

- بورصه عمان  
- السيد حاتم  
١٥ / ١٠  
م



الأردن  
ديكابولس للأملاك

هيئة الأوراق المالية  
الدائرة الإدارية / الديوان  
١٥ تموز ٢٠٢٠  
الرقم التسلسل ..... ٣١٧٦  
الجهة المختصة ..... ١١٣

إشارتنا: ا ع - م ث / ٢٠٢٠ / ٢٠٢٠  
التاريخ: ١٢ تموز ٢٠٢٠

السادة هيئة الأوراق المالية المحترمين ،،،  
لعناية دائرة الافصاح المحترمين،  
تحية طيبة وبعد،

نرفق طيه البيانات المالية الموحدة والمراجعة لشركة الاردن ديكابولس للأملاك باللغة الانجليزية  
كما هي بتاريخ ٢٠٢٠/٣/٣١.

شاكرين لكم حسن تعاونكم ،

وتفضلوا بقبول فائق الاحترام،،،

نائب رئيس مجلس الإدارة  
المدير العام  
وليد الجمل

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**JORDAN DECAPOLIS PROPERTIES GROUP  
PUBLIC SHAREHOLDING COMPANY  
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)  
31 MARCH 2020**

**JORDAN DECAPOLIS PROPERTIES GROUP**  
**PUBLIC SHAREHOLDING COMPANY**  
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**REVIEW REPORT ON CONDENSED CONSOLIDATED  
INTERIM FINANCIAL STATEMENTS**

**TO THE CHAIRMAN AND MEMBERS OF THE BOARD OF DIRECTORS  
JORDAN DECAPOLIS PROPERTIES GROUP  
PUBLIC SHAREHOLDING COMPANY  
AMMAN - JORDAN**

**Introduction**

We have reviewed the accompanying condensed consolidated interim statement of financial position of Jordan Decapolis Properties Group as at 31 March 2020, and the related statements of other comprehensive income, changes in equity and cash flows for the period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this condensed consolidated interim financial statements in accordance with International Accounting Standard IAS (34) relating to Interim Financial Reporting. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagement (2410) "Review of Interim Financial Statements 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.

**Basis for Qualified Conclusion**

1. The discontinued operations assets and related liabilities are attributable to Muniah for Specialized Tourism Company (Dibbin Area Project), which is currently under voluntary liquidation. We have not obtained sufficient and appropriate review evidence about this project, as the entire project documentation is with the Company's liquidator; accordingly we were unable to determine whether any necessary adjustments are required to the accompanying condensed consolidated interim financial statements related to this matter.
2. Investment in associate caption represents the Group's share in Madaen Al Shorouq Investment and real estate development Company by 30.03%, where the investment balance amounted to 4 382 097 JD as of 31 March 2020 in addition to due account receivable balance amounted to 432 000 JD as of 31 March 2020, we have not been provided with the related impairment study, knowing that the unaudited financial statements for this Company indicates an impairment, accordingly we were unable to determine whether any necessary adjustments are required to the accompanying condensed consolidated interim financial statements.
3. Financial assets at fair value through other comprehensive income represents shares investment in Saraya Aqaba for Real Estate Development Company amounted to 3 503 711 JD as of 31 March 2020. We have not been provided with the related fair value study, accordingly, we have not been able to determine the effect of change in fair value, and we have not obtained sufficient and appropriate review evidence, accordingly we were unable to determine whether any necessary adjustments are required to the accompanying condensed consolidated interim financial statements related to this matter.

