

بورصة عمان  
د. سمير قموه  
رئيس مجلس الإدارة  
2019/07/29

الرقم : 63/1/2/102

<p>To: Jordan Securities Commission Amman Stock Exchange Date: 29/07/2019</p> <p><u>Subject: Semi – Annual Report As of</u> <u>30/06/2019</u></p>	<p>السادة هيئة الأوراق المالية السادة بورصة عمان التاريخ: 2019/07/29</p> <p><u>الموضوع: التقرير نصف السنوي كما</u> <u>هو في 2019/06/30</u></p>
<p>Attached the company's Semi – Annual Report of Jordan International Investment Co. as of 30/06/2019</p>	<p>مرفق طيه نسخة من التقرير نصف السنوي لشركة الأردن الدولية للاستثمار كما هو بتاريخ 2019/06/30.</p>
<p>Kindly accept our highly appreciation and respect</p> <p> Sami Gammoh Chairman</p>	<p>وتفضلوا بقبول فائق الإحترام...</p> <p> سامي قموه رئيس مجلس الإدارة</p>



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**JORDAN INTERNATIONAL INVESTMENT COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN – JORDAN  
CONSOLIDATED CONDENSED INTERIM FINANCIAL  
INFORMATION FOR THE SIX-MONTH PERIOD  
ENDED JUNE 30, 2019**

**TOGETHER WITH THE INDEPENDENT AUDITOR'S  
REPORT ON THE REVIEW OF THE CONDENSED  
CONSOLIDATED INTERIM FINANCIAL INFORMATION**

**JORDAN INTERNATIONAL INVESTMENT COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN – JORDAN**

**FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2019**

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**Independent Auditor's Report on the Review of the Consolidated Condensed Interim  
Financial Information**

**To Chairman and the Members of Board of Directors  
Jordan International Investment Company  
(Public Shareholding Limited Company)**

**Amman – Jordan**

We have reviewed the accompanying consolidated condensed interim financial information of **Jordan International Investment Company – Public Shareholding Limited Company- and its subsidiary (“the Group”)** which comprise consolidated condensed interim statement of financial position as at June 30, 2019 and the related consolidated condensed interim statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the six- month period then ended and the notes about consolidated condensed interim financial information. The Group's management is responsible for the preparation and fair presentation of this consolidated condensed interim financial information in accordance with International Accounting Standard number (34) “Interim Financial Reporting”. Our responsibility is to express a conclusion on this consolidated condensed interim financial information 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 consolidated condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial information as at June 30, 2019 is not prepared, in all material respects, in accordance with International Accounting Standard number (34) “Interim Financial Reporting”.

**Other Matter**

This financial information is a translated copy to the English language of the original consolidated condensed interim financial information issued in Arabic language.

**Kawasmy and Partners  
KPMG**

Hatem Kawasmy  
License no. (656)



Amman - Jordan  
July 29, 2019

KPMG Kawasmy & Partners Co., a registered Jordanian partnership under No. (226),  
is a member firm of KPMG International, a Swiss cooperative

**JORDAN INTERNATIONAL INVESTMENT COMPANY**  
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**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**

<i>In Jordanian Dinars</i>		<b>As of June 30, 2019 (Reviewed not audited)</b>	<b>As of December 31, 2018 (Audited)</b>
	<b>Note</b>		
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash at vaults and at banks	5	1,181,555	1,701,022
Cheques under collection		2,000	9,305
Financial assets at fair value through statement of other comprehensive income	7	113,327	134,750
Financial assets at fair value through Profit or Loss	8	538,612	-
Trade and other receivables	6	101,196	90,373
Due from related parties	12	2,202	-
<b>Total Current Assets</b>		<b>1,938,892</b>	<b>1,935,450</b>
<b>Non-Current Assets</b>			
Investment in properties - Net	9	7,536,626	7,543,045
Deferred tax assets	11-B	32,422	33,661
Property and equipment - Net		27,157	28,535
<b>Total Non-Current Assets</b>		<b>7,596,205</b>	<b>7,605,241</b>
<b>Total Assets</b>		<b>9,535,097</b>	<b>9,540,691</b>
<b>Liabilities and Shareholders' Equity</b>			
<b>Current Liabilities</b>			
Accounts payable and other credit balances	10	84,514	81,557
Income tax provision	11-A	90	20,059
Deferred tax liability	11-C	1,795	-
<b>Total Current Liabilities</b>		<b>86,399</b>	<b>101,616</b>
<b>Shareholders' Equity</b>			
Paid-up capital	1	10,000,000	10,000,000
Statutory reserve		47,346	47,346
Special reserve		2,225	2,225
Financial asset valuation reserve		(45,418)	(45,856)
Accumulated (losses)		(555,455)	(564,640)
<b>Total Shareholders' Equity</b>		<b>9,448,698</b>	<b>9,439,075</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>9,535,097</b>	<b>9,540,691</b>

The companying notes on pages (6) to (16) are an integral part of this consolidated condensed interim financial information and should be read with it and with the review report.

