



شركة الضمان للاستثمار المساهمة العامة المحدودة

الإيفاء
بقراره
الرقم ١٦
٩١٦

هيئة الأوراق المالية
الادارة الادارية / الدمام

١٧ / ٢٠١٨ نمودج رقم (١-٥)

Form No. (1-5) الرقم التسلسلي ٢٠١٨/٣٥

Date : 16/5/2018

No. : 35 /2018

To: Messrs Jordan Securities Commission
Messrs Amman Stock Exchange

Subject: Quarterly Report as of 31/3/2018

التاريخ : ١٨/٥/١٦

الرقم : ٢٠١٨/٣٥

السادة هيئة الاوراق المالية المحترمين
السادة بورصة عمان المحترمين

الموضوع: التقرير ربع السنوي كما هي في ٢٠١٨/٣/٣١

Greet and Respect,,

Attached the Quarterly Report of Al Daman For
Investments as of 31/3/2018.

تحية طيبة,,

مرفق طيه نسخة من البيانات المالية ربع السنوية
لشركة الضمان للاستثمار كما هي بتاريخ ٢٠١٨/٣/٣١

Kindly accept our highly appreciation and
respect

Al Daman For Investments

Deputy General Manager

Ismaeel Essa

وتفضلوا بقبول فائق الاحترام...

شركة الضمان للاستثمار (م.ع.م)

شركة الضمان للاستثمار
المساهمة العامة المحدودة
عمان - الأردن

المدير العام بالإنابة

اسماعيل عيسى

شركة الضمان للاستثمار
المساهمة العامة المحدودة
عمان - الأردن

هاتف : ٥٦٢٢٣٦٥ (٩١٢ ٦)

فاكس : ٥٦٢٢٤٦٢ (٩١٢ ٦)

ص.ب ٩٤٢٤٣٠

عمان ١١١٩٤ الأردن

E-mail: daman@orange.jo

AL-DAMAN FOR INVESTMENTS COMPANY

PUBLIC SHAREHOLDING COMPANY

UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS

31 MARCH 2018

**Report on Review of Interim Condensed Financial Statements
To the Board of Directors of
Al-Daman for Investments Company- Public Shareholding Company
Amman - Jordan**

Introduction

We have reviewed the accompanying interim condensed financial statements of Al-Daman for Investments Company - Public Shareholding Company (the "Company") as at 31 March 2018, comprising of the interim statement of financial position as at 31 March 2018 and the related interim statements of income, comprehensive income, changes in equity and cash flows for the three month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard IAS 34 Interim Financial Reporting. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

Amman – Jordan
26 April 2018

Ernst & Young

AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY
INTERIM STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2018

	Notes	31 March 2018 JD (Unaudited)	31 December 2017 JD (Audited)
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Property and equipment		22,997	19,758
Investments properties		2,221,366	2,228,515
Projects in progress		18,816	18,616
Investments in an associate	3	5,548,241	5,473,193
Financial assets at fair value through other comprehensive income		260,627	252,444
		<u>8,072,047</u>	<u>7,992,526</u>
CURRENT ASSETS			
Checks and promissory notes under collection		109,338	182,122
Inventories		240	240
Accounts receivable		74,741	46,736
Other current assets		120,221	159,657
Cash and bank balances	4	2,673,114	2,598,238
		<u>2,977,654</u>	<u>2,986,993</u>
TOTAL ASSETS		<u><u>11,049,701</u></u>	<u><u>10,979,519</u></u>
<u>EQUITY AND LIABILITIES</u>			
SHAREHOLDERS' EQUITY			
Paid in capital		10,000,000	10,000,000
Statutory reserve	5	329,386	329,386
Voluntary reserve	5	64,164	64,164
Fair value reserve		(8,609)	(16,792)
Company's share of fair value reserve of an associate		(148,186)	(174,483)
Retained earnings		674,201	591,275
TOTAL EQUITY		<u>10,910,956</u>	<u>10,793,550</u>
CURRENT LIABILITIES			
Other current liabilities		123,144	170,368
Income tax provision	6	15,601	15,601
TOTAL LIABILITIES		<u>138,745</u>	<u>185,969</u>
TOTAL EQUITY AND LIABILITIES		<u><u>11,049,701</u></u>	<u><u>10,979,519</u></u>

The attached notes from 1 to 10 form an integral part of these financial statements

AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY
INTERIM STATEMENT OF INCOME
FOR THE PERIOD ENDED 31 MARCH 2018 (UNAUDITED)