### **Emphasis of a matter**

Without further qualification in our conclusion as stated in note (5) of accompanying condensed consolidated interim financial statements, some of projects under construction mortgaged for The Arab Bank against a reducing loan with an amount of 3 671 319 JD for the purpose of financing the completion of this project, knowing that part of the loan installments are due during the year 2017, 2018 and 2019 the Group did not pay the due installments or make any re-scheduling for the due amounts. The bank has distressed the project and publishes of the auction sale issued by the Department of Implementation of the Amman Court of First Instance of the property, The Company appealed and objected to the procedures and the value of the estimate, During year 2020, The court's decision to refer the property to the bank, and transfer ownership of the property was completed during the second quarter of 2020, and the management has increased the provision of impairment and prepared provision for contingent liabilities to the impact of this case in accordance with the events and documents available as the date of this report.

### **Other matter**

Al-Nisr International Investment Group Company (Subsidiary Company) has purchased 211 517 share in Jordan Decapolis Properties Company (Parent Company) amounted to 269 558 JD as of 31 March 2020 which is not in compliance with Jordan Securities Commission instructions.

### **Qualified Conclusion**

Based on our review and except for the possible effects of what is mentioned in the basis of qualified conclusion paragraphs above, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements of the Group as of 31 March 2020 is not prepared, in all material respects, in accordance with International Accounting Standard number (34) "Interim Financial Reporting".

**Amman - Jordan**

**6 July 2020**



**JORDAN DECAPOLIS PROPERTIES GROUP**  
**PUBLIC SHAREHOLDING COMPANY**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**  
**31 MARCH 2020 (UNAUDITED)**

		<b>31 March 2020</b>	<b>31 December 2019</b>
	<b>Notes</b>	<b>JD</b>	<b>JD</b>
<b>Assets</b>			
<b>Non - Current Assets</b>			<b>Audited</b>
Property, plant and equipment		27 839	30 595
Lands under development and Projects under construction	5	23 964 136	26 266 161
Investments properties		20 637 326	20 668 098
Intangible assets		1 608 073	1 608 073
Investment in associate		4 382 097	4 391 593
Financial assets at fair value through other comprehensive income		3 503 711	3 503 711
Checks under collection – long term		-	6 246
<b>Total Non - Current Assets</b>		<b>54 123 182</b>	<b>56 474 477</b>
<b>Current Assets</b>			
Checks under collection – short term		56 257	23 205
Accounts receivable		180 246	184 621
Other debit balances		191 362	137 293
Due from related parties	9	432 000	442 000
Cash and cash equivalents	6	911 713	1 011 782
		<b>1 771 578</b>	<b>1 798 901</b>
Discontinued operations assets	7	33 058 044	33 058 044
<b>Total Current Assets</b>		<b>34 829 622</b>	<b>34 856 945</b>
<b>Total Assets</b>		<b>88 952 804</b>	<b>91 331 422</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital		46 967 755	46 967 755
Statutory reserve		991 164	991 164
Treasury stocks	8	(269 558)	(269 558)
Accumulated losses		(14 742 417)	(11 577 686)
<b>Total Group Shareholders</b>		<b>32 946 944</b>	<b>36 111 675</b>
Non-controlling interests		18 924 843	18 929 700
<b>Total Equity</b>		<b>51 871 787</b>	<b>55 041 375</b>
<b>Current Liabilities</b>			
Accounts payable		799 760	789 691
Other credit balances		2 779 974	1 986 349
Due loans installments		3 671 319	3 671 319
Deferred revenues		372 836	385 560
		<b>7 623 889</b>	<b>6 832 919</b>
Discontinued operations related liabilities		29 457 128	29 457 128
<b>Total Current Liabilities</b>		<b>37 081 017</b>	<b>36 290 047</b>
<b>Total Equity and Liabilities</b>		<b>88 952 804</b>	<b>91 331 422</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements (unaudited)

**JORDAN DECAPOLIS PROPERTIES GROUP**  
**PUBLIC SHAREHOLDING COMPANY**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME**  
**31 MARCH 2020 (UNAUDITED)**

