INJAZ FOR DEVELOPMENT & PROJECTS

عمان: 15 / 5 / 2017

الرقم : 223 / 2017

السادة / بورصة عمان المحترمين .

تحية طيبة وبعد ،،،

نرفق لكم طية البيانات المالية والميزانية العمومية والتقرير السنوي للسنة المنتهية 2016 و الميزانية العمومية والبيانات المالية للربع الاول من عام 2017 باللغة الأنجليزية .

وتفضلوا بقبول فائق الإحترام والتقدير ،،،

شركة
إنجاز للتنمية والمشاريع المتعددة
عمان - السويفية

المدير العام

حازم القاضي

بورصة عمان
الدائرة الإدارية والمالية
الديوان
١٥ أيار ٢٠١٧
الرقم المتسلسل: ٢١١٨
رقم الملف: ٤٠١٥٨
الجهة المختصة: [illegible]

TEL: +962 6 581 75 76
FAX: +962 6 588 56 21
P.O. BOX: 940327 AMMAN 11194 JORDAN

INJAZ FOR DEVELOPMENT AND PROJECTS
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT CERTIFIED PUBLIC
ACCOUNTANT'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2016

INJAZ FOR DEVELOPMENT AND PROJECTS
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2016
(EXPRESSED IN JORDANIAN DINAR)

INDEX

Ghosheh
Your Professional Partners

Ghosheh & CO. (Certified Public Accountants)
Jabal Amman , 6th Circle
16 Djibouti St,
P.O.Box 940668
Amman 11194 . Jordan

T: +962 (6) 5561293
F: +962 (6) 5561204
E: info@ghosheh.com

CERTIFIED PUBLIC ACCOUNTANT'S REPORT

To the shareholders
Injaz for Development and Projects Company P.L.C

Report on the Consolidated Financial Statements

Opinion
We have audited the accompanyingconsolidated financial statements of injaz for development and projects Company P.L.C, which comprise of theconsolidated statement of financial position as of December 31, 2016, and the related consolidated statements ofComprehensive income,consolidated statement of Other Comprehensive income,consolidated Statement of owners' equity and consolidated statement of cash flows, for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, theconsolidated financial statements present fairly, in all material respects, the consolidatedstatement of financial position of injaz for development and projects company P.L.Cas of December 31,2016, and itsfinancial performance and cash flows for the year then ended are in accordance with International Financial Reporting Standards.

Basis for Opinion
We conduct our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in Auditor's Responsibilities for the audit of theconsolidated 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 are sufficient and appropriate to provide basis for our audit opinion.

Key audit matters
Key audit matters, according to our professional judgment are matters that had the significant importance in our auditing procedures that we performed to theconsolidated financial statement. The basic auditing matters have been addressed in our auditing workflow to financial standards as we do not express separate opinions.

- Goodwill
According to International Financial Reporting Standards, the Company must evaluate the goodwill and examine impairment, the goodwill, as of December 31, 2016 was 27,508,872 JD.

The annual goodwill impairment is a significant auditing matter, considering the requirement of recoverable value estimation. The recoverable amount for cash generation units, which is the value in use for cash generating units, which is the value in use or fair value which is higher less cost of sales. Which is calculated using the discounted expected cash and methods These methods use several assumptions as in sales and future prices estimation, operating cost.

Key Audit matters procedures

Goodwill

- The auditing procedures that we have performed include evaluating assumptions and methods used by the company, especially matters related to expected revenues and profit margin, we have also focused on the efficiency of the disclosures of the most sensitive assumption that are used by the company for impairment test that are of significant influence to determine the recoverable amount of goodwill.

Other Matter

1- During 2016 the Company increased its share capital in Arab Tower Contracting Company (Ltd) by 20% to be the total percentage of shares capital 68.75% and as a result of that the consolidatedfinancial statements were consolidated with Arab Tower Contracting Company (Ltd)

2- The financial statement for subsidiary (Arab Tower Contracting Company (Ltd)) for year ended December 31, 2016 whose financial statement represent 85% of total assets and 100% of the total revenue of the consolidated financial statement have been reviewed by another auditor and he issued his unqualified opinion on March14, 2017.

Other information

The management is responsible for other information. Which includes other information reported in the final report, but not included in theconsolidated financial statements and our audit report on it.

Our opinion does not include these other information, and we do not express any assertion over it regarding our consolidate financial statement we are obliged to review these other information, and while that, we consider the compatibility of these information with their consolidates financial statement. If we detected based on our audit, the existence of significant errors in the information, we are obliged to report this fact. Regarding this, we have nothing to report.

Management and individuals responsible of governance about theconsolidated financial statements

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

In preparing theconsolidated 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 intend 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 consolidated financial statements.

Certified public accountant responsibility

Our responsibility is to express an opinion on theseconsolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require us to comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether theconsolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidatedfinancial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of theconsolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of theconsolidated financial statements.

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

- Identify and assess the risks of material misstatement of the initial 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 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, to 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 initial consolidated 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 committee 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

The Company maintains proper books of accounting records which are in agreement with the accompanying consolidatedfinancial statements and with the financial information included in the Board of Directors report, and we recommend the Board of directors to approve theconsolidated financial statements.

