69,894,486</u>

The attached notes from 1 to 13 form part of these interim condensed consolidated financial statements

UNION LAND DEVELOPMENT CORPORATION - PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2020 (UNAUDITED)

	Notes	For the three months ended 30 September		For the nine months ended 30 September	
		2020	2019	2020	2019
		JD	JD	JD	JD
Rental revenue		989,730	713,866	2,344,814	2,111,573
Total revenue		989,730	713,866	2,344,814	2,111,573
Rental costs		(116,752)	(116,931)	(348,980)	(351,934)
Commodore Hotel operating expenses		(6,230)	(5,359)	(16,116)	(15,856)
Gross profit		866,748	591,576	1,979,718	1,743,783
Gain on sale of investment properties		-	-	-	444,699
Administrative expenses		(166,735)	(98,885)	(459,238)	(289,722)
Finance costs		(346,288)	(312,014)	(988,967)	(943,680)
Provision for expected credit losses	5	(268,901)	-	(538,370)	-
Other expenses		(1,115)	(2,788)	(5,491)	(4,997)
(Loss) profit for the period, before income		83,709	177,889	(12,348)	950,083
Income tax for the period		-	-	-	-
(Loss) profit for the period, after income tax		83,709	177,889	(12,348)	950,083
Basic and diluted earnings per share from the (loss) profit for the year attributable to equity holders of the parent	11	JD / Fils	JD / Fils	JD / Fils	JD / Fils
		0/002	0/004	(0/0003)	0/023

The attached notes from 1 to 13 form part of these interim condensed consolidated financial statements

UNION LAND DEVELOPMENT CORPORATION - PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2020 (UNAUDITED)

	For the three months ended 30 September		For the nine months ended 30 September	
	2020	2019	2020	2019
	JD	JD	JD	JD
(Loss) profit for the period	83,709	177,889	(12,348)	950,083
Add: other comprehensive income items not to be reclassified to profit or loss in subsequent periods:				
Loss (profit) on sale of financial assets at fair value through other comprehensive income	279,041	1,002,746	(47,675)	789,729
Total comprehensive income for the period	362,750	1,180,635	(60,023)	1,739,812

The attached notes from 1 to 13 form part of these interim condensed consolidated financial statements

	Attributable to equity holders of the parent							
	Paid in capital	Share premium	Statutory reserve	Voluntary reserve	Other reserves	Fair value reserve	Retained earnings	Total
	JD	JD	JD	JD	JD	JD	JD	JD
For the nine months ended 30 September 2020 -								
Balance as at 1 January 2020	42,065,129	4,253,659	2,174,694	1,495,745	1,309,287	(1,771,859)	2,229,050	51,755,705
Loss for the period	-	-	-	-	-	-	(12,348)	(12,348)
Other comprehensive income items	-	-	-	-	-	(47,675)	-	(47,675)
Total comprehensive income for the period	-	-	-	-	-	(47,675)	(12,348)	(60,023)
Loss on sale of financial assets at fair value through other comprehensive income	-	-	-	-	-	122,567	(122,567)	-
Balance at 30 September 2020	<u>42,065,129</u>	<u>4,253,659</u>	<u>2,174,694</u>	<u>1,495,745</u>	<u>1,309,287</u>	<u>(1,696,967)</u>	<u>2,094,135</u>	<u>51,695,682</u>
For the nine months ended 30 September 2019 -								
Balance as at 1 January 2019	42,065,129	4,253,659	2,082,418	1,495,745	1,309,287	(1,060,182)	2,630,819	52,776,875
Profit for the period	-	-	-	-	-	-	950,083	950,083
Other comprehensive income items	-	-	-	-	-	789,729	-	789,729
Total comprehensive income for the period	-	-	-	-	-	789,729	950,083	1,739,812
Loss on sale of financial assets at fair value through other comprehensive income	-	-	-	-	-	1,115,333	(1,115,333)	-
Balance at 30 September 2019	<u>42,065,129</u>	<u>4,253,659</u>	<u>2,082,418</u>	<u>1,495,745</u>	<u>1,309,287</u>	<u>844,880</u>	<u>2,465,569</u>	<u>54,516,687</u>

The attached notes from 1 to 13 form part of these interim condensed consolidated financial statements

UNION LAND DEVELOPMENT CORPORATION - PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020 (UNAUDITED)