	<b>31 March 2020 JD</b>	<b>31 March 2019 JD</b>
Revenues from properties lease	127 619	128 499
Properties and projects management revenues	15 792	15 788
Properties operating expenses	(79 882)	(85 282)
Properties and projects management costs	(19 207)	(20 681)
<b>Gross profit</b>	<b>44 322</b>	<b>38 324</b>
Administrative expenses	(120 128)	(112 636)
Depreciations	(37 228)	(57 045)
Interests expense	(138 351)	-
Impairment for projects under construction	(2 304 910)	-
Provision for contingent liabilities	(613 522)	-
Group's share of associate	(9 496)	(20 765)
Interests income	6 883	7 391
Other revenues	2 842	4 642
<b>Loss and other comprehensive income for the period</b>	<b>(3 169 588)</b>	<b>(140 089)</b>
<b>Other comprehensive income attributable to:</b>		
Group's Shareholders	(3 164 731)	(132 946)
Non - Controlling interest	(4 857)	(7 143)
	<b>(3 169 588)</b>	<b>(140 089)</b>
<b>Basic and diluted loss per share for the period</b>	<b>JD (0.067)</b>	<b>JD (0.003)</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements (unaudited)

**JORDAN DECAPOLIS PROPERTIES GROUP**  
**PUBLIC SHAREHOLDING COMPANY**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**31 MARCH 2020 (UNAUDITED)**

	Share Capital JD	Statutory reserve JD	Treasury stocks JD	Accumulated losses JD	Total group's shareholders JD	Non- controlling interests JD	Total equity JD
<b>2019</b>							
<b>31 December 2018</b>	46 967 755	1 051 341	(273 458)	(3 164 379)	44 581 259	19 145 247	63 726 506
Loss and comprehensive income for the period	-	-	-	(132 946)	(132 946)	(7 143)	(140 089)
<b>31 March 2019</b>	<b>46 967 755</b>	<b>1 051 341</b>	<b>(273 458)</b>	<b>(3 297 325)</b>	<b>44 448 313</b>	<b>19 138 104</b>	<b>63 586 417</b>
<b>2020</b>							
<b>31 December 2019</b>	46 967 755	991 164	(269 558)	(11 577 686)	36 111 675	18 929 700	55 041 375
Loss and comprehensive income for the period	-	-	-	(3 164 731)	(3 164 731)	(4 857)	(3 169 588)
<b>31 March 2020</b>	<b>46 967 755</b>	<b>991 164</b>	<b>(269 558)</b>	<b>(14 742 417)</b>	<b>32 946 944</b>	<b>18 924 843</b>	<b>51 871 787</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements (unaudited)



**JORDAN DECAPOLIS PROPERTIES GROUP**  
**PUBLIC SHAREHOLDING COMPANY**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS**  
**31 MARCH 2020 (UNAUDITED)**

	<b>31 March 2020 JD</b>	<b>31 March 2019 JD</b>
<b>Operating activities</b>		
Loss and other comprehensive income for the period	(3 169 588)	(140 089)
<b>Adjustments for:</b>		
Depreciations	37 228	57 045
Impairment for projects under construction	2 304 910	-
Provision for contingent liabilities	613 522	-
Group's share of associates	9 496	20 765
Interests expenses	138 351	-
Interests revenues	(6 883)	(7 391)
<b>Changes in operating assets and liabilities</b>		
Checks under collection	(26 806)	165 904
Accounts receivable	4 375	(32 841)
Other debit balances	(54 069)	(87 808)
Due from related parties	10 000	-
Other credit balances	41 752	157 994
Defferred revenues	(12 724)	151 560
Accounts payable	10 069	(42 412)
<b>Net cash (used in) from operating activities</b>	<b>(100 367)</b>	<b>242 727</b>
<b>Investing activities</b>		
investments properties	(3 700)	(200)
Projects under constructions	(2 885)	(127 950)
Interests received	6 883	7 391
<b>Net cash from (used in) investing activities</b>	<b>298</b>	<b>(120 759)</b>
<b>Net change in cash and cash equivalents</b>	<b>(100 069)</b>	<b>121 968</b>
Cash and cash equivalents at the beginning of the period	1 011 782	1 049 204
<b>Cash and cash equivalents at the ending of the period</b>	<b>911 713</b>	<b>1 171 172</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements (unaudited)