**Chairman of Board of Directors**

**Financial Manager**

**JORDAN INTERNATIONAL INVESTMENT COMPANY**  
**(PUBLIC SHAREHOLDING LIMITED COMPANY)**  
**AMMAN – JORDAN**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER**  
**COMPREHENSIVE INCOME (REVIEWED NOT AUDITED)**

<i>In Jordanian Dinars</i>	Note	For the Three –Month Period ended March 31,		For the Six -Month Period ended June 30,	
		2019	2018	2019	2018
Rentals revenue – net		2,625	2,625	5,250	5,708
Gain from selling investment properties	9	-	42,621	-	42,621
Interest Revenue		24,690	13,267	44,133	25,860
Other (expense) revenue – net		(1,428)	4,544	(2,902)	3,171
<b>Total Revenue</b>		<b>25,887</b>	<b>63,057</b>	<b>46,481</b>	<b>77,360</b>
General and Administrative expenses		(29,349)	(31,748)	(61,752)	(58,479)
Net gain of financial assets through statement of profit or loss		23,712	-	33,184	-
<b>Income for the period before income tax</b>		<b>20,250</b>	<b>31,309</b>	<b>17,913</b>	<b>18,881</b>
Income tax expense	11-A	(3,008)	-	(3,008)	-
<b>Net profit for the Period</b>		<b>17,242</b>	<b>31,309</b>	<b>14,905</b>	<b>18,881</b>
<b>Statement of other comprehensive income items that will never be reclassified to consolidated condensed interim statement of profit or loss :</b>					
Change in financial assets valuation reserve		18,763	(10,475)	(5,337)	(3,875)
Gain from sale of financial assets through statement of other comprehensive income		55	-	55	-
<b>Total other comprehensive income items</b>		<b>18,818</b>	<b>(10,475)</b>	<b>(5,282)</b>	<b>(3,875)</b>
<b>Total Comprehensive Income for the period</b>		<b>36,060</b>	<b>20,834</b>	<b>9,623</b>	<b>15,006</b>
<b>Basic and diluted earnings per share for the period (JOD / share)</b>	13	<b>0.002</b>	<b>0.003</b>	<b>0.001</b>	<b>0.002</b>

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**Chairman of Board of Directors**

**Financial Manager**

**JORDAN INTERNATIONAL INVESTMENT COMPANY  
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AMMAN – JORDAN**

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (REVIEWED NOT AUDITED)**

<i>In Jordanian Dinars</i>	Paid-up capital	Statutory reserve	Special reserve	Financial asset valuation reserve	(Accumulated losses)	Total shareholders' equity
<b>For the Six -Month Period Ended June 30, 2019</b>						
Balance as at January 1, 2019	10,000,000	47,346	2,225	(45,856)	(564,640)	9,439,075
Net profit for the period	-	-	-	-	14,905	14,905
Change in financial assets valuation reserve	-	-	-	(5,337)	-	(5,337)
Realized gain from investment at fair value through other comprehensive income	-	-	-	(360)	415	55
<b>Total comprehensive income for the period</b>	-	-	-	(5,697)	15,320	9,623
Transfer from financial assets valuation reserve to accumulated losses	-	-	-	6,135	(6,135)	-
<b>Balance as of June 30, 2019</b>	<b>10,000,000</b>	<b>47,346</b>	<b>2,225</b>	<b>(45,418)</b>	<b>(555,455)</b>	<b>9,448,698</b>
<b>For the Six -Month Period Ended June 30, 2018</b>						
Balance as at January 1, 2018	10,000,000	29,806	2,225	(23,539)	(704,391)	9,304,101
Net profit for the period	-	-	-	-	18,881	18,881
Change in financial asset valuation reserve	-	-	-	(3,875)	-	(3,875)
<b>Total comprehensive income for the period</b>	-	-	-	(3,875)	18,881	15,006
<b>Balance as of June 30, 2018</b>	<b>10,000,000</b>	<b>29,806</b>	<b>2,225</b>	<b>(27,414)</b>	<b>(685,510)</b>	<b>9,319,107</b>

The accompanying notes on pages (6) to (16) are an integral part of this consolidated condensed interim financial information and should be read with it and with the review report.