Ghosheh & Co.
Walid M Taha
License No.(703)

Ghosheh & Co. (CPA's)
A member of Nexia International
غوشه و شركاه (محاسبون قانونيون)

Amman-Jordan
March 16, 2017

INJAZ FOR DEVELOPMENT AND PROJECTS
(PUBLIC SHAREHOLDING COMAPNY)

CONSOLIDATED STATMEANT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2016
(EXPRESSED IN JORDANIAN DINAR)

	Note	2016	2015
ASSETS			
Non-current assets			
Goodwill	13	**27,508,872**	-
Property and equipment	4	**24,146,420**	-
Long-term projects retentions	5	**3,243,195**	-
Financial assets designated at fair value through other comprehensive income		**241,391**	-
Investment in associates	13	-	32,214,100
Total non-current assets		**55,139,878**	32,214,100
Current assets			
Prepaid expenses and other receivables	8	**12,078,485**	-
Inventories		**9,044,049**	-
Amount due from customers on construction contract		**43,998,321**	-
Accounts receivable and checks under collection	7	**50,205,082**	-
Short-term projects retentions	5	**8,716,802**	-
Financial assets designated at fair value through statement of comprehensive income		-	60,795
Cash and cash equivalents	6	**7,164,168**	104
Total current assets		**131,206,907**	60,899
TOTAL ASSETS		**186,346,785**	32,274,999
LIABILITIES AND OWNERS' EQUITY			
Owners' equity			
Share capital	1	**35,250,000**	25,000,000
Issuance premium	15	**2,470,000**	1,035,000
Statutory reserve	15	**1,143,193**	831,644
Special reserve	15	**21,906**	21,906
Fair value reserve		**(99,144)**	-
Retained earnings		**7,610,661**	4,806,721
Equity attributable to equity holders of the parent company		**46,396,616**	31,695,271
Non- controlling interest		**4,724,668**	-
Total owners' equity		**51,121,284**	31,695,271
Current liabilities			
Accrued expenses and other liabilities	12	**4,165,048**	33,201
Payments received in advance from construction contract		**27,202,582**	-
Accounts payable and deferred checks	9	**53,319,802**	546,527
Notes payable		**516,788**	-
Short-term loans	10	**40,478,676**	-
Banks overdraft	11	**9,542,605**	-
Total current liabilities		**135,225,501**	579,728
TOTAL LIABILITIES AND OWNERS' EQUITY		**186,346,785**	32,274,999

The accompanying notes are an integral part of these consolidatedfinancial statements

INJAZ FOR DEVELOPMENT AND PROJECTS
(PUBLIC SHAREHOLDING COMAPNY)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
AS OF DECEMBER 31, 2016
(EXPRESSED IN JORDANIAN DINAR)

	Note	2016	2015
Revenues		**182,342,946**	-
Cost of revenues	16	**(174,416,614)**	-
Gross profit		**7,926,332**	-
Realized losses from sell of financial assets designated at fair value through statement of comprehensive income		**(5,138)**	(15,380)
Unrealized losses on financial assets designated at fair value through statement of comprehensive income		-	(68,477)
Received dividends revenue		-	27,081
Share of income from associate		-	1,568,058
General and administrative expenses	17	**(2,264,168)**	(100,353)
Financial charges		**(2,512,630)**	-
Margin Finance Account interests		-	(34,890)
Other revenues and expenses		**2,084,237**	-
Income before income tax		**5,228,633**	1,376,039
Income tax	12	**(907,170)**	-
INCOME FOR THE YEAR		**4,321,463**	1,376,039
Attributable to:			
Equity holders of the parent company		**3,115,489**	1,376,039
Non-controlling interests		**1,205,974**	-
		4,321,463	1,376,039
Earning pershare			
Earning pershare- JD/ share		**0,10**	0,06
Outstanding weighted avevage share		**30,979,166**	25,000,000

The accompanying notes are an integral part of these consolidated financial statements

INJAZ FOR DEVELOPMENT AND PROJECTS
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2016
(EXPRESSED IN JORDANIAN DINAR)

	2016	2015
Income for the year	**4,321,463**	1,376,039
Other comprehensive income items:		
Realized gains from sell of financial assets designated at fair value through statement of other comprehensive income	-	92,106
Total other comprehensive income to bereclassified to retained earningsin	**4,321,463**	1,468,145
Change in fair value reserve	**(99,144)**	405,683
Total other comprehensive incomefor the period	**4,222,319**	1,873,828
Attributable to:		
Equity holders of the parent	**3,016,345**	1,873,828
Non-controlling interests	**1,205,974**	-
	4,222,319	1,873,828

The accompanying notes are an integral part of these consolidated financial statements

INJAZ FOR DEVELOPMENT AND PROJECTS
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED STATEMENT OFOWNERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2016
(EXPRESSED IN JORDANIAN DINAR)

	Note	Share capital	Issuance premium	Statutory reserve	Special reserve	Fair value reserve	Retained earnings	Equity attributable to equity holders of the parent company	Non-Controlling Interest	Total Owners' equity
Balance at January 1, 2015		25,000,000	1,035,000	684,829	21,906	(405,683)	3,485,391	29,821,443	-	29,821,443
Comprehensive income		-	-	-	-	405,683	1,468,145	1,873,828	-	1,873,828
Transfer to statuary reserves		-	-	146,815	-	-	(146,815)	-	-	-
Balance at December 31, 2015		25,000,000	1,035,000	831,644	21,906	-	4,806,721	31,695,271	-	31,695,271
Increase in Share capital	1	10,250,000	1,435,000	-	-	-	-	11,685,000	-	11,685,000
Non-Controlling Interest before increasing capital contribution in subsidiery		-	-	-	-	-	-	-	5,770,659	5,770,659
Comprehensive income		-	-	-	-	(99,144)	3,115,489	3,016,345	1,205,974	4,222,319
Transfer to statuary reserves		-	-	311,549	-	-	(311,549)	-	-	-
Non-Controlling Interest in result of increasing capital contribution in subsidiery		-	-	-	-	-	-	-	(2,251,965)	(2,251,965)
Balance at December 31, 2016		35,250,000	2,470,000	1,143,193	21,906	(99,144)	7,610,661	46,396,616	4,724,668	51,121,284

The accompanying notes are an integral part of these consolidated financial statements

