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To: Jordan Securities Commission Amman Stock Exchange Date:-27/6/2017 Subject: Semi- Annual Report as of 30/06/2017	السادة هيئة الأوراق المالية السادة بورصة عمان التاريخ:- 27/6/2017 الموضوع: التقرير نصف السنوي كما هو في 2017/06/30
Attached the company's Semi- Annual Report of (AKARY FOR INDUSTRIES AND REAL ESTATE INVESTMENTS.) As of 30/06/2017	مرفق طيه نسخة من التقرير نصف السنوي لشركة (عقاري للصناعات والاستثمارات العقارية) كما هو بتاريخ 2017/6/30م
Kindly accept our highly appreciation and respect Company's Name AKARY FOR INDUSTRIES AND REAL ESTATE INVESTMENTS General Manager's Signature	وتفضلوا بقبول فائق الاحترام،،، شركة عقاري للصناعات والاستثمارات العقارية المدير العام



Akary for Industries and Real Estate Investments Co.

Limited public shareholding Co.

Amman – The Hashemite Kingdom of Jordan

Interim Condensed Financial Statements & Independent

Auditor's Report As at June 30, 2017

Report on review of condensed interim financial statements

To the board of directors
Akary for Industries and Real Estate Investments Co.
Public shareholding company
Amman – Jordan

Introduction

We have reviewed the accompanying condensed interim financial statements of Akary for Industries and Real Estate Investments Co. PLC, comprising the interim statement of financial position as at 30 June 2017 and the related interim statements of cash flows for the six months period then ended and the notes about condensed interim financial statements. Management is responsible for the preparation and presentation of this condensed interim financial statement in accordance with international accounting standard number (34) “ interim financial reporting “ our responsibility is to express a conclusion on this condensed interim financial statements based on our review .

Scope of review

We conducted our review in accordance with the international standard on review engagements (2410) “ review of interim financial information performed by the independent auditor of the entity .” a review of condensed interim financial statement consists of making inquiries , primarily of persons responsible for financial and accounting matters , and applying analytical and consequently does not enable us to obtain assurance that we would become a ware 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 condensed interim financial statement as at 30 June 2017 are not prepared , in all material respects , in according with international accounting standard number (34) “ interim financial reporting “ .

The Scientific Office for Auditing,
Accounting and Consulting

09 July 2017

Zinat Adel Al-Saifi
License No. “431”

Amman - Jordan

Zinat Adel Al-Saifi

Akary for Industries and Real Estate Investments Co.
"Public Shareholding Company"
Amman- The Hashemite Kingdom of Jordan
Interim condensed statement for financial position as at 30 June 2017

	<u>31/07/2017</u>	<u>31/12/2016</u>
	<u>Dinar</u>	<u>Dinar</u>
<u>Assets</u>		
<u>Non-current Assets</u>		
Real State Investment for sale	206,775	206,775
Net value of property and equipment	3	3
Financial Assets at Fair Value through Other Comprehensive Income	40,000	40,000
Receivables financing agreements	281,188	281,188
Total Non-Current Assets	527,966	527,966
<u>Current Assets</u>		
Other current assets	39,107	39,107
Net value of parts stock	44,682	44,682
Net Accounts Receivable	105,627	109,084
Financial Assets at Fair Value through Income	70,331	73,062
Cash and cash equivalent	3,330	3,330
Total Current Assets	263,077	269,265
Total Assets	791,043	797,231
<u>Liabilities and Shareholding Equity</u>		
<u>Equity</u>		
Authorized & Paid up capital	1,200,000	1,200,000
Share premium	7,208	7,208
Compulsory reserve	287,849	287,849
Voluntary reserve	8,552	8,552
Accumulated losses	(816,309)	(810,121)
Net Shareholding Equity	687,300	693,488
<u>Current Liabilities</u>		
Other current liabilities	39,283	39,283
Accounts Payables	64,460	64,460
Total Current Liabilities	103,743	103,743
Total Liabilities and Equity	791,043	797,231

The enclosed notes constitute an integral part of this statement

(4 /13)

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Akary for Industries and Real Estate Investments Co.

"Public Shareholding Company"

Amman- The Hashemite Kingdom of Jordan

interim condensed comprehensive income statement as at 30 June 2017

<u>Description</u>	<u>30/06/2017</u> <u>Dinar</u>	<u>30/06/2016</u> <u>Dinar</u>
<u>Revenues</u>		
Profit (losses) are realized at fair value through the income statement	890	(1,906)
Unrealized (losses) on financial assets at fair value through statement of income	(7,078)	(10,462)
Investment profits of financing agreements	0	76,688
Total Revenues	(6,188)	64,320
<u>Less :</u>		
Administrative and general expenses	0	0
Profit (losses) for the period before tax	(6,188)	64,320
Income tax	0	0
Profit (loss) for the period after tax	(6,188)	64,320
<u>Comprehensive Income Items</u>		
Other comprehensive income	0	0
Comprehensive profit (loss) of the period	(6,188)	64,320
Basic and diluted portion of the share from profit of the period	(0.005)	0.054
	<u>Dinar/ Fils</u>	<u>Dinar/ Fils</u>

The enclosed notes constitute an integral part of this statement

(5 /13)

Akary for Industries and Real Estate Investments Co.