		For the nine months ended 30 September	
	Notes	2020	2019
		JD	JD
<u>OPERATING ACTIVITIES</u>			
(Loss) profit for the period before tax		(12,348)	950,083
Adjustments for:			
Depreciation		366,895	366,638
Gain on sale of investment properties		-	(444,699)
Finance costs		988,967	943,680
Provision for expected credit losses		538,370	-
Working capital changes:			
Accounts receivable and other current assets		(25,885)	498,485
Accounts payable and other current liabilities		205,243	(461,985)
Income tax paid		-	(218,205)
Net cash flows used in operating activities		2,061,242	1,633,997
<u>INVESTING ACTIVITIES</u>			
Purchase of property, plant and equipment	6	(73,410)	(7,775)
Purchase of investment properties	8	-	(53,501)
Proceeds from sale of property investments		-	1,797,219
Purchase of financial assets at fair value through other comprehensive income	9	(3,071,780)	(4,583,602)
Proceeds from sale of financial assets at fair value through other comprehensive income	9	1,785,112	1,095,083
Projects under construction		(8,150)	(7,335)
Net cash flows (used in) from investing activities		(1,368,228)	(1,759,911)
<u>FINANCING ACTIVITIES</u>			
Loans received		-	(1,148,088)
Repayments of loans		-	431,098
Due from related parties		(249,519)	(9,322,766)
Finance costs paid		(69,593)	(943,680)
Net cash flows used in financing activities		(319,112)	(10,983,436)
Net decrease in cash and cash equivalents		373,902	(11,109,350)
Cash and cash equivalents at 1 January	7	247,386	11,920,402
Cash and cash equivalents at 30 September	7	621,288	811,052

The attached notes from 1 to 13 form part of these interim condensed consolidated financial statements

UNION LAND DEVELOPMENT CORPORATION - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2020 (UNAUDITED)

(1) GENERAL

Union Land Development Corporation (the "Company") was established as a public shareholding company on 1 August 1995, under the registration number (288) and paid in capital of JD 42,065,129 divided into 42,065,129 shares at a par value of JD 1 per share.

The Company was registered as an entity in Aqaba Special Economic Zone Authority under No. 1101032808 dated 28 March 2001.

The Company's current main activity is the establishment and management of tourism enterprises and the investment of their funds in shares, bonds, lands and real estate development, in addition to the establishment, ownership, operation, management and investment of hotels.

The interim condensed consolidated financial statements were approved by the Company's Board of Directors in their meeting held on 28 October 2020 and It is subject to the approval of the General Assembly of Shareholders

(2) BASIS OF PREPARATION AND ACCOUNTING POLICIES

(2-1) BASIS OF PREPARATION -

The interim condensed consolidated financial statements for the nine months ended in 30 September 2020 have been prepared in accordance with International Accounting Standard 34 (Interim Financial Reporting).

The interim condensed consolidated financial statements have been prepared in accordance with the principle of historical cost, except for financial assets at fair value through other comprehensive income.

The interim condensed consolidated financial statements do not contain all information and disclosures required for the annual financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Group's annual report as of 31 December 2019. In addition, the results for the nine months period ended 30 September 2020 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2020.

The Jordanian Dinar is the currency for presentation of the condensed consolidated interim financial statements, which represents the main currency of the group

UNION LAND DEVELOPMENT CORPORATION - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2020 (UNAUDITED)

(2-2) BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS -

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full upon consolidation.

These interim condensed consolidated financial statements include the financial statements of the Company and the following subsidiaries:

	<u>Country</u>	<u>Paid In Capital</u> JD	<u>Major Activity</u>	<u>Percentage Of Ownership</u> %
Nibal Housing Company LLC	Jordan	30,000	Land Development	100
Paradise Contracting LLC	Jordan	50,000	Contracting	100
Adam Investment Company LLC	Jordan	30,000	Investment in properties	100
Paradise Architectural Industries LLC	Jordan	100,000	Architectural	100
Thiban Real Estate LLC	Jordan	30,000	Land development	100
Al Mahila Real Estate LLC	Jordan	1,000	Land development	100
Al Amiri Real Estate Investments LLC	Jordan	1,000	Land development	100
Al Farait Real Estate Investments LLC*	Jordan	1,000	Land development	100
Al Ghuzlanieh Real Estate Investments LLC	Jordan	1,000	Land development	100
Dhaba'a Real Estate LLC	Jordan	1,000	Land development	100
Taj Al-Madina For Housing LLC	Jordan	50,000	Land development	100

(2-3) CHANGES IN ACCOUNTING POLICIES -

The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2019 except for the adoption of new standards effective as of 1 January 2020 shown below:

Amendments to IFRS 3: Definition of a Business

The IASB issued amendments to the definition of a business in IFRS 3 Business Combinations to help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test.