**JORDAN DECAPOLIS PROPERTIES GROUP**  
**PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**31 MARCH 2020 (UNAUDITED)**

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**1) General**

On May 16, 2000, Real Estate Investment Company (Aqarco) (P.S.C) and the Centralized General Trading Enterprise (P.S.C) agreed to merge into one company, which was registered as a public shareholding company under registration no. (169) under the name of Real Estate Investment Trading Company (Aqarco). The merge of the two companies was taken into consideration on 1 January 2000 for the purpose of the consolidated financial statements preparation .

The extraordinary general assembly has approved in its meeting held on 3 April 2008, to change the name of the Company to become Jordan Dubai Properties Company Instead of Real Estate Investment Trading Company (Aqarco). Also, during the year 2012, the Company's name was changed again from Jordan Dubai Properties Company to Jordan Decapolis Properties Company .

The principal activities of the Company are to invest through acquiring plots of land, investment properties, general trading, and leasing stores for cooling, storage and real estate projects management. The activities of the Company have been amended during 2008 to include the establishment of different types of companies and acquiring shares and stocks in the standing companies .

The principal activities of the subsidiaries, are leasing, managing and establishment of real estate projects, in addition to investing in touristic projects .

The Company's headquarter is located in Al-Abdali Amman-Jordan .

The condensed consolidated interim financial statements was approved by the Group's Board of Directors on its meeting held on 6 July 2020.

**2) Basis of preparation**

The accompanying condensed consolidated interim financial statements have been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting".

The accompanying condensed consolidated interim financial information do not include all the information and disclosures required for the annual financial statements, which are prepared in accordance with the International Financial Reporting Standards and must be read with the consolidated financial statements of the Group as at 31 December 2019. In addition, the results of the group's operations for the three months ended 31 March 2020 do not necessarily represent indications of the expected results for the year ending 31 December 2020, and do not contain the appropriation of the profit of the current period, which is usually performed at year end.

The condensed consolidated interim financial statements are presented in Jordanian Dinar, which is the functional currency of the group.

The accounting policies followed in these condensed consolidated interim financial statements are the same as those adopted for the year ended 31 December 2019 except for the following changes:

**Amendments to IFRS 3: Definition of a Business**

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

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

The Group was not be affected by these amendments.

#### **Interest Rate Benchmark Reform Amendments to IFRS 9 and IFRS 7**

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

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

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

The Group was not be affected by these amendments.

#### **Accounting estimates**

Preparation of the financial statements and the application of the accounting policies requires the management to perform assessments and assumptions that affect the amounts of financial assets, financial liabilities, and fair value reserve and to disclose contingent liabilities. Moreover, these assessments and assumptions affect revenues, expenses, provisions, and changes in the fair value shown in the condensed consolidated interim statement of other comprehensive income and owners' equity. In particular, this requires the group's management to issue significant judgments and assumptions to assess future cash flow amounts and their timing. Moreover, the said assessments are necessarily based on assumptions and factors with varying degrees of consideration and uncertainty. In addition, actual results may differ from assessments due to the changes resulting from the conditions and circumstances of those assessments in the future.

#### **Principles of consolidation**

The condensed consolidated interim financial statements comprise of the financial statements of the Company and its subsidiaries where the Company has the power to govern the financial and operating policies of the subsidiaries to obtain benefits from their activities. The financial statements of the subsidiaries are prepared for the same reporting year as the Company using consistent accounting policies. All balances, transactions, income, and expenses between the Company and its subsidiaries are eliminated.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases.