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**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (REVIEWED NOT AUDITED)**

<i>In Jordanian Dinars</i>	<i>Note</i>	<b>For the Six Month Period ended June 30,</b>	
		<b>2019</b>	<b>2018</b>
<b>Cash flows from operating activities</b>			
Profit for the period before income tax		17,913	18,881
<b>Adjustments:</b>			
Bank interest revenue		(44,133)	(25,860)
Depreciation expense of property and equipment and investment properties		7,985	8,134
(Profit) on sale of investment in properties	9	-	(42,621)
(Profit) on sale of financial assets through statement of profit or loss		(33,184)	-
Net cash flows (used in) operating activities before changes in working capital items		<b>(51,419)</b>	<b>(41,466)</b>
<b>Changes in:</b>			
Cheques under collection		7,305	(35,000)
Trade and other receivables		(10,823)	(47,928)
Due from related parties		(2,196)	5,039
Accounts payable and other credit balances		2,951	(526)
<b>Net cash flows (used in) operating activities before income tax paid</b>		<b>(54,182)</b>	<b>(119,881)</b>
Income tax paid		(20,059)	-
<b>Net cash flows (used in) operating activities after income tax paid</b>		<b>(74,241)</b>	<b>(77,912)</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of investment in properties	9	-	107,161
(Purchase) of financial assets at fair value through statement of other comprehensive income		(17,412)	(13,975)
(Purchase) of financial assets at fair value through statement of profit or loss		(830,731)	-
(Purchase) of fixed assets		(188)	-
Proceeds from sale of financial assets at fair value through statement of other comprehensive income		14,669	-
Proceeds from sale of financial assets at fair value through statement of profit or loss		336,803	-
Bank Interest received		44,133	25,860
Dividends from financial assets at fair value through profit or loss		7,500	-
<b>Net cash flow (used in) from investing activities</b>		<b>(445,226)</b>	<b>119,046</b>
Net changes in cash at vault and at banks during the period		(519,467)	(835)
Cash at vault and at banks at the beginning of the period		1,701,022	970,758
<b>Cash at vault and at banks at the end of the period</b>	5	<b>1,181,555</b>	<b>969,923</b>

The companying notes on pages (6) to (16) are an integral part of this consolidated condensed interim financial information and should be read with it and with the review report.



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**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION**

**1) GENERAL**

- A- The Company was established as a Jordanian Public Shareholding Limited Company and registered at the Companies Controller Department under Number (412) on July 13, 2006. The Company is the result of the merger between Jordan International Industries Company, a Public Shareholding Limited Company, and the Jordan International Company for Tourism and Real Estate Investments, a Limited Liability Company. The Company's paid-up capital amounted to JOD 10 million, distributed among by 10 million shares at a par value of one Jordanian Dinar per share.
- Jordan International Insurance Company has 90.90% ownership of the Company's shares which is a Public Shareholding Limited Company.
- B- The Company's main objectives are:
- Acquiring lands and establishing industrial projects, crafts estates, housing cities, touristic hotels and residential buildings.
  - Dealing in movable and immovable properties according to the applicable laws and regulations.
  - Obtaining and implementing commercial agencies and carrying out brokerage activities.
  - Importing, exporting, marketing and distributing all types of commodities by all means.
  - Establishing, purchasing, and fully or partially owning any company, corporation, goodwill, or trade name, whether local or international.
  - Establishing and licensing car park lots.
- C- The Board of Directors approved the consolidated condensed interim financial information on July 24, 2019.

**2) BASIS OF PREPARATION OF CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION**

**a) Statement of compliance**

- The consolidated condensed interim financial information has been prepared in accordance with IAS (34) "Interim Financial Reporting" in which selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended December 31, 2018.
- This consolidated condensed interim financial information does not include all the information required for full annual consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS). This consolidated condensed interim financial information should be read with the consolidated financial statements for the year ended December 31, 2018. As well as the financial performance for the period ended June 30, 2019 does not necessarily give an indication for the expected financial performance for the year that will be ending on December 31, 2019. In addition, no appropriation has been made on the profit for the period to reserves, which will be accounted for in the annual consolidated financial statements at the end of the year 2019.