INJAZ FOR DEVELOPMENT AND PROJECTS
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016
(EXPRESSED IN JORDANIAN DINAR)

	2016	2015
OPERATING ACTIVITIES		
Income for the year	4,321,463	1,468,145
Adjustments on income for the year		
Depreciation	3,873,204	-
Gain on disposal of property, plant and equipment	(121,122)	-
Share of income from associate	-	(1,568,058)
Financial charges	2,512,630	-
Realized losses from sell of financial assets designated at fair value through statement of comprehensive income	5,138	15,380
Unrealized losses on financial assets designated at fair value through statement of comprehensive income	-	68,477
Realized gains from sell of financial assets designated at fair value through statement of other comprehensive income	-	92,106
Changes in operating assets and liabilities:		
Prepaid expenses and other receivables	(5,310,580)	-
Projects retentions	(3,612,837)	-
Accounts receivable and checks under collection	172,151	-
Amount due from customers on construction contract	(445,675)	-
Inventory	(3,085,826)	-
Accrued expenses and other liabilities	1,066,926	(143,719)
Payment received in advance from construction contract	(898,005)	-
Accounts payableanddeferred checks	(7,432,964)	(483,015)
Cash used in operating activities	(8,955,497)	(550,684)
Financial charge paid	(2,512,630)	-
Net cash used in operating activities	(11,468,127)	(550,684)
INVESTING ACTIVITIES		
Financial assets designated at fair value through statement of other comprehensive income	-	1,255,978
Financial assets designated at fair value through statement of comprehensive income	55,657	(119,940)
Goodwill	(9,402,640)	-
Proceeds from sale of property, plant and equipment	475,675	-
Purchase property and equipment	(10,272,200)	-
Net cash (used in)/ available from investing activities	(19,143,508)	1,136,038
FINANCING ACTIVITIES		
Banks overdraft	(266,845)	-
Short -term loans	18,886,826	-
Notes payable	516,788	-
Increase in chare capital	10,250,000	-
Issuance premium	1,435,000	-
Margin Finance Account	-	(585,250)
Non-Controlling Interest	(2,251,965)	-
Net cash available from/(used in) financing activities	28,569,804	(585,250)
Net change in cash and cash equivalents	(2,041,831)	104
Cash and cash equivalents, Januaray 1	9,205,999	-
Cash and cash equivalents, December 31	7,164,168	104

The accompanying notes are an integral part of these consolidated financial statements

INJAZ FOR DEVELOPMENT AND PROJECTS
(PUBLIC SHAREHOLDING COMPANY)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016
(EXPRESSED IN JORDANIAN DINAR)

1. ORGANIZATION AND ACTIVITIES

INJAZ FOR DEVELOPMENT AND PROJECTSis aJordanian puplic shareholding Company ("the Company"), registered on January1, 1976 under Commercial registration number (104). The Company's share capital is JD 25,000,000 divided into 25,000,000 shares, the par value is one JD per share.

On April 23, 2015 the general assembly decided in it's unordinary meeting to increase it's declared capital from 25,000,000 shares/JD to 35,250,000 shares/JD by offering 10,250,000 shares each for 1 JD or 90% from closing price on the date of the agreement of Jordan Securiries Commissionwich is higher. In which the closing price of the shares on the date of the agreement of Jordan Securiries Commission 1.27 (1 Jd for the share)to the shareholder Eng. Ziad Khalaf Manaseer the processes of capital increase have been completed at the Ministry of Industry,Trade and Supply on May 18, 2016 , and the processes of shares of capital increase registration in Jordan Securiries Commission on May 30 ,2016 in reference to Jordan Securiries Commission NO (138/2016), and the declared and paid capital has become 35,250,000 shares/JD.

The Company principle activity is purchaseand develop lands and real-statetrading it as well as investing in shares and bonds.

The Company's headquarter is in Amman.

The consolidated financial statements as at December31, 2016 is includes the financial statements of thefollowing subsidaries:

Name of subsidiary	Place of registration	Registration year	Vote and equity percentage	The main activity
Arab Tower Contracting Company (Ltd)	HashemiteKingdom of Jordan	2007	68.75%	*Civil construction and related activities*

According to the equity method, the book value of invesment and share of the results as at December 31,

	2016	2015
The book value of invesment inArab Tower Contracting Company L.T.D	37,903,143	-
The Company's share of the results of Arab Tower Contracting Company L.T.D	2,653,143	-

Ason December 31, the summary of total assets, liabilities and the results of the subsidiaries, and the significant assets and liabilities items are as follows:

	2016	2015
Total assets	**158,813,991**	-
Total liabilities	**143,794,197**	-
Total owners equity	**15,019,794**	-
Total Revenues	**182,342,946**	-
Income for the year	**3,859,117**	-
Share capital	**8,000,000**	-
Accounts receivable and checks under collection	**50,182,936**	-
Inventories	**9,044,049**	-
Property and equipments	**24,146,420**	-
Short-term loans	**40,478,676**	-
Banks overdraft	**9,542,605**	-
Differed checks	**23,255,754**	-
Accounts payable	**19,832,160**	-

2- NEW AND REVISED STANDARDS AND AMENDMENTS TO IFRSs IN ISSUE BUT NOT YET EFFECTIVE:-

The following new standards and amendments to the standards have been issued but are not yet effective and the Company intends to adopt thesestandards, where applicable, when they become effective.

New Standards	**Effective Date**
(IFRS) No.9 – Financial Instruments	January 1, 2018
(IFRS) No.15 – Revenue from Contract with Customers	January 1, 2018
(IFRS) No.16 – Leases	January 1,2019

Board of directors of the Company is expected that the application of these standards and interpretations will not have a substantial impact on the company's financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The preparation of the consolidated financial statements in accordance with International Accounting Standard.