UNION LAND DEVELOPMENT CORPORATION - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2020 (UNAUDITED)

The amendments are applied to transactions that are either business combinations or asset acquisitions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2020. Consequently, the Company did not have to revisit such transactions that occurred in prior periods. Earlier application is permitted and must be disclosed.

These amendments do not have any impact on the Company's financial statements.

Interest Rate Benchmark Reform Amendments to IFRS 9 and IFRS 7

Interest Rate Benchmark Reform Amendments to IFRS 9 and IFRS 7 includes a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument. As a result of interest rate benchmark reform, there may be uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument during the period before the replacement of an existing interest rate benchmark with an alternative risk-free interest rate (an RFR). This may lead to uncertainty whether a forecast transaction is highly probable and whether prospectively the hedging relationship is expected to be highly effective.

The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark with an alternative risk-free interest rate (an "RFR"). The effective date of the amendments was for annual periods beginning on or after 1 January 2020, with early application permitted. The requirements must be applied retrospectively. However, any hedge relationships that have previously been de-designated cannot be reinstated upon application, nor can any hedge relationships be designated with the benefit of hindsight.

With phase one completed, the IASB is now shifting its focus to consider those issues that could affect financial reporting when an existing interest rate benchmark is replaced with an RFR. This is referred to as phase two of the IASB's project.

These amendments do not have any impact on the Company's financial statements.

(3) LEGAL RESERVES

The Group did not appropriate for legal reserves in accordance with the Jordanian Companies Law as these financial statements are interim financial statements.

(4) INCOME TAX

Income tax expense for the nine months ended 30 September 2020 and 30 September 2019 in accordance with the Income Tax Law No. (38) of 2019 which was adopted on 1 January 2019. The Group is subject to a statutory income tax of 20% plus 1% as national contribution.

The Company and its Subsidiaries have submitted tax returns for the years for which a final clearance has not yet been obtained.

Union Land Development Corporation - Public Shareholding Company –

The Company has received a final clearance from the Income and Sales Tax Department up to 2014.

Union Land Development Corporation – Aqaba Branch –

The Company has received a final clearance from the Income and Sales Tax Department up to 2013.

Nibal Housing Company LLC –

The Company has received a final clearance from the Income and Sales Tax Department up to 2018, with the exception of the year ended 31 December 2017.

Thiban Real Estate LLC, Al Amiri Real Estate Investments LLC, Al Ghuzlanieh Real Estate Investments Company, Al Farait Real Estate Investments LLC, Al Mahila Real Estate LLC, Dhaba'a Real Estate Company –

These Companies are currently not fully operational and have received a final clearance from the Income and Sales Tax Department up to 2017.

Paradise Contracting LLC, Adam Investment Company LLC, Paradise Architectural Industries LLC –

These Companies are currently not fully operational and have received a final clearance from the Income and Sales Tax Department up to 2015.

UNION LAND DEVELOPMENT CORPORATION - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2020 (UNAUDITED)

(5) RELATED PARTIES

Related parties include associates, major shareholders; board of directors members, executive management, as well as companies controlled or have a significant influence directly or indirectly, by those entities.

Balances with related parties included in the interim consolidated statement of financial position are as follow:

	30 September 2020	31 December 2019
	JD	JD
	(Unaudited)	(Audited)
Due from related parties:		
Union Investment Corporation – PLC (parent company)	12,325,547	12,021,231
Union Tobacco and Cigarette Industries - PLC (sister company)	5,601,167	5,655,964
	<u>17,926,714</u>	<u>17,677,195</u>
Provision for expected credit losses	(538,370)	-
	<u>17,388,344</u>	<u>17,677,195</u>

The movement on the provision for expected credit losses for the period/year was as follows:

	30 September 2020	31 December 2019
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the period/year	-	-
Provision for the period/year	538,370	-
Balance at the end of the period/year	<u>538,370</u>	<u>-</u>

The Group's investments in Union Tobacco and Cigarette Industries (Sister Company) and Union Investment Corporation (Parent Company) which is represented by the investments at fair value through other comprehensive income amounted to JD 6,238,599 as at 30 September 2020, as compared to 4,999,589 as at 31 December 2019 (note 9).