**b) Basis of consolidated condensed interim financial information**

The consolidated condensed interim financial information includes the consolidated condensed interim financial information for the Company and its following subsidiary, after the elimination of transactions and balances between them, the Company has the following subsidiary as of June 30, 2019:

<u>Company Name</u>	<u>Paid up Capital</u>	<u>Ownership Percentage</u>	<u>Nature of operation</u>	<u>Country of operation</u>	<u>Date of acquisition</u>
Tellal Salem Real Estate Company	150,000	100%	Investment in properties	Jordan	2012

The following is the most important information about the subsidiary as of June 30, 2019:

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**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION**

<i>In Jordanian Dinars</i>	<b>As of June 30, 2019</b>			
	<b>Assets</b>	<b>Liabilities</b>	<b>Revenue</b>	<b>Expenses</b>
Tellal Salem Real Estate Company	390,250	155,741	13,117	4,080

<i>In Jordanian Dinars</i>	<b>As of June 30, 2018</b>			
	<b>Assets</b>	<b>Liabilities</b>	<b>Revenue</b>	<b>Expenses</b>
Tellal Salem Real Estate Company	625,150	480,495	-	580

The Group accounts for business combinations of a subsidiary in the consolidated condensed interim statement of profit and loss and other comprehensive income starting from the date of the acquisition which is the date when control is transferred to the Group.

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment.

Any gain on bargain purchases is recognized in the consolidated condensed interim statement of profit or loss and other comprehensive income immediately. Transactions costs are expensed as incurred in the consolidated condensed interim statement of profit or loss and other comprehensive income except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationship. Such amounts are generally recognized in the consolidated condensed interim statement of profit or loss and other comprehensive income.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as shareholders' equity, then it is not re-measured and settlement is accounted for within Shareholder's equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in the consolidated condensed interim statement of profit or loss and other comprehensive income.

Non-controlling interest are measured at their proportionate share of the acquiree identifiable net assets at the acquisition date.

On the loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in the consolidated condensed interim statement of profit or loss and other comprehensive income.

Balances, transactions and unrealized profits and expenses resulted from transactions within the Group are eliminated when preparing these consolidated condensed interim financial information.

**c) Use of judgments and estimates**

- These consolidated condensed interim financial information have been prepared in accordance with IAS 34, "interim financial reporting" which requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.
- In preparing these consolidated condensed interim financial information, significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended December 31, 2018 and they are reasonable and sufficient.

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**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION**

**3) SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted in the consolidated condensed interim financial statement are consistent with those adopted for the year ended December 31, 2018 except for the following new and adjusted standards, which became applicable in January 1st, 2019 as follow:

- IFRS 16 Leases. (Applicable from January 1, 2019 with early implementation)
- IFRIC 23 Uncertainty of Income Tax Processes. (Applicable from January 1, 2019)
- Amendments to IFRS 9 "Pre-payment Features with Negative Compensation". (Applicable from January 1, 2019)
- Amendments to IAS 19 Amendments to the Plan, Amortization or Settlement. (Applicable from January 1, 2019)
- Annual improvements to IFRS 2015-2017 (Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23).

The adoption of the above standards has not affected the amounts or disclosures in the consolidated condensed interim financial statements, except for the effect of applying International Financial Reporting Standard (16) as follows:

**International financial accounting standards (16) "Leases"**

IFRS 16 was issued on January 2016 and is effective for financial periods beginning on or after January 1, 2019. IFRS 16 provides that all leases and associated contractual rights and obligations Shall generally be recognized in the financial position of the Group, unless the period is 12 months or less or a lease for low-value assets. Accordingly, the classification required under IAS 17 "Leases" in operating or finance leases has been canceled for lessors. For each lease, the lessee recognizes a liability for future lease commitments. In contrast, the right to use the leased asset is capitalized, which is generally equivalent to the present value of future lease payments plus directly attributable costs that are amortized over the useful life.

The Group has adopted IFRS 16, "Leases", which supersedes the existing guidelines on leases, including IAS 17 "Leases" and International Interpretation (4) "Determining whether an arrangement (15) "Operating leases - incentives" and the interpretation of the previous Interpretations Committee 27 "Assessing the substance of transactions that take the legal form of a lease".

The Group has used the second option which is modified retrospective approach of accounting - which allows comparative figures to be presented under IAS 17 "Leases" - permitted under IFRS 16 in the first-time application of IFRS 16 Operating leases individually (for each lease separately), the right of use leased assets is generally measured at the amount of the lease obligation using the interest rate at initial application.

**The significant accounting policies adopted as a result of the adoption of IFRS (16) as of January 2019 are as follows:**

The Group determines whether the contract is a lease or includes rental terms. A contract is a lease or a lease if it includes the transfer of control over a specified asset for a specified period against compensation, and to determine whether the contract involves the transfer of control, the Group shall assess:

- If the contract includes the use of a specific asset, where it may be disclosed in the contract clearly and may be implied, and the asset must be separated, or the benefits derived from it be clearly separated. If the lessor retains the right of substitution, the asset may not be considered as specified.
- The Group has the right to receive all economic benefits from the use of the asset and for the period specified for the asset.
- The Group has the right to operate and manage the asset. That is, the Group has the power to make decisions as to how the asset is to be used and to determine the objectives of such use.