Basis of preparation

The consolidated financial statements are presented in Jordanian Dinar (JD) as this is the currency in which the majority of the Company's transactions are recorded.

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

Basis of Consolidation Financial Statements

The Consolidated Financial Statements incorporate the financial statements of injaz for development and projects Company (Public Shareholding Company) and the subsidiaries controlled by the Company.

Control is achieved where the Company:

- Ability to exert power over the investee.
- Exposure, or rights, to variable returns from its involvement with the investee.
- Ability to exert power over the investee to affect the amount of the investor's returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries above.

When the Company has less than a majority of the voting, The Company shall have control over the investee when the voting rights sufficient to give it the ability to direct relevant activities of the investee individually.

When The Company reassesses whether or not it controls an investee, it consider all the relevant facts and circumstances which includes:

- Size of the holding relative to the size and dispersion of other vote holders
- Potential voting rights, others vote-holders, and Other parties
- Other contractual rights
- Any additional facts and circumstances may indicate that the company has, or does not have, the current ability to direct the activities related to the time needed to make decisions, including how to vote at previous shareholders' meetings.

The consolidation process begins when the company's achieve control on the investee enterprise (subsidiary), while that process stops when the company's loses control of the investee (subsidiary). In particular Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated income statement, and the consolidated comprehensive income statement from the effective date of acquisition and up to the effective date of which it loses control of a subsidiary company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Croup's accounting policies.

All intergroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Financial assets designated at fair value through statement of comprehensive income

Financial assets are classified as at fair value through statement of income when either the financial asset is held for trading or it is designated as at fair value through statement of income. A financial asset is classified as held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through statement of income upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- It forms part of a contract containing one or more embedded derivatives, and IAS 39 *Financial Instruments: Recognition and Measurement* permits the entire combined contract (asset or liability) to be designated as at fair value through statement of income.

Financial assets at fair value through statement of income are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the consolidated income statement.

Financial assets designated at fair value through statement of other comprehensive income

Specific financial assets at fair value through statement of other comprehensive income are non-derivative financial assets, the purpose of the acquisition is to keep them as available for sale until the date of maturity, not for trading.

Differences in the change in fair value of financial assets specified at fair value through other comprehensive income statement are recorded in other comprehensive income statement.

Financial assets specified at fair value through statement of other comprehensive income thatis have a market prices stated at fair value after deducting any accumulated Impairment losses in its fair value.

Financial assets specified at fair value through statement of other comprehensive income that is do not have a market prices and cannot determine the fair value stated at cost and any Decline in its value recorded in other comprehensive income statement.

Profits and losses resulting from differences of foreign currency translation for the debt instruments are recorded within the financial assets specified at fair value through other comprehensive income statement in the statement of other comprehensive income, while differences from foreign currency translation for the debt instruments are recorded in the accumulated change in fair value in owners' equity.

Cash and cash equivalents
Cash and cash equivalents include cash, demand deposits, and highly liquid investments with original maturities of three months or less and which are not exposed to a significant risk of value change.

Accounts receivable
Accounts receivable are stated at the fair value of the consideration given and are carried at amortized cost after provision for doubtful debts.

Accounts payable and accruals
Accounts payable are recognized against the value of obligation for services or goods received, whether billed or not billed by the supplier.

Revenue from construction contracts
Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognized reference to the stage of completion of the contract activity at the reporting date, as the proportion of contract costs incurred for work performed to date to the estimated total contract costs. Variations in contract work are recognized the extent that it is probable that they will result in revenue and such revenue can be reliably measured. Claims and incentive payments are included to the extent that it is probable that the customer will accept the claim and theamount can be measured reliably.

Changes in estimates used in the determination of the amount of revenue and expenses are recognized in the consolidated statements of profit and loss in the period in which the change is made.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognisedto the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised asexpensesin the period in which these are incurred. When it is probable that total contact costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Expenses
General and administrative expenses include direct and indirect costs not specifically part of cost of reveunes as required under generally accepted accounting principles

Goodwill
International Accounting Standards Board issued International Financial Reporting Standard No.3 (Integration).

The recorded increase purchase cost over the fair value of invested as goodwill. When the recoverable amount of this goodwill less that the net book value, goodwill is reduced to the recoverable amount and the value of the declining are recorded in the consolidated income statement.

Resulting Goodwill on acquisition of subsidiary or joint control of an entity represents the purchase cost for the company's share in the net fair value of the assets, liabilities and contingent liabilities of the subsidiary identified and recognized as at the date of purchasing. First, goodwill recorded as an asset on the basis of cost, then measured later on the basis of cost less accumulated decline in value.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. Impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Inventories
Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials, production and conversion costs, and other costs necessary to bring the inventory to the Group's location and condition. In the case of manufactured inventory and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Cost is calculated using the weighted average method, Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale.
When the net realizable value of the inventories is lower than the cost, they provides for an allowance for the decline in the value of the inventory and recognizes the write-down as an expense in profit or loss.

The Decline in value of the financial assets

In date of each statement of financial position, values of the financial assets have been reviewed, to determine if there indication to decline in its value

As for the financial assets such as trade accounts receivable and assets was evaluated as individual low-value, where evaluated for the decline in the value on a collective basis. The substantive evidence for decline in portfolio of the accounts receivable includes the past experience about the collection of payments. And the increase in the number of the late payments portfolio (which it's beyond the rate of borrowing) also it includes the significant changes in the international and local economic conditions that are related with non-collection of accounts payable.

The Reduce in the listed value of the financial assets is the amount of loss decline of value directly. And this is for all the financial assets except the trade accounts receivable as the listed value have been reduced by provisions accounts. When is one of the accounts receivables are non-collected then write off the amount of this debt and the equal amount from account of the provisions.

The changes in the listed value for the provisions account are recognized in comprehensive income.