"Public Shareholding Company"

Amman- The Hashemite Kingdom of Jordan

Interim condensed changes in shareholders' equity statement

<u>Description</u>	<u>Capital</u>	<u>Share Premium</u>		<u>Compulsory Reserve</u>		<u>Voluntary Reserve</u>		<u>Retained Losses</u>		<u>Total</u>
	<u>Dinar</u>	<u>Dinar</u>	<u>Dinar</u>	<u>Dinar</u>	<u>Dinar</u>	<u>Dinar</u>	<u>Dinar</u>	<u>Realized Profit (loss)</u>	<u>Unrealized Profit (loss)</u>	<u>Total</u>
Balance as of December 31, 2015	1,200,000	7,208	283,910	8,552	(776,792)	(102,930)	(879,722)	619,948		
Profit for the period	-	-	-	-	39,392	34,148	73,540	73,540		
Compulsory reserve	-	-	3,939	-	-	-	(3,939)	-		
Balance as on December 31, 2016	1,200,000	7,208	287,849	8,552	(737,400)	(68,782)	(810,121)	693,488		
losses for the period	-	-	-	-	890	(7,078)	(6,188)	(6,188)		
Balance as on June 30, 2017	1,200,000	7,208	287,849	8,552	(736,510)	(75,860)	(816,309)	687,300		

The enclosed notes constitute an integral part of this statement

(6 / 13)

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Akary for Industries and Real Estate Investments Co.
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interim condensed cash flows statement as at 30 June 2017

	<u>30/06/2017</u> <u>Dinar</u>	<u>30/06/2016</u> <u>Dinar</u>
<u>Cash Flows from Operating Activities</u>		
Profit (loss) of the period	(6,188)	64,320
<u>Adjustments :</u>		
Unrealized gains (losses) on financial assets at fair value through statement of income	7,078	10,462
	<u>890</u>	<u>74,782</u>
<u>Change in Working Capital Items :</u>		
Accounts Receivable	3,457	-
Other current assets	-	(1,539)
Accounts Payables	-	2,234
Net cash from operating activities	<u>4,347</u>	<u>75,477</u>
<u>Cash flows from investment activities</u>		
Financial Assets at Fair Value through Other Comprehensive Income	(4,347)	2,562
Investment profits of financing agreements	-	(76,688)
Net cash flow from investment activities	<u>(4,347)</u>	<u>(74,126)</u>
Change in cash and cash equivalents	-	1,351
Cash and cash equivalents on 1 January	<u>3,330</u>	<u>4,216</u>
Cash and cash equivalents on 30 June	<u>3,330</u>	<u>5,567</u>

The enclosed notes constitute an integral part of this statement

(7 / 13)

Akary for Industries and Real Estate Investments Co.
Limited public shareholding Co.
Amman– The Hashemite Kingdom of Jordan
Accounting Policies

Principles for preparation and Most Important Accounting Policies

- Principles for preparation of the financial statements

- The financial statements of the company were prepared in accordance with the Standards issued by the International Accounting Standard Board and interpretations issued by the International Financial Reporting Interpretations Committee under the International Accounting Standards Board.
- The financial statement were prepared in accordance with the historical cost method except for the financial assets specified at fair value that are presented at fair value through the Comprehensive income statement.
- The financial statement were prepared in accordance with the International Financial Reporting Standards.
- The Followed accounting policies for the current year are similar to those principle followed in the last year.
- The Jordanian Dinar is the currency of presentation of the financial statements which represents the main currency of the company.

- Use of Estimations :

The preparation of the financial statements and the application of the accounting policies require the management of the company to make certain estimations and discretions that affect the financial statements and the notes therewith enclosed. Such estimations are based on assumptions subject to variable degrees of accuracy and certainty. Thus, the actual results in the future may vary from the estimations of the management due to the change in conditions and circumstances of the assumptions on which those estimations were based.