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**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION**

- This policy applies to existing contracts as of January 1, 2019 and new contracts. Until the end of the financial year 2018, the leases of properties were classified either as an operating lease or a finance lease. The amounts paid in respect of operating leases are recognized in the consolidated condensed interim statement of profit or loss on a straight-line basis over the lease term.

Effective from January 1, 2019, leases are recognized as right of use of assets and liabilities at the date that the asset is ready for use by the Group. The amount of each lease payment is allocated between the lease commitments and finance costs. Finance costs are recognized in the consolidated condensed interim profit or loss statement during the period of the lease to reach a fixed periodic interest rate on the remaining balance of the liability for each period and the assets of the right of use are amortized over the useful life of the asset or lease period whichever is shorter according to the straight-line method.

On application, lease liability is measured at the present value of the remaining lease payments, discounted at the Group's borrowing rate as of January 1, 2019. Rental commitments include net present value of the following lease payments:

- Fixed payments (including embedded fixed payments) less rent incentives receivable;
- Variable rent payments based on index or rate;
- Amounts expected to be paid by the lessee under residual value guarantees;
- The price of the exercise of the purchase option if the lessee is reasonably certain to exercise this option (if any), and
- Payment of termination fines, if the terms of the lease include this option.

Lease payments are discounted using the implicit interest rate or the additional rate of borrowing for the lessee, if not available, which the tenant must pay to borrow funds to obtain an asset in a similar economic environment.

While the rights to use the assets are measured at the amount equal to the lease obligations, which are adjusted to any advance or due rents - the Group has applied this approach to all of its leases.

While payments relating to short-term leases and low-value leases are recognized on a straight-line basis as an expense in the consolidated interim statement of profit or loss, short-term leases are leases of 12 months or less.

The Group used the following practical applications in applying IFRS (16) to previously classified leases as operating leases under IAS (17):

- Use of one discount rate on the portfolio of leases with similar characteristics.
- Application of the exemption in the Standard by not recognizing the rights to use the related assets and liabilities for leases less than 12 months.
- Excludes direct initial costs from measuring the right to use the asset at the date of initial application.
- The use of estimates when determining the duration of the lease if the contract contains options for extension or termination.
- Application of the standard to contracts associated with tangible assets.

**Effect on consolidated condensed interim financial statements:**

The Group has implemented International Financial Reporting Standard number (16) starting from January 1, 2019 and there was no material impact on the consolidated condensed interim financial information for the six-month period ended at 30 June 2019.

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**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION**

- **New Standards and Interpretation not yet adopted:**
- International Financial Reporting Standards (17): Insurance Contracts (effective on January 1st, 2021 with earlier application permitted).
- IFRS (10) and IAS (28): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Effective date to be determined).

**4) FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT**

- Generally, the Group's objectives, policies and processes for managing risk are the same as those disclosed in its financial statements as of and for the year ended December 31, 2018.
- There have been no changes in the Group's approach to capital management during the current financial interim period neither the Group is subject to externally imposed capital requirements.
- Fair value hierarchy for the financial assets has been disclosed in Note (17).

**5) CASH AT VAULTS AND AT BANKS**

This item consists of the following:

<i>In Jordanian Dinars</i>	<b>As of June 30, 2019 (Reviewed not audited)</b>	<b>As of December 31, 2018 (Audited)</b>
Cash at vaults	321	548
Cash at banks	5,516	491
Deposits at bank *	1,175,718	1,699,983
	<b>1,181,555</b>	<b>1,701,022</b>

\* Interest rates on bank balances ranged from 1.7% to 6% during the period and are renewed on monthly basis (December 31, 2018: 1.7% to 6%).

**6) TRADE AND OTHER RECEIVABLES**

This item consists of the following:

<i>In Jordanian Dinars</i>	<b>As of June 30, 2019 (Reviewed not audited)</b>	<b>As of December 31, 2018 (Audited)</b>
Trade receivables*	68,093	66,522
Employees receivable	-	188
Refundable deposits	79,796	77,622
Prepaid expenses	11,122	2,933
Accrued interest	3,413	4,336
Advanced payment to Water Authority	1,523	1,523
	<b>163,947</b>	<b>153,124</b>
<b>Less: Provision for expected credit loss</b>	<b>(62,751)</b>	<b>(62,751)</b>
	<b>101,196</b>	<b>90,373</b>

\* The expected credit losses amounted to JOD 62,751 as of June 30, 2019 and December 31, 2018 was calculated according to management estimates.