As for the ownership equity tools which are available for sale, decline losses are not closed in the recognized value in the profit and loss statement. However, any increase in the fair value becomes after decline loss has recognized directly in shareholder's equity statement.

De-recognition
The Company cancels the recognition of financial assets only when the contractual rights about receipt of cash flows from the financial assets had ended. Substantially all the risks and benefits of the ownership to another firm. In the case of the company doesn't transfer on retain substantially risks or benefits of the ownership and continue in control of the transferred assets, the company in this case recognize it's share retained in the transferred assets and the related liabilities in the limits of the amounts excepted to be paid. In the other case, when the company retained substantially all risks and benefits of owner ship of the transferred assets, the company will continue to recognize of the financial assets.

The decline in value of the non-current assets
The decline in value of the non-current assets in the date of each balance sheet the company review the listed values for its assets to specify if there is an indication to be decline losses of the value. If their indication to that, the recovery value of the asset will be appreciated to determine the loss of decline in the value if it be. In case, in ability to appreciate the recovery value of specific asset. The Company estimate the recovery value for unit producing of cash that related in the same asset. when there is ability to determine basis of distribution that is fixed and reasonable, the joint assets distribute to units producing of cash that related in the same asset. when there is ability to determine basic of distribution that is fixed and reasonable, the joint assets distribute to specific units producing of cash or it distribute to smallest group from units producing cash that it able to determine basic of distribution fixed and reasonable for it.
The Recovery value is the fair value of asset minus the cost of sale or used value whichever is higher.
In case, the recovery value (or the unit producing of cash) distribute lower than the listed value, reduce the listed value for asset (or unit producing of cash) to the recovery value. Losses of the decline recognize directly in the income statement except the asset that is reevaluation then record losses of the decline as reduction from re-evaluation provision

Property and equipment
Property and equipment are stated at cost less accumulated depreciation. Expenditures on maintenance and repairs are expensed. While expenditures for betterment are capitalized. Depreciation is provided over the estimated useful lives of the applicable assets using the straight-line method. The estimated rates of depreciation of the principal classes of assets are as follows:

	Annual depreciation rate
Buildings	2%
Caravans	20%
Vehicles	10%
Machines and equipment	10-20%
Surveying equipment	10-20%
Stud system	20%
Electrical supplies	10-20%
Tools	10-20%
Woods	40%
Office Supplies	10%

Useful lives and the depreciation method are reviewed periodically to make sure that the method and amortization period appropriate with the expected economic benefits of property and equipment.
Impairment test is performed to the value of the property and equipment that appears in the consolidated Statement of Financial Position When any events or changes in circumstances shows that this value is non-recoverable.

In case of any indication to the low value, impairment losses are calculated according to the policy of the low value of the assets
At the exclusion of any subsequent property and equipment recognize the value of gains or losses resulting. Which represents the difference between the net proceeds of exclusion and the value of the property and equipment that appears in the consolidated Statement of Financial Position. Gross Profit and loss.

Provisions
The provisions had been formed, when the company has a present obligation (legal or expected) from past events which its cost of repayment consider accepted and it has ability to estimate it reliably.
The provision had been measured according to the best expectations of the required alternative to meet the obligation as of the balance sheet date after considering the risks and not assured matters about the obligation. When the provision had been measured with the estimated cash flows to pay the present obligation, then the accounts receivable had been recognized as asset in case of receipt and replacement of the amount is certain and it able to measure the amount reliably.

The use of estimation
The preparation of financial statements and the application of accounting policies required of the Company's management to make estimates that affect the amounts of financial assets and liabilities and disclosure of contingent liabilities, these estimates also affect the revenues, expenses and provisions.
As well as changes in fair value that appears in the owners' equity
In particular, required of the company's management to issue important judgments to estimate the amounts of future cash flows and its times Mentioned that the estimates are shown necessarily on the assumptions and multiple factors have a varying degree of appreciation and uncertainty and that actual result may differ from estimates As a result of changes resulting about the conditions and circumstances of these estimates in the future

Segment reporting
A business segment is a group of assets and operation engaged in providing products or services that are subject to risks and returns that are different from those of other business segments, and segment is engaged in providing products or services within a particular economic environment

and Company include significant business sectors in the purchase, develop and trade of lands and real estate in addition to investing in securities and bonds, the company operates only in the Hashemite Kingdom of Jordan.

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 net basis, or assets are realized and liabilities settled simultaneously.

Income Tax
The Company is subject to Income Tax Law, its subsequent amendments and the regulations issued by the Income Tax Department in the Hashemite Kingdom of Jordan and provided on accrual basis, Income Tax is computed based on adjusted net income, According to International Accounting Standard No. (12), the Company may have deferred taxable assets resulting from the differences between the accounting value and tax value of the assets and liabilities related to the provisions, these assets are not shown in the periodic financial statements since it's immaterial.

Foreign currency transactions

Foreign currency transactions are translated into Jordanian Dinars at the rates of exchange prevailing at the time of the transactions. The operation occurs during the year are translated at weighted average rates at time of transaction. Gains and Losses from settlement and transaction of foreign currency transaction are included in the statement of comprehensive income.