Key management salaries and bonuses:

The key management salaries and bonuses amounted to JD 45,000 for the nine months ended 30 September 2020 as compared to 30 September 2019 which amounted to JD 45,000.

UNION LAND DEVELOPMENT CORPORATION - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2020 (UNAUDITED)

(6) PROPERTY, PLANT AND EQUIPMENT

Additions to property, plant and equipment were amounted to JD 73,410 for the nine months ended 30 September 2020 (30 September 2019: JD 7,775).

(7) CASH AND BANK BALANCES

For the purpose of interim consolidated statement of cash flows, cash and bank balances comprise of the following:

	30 September 2020	31 December 2019
	JD	JD
	(Unaudited)	(Audited)
Cash on hand	2,355	4,742
Cash at banks	618,933	242,644
	<u>621,288</u>	<u>247,386</u>

(8) INVESTMENT PROPERTIES

Movement on investment properties during the period is as follows:

	30 September 2020	31 December 2019
	JD	JD
	(Unaudited)	(Audited)
Cost -		
Balance at 1 January*	44,776,939	46,075,958
Additions	-	53,501
Disposals – lands**	-	(1,352,520)
Ending balance for the period/ year	<u>44,776,939</u>	<u>44,776,939</u>
Accumulated depreciation-		
Balance at 1 January	(3,956,879)	(3,533,866)
Depreciation	(304,334)	(423,013)
Ending balance for the period/ year	<u>(4,261,213)</u>	<u>(3,956,879)</u>
Net book value-	<u>40,515,726</u>	<u>40,820,060</u>

UNION LAND DEVELOPMENT CORPORATION - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2020 (UNAUDITED)

- * This item includes plots of land with a value of JD 14,106,118 as at 30 September 2020 (31 December 2018: (14,106,118)). This balance also includes land and buildings secured by a first-degree mortgage to Invest Bank in the amount of JD 17,000,000 on the land No. 266 and the buildings of IKEA.
- ** During the year ended 31 December 2019, the Group sold a plot of land, number 2050, block 8 - Shmeisani. The group received a sum of JD 1,797,219 with a cost of JD 1,352,520 dinars, with a total gain of JD 444,699 as a result of the transaction.

The Group's management believes that the fair value of investment properties amounts to approximately JD 89 million as at 30 September 2020 (2019: JD 89 million). Management determines the fair value of these investment based upon the current real estate market for similar plots of land.

Investment properties includes land that is registered in the name of a third party on behalf of the Group as follows:

	30 September 2020	31 December 2019
	JD (Unaudited)	JD (Audited)
Land	2,785,399	2,785,399

(9) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

This amount represents the Group's investments in the capital of the following companies:

	30 September 2020	31 December 2019
	JD (Unaudited)	JD (Audited)
Quoted Shares / Inside Jordan		
Union Tobacco and Cigarettes Industries Corporation / P.L.C	115,347	126,420
Union Investments Corporation / P.L.C	6,123,252	4,873,169
Al Tajamouat for Touristic Projects Company / P.L.C	84	101
	6,238,683	4,999,690

UNION LAND DEVELOPMENT CORPORATION - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2020 (UNAUDITED)

The movement on financial assets at fair value through other comprehensive income is as follows:

	30 September 2020	31 December 2019
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the year	4,999,690	2,909,575
Purchase of shares	3,071,780	5,331,826
Sale of shares	(1,785,112)	(1,414,701)
Impairment of financial assets	-	(1,740,000)
Revaluation of shares	(47,675)	(87,010)
Ending balance for the period/year	6,238,683	4,999,690

The movement on the fair value reserve is as follows:

	30 September 2020	31 December 2019
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the year	(1,771,859)	(1,060,182)
Change in fair value of financial assets at fair value through other comprehensive income	(47,675)	(1,827,010)
Loss on sale of financial assets at fair value through other comprehensive income	122,567	1,115,333
Ending balance for the period/year	(1,696,967)	(1,771,859)

UNION LAND DEVELOPMENT CORPORATION - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2020 (UNAUDITED)