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**7) FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF OTHER COMPREHENSIVE INCOME**

<i>In Jordanian Dinars</i>	<b>Number of shares</b>	<b>As of June 30, 2019 (Reviewed not audited)</b>	<b>As of December 31, 2018 (Audited)</b>
<b><u>listed and traded Shares in Amman Stock Exchange</u></b>			
Cairo Amman bank	52,777	59,110	66,500
Jordan Electricity Company shares	23,000	28,980	24,514
United Cables Factory	-	-	3,300
Phoenix Arab Holding Company *	-	-	19,000
Al Hayat Pharmaceutical Industries	2,000	3,801	-
		<b>91,891</b>	<b>113,314</b>
<b><u>listed and not traded Shares in Amman Stock Exchange</u></b>			
International Silica Industries Company shares **	10,000	21,436	21,436
		<b>113,327</b>	<b>134,750</b>

\* On January 1, 2019, the Company's Board of Directors resolved to transfer the investment in Phoenix Arab Holding Company from financial assets at fair value through statement of other comprehensive income to financial assets at fair value through statement of profit or loss. The fair value reserve for this investment was transferred as at January 1, 2019 to accumulated losses.

\*\* These shares have been re-evaluated according to the latest available study prepared by the company's management.

**8) FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF PROFIT OR LOSS**

This item consists of the following:

<i>In Jordanian Dinar</i>	<b>As of June 30, 2019 (Reviewed not audited)</b>	<b>As of December 31, 2018 (Audited)</b>
Shares listed and traded in Amman Stock Exchange	538,612	-
	<b>538,612</b>	<b>-</b>

**9) INVESTMENT IN PROPERTIES – NET**

This item consists of the following:

<i>In Jordanian Dinar</i>	<b>As of June 30, 2019 (Reviewed not audited)</b>	<b>As of December 31, 2018 (Audited)</b>
Lands	7,018,000	7,018,000
Buildings	467,119	467,119
Apartments	120,697	120,697
Wadi Saqra Office	88,433	88,433
	<b>7,694,249</b>	<b>7,694,249</b>
<b>Less: Accumulated depreciation and impairment:</b>		
Accumulated depreciation	(151,497)	(145,078)
Impairment in investments in properties	(6,126)	(6,126)
	<b>7,536,626</b>	<b>7,543,045</b>

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- The fair value of the investment in properties (other than buildings) was reassessed by two accredited valuers with an average market value of JOD 8,754,269 under the latest real estate valuation available to the Company on June 30, 2019 (2018: JOD 10,510,548). The fair value of investments in property was determined by comparing them with the market value of similar investment properties.

**10) ACCOUNTS PAYABLE AND OTHER CREDIT BALANCES**

This item consists of the following:

<i>In Jordanian Dinar</i>	<b>As of June 30, 2019 (Reviewed not audited)</b>	<b>As of December 31, 2018 (Audited)</b>
Accounts payable	1,928	2,728
Unearned revenue	4,875	4,125
Contingent liabilities*	68,500	68,500
Accrued expenses	3,762	755
Lawsuits provision	5,449	5,449
	<b>84,514</b>	<b>81,557</b>

\* This item represents claims lodged against the group by one of the corporations with an amount of JOD 68,500. The claim represents service fees, operational costs, and penalties related to the Company-owned buildings in Halabat Industrial Zone. Consequently, the Company has filed a lawsuit to preclude a claim at Amman Court of First Instance, the lawsuit is currently going through the appeal phase (note 16).

**11) INCOME TAX :**

**A- Tax Position**

A settlement has been reached with the Income and Sales Tax Department up to the end of the year 2017. Moreover, the Company has submitted its income tax return for the year 2018 which still has not been audited by the Income and Sales Tax Department as of the date of this consolidated condensed interim financial information.

The Company has reached a final settlement with the Income and Sales Tax Department up to the year 2016 for Tellal Salem (a subsidiary). Moreover, the Company has submitted the income tax return for the year 2017, which is still not audited yet by the Income and Sales Tax Department as of the date of this consolidated condensed interim financial information.

In the opinion of the Company's management and its tax consultant, no provision is required as there is taxable accumulated losses.