The results of operations of the subsidiaries are consolidated in the income statements from the acquisition date, which is the date on which control over subsidiaries is transferred to the Company. The results of operation of the disposed subsidiaries are consolidated in the income statement to the disposal date, which is the date on which the Company loses control over the subsidiaries

**JORDAN DECAPOLIS PROPERTIES GROUP**  
**PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
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The Company owns the following subsidiaries as of March 31, 2020:

	<b>Nature of Activity</b>	<b>Ownership percentage 31/3/2020</b>	<b>Ownership percentage 31/12/2019</b>
Ahyaa Amman for Real Estate Rehabilitation and Development Company, and its subsidiary:	-		
- Ahyaa Amman for Hotel Investments Company	Tourism	%62.89	%62.89
Jordan Dubai Properties Company for Lands Development	Property	%100	%100
Al-Niser International Investment Group	Property	%100	%100
Jordan Eye for Tourism Resorts Company and its subsidiaries:	Tourism	%100	%100
- Aiman Jordan Decapolis for Tourism Investments Company	Tourism	%100	%100
- Muniah for Specialized Resorts Company*	Tourism	%74	%74
- Jordan Dubai Specialized Resorts Company	Tourism	%73	%73
- South of The Dead Sea Development for Specialized Resorts Company	Tourism	%70	%70

\* As described in Note (9), the Board of Directors of Muniah for Specialized Resorts Company decided in their meeting held on March 29, 2016 to liquidate the company, accordingly the Company's assets and liabilities were re-classified as discontinued operations in accordance with IFRS 5.

The operations' result of the subsidiaries are consolidated in the consolidated Profit or Loss and other comprehensive income statement as of the date of its acquisition and this is the date that the actual transmission of the company's control on the subsidiary.

The investor obtain control over the investee when the investor is exposure, or rights, to variable returns to the investor from its involvement with the investee and the ability of the investor to use power over the investee to affect the amount of the investee and its returns.

Thus, the principle of control sets out the following three elements of control:

1. Power of the investor over the investee;
2. Exposure, or rights, to variable returns or the investor from its involvement with the investee; and
3. The ability of the investor to use power over the investee to affect the amount of the investee and its returns.

The Parent Company should reassess whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three above mentioned elements.

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 statement of profit or loss and other comprehensive income. Extra transactions costs are expensed as incurred, 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 consolidated 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 was classified as equity. As a result, any transactions are treated through equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in consolidated statement of profit or loss and other comprehensive income.

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

On loss of control, the parent-subsidiary relationship ceases to exist. The parent no longer controls the subsidiary's individual assets and liabilities and other elements of owners' equity related to the subsidiary and eliminated from the consolidated financial statements.

Gain or loss associated with the loss of control attributable to the former controlling interest is recognized in the consolidated 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 financial statements.

On loss of control, the parent-subsidiary relationship ceases to exist. The parent no longer controls the subsidiary's individual assets and liabilities. Therefore, the parent company:

1. Derecognizes the assets and liabilities of the former subsidiary from the condensed consolidated interim statement of financial position.
2. Recognizes any investment retained in the former subsidiary at its fair value when control is lost and subsequently accounts for it and for any amounts owed by or to the former subsidiary in accordance with relevant IFRSs.
3. Recognizes the gain or loss associated with the non-controlling interest.

Consolidated financial statements are prepared for the subsidiaries to the same financial year of the parent company and using the same accounting policies adopted by the parent company. If one subsidiary use accounting policies other than those adopted in the consolidated financial statements for similar transactions and events in similar circumstances, appropriate adjustments are made to that Group subsidiaries' financial statements, in preparing the consolidated financial statements to ensure conformity with the International Financial Reporting Standards.

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

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

### **3) Financial risk management and capital management**

The group is generally exposed to the financial risks of credit risk, liquidity risk, market risk and capital management risk. In general, the group's financial risk management objectives and policies are similar to those disclosed in the consolidated financial statements and the Group's annual report for the year ended 31 December 2019.