INJAZ FOR DEVELOPMENT AND PROJECTS
(PUBLIC SHAREHOLDING COMPANY)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2016
(EXPRESSED IN JORDANIAN DINAR)

4. PROPERTY AND EQUIPMENT

	Additions consolidated result	Additions	Disposals	December 31
Cost:				
Lands	2,249,603	3,179,163	-	5,428,766
Buildings	4,181,132	-	-	4,181,132
carvan	712,504	62,720	-	775,224
Vehicles	4,083,421	1,169,740	(186,250)	5,066,911
Machinary and equipment	16,757,956	4,454,109	(498,895)	20,713,170
Surveying Equipment	141,644	30,195	-	171,839
Stud system	5,061,192	146,172	-	5,207,364
Electrical Supplies	707,469	175,736	(151,307)	731,898
Tools	1,609,697	505,676	(454,886)	1,660,487
Woods	6,914,594	501,334	(4,758,021)	2,657,907
Office Supplies	215,998	47,355	-	263,353
Total cost	42,635,210	10,272,200	(6,049,359)	46,858,051
Depreciation:				
Buildings	465,655	83,852	-	549,507
carvan	479,594	66,870	-	546,464
Vehicles	1,539,680	472,008	(25,129)	1,986,559
Machinary and equipment	10,808,288	1,567,770	(308,300)	12,067,758
Surveying Equipment	112,923	11,953	-	124,876
Stud system	3,754,799	527,619	-	4,282,418
Electrical Supplies	396,001	92,393	(151,063)	337,331
Tools	995,655	238,035	(453,782)	779,908
Woods	5,872,284	789,715	(4,756,532)	1,905,467
Office Supplies	108,354	22,989	-	131,343
Total depreciation	24,533,233	3,873,204	(5,694,806)	22,711,631
Net book value January 1	18,101,977			
Net book value December 31				24,146,420

5. PROJECTS RETENTIONS

	2016	2015
Total project retentions	**11,959,997**	-
Less:Short-term projects retentions	**8,716,802**	-
Long-term projects retentions	**3,243,195**	-

6. CASH AND CASH EQUIVALENTS

	2016	2015
Cash on hand	**2,196**	-
Cash at banks	**7,161,972**	104
	7,164,168	104

7. ACCOUNTS RECEIVABLE AND CHECKS UNDER COLLECTION

	2016	2015
Account receivables *	**5,358,811**	-
Checks under collection	**14,525,000**	-
Due from related parties (Note – 14)	**30,321,271**	-
	50,205,082	-

* Account receivables are less than three months.

8. PREPAID EXPENSES AND OTHER RECEIVABLES

	2016	2015
Prepaid expenses	**45,481**	-
Projects under construction payments	**2,868,149**	-
Purchases advance payment	**2,931,987**	-
Letter of credit	**2,858,314**	-
Refundable deposits	**3,337,718**	-
Due from Employee	**12,283**	-
Others	**24,553**	-
	12,078,485	-

9. ACCOUNTS PAYABLE AND DEFERRED CHECKS

	2016	2015
Accounts payable	**19,875,855**	546,527
Deferred checks	**23,255,754**	-
Due to related parties (Note-14)	**10,188,193**	-
	53,319,802	546,527

10. SHORT-TERM LOANS

	2016	2015
Arab Bank	23,159,427	-
Bank of Jordan	6,229,517	-
Bank al Etihad	1,258,560	-
Jordan Kuwait Bank	7,734,808	-
Jordan Ahli Bank	2,096,364	-
	40,478,676	-

Arab Bank
The company obtained loans from Arab Bank with aceiling of 17,169,000 JD,intrest rate 4% without commission and by guarnteeing waiver of project receivables .

And the company obtained loans from Arab Bank with aceiling of 36,000,000 JD,intrest rate 8% without commission and by guarnteeing waiver of project receivables

Bank of Jordan
The company obtained loans from Bank of Jordan with aceiling of 10,400,000 JD,intrest rate 8% without commission and by guarnteeing waiver of project receivables .

Bank al Etihad
The company obtained loans from Bank al Etihad with aceiling of 5,500,000 JD,intrest rate 8.25% without commission and by guarnteeing waiver of project receivables .

Jordan Kuwait Bank
The company obtained loans from Jordan Kuwait Bank with aceiling of 33,200,000 JD,intrest rate 6.5% without commission and by guarnteeing waiver of project receivables .

Jordan Ahli Bank
The company obtained loans from Jordan Ahli Bank with aceiling of 3,000,000 JD,intrest rate 7.25% without commission and by guarnteeing waiver of project receivables .

11. BANK OVERDRAFT

	2016	2015
Arab Bank	**6,229,958**	-
Bank of Jordan	**1,123,375**	-
Bank al Etihad	**886,854**	-
Jordan Ahli Bank	**1,028,885**	-
Jordan Kuwait Bank	**228,268**	-
Housing Bank	**45,265**	-
	9,542,605	-

Arab Bank
The company obtained facilitiesfrom Arab Bank with aceiling of 6,000,000 JD,intrest rate 8% without commission by shareholder guarantee .

Bank of Jordan

The company obtained facilities from Arab Bank with aceiling of 1,000,000 JD,intrest rate 8,25% without commission by shareholder guarantee .

Bank al Etihad
The company obtained facilities from Arab Bank with aceiling of 1,000,000 JD,intrest rate 8% without commission by shareholder guarantee .

Jordan Ahli Bank
The company obtained facilities from Arab Bank with aceiling of 1,000,000 JD,intrest rate 7,25% without commission by shareholder guarantee .

Jordan Kuwait Bank
The company obtained facilities from Arab Bank with aceiling of 1,000,000 JD,intrest rate 6,5% without commission by shareholder guarantee .

Housing Bank
The company obtained facilities from Arab Bank with aceiling of 500,000 JD,intrest rate 8,25% without commission by shareholder guarantee .

12. ACCRUED EXPENSES AND OTHER LIABILITIES

	2016	2015
Accrued expenses	**52,051**	30,771
Accrued Salaries	**2,793,227**	-
Due to income and Sales tax	**30,420**	-
Income tax provision*	**867,170**	-
Due to Social securiy	**422,180**	2,430
	4,165,048	33,201

*** the details of income tax provision as on December 31, 2016 are as follows :-**

	2016	2015
Beginning balance	**741,412**	-
Paid during the year	**(781,412)**	-
Provision for the year	**907,170**	-
	867,170	-

13. GOODWILL AND INVESTMENT IN ASSOCIATES

On january 1, 2012 the company purchased of 25% of Arab Tower Contracting Company (Ltd) of share capital based on equty method and the cost of aquire the additional an amount of 13,500,000 Jordanian Dinar.