The movement on income tax provision is as follows:

<i>In Jordanian Dinar</i>	<b>As of June 30, 2019 (Reviewed not audited)</b>	<b>As of December 31, 2018 (Audited)</b>
Income tax provision at the beginning of the period / year	20,059	-
Income tax expense for the period / year	90	20,059
Paid income tax during the period / year	(20,059)	-
<b>Income tax provision at the end of period / year</b>	<b>90</b>	<b>20,059</b>

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The income tax presented in the condensed consolidated interim statement of profit or loss is as follows:

<i>In Jordanian dinar</i>	For the six months ended June 30,	
	2019	2018
Amortization of deferred tax assets	1,239	-
Deferred tax liabilities	1,679	-
National contribution tax	90	-
	<b>3,008</b>	<b>-</b>

**B- Deferred Tax Assets**

This item consists of the following:

<i>In Jordanian Dinar</i>	Deferred Tax					
	Balance at the beginning of the Period	Released amount	Additions Amount	Balance at the end of the period	As of June 30, 2019 (reviewed not audited)	As of December 31, 2018 (audited)
Expected credit losses	62,751	-	-	62,751	13,178	13,178
Impairment in investment properties	6,126	-	-	6,126	1,286	1,286
Impairment in the value of the change in financial assets through statement of profit or loss	5,900	5,900	-	-	-	1,239
Impairment in the value of the change in financial assets through statement of other comprehensive income	11,564	-	-	11,564	2,428	2,428
Provision for contingent liabilities	68,500	-	-	68,500	14,385	14,385
Provision for lawsuits	5,449	-	-	5,449	1,145	1,145
	<b>160,290</b>	<b>5,900</b>	<b>-</b>	<b>154,390</b>	<b>32,422</b>	<b>33,661</b>

**C- Deferred Tax Liability**

Net gain from financial assets valuation through statement of profit or loss

	-	-	7,994	7,994	1,679	-
Net gain from financial assets valuation through statement of other comprehensive income	-	-	554	554	116	-
	<b>-</b>	<b>-</b>	<b>8,548</b>	<b>8,548</b>	<b>1,795</b>	<b>-</b>

The movement on Deferred Tax Assets/Liability account is as follows:

<i>In Jordanian Dinar</i>	June 30, 2019 (Reviewed not audited)		December 31, 2019 (Audited)	
	Assets	Liabilities	Assets	Liabilities
Balance at beginning of the period / year	33,661	-	32,058	-
Additions during the period / year	-	1,795	1,603	-
Released during the period / year	1,239	-	-	-
Balance at end of period / year	<b>32,422</b>	<b>1,795</b>	<b>33,661</b>	<b>-</b>

Deferred tax benefits were calculated as the management expects to benefit from these provisions in the near future by 24% as at 30 June 2019 and 31 December 2018 in accordance with the Income Tax Act No. (38) for 2018 and effective from January 1, 2019.



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**12) RELATED PARTIES BALANCES AND TRANSACTIONS**

Related parties include the main shareholders board members and main managers and affiliated company, The Company's management has approved the pricing policies and terms of transactions with related parties, balances and transactions with related parties during the period/year were as follows:

**(12-1) Due from related parties**

<i>In Jordanian Dinar</i>	<b>As of June 30, 2019(Reviewed not audited)</b>	<b>As of December 31, 2018 (Audited)</b>
<b><u>Consolidated Condensed Interim Statement of Financial Position</u></b>		
Ibda'a for financial investment Company	2,202	-
	<b>2,202</b>	<b>-</b>
<b><u>Consolidated Condensed Interim Statement of Profit Or Loss</u></b>		
<b><u>Expenses</u></b>		
Jordan International Insurance Company (Parent Company)	-	5,012
Ibda'a for financial investment Company (Sister Company)	-	210

**(12-2) Key management remuneration**

Salaries and remunerations paid to the Company's higher executive management for the six months ended June 30, 2019 amounted to JOD 7,680 (June 30, 2018: JOD 7,680).

**13) BASIC AND DILUTED EARNINGS PER SHARE FOR THE PERIOD:**

Earnings per share is calculated by dividing the profit for the period by the weighted average number of shares during the period and the details are as follows:

<i>In Jordanian Dinar</i>	<b>For the Six- Month Period ended June 30, (Reviewed not audited)</b>	
	<b>2019</b>	<b>2018</b>
Profit for the period (JOD)	14,905	18,881
Weighted average for number of shares (Share)	10,000,000	10,000,000
<b>Earnings Per Share for the Period – JOD/Share</b>	<b>0.001</b>	<b>0.002</b>

**14) GEOGRAPHICAL SEGMENT**

The Group operates its activities inside the Hashemite Kingdom of Jordan, and the Company's operations are focused on investment in land, real estates and construction projects.