	Notes	31 March 2018 JD	31 March 2017 JD
Operating revenues		110,251	99,501
Operating expenses		(107,405)	(109,640)
Operating profit (loss) for the period		2,846	(10,139)
Interest income		31,480	23,427
Dividends income		2,405	2,804
Administrative expenses		(24,357)	(31,584)
Recovery from (Provision) for doubtful debts		15,601	(13,153)
Share of profit of an associate	3	48,751	20,289
Other revenues		6,200	75
PROFIT (LOSS) FOR THE PERIOD		82,926	(8,281)
		<u>JD/Fils</u>	<u>JD/Fils</u>
Basic and diluted earnings per share from the profit (Loss) of the period	7	<u>0/008</u>	<u>(0/001)</u>

The attached notes from 1 to 10 form an integral part of these financial statements

AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY
INTERIM COMPREHENSIVE INCOME STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2018 (UNAUDITED)

	31 March 2018	31 March 2017
	JD	JD
PROFIT (LOSS) FOR THE PERIOD	82,926	(8,281)
ADD: OTHER COMPREHENSIVE INCOME NOT TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS		
Changes in fair value	8,183	19,621
Changes in fair value reserve of an associate	26,297	12,948
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	117,406	24,288

The attached notes from 1 to 10 form an integral part of these financial statements

AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY

INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 MARCH 2018 (UNAUDITED)

	Paid in capital	Statutory reserve	Voluntary reserve	Fair value reserve	Company's share of fair value reserve of an associate	Retained earnings	Total
	JD	JD	JD	JD	JD	JD	JD
2018 -							
Balance at 1 January 2018	10,000,000	329,386	64,164	(16,792)	(174,483)	591,275	10,793,550
Profit for the period	-	-	-	-	-	82,926	82,926
Changes in fair value reserve	-	-	-	8,183	-	-	8,183
Company's share of fair value reserve of an associate	-	-	-	-	26,297	-	26,297
Total Comprehensive Income for the period	-	-	-	8,183	26,297	82,926	117,406
Balance at 31 March 2018	10,000,000	329,386	64,164	(8,609)	(148,186)	674,201	10,910,956

	Paid in capital	Statutory reserve	Voluntary reserve	Fair value reserve	Company's share of fair value reserve of an associate	Retained earnings	Total
	JD	JD	JD	JD	JD	JD	JD
2017 -							
Balance at 1 January 2017	10,000,000	299,090	102,405	(6,627)	(170,153)	280,371	10,505,086
Loss for the period	-	-	-	-	-	(8,281)	(8,281)
Changes in fair value reserve	-	-	-	19,621	-	-	19,621
Company's share of fair value reserve of an associate	-	-	-	-	12,948	-	12,948
Total Comprehensive Income for the period	-	-	-	19,621	12,948	(8,281)	24,288
Balance at 31 March 2017	10,000,000	299,090	102,405	12,994	(157,205)	272,090	10,529,374

The attached notes from 1 to 10 form an integral part of these financial statements

AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY
INTERIM STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2018 (UNAUDITED)

	<u>Notes</u>	<u>31 March 2018 JD</u>	<u>31 March 2017 JD</u>
<u>OPERATING ACTIVITIES</u>			
Profit (loss) for the period		82,926	(8,281)
Adjustments for:			
Depreciation of property and equipment		1,811	1,563
Depreciation of investments properties		15,455	14,715
(Recovery from) provision for doubtful debts		(15,601)	13,153
Loss from disposal of investments properties		-	16,149
Share of profit of an associate	3	(48,751)	(20,289)
Interest income		(31,480)	(23,427)
Dividends income		(2,405)	(2,804)
Working capital changes:			
Accounts receivable and other current assets		(27,170)	1,459
Checks and promissory notes under collection		80,254	12,374
Other current liabilities		(47,224)	(22,665)
Net cash flows from (used in) operating activities		<u>7,815</u>	<u>(18,053)</u>
<u>INVESTING ACTIVITIES</u>			
Deposits at banks with maturity of more than 3 months	4	(1,743,226)	(1,901,688)
Purchases of investments properties		(8,306)	(410)
Purchases of property and equipment		(5,050)	-
Project in progress		(200)	(31,495)
Interest income received		80,617	64,979
Net cash flows used in investing activities		<u>(1,676,165)</u>	<u>(1,868,614)</u>
Net change in cash and cash equivalents during the period		<u>(1,668,350)</u>	<u>(1,886,667)</u>
Cash and cash equivalents at 1 January		2,598,238	2,563,463
CASH AND CASH EQUIVALENTS AT 31 MARCH	4	<u>929,888</u>	<u>676,796</u>

The attached notes from 1 to 10 form an integral part of these financial statements

AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE FINANCIAL STATEMENTS
AT 31 MARCH 2018 (UNAUDITED)

(1) GENERAL

Al-Daman for Investments Company ("The Company") was registered and established on 17th April 1993, as a Public Shareholding Company, listed in Amman Stock Exchange. The paid in capital is JD 10,000,000 divided into 10,000,000 share at par value of one Jordanian Dinar (JD 1) each.