During 2014 the Company increased its share capital in Arab Tower Contracting Company (Ltd) by 23,75% turn out to be the total percentage of shares capital 48,75% and the cost of aquire the additional an amout of 11,500,000 Jordanian Dinar

During 2016 the Company increased its share capital in Arab Tower Contracting Company (Ltd) by 20% turn out to be the total percentage of shares capital 68,75% and the cost of aquire the additional an amout of 10,250,000 Jordanian Dinar. And as a result of that the financial statements were consolidated with Arab Tower Contracting Company (Ltd) .

The total cost of acquisition as follows :-

The cost of aquiring 25% of shares	13,500,000
The cost of aquiring 23,75% of shares	11,500,000
The cost of aquiring 20% of shares	10,250,000
Total	**35,250,000**
Add: Legal title transfer fees	211,705
The total cost of aquiring 68,75% of shares	**35,461,705**
Legal title transfer fees Amortization	(211,705)
acquisitioncost ,net	**35,250,000**

The fair value of Assets and liabilities of Arab Tower Contracting Company (Subsidiary) as followes :-

	Fair value	Book value at aquisition
Assets		
Property and equipment	18,101,977	18,101,977
Inventories	5,958,223	5,958,223
Accounts receivable and checks under collection	50,377,233	50,377,233
projects retentions	8,347,160	8,347,160
Amount due from customers on construction contract	43,552,646	43,552,646
Financial assets designated at fair value through other comprehensive income	340,535	340,535
Prepaid expenses and other receivables	6,767,905	6,767,905
Cash and cash equivalents	9,205,895	9,205,895
Total assets	142,651,574	142,651,574
Liabilities		
Short-term loans	21,591,850	21,591,850
Banks overdraft	9,809,450	9,809,450
Payment received in advance from construction contract	28,100,587	28,100,587
Accounts payable and deferred checks	68,824,944	66,563,489
Accrued expenses and other liabilities	3,064,921	3,064,921
Total liabilities	131,391,752	129,130,297
Net owned assets	11,259,822	13,521,277
Company share of Net owned assets after decleration (68,75%)	7,741,128	
Cash paid (Investment cost until acquisition date)	35,250,000	
Goodwill as a result of acquisition	27,508,872	

Annual test for impairment:

During the financial year parent company has assessed the recoverable amount of the goodwill, and has been identified that there is no impairment in the value of the goodwill associated with the subsidiary, which is working with construction contracting.

The recoverable amount of cash generating unit (construction contracting) measured on the basis of value in use. Were calculating using the expected cash flows through the budgets and approved by the directors of the company which covers the next five years on the basis of a discount rate of 12%annually.

14. RELATED PARTIES TRANSACTIONS

NAME	RELATIONSHIP
Manaseer Group for Industrial and Commercial Investments Co.	Holding Company
Eng. Hisham EL Wadi	Partner of Subsidiary company
Jordan Modern for Information Technology Co.	Sister
Developed Crushes Co.	Sister
Jordan Modern for Oil and Fuel Services Co.	Sister
Jordan Modern for Cement & Mining Co.	Sister
Al Addeiat Al Sareeah for machinery trading Co.	Sister
Architectural Lines for Housing (Ltd)	Sister
Manaseer for Trade Services	Sister
Jordan Modern for Import and Export	Sister
Jordan Modern Ready Mix Concrete	Sister
AL-Bunyan For Cement And Concrete Products Manufacturing	Sister
Advanced Transportation and Shipping Services	Sister
Trust Industrial Concrete Co.	Sister
United Iron And Steel Manufacturing Co.	Sister
Vision For Maintenance and Spare Parts Co.	Sister

Due from related parties as at December 31 as follows:-

	2016	2015
Manaseer Group for Industrial and commercial Investment	**860,283**	-
Jordan Modern for Information Technology Co.	**89,860**	-
Developed Crushes Co.	**2,289,144**	-
Jordan Modern for Oil and Fuel Services Co.	**4,119,729**	-
Jordan Modern for Cement & Mining Co.	**3,960,660**	-
Al Addeiat Al Sareeah for machinery trading Co.	**1,746,655**	-
Architectural Lines for Housing (Ltd)	**640,530**	-
United Iron And Steel Manufacturing Co	**33,161**	-
Manaseer for Trade Services	**16,577,245**	-
Jordan Modern for Import and Export	**4,004**	-
	30,321,271	-

Due to related parties as at December 31 as follows:-

	2016	2015
Eng. Hisham EL Wadi	**8,854,821**	-
Jordan Modern Ready Mix Concrete	**382,334**	-
AL-Bunyan For Cement And Concrete Products Manufacturing	**38,659**	-
Advanced Transportation and Shipping Services	**78,946**	-
Trust Industrial Concrete	**831,648**	-
Vision For Maintenance And Spare Parts	**1,785**	-
	10,188,193	-

15. ISSUANCE PREMIUM AND RESERVS

Issuance premium
The amounts in this account represent those received and resulting from the difference between the issue price and the par value for as rsult of share capital increase during the year.

Statutory reserve
In accordance with the Companies' Law in the Hashemite Kingdome of Jordan and the Company's Article of Association, the Company has established a statutory reserve by the appropriation of 10% of net income until the reserve equals 25% of the capital. However, the Company may, with the approval of the General Assembly continue deducting this annual ratio until this reserve is equal to the subscribed capital of the Company in full. This reserve is not available for dividends distribution.