Akary for Industries and Real Estate Investments Co.
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Amman- The Hashemite Kingdom of Jordan

Principles for preparation and Most Important Accounting Policies

The most important estimations used in preparing the financial statements are indicated below :

- The management periodically reevaluates useful life of tangible assets for the purposes of calculating annual depreciations based on the general conditions of those assets and the useful life estimations expected in the future. The impairment loss (if any) is also taken into account in the income statement.
- The management performs a periodical review of the financial assets which is expressed at cost to estimate any impairment in the value thereof where such impairment is taken into account in the income statement of the year.
- The management of the company estimates the value of the provision for doubtful debts taking into consideration the potential for collecting these Receivables.
- Financial assets at fair value through income statement
- Other financial assets that do not meet the conditions of financial assets at amortized cost are measured as assets at fair value.
- Assets stated at fair value through income statement are Investments in equity and debt instruments for trading purposes and the purpose of the retention is to generate profits from fluctuations in short-term market prices or to generate profits from margin of trading profits.
- Financial assets are recorded at fair value in the statement of income upon procurement (acquisition costs are recorded in the statement of income upon purchase) and are re-evaluated in the financial statements at their fair value, Subsequent changes at fair value are recorded in the statement of income in the same period in which the change at fair value arises from the differences of non cash assets exchange in foreign currencies.

Akary for Industries and Real Estate Investments Co.
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Principles for preparation and Most Important Accounting Policies

- Dividends or revenues are recorded in the statement of income when realized (approved by the General Assembly of Shareholders).

- Financial Assets at Fair Value through Other Comprehensive Income :

Change differences in fair value of financial assets specified at fair value are recorded through the other Comprehensive income statement. The financial assets of specified value are presented through the other Comprehensive income statement for which market prices in active markets are available at fair value after deducting the accumulated losses of impairment in their fair value.

Financial assets specified at fair value are presented through the other Comprehensive income statement for which there are no market prices in active markets and whose fair value cannot be reliably determined at cost, where any impairment in the value thereof is recorded in the other Comprehensive income statement.

Profits and losses resulting from differences in foreign currency exchange of debt instruments bearing interests are recorded within the financial assets specified at fair value through the other Comprehensive income statement, while differences in foreign currency exchange of equity instruments are recorded in the line of accumulated change in fair value within the equity.

- Cash and cash equivalents :

Cash and cash equivalents are those in hand, balances with banks, and investments liquid able to certain amounts with maturity dates not exceeding three months so that they do not involve the risk of change in value.

Akary for Industries and Real Estate Investments Co.
"Public Shareholding Company"
Amman- The Hashemite Kingdom of Jordan
Principles for preparation and Most Important Accounting Policies

- Accounts Receivable :

Accounts receivable are presented at cost after deducting the accumulated provision for doubtful debts. Accounts receivable are written off in case of inability to collect them by means of deducting from the allocated provision where the amounts collected from written off debts are then added to the revenues.

- Real estate investments

Real estate investments are shown on the land they hold or an increase in market value.

- Property and equipment and Accumulated Depreciation :

Property, equipment and machinery are presented at cost after deducting the accumulated depreciation. Property and equipment are depreciated when ready for use by the fixed installment method throughout the expected useful life. When the recoverable amount of any property and equipment becomes lower than the net book value thereof, their value is impaired below that previously estimated. The remaining book value shall be depreciated over the remaining useful life after re-estimation as of the year in which re-estimation has been made .

- Foreign Currencies

The transactions made in foreign currency during the year are recognized in the applicable exchange rates in the date made of such transactions. The balance of the assets and liabilities in foreign currency are converted using the exchange rates in the date of the financial statements and being declared by the Central bank of Jordan. The profits and losses resulting from the exchange process are recognized in the statement of income.

- Accounts Payable and accrued Amounts :

Accounts payable and accrued amounts are recorded at benefiting from the service by the company, whether claimed by the supplier or not.

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Principles for preparation and Most Important Accounting Policies

- Income tax

The payable tax expenses are estimated on the basis of the taxable profits. the taxable profits differ from the declared profits in the financial statements, because the declared profits includes no-taxable revenues or non-discountable expenses in the fiscal year but in the next years also or the accumulated losses acceptable by the tax or items not subject or acceptable for discount for taxing purposes.

- Provisions :

Provisions are recorded whenever the company incurs legal liabilities or expected liabilities as a result of previous events, where the company would probably pay cash amounts to settle these liabilities. The provisions are reviewed at the date of the financial position and the value thereof is adjusted based on the latest information available to the management.

- Financing expenses:

Interest earned on facilities granted to the Company is recognized in the statement of income during the year in which it is due.

- The goods in the warehouses spare parts: -

Inventories of spare parts are priced at the lower of cost or net realizable value and the cost is determined on a first-come first-come, first-served basis. When inventories are less than the cost, the difference is recognized as an inventory expense and recognized in the income statement.

- Loans and bank credit: -

Loans and bank borrowings are shown on the accrual basis and interest on loans and bank loans is charged to the income statement in the period in which the interest is charged.

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Notes to the Final Financial Statements

1- General Note :

- Akary for Industries and Real Estate Investments Co. " Public Limited Shareholding Company " was established as under the name (Woollen Industries Co) on 01/01/1964 , registered under No. (20) , with a capital of (1,200,000) Jordanian Dinar.

- The most purposes of the Company

- Invest the Company's funds in real estates.

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