The company's objectives are to invest in projects, other companies, securities, and investing the company's cash in real estate industry.

The financial statements were authorized for issuance by the board of directors in their meeting held on 26 April 2018.

(2-1) BASIS OF PREPARATION FINANCIAL STATEMENTS

The interim condensed financial statements for the three months ended 31 March 2018 have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting".

The financial statements have been prepared on a historical cost basis, except for the financial assets at fair value through other comprehensive income which have been measured at fair value as of the date of the financial statements.

The interim condensed financial statements do not contain all information and disclosures required for the financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the annual financial statements as of 31 December 2017. In addition, the result of the three months period ended 31 March 2018 are not necessarily indicative of the result that may be expected for the financial year ending 31 December 2018.

(2-2) CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2017, except for the adoption of new standards effective as of 1 January 2018:

IFRS 9 Financial Instruments

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Company had previously implemented the first phase of IFRS 9 as issued during 2009. The date of initial implementation of the first phase of IFRS 9 was 1 January 2011. The standard has been applied retrospectively and, in line with IFRS 9, comparative amounts have not been restated.

IFRS 9 requires the Company to record an allowance for ECLs for all debt instruments measured at amortization cost.

The standard eliminates the use of the IAS 39 incurred loss impairment model approach, uses the revised hedge accounting framework, and the revised guidance on the classification and measurement requirements.

Impairment

The adoption of IFRS 9 has fundamentally changed the Company's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. For all debt instruments, the Company has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses.

The effect of adopting the second phase of IFRS 9 did not have a material impact on the Company's interim condensed financial statements.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

The effect of adopting IFRS 15 did not have a material impact on the Company's interim condensed financial statements. The impact of the new standard on the Company's policy for revenue recognition is detailed below:

(a) Rendering of services

Under IFRS 15, the Company concluded that revenue from services will continue to be recognised over time, using an input method to measure progress towards complete satisfaction of the service similar to the previous accounting policy, because the customer simultaneously receives and consumes the benefits provided by the Company.

(b) Other adjustments

In addition to the adjustments described above, upon adoption of IFRS 15, other items of the primary financial statements such as deferred taxes, assets held for sale and liabilities associated with them, profit or loss after tax for the period from discontinued operations, investments in associate and a joint venture, share of profit of an associate and a joint venture, income tax expense, and retained earnings, were adjusted as necessary. Furthermore, exchange differences on translation of foreign operations were also adjusted.

IFRIC Interpretation 22 Foreign Currency Transactions and Advance Considerations

The Interpretation clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine a date of the transactions for each payment or receipt of advance consideration.

This Interpretation does not have any impact on the Company's financial statements.

Amendments to IAS 40 Transfers of Investment Property

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

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

Amendments to IFRS 2 Classification and Measurement of Share-based Payment Transactions

The IASB issued amendments to IFRS 2 Share-based Payment that address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding tax obligations; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash settled to equity settled. On adoption, entities are required to apply the amendments without restating prior periods, but retrospective application is permitted if elected for all three amendments and other criteria are met.

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

Amendments to IAS 28 Investments in Associates and Joint Ventures - Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice

The amendments clarify that an entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss. If an entity, that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

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

(3) INVESTMENT IN AN ASSOCIATE

This item represents the Company share in Al-Sharq for projects investments PLC. – Holiday Inn Amman of approximately 26.03% (31 December 2017: 26.03%), the Company owns 4,164,153 shares as of 31 March 2018 (31 December 2017: 4,164,153 shares) from the capital of Al-Sharq for investment projects PLC with a market value of JD 7,079,060 as of 31 March 2018 (31 December 2017: JD 6,621,003).

Movement on the investment in an associate was as follow:

	31 March 2018 JD (Unaudited)	31 December 2017 JD (Audited)
Balance at the beginning of the period / year	5,473,193	5,241,137
Share of profit of an associate	48,751	236,386
Share of the change in fair value reserve of financial assets of an associate	26,297	(4,330)
Dividends	-	-
Balance at the end of the period / year	5,548,241	5,473,193

AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE FINANCIAL STATEMENTS
AT 31 MARCH 2018 (UNAUDITED)

(4) CASH AND BANK BALANCES

	31 March 2018	31 December 2017
	JD	JD
	(Unaudited)	(Audited)
Cash on hand	900	-
Deposits maturing within 3 months*	928,988	242,732
Cash and cash equivalents	929,888	242,732
Short term deposits maturing within a period more than 3 months*	1,743,226	2,355,506
Cash and cash equivalents	2,673,114	2,598,238

* For the quarter ended 31 March 2018, deposits at banks earned interest at a rate ranges between 1.25% and 5.75% (2017: 1.25% and 4.85%).