Special reserve
In accordance with the Companies' Law in the Hashemite Kingdome of Jordan and the Company's Article of Association, the Company can establish a special reserve by an appropriation no more than 20% of net income. This reserve is for the expansion of the Company's financial position and is available for dividend distribution till the approval of the Company's Board of Directors.

16. COST OF REVENUES

	2016	2015
Cost of construction projects revenue	170,543,410	-
Depreciation for the property and equipment	3,873,204	-
	174,416,614	-

17. GENERAL AND ADMINISTRATIVE EXPENSES

	2016	2015
Salaries ,wages and other benefits	1,576,224	54,360
Government fees and subscriptions	73,137	19,190
Vehicles expenses	58,495	2,471
Electricity ,water, telephone and internet	64,984	1,385
Stationary and printing	89,656	1,211
Travel and accommodation	79,819	-
Professional fees and consultancies	24,900	11,700
Rent	102,980	7,670
Transportation and donations	10,533	-
Bids expenses	7,000	-
Maintenance	21,180	49
Insurance	14,974	-
Cleaning	6,382	152
Increasing share capital fees	51,355	-
Other expenses	82,549	2,165
	2,264,168	100,353

18. NON-MONETRAY ITEMS

As a result of the increase of company's ownership in Arab Tower Contracting Company (Ltd), so that has become 68.75 %, the financial statements were consolidated with Arab Tower Contracting Company (Ltd) on the basis of January 1, 2016 balances which result the following non-monetary items :-

Goodwill	**18,106,232**
Property and equipment	**18,101,977**
Projects retentions	**8,347,160**
Financial assets designated at fair value through other comprehensive income	**340,535**
Investment in associates	**(32,214,100)**
Prepaid expenses and other receivables	**6,767,905**
Inventories	**5,958,223**
Amount due from customers on construction contract	**43,552,646**
Accounts receivable and checks under collection	**50,377,233**
Cash and cash equivalents on January, 1	**9,205,895**
Non-controlling interest	**(5,770,659)**
Accrued expenses and other liabilities	**(3,064,921)**
Payment received in advance from construction contract	**(28,100,587)**
Accounts payableanddeferred checks	**(60,206,239)**
Short-term loans	**(21,591,850)**
Banks overdraft	**(9,809,450)**

19. FINANCIAL INSTRUMENTS

The Fair Value

The fair value of financial assets and financial liabilitiesincludefinancial assets; cash and cash equivalents, checks under collection, receivables, securities, and include financial liabilities;accounts payable, credit facilities, loans, credits and other financial liabilities.

First level: The market prices stated in active markets for the same financial instruments.

Second Level: Assessment methods depend on the input affect the fair value and can be observed directly or indirectly in the market.

Third Level: Valuation techniques based on inputs affect the fair value cannot be observed directly or indirectly in the market.

December 31, 2016	**level one**	**Second Level**	**Third level**	**Total**
Financial assets designated at fair value through statementof comprehensive income	-	-	-	-
Financial assets designated at fair value through statement of other comprehensive income	**241,391**	-	-	**241,391**
	241,391	-	-	**241,391**

December 31, 2015	**level one**	**Second Level**	**Third level**	**Total**
Financial assets designated at fair value through statementof comprehensive income	60,795	-	-	60,795
Financial assets designated at fair value through statement of other comprehensive income	-	-	-	-
	60,795	-	-	60,795

The value set out in the third level reflect the cost of buying these assets rather than its fair value due to the lack of an active market for them, this is the opinion of Directors that the purchase cost is the most convenient way to measure the fair value of these assets and that there was no impairment.

Management of share capital risks
The Company manages its capital to make sure that the Company will continue when it takes the highest return by the best limit for debts and owners equity balances. The Company's strategy doesn't change from 2015.

Structuring of Company's capital includes debt which includes borrowing, and the owners' equity in the Company which includes share capital, statutory reserve, partners' current account and accumulated losses as it listed in the changes in owners' equity statement.

The debt rate
The board of directors is reviewing the share capital structure periodically, as a part of this reviewing, the board of directors consider the cost of share capital and the risks that is related in each faction from capital and debt factions. The Company capital structure includes debts from borrowing. The Company's doesn't determine the highest limit of the debt rate during 2017.

The management of the financial risks
The Company's activities might be exposing mainly to the followed financial risks:

Management of the foreign currencies risks
The company is not exposed to significant risks related to foreign currency price changes, so there is no need to effective management for this exposure.

Interest rate risk
The Company is exposed to interest rate risk on its interest bearing assets and liabilities (bank deposits, interest bearing loans and borrowings).

The sensitivity of the statement of comprehensive income is the effect of the assumed changes in interest rates on the Company's profit for one year, and it is calculated based on the financial liabilities which carry variable interest rates at the end of the year.

Other price risk
The Company exposes to price risks resulting from its investments in owners' equity to other companies. The Company keeps investments in other company's owner's equity for strategic purposes and not for trading purposes.

The Company has no trading activity in those investments.

Credit risk management
The credit risks represent in one part of the financial instruments contracts has not obligated to pay the contractual obligations and cause of that the Company is exposing financial losses, However, there are no any contracts with any other parts so the Company doesn't expose to different types of the credit risks, The significant credit exposed for any parts or group of parts that have a similar specification have been disclosed in note No.14.The Company classified the parts which have similar specifications as a related parties. Except the amounts which are related in the cash money. The credits risks that are resulting from the cash money are specific because the parts that are dealing with it are local banks have good reputations and have been controlled from control parties.

Liquidity risk
Are the risks of inability to pay the financial obligations that were settled by receiving cash or another financial assets.
Liquidity risk management by control on cash flows and comparing them with maturities of assets and financial liabilities.

20. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Directors and authorized for issuance on March 16, 2017.