The Group did not have any change in capital management during the current interim period and the Group is not subject to any external capital requirements.

### **4) Seasonality Events**

The measurement and recognition considerations applied in the condensed consolidated interim financial statements as of 31 March 2020 have been accounted for; moreover, the group did not have transactions effected be seasonality events during the year.

### **5) Lands under development and projects under construction**

- Lands under development represents the cost of land located in the Dead Sea area owned by Dead Sea Specialized Resorts Company for the purpose of establishing tourism projects, as well as land within the Abdali development area owned by Jordan Dubai Land Development Company (Subsidiary Company).
- Projects under Construction include cost of studies, design and construction of a tourist resort in the Dead Sea area and a commercial complex in Abdali development area.
- With regard to the Dead Sea Project (Phase I), there is no agreement to start the first stage during the coming year and there is no obligation on the Company for any party.
- The land and the Al Abdali Business Complex have been mortgaged for The Arab Bank against a reducing loan amounted 3 671 319 JD for the purpose of financing the completion of this project, knowing that part of the loan installments are due during the year 2017, 2018 and 2019 the Group did not pay the due installments or make any re-scheduling for the due amounts. The bank has distressed the project and publishes of the auction sale issued by the Department of Implementation of the Amman Court of First Instance of the property, The Company appealed and objected to the procedures and the value of the estimate, the Company appealed and objected to the procedures and the value of the estimate. During year 2020, The court's decision to refer the property to the bank, and transfer ownership of the property was completed during the second quarter of 2020, and the management has increased the provision of impairment and prepared provision for contingent liabilities to the impact of this case in accordance with the events and documents available as the date of these condensed consolidated interim financial statements.

**JORDAN DECAPOLIS PROPERTIES GROUP**  
**PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**31 MARCH 2020 (UNAUDITED)**

**6) Cash and cash equivalents**

	<b>31 March 2020 JD</b>	<b>31 December 2019 JD</b>
Cash at banks	911 045	1 006 286
Cash on hand	668	5 496
	<b>911 713</b>	<b>1 011 782</b>

**7) Discontinued Operations**

The Board of Directors of Muniah for Specialized Resorts Company (subsidiary Company) decided on its meeting held on 29 March 2016 to liquidate the Company, However the Board of Directors of the Group decided to approve the liquidation and accordingly the subsidiary was classified as discontinued operations in accordance with IFRS (5), the company's liquidator was appointed in the company's extraordinary meeting held on 6 April 2016.

The Group still did not complete the legal liquidation procedures for the company until the condensed consolidated interim financial statements date.

**8) Treasury - Shares**

This item represent the cost of 211 517 of parent company shares purchased by Ahya'a Amman for Real Estate Rehabilitation and Development Company and Al-Niser International Investment Group (subsidiaries) as of 31 March 2020 and 31 December 2019

**9) Related party transactions**

Related parties represent major shareholders, directors and key management personnel of the Group, and entities controlled or significantly influenced by such parties.

Pricing policies and terms of these transactions are approved by the Group's management. Balances with related parties included in the consolidated financial statements are as follows:

**Due from related parties**

	<b>Nature of the relationship</b>	<b>31 March 2020 JD</b>	<b>31 December 2019 JD</b>
Madaeen Alshourooq for Real Estate Development and investment Company	Associate	<b>432 000</b>	<b>442 000</b>

**Other receivables**

	<b>31 March 2020 JD</b>	<b>31 December 2019 JD</b>
Shareholders' receivables	134 207	134 207
Account Receivable Owners Association of AQARCO Commercial Center	85 490	95 511
	<b>219 697</b>	<b>229 718</b>
Provision for shareholders' receivables	(134 207)	(134 207)
	<b>85 490</b>	<b>95 511</b>

**Transactions with related parties**

	<b>Nature of the relationship</b>	<b>31 March 2020 JD</b>	<b>31 December 2019 JD</b>
Properties Management revenue – The association owners of AQARCO building	Revenues	15 792	18 518
Company's share from operating expenses AQARCO building	Expenses	29 271	28 241

The parent Company (Jordan Decapolis Properties) owns 47% from AQARCO commercial center, which is managed by the elected association.