(5) RESERVES AND LEGAL FEES

The Company did not deduct reserves and legal fees in accordance with the effective laws and regulation as these are interim financial statements.

(6) INCOME TAX

Movement on the income tax provision was as follows:

	31 March 2018	31 December 2017
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the period / year	15,601	15,601
Released from provision	-	-
Balance at the end of the period / year	15,601	15,601

Income tax for the period ended 31 March 2018 and 2017 has not been calculated, the reason behind that is the increase in expenses exceeding taxable revenues in accordance with Tax Law (34) for the year 2014.

AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE FINANCIAL STATEMENTS
AT 31 MARCH 2018 (UNAUDITED)

The Company reached to final settlement with the income and sales tax department for its operations in Amman for the years up to 2015, except for the financial year of 2010, which is still under court review.

The Company reached a settlement with the income and sales tax department for its operations in Aqaba for the years up to 2012.

The Company filed its tax returns for its operations in Aqaba for the years 2013, 2014, 2015 and 2016, which have not been reviewed by the income and sales tax department until the date of the preparation of the financial statements.

The Company's management has not recorded the deferred tax assets as it is not material and because of uncertainty of its benefit in the near future.

(7) BASIC AND DILUTED EARNINGS PER SHARE

	31 March 2018	31 March 2017
Profit (loss) for the year (JD)	82,921	(8,281)
Weighted average number of shares (Share)	10,000,000	10,000,000
	Fils/ JD	Fils/ JD
Basic earnings per share (JD)	0/008	(0/001)

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

(8) LEGAL CLAIMS

No law suits against the Company as of 31 March 2018. The amount of the lawsuits filed by the company against others amounted to JD 65,585 as of 31 March 2018 (2017: JD 214,424).

AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE FINANCIAL STATEMENTS
AT 31 MARCH 2018 (UNAUDITED)

(9) SEGMENT INFORMATION

The Business segment represents a group of assets and operations that work together to provide products or services that are subjected to risk and returns that differ from that related to other business segments.

The geographical segment is linked to providing products or services in a specific economical environment subjected to risks and returns that differ from those related to business in economical environment.

The Company's activities consist of one economical segment which represents revenues and expenses on the project in Aqaba in addition to Amman office expenses, and the BOD. There are no other segments, also the company is not involved in any other trade activity, and the following is a summary of operations:

	Amman JD	Private economic zone / Aqaba JD	Total JD
31 March 2018:			
Operating revenues	-	110,251	110,251
Operating expenses	-	(107,405)	(107,405)
Share of profit of an associate	48,751	-	48,751
Interest income	-	31,480	31,480
Administrative expenses	(24,357)	-	(24,357)
Dividends income	2,405	-	2,405
Recovery from (provision) for doubtful debts	-	15,601	15,601
Other revenues	-	6,200	6,200
PROFIT FOR THE PERIOD	26,799	56,127	82,926

AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE FINANCIAL STATEMENTS
AT 31 MARCH 2018 (UNAUDITED)

	Amman	Private economic zone / Aqaba	Total
	JD	JD	JD
31 March 2017:			
Operating revenues	-	99,501	99,501
Operating expenses	-	(109,640)	(109,640)
Share of profit of an associate	20,289	-	20,289
Interest income	-	23,427	23,427
Administrative expenses	(31,584)	-	(31,584)
Dividends income	2,804	-	2,804
Recovery from (provision) for doubtful debts	-	(13,153)	(13,153)
Other revenues	-	75	75
LOSS FOR THE PERIOD	(8,491)	210	(8,281)

The Company owns 4,164,153 shares (31 December 2017: 4,164,153 shares) in AL-Sharq for Projects Investments PLC. – Holiday Inn which is equivalent to approximately 26.03% (31 December 2017: 26.03%) from Al-Sharq for project investments PLC's capital with a market value of JD 7,079,060 as of 31 March 2018 (31 December 2017: JD 6,621,003).

(10) COMPARATIVE FIGURES

Some of 2017 figures have been reclassified in order to conform with the presentation of 2018 figures. Such reclassification did not affect reported loss or equity for 2017.