**15) CONTINGENT LIABILITIES**

- A- As of the consolidated condensed interim financial information date, the Company had contingent liabilities representing bank letters of guarantee amounting to JOD 10,000.
- B- There is a claim lodged against the Company by one of the corporations with an amount of JOD 68,500. The claim represents service fees, operational costs, and penalties related to the Company-owned buildings in Halabat Industrial Zone. Consequently, the Company has filed a lawsuit to preclude a claim at Amman Court of First Instance. Furthermore, a decision was issued prohibiting the Company to claim the above-mentioned amount and dismiss the apprehendable money of the Company and guarantee the defendant to take the fees. Moreover, the defendant has presented an appeal and a response on that appeal was made. The defendant filed a cassation therefore, the lawsuit is currently going through the cassation phase. In the opinion of the Company's management and its legal consultant, the Company will not incur any amounts in excess of the provisions taken as of June 30, 2019.

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**16) LAWSUITS AGAINST THE COMPANY**

- There are lawsuits filed against the Company at courts claiming compensation for labor issues at a total amount of JOD 2,692 as of June 30, 2019 accordingly a provision for lawsuits was booked, moreover, the case has been dropped temporarily because the claimant did not attend.
- There is a lawsuit against Tellal Salem (subsidiary). This lawsuit is to terminate the sale of lands' contracts the Company owned the land in prior year which appears under investment properties (Note 9). The case is currently in the court going through the presentation of the evidence. In the opinion of the company's lawyer, no need to book any lawsuits provision against this case since the legal status of the Company is good.

**17) FAIR VALUE LEVELS**

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

**Level 1:** quoted prices (unadjusted) in active markets for financial assets.

**Level 2:** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instrument evaluated based on:

Prices quoted in active markets for similar instruments or through the use of valuation model that includes inputs that can be traced to markets, these inputs good be defend directly or indirectly.

**Level 3:** inputs for the asset or liability that are not based on observable market data (Inputs not observable).

**A. Financial Assets measured at fair value in continuous basis:**

<b>June 30, 2019 (Reviewed not audited)</b>				
<i>In Jordanian dinar</i>	<b>Carrying amount</b>	<b>Fair Value</b>		
		<b>Level (1)</b>	<b>Level (2)</b>	<b>Level (3)</b>
<b><u>Financial Assets</u></b>				
Financial assets at fair value through statement of other comprehensive income	113,327	91,891	21,436	-
Financial assets at fair value through statement of profit or loss	538,612	538,612	-	-
<b>December 31, 2018 (Audited)</b>				
<i>In Jordanian dinar</i>	<b>Carrying amount</b>	<b>Fair Value</b>		
		<b>Level (1)</b>	<b>Level (2)</b>	<b>Level (3)</b>
<b><u>Financial Assets</u></b>				
Financial assets at fair value through statement of other comprehensive income	134,750	113,314	21,436	-

There were no transfers between level 1 and level 2 during the period ended June 30, 2019.

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**B. Financial Assets not measured at fair value:**

		<b>June 30, 2019 (Reviewed not audited)</b>		
		<b>Fair Value</b>		
<i>In Jordanian Dinar</i>	<b>Carrying amount</b>	<b>Level (1)</b>	<b>Level (2)</b>	<b>Level (3)</b>
<b><u>Financial Assets</u></b>				
Cash at vaults and at banks	1,181,555	-	-	-
Trade and other receivables	101,196	-	-	-
Cheques under collection	2,000	-	-	-
Deferred tax assets	32,422	-	-	-

  

		<b>December 31, 2018 (Audited)</b>		
		<b>Fair Value</b>		
<i>In Jordanian Dinar</i>	<b>Carrying amount</b>	<b>Level (1)</b>	<b>Level (2)</b>	<b>Level (3)</b>
<b><u>Financial Assets</u></b>				
Cash at vaults and at banks	1,701,022	-	-	-
Accounts and other receivables	90,373	-	-	-
Cheques under collection	9,305	-	-	-
Deferred tax assets	33,661	-	-	-

There were no transfers between level 1 and level 2 during the period ended June 30, 2019.

**C. Non-financial assets that are measured at fair value of which their fair value are exposed in the Condensed interim financial statements:**

		<b>June 30, 2019 (Reviewed not audited)</b>		
		<b>Fair Value</b>		
<i>In Jordanian Dinar</i>	<b>Carrying amount</b>	<b>Level (1)</b>	<b>Level (2)</b>	<b>Level (3)</b>
<b><u>Financial assets</u></b>				
Investment in properties	7,536,626	-	8,754,269	-

  

		<b>December 31, 2018 (Audited)</b>		
		<b>Fair Value</b>		
<i>In Jordanian Dinar</i>	<b>Carrying amount</b>	<b>Level (1)</b>	<b>Level (2)</b>	<b>Level (3)</b>
<b><u>Financial assets</u></b>				
Investment properties	7,543,045	-	10,160,140	-

The above items represent fair value of non-financial assets that are determined based on values of similar financial investments in a non-active market.