(10) LOAN

This item represents the details of the loan granted from Invest Bank:

		Loan Installments					
		30 September 2020 (Unaudited)			31 December 2019 (Audited)		
Currency		Current portion	Long-term portion	Total	Current portion	Long-term portion	Total
		JD	JD	JD	JD	JD	JD
Invest Bank	JD	2,888,460	12,855,590	15,744,050	2,833,902	11,990,774	14,824,676
		<u>2,888,460</u>	<u>12,855,590</u>	<u>15,744,050</u>	<u>2,833,902</u>	<u>11,990,774</u>	<u>14,824,676</u>

Invest Bank - JD

During the year 2019, the Group received a declining loan amounting to JD 17,000,000 at an annual interest rate of 8%. The loan is repayable in 16 installments payable on 30 May and 30 November each year beginning from the period 30 November 2019 until the final installment payment on 30 November 2026. This loan is secured by a first-degree mortgage of JD 17,000,000 on the land No. 266 and the buildings of IKEA. The Group rescheduled the loan payment due to Invest Bank on 30 May 2020 to the end of the loan.

(11) BASIC AND DILUTED (LOSS) PROFIT FOR THE PERIOD PER SHARE

	30 September 2020 (Unaudited)	30 September 2019 (Audited)
(Loss) profit for the period attributable to equity holders of the parent (JD)	(12,348)	950,083
Weighted average number of shares (Share)	42,065,129	42,065,129
Basic earnings per share attributable to equity holders of the parent (JD / Fills)	<u>(0/0003)</u>	<u>0/023</u>

The diluted earnings per share equals the basic earnings per share.

(12) OPERATING SEGMENTS

The presentation of key segments is determined on the basis that the risks and rewards relating to the Group are materially affected by the difference in the products or services of those segments. These segments are organized and managed separately by the nature of the services and products, each of which is a separate unit and is measured according to reports used by the Group's Chief Executive Officer and Chief Decision Maker.

The Group is organized for administrative purposes through the following sectors:

- Investment Properties
- Land Development

The Group's management monitors the results of the business segment separately for performance evaluation purposes. Segment performance is evaluated based on operating profit or loss for each segment.

A geographical segment is associated with the provision of products or services in a specific economic environment that is subject to risks and rewards that differ from those in other economic environments. All operating segments are linked in one geographical sector.

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Revenue, profit, assets and liabilities by business sector are as follows:

	Investment properties	Land Development	Total
	JD	JD	JD
For the period ended 30 September 2020 (Unaudited) -			
<u>Revenues:</u>			
Revenues	2,189,318	155,496	2,344,814
<u>Business Results:</u>			
(Loss) profit for the period	(114,762)	102,414	(12,348)
<u>Other Segment Information:</u>			
Depreciation	(360,454)	(6,441)	(366,895)
Finance costs	(988,967)	-	(988,967)
For the period ended 30 September 2019 (Unaudited) -			
<u>Revenues:</u>			
Revenues	1,936,443	175,130	2,111,573
<u>Business Results:</u>			
Profit for the period	809,684	140,399	950,083
<u>Other Segment Information:</u>			
Depreciation	(366,638)	-	(366,638)
Finance costs	(943,680)	-	(943,680)
As of 30 September 2020 (Unaudited)			
Segments assets	68,469,019	2,490,061	70,959,080
Segments liabilities	19,138,398	125,000	19,263,398
As of 31 December 2019 (Audited)			
Segments assets	67,387,488	2,506,998	69,894,486
Segments liabilities	17,863,467	275,314	18,138,781

(13) THE OUTBREAK OF CORONAVIRUS (COVID-19) AND ITS IMPACT OF ON THE GROUP

As a result of the continued impact of the Corona virus (Covid-19) on the global economy and various business sectors and the accompanying restrictions and measures imposed by the Jordanian Government and neighboring countries and the rest of the world, it is possible that operational activities may be affected by global developments that currently affect various economic and geographical sectors, including the Group's projects under construction which was on hold as a result. The management has prepared a preliminary study to determine the impact of the Corona virus on the Group's activities and the financial performance of the Group to take appropriate measures to enable it to continue its activities in light of the current circumstances. Also, the management is preparing a detailed study to determine the impact of the virus on the Group's operations and the possibility of recovering its assets and meeting its obligations.