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<b>Executive Administration benefits</b>	<b>31 March 2020 JD</b>	<b>31 March 2019 JD</b>
Salaries and emoluments	<u><u>19 350</u></u>	<u><u>17 550</u></u>

**10) Due loans installments**

On May 30, 2013 Jordan Dubai Properties Company for Lands Development Private Shareholding (Subsidiary Company) has signed a declining loan agreement with Arab bank amounted to 5 000 000 JD to finance and complete cost of the commercial building located in Al-Abdali projects area in Amman, Part of the loan was withdrawn during 2014. The loan is to be repaid in 6 equal annual installments each amounted to 833 000 JD, the first installment will due after 24 months from signing the agreement date, this loan bear interest rate of 8.375%.

During 2015, the Company has amended the loan agreement with the bank to be repaid in 5 equal annual installments each amounted to 917 000 JD where the first installment is due after 24 months of the signing the agreement with an annual interest rate of 8.375 %.

During 2016 the Company has amended the loan agreement with the bank to be repaid in 4 equal installments each amounted to 917 000 JD for which first installment due on June 30, 2017, in addition to 3 equal installments each amounting to 917 000 JD for which first installment to be started from November 30, 2017 until final settlement at an annual interest rate of 8.5 %.

The Company didn't pay the due installment during 2017, were as per the signed loan agreement appendix between the Company and the bank states that if any installment is due but not paid on its due date then the hank has the right to consider the remaining loan installments due with its associated interest and commissions and related expenses and to be paid immediately as one payment, accordingly bank loans has been completely re-classified as current liabilities.

The loan has been granted against the mortgage of Jordan Dubai Properties Company for Lands Development Al-Abdali project for the interest of the Arab bank as a guarantee. The bank has distressed the project and publishes of the auction sale issued by the Department of Implementation of the Amman Court of First Instance of the property, The Company appealed and objected to the procedures and the value of the estimate, the Company appealed and objected to the procedures and the value of the estimate. During year 2020, The court's decision to refer the property to the bank, and transfer ownership of the property was completed during the second quarter of 2020, and the management has increased the provision of impairment and prepared provision for contingent liabilities to the impact of this case in accordance with the events and documents available as the date of these condensed consolidated interim financial statements.

**11) Contingent liabilities**

As of the date of these condensed consolidated interim financial statements the group may face a probable contingent liability presented in bank guarantees amounted to 10 000 JD (31 December 2019: 10 000 JD).

**12) Financial risk management**

Market risk arises from financial assets at fair value through other comprehensive income that is held to meet the partially unfunded portion of the Group's liabilities as well as investments at fair value through statement of profit or loss and other comprehensive income. The group's management monitors the debt and securities portfolio in its market-based investment portfolio. Material investments are managed in the portfolio on an individual basis and the Risk Management Committee approves all purchase and sale decisions.

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**Fair Value Hierarchy**

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 identical assets or liabilities

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). 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 (unobservable inputs).

	<b>Book Value</b>	<b>Fair Value</b>		
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>31 March 2020</b>				
Financial assets at fair value through other comprehensive income*	3 503 711	-	-	3 503 711
Checks under collection	56 257	-	-	-
Accounts receivable	180 246	-	-	-
Other debit balances	191 362	-	-	-
Due from related party	432 000	-	-	-
Cash and cash equivalents	911 713	911 713	-	-
Accounts payable	(799 760)	-	-	-
Other credit balances	(2 779 974)	-	-	-
Loans	(3 671 319)	(3 671 319)	-	-
<b>31 December 2019</b>				
Financial assets at fair value through other comprehensive income*	3 503 711	-	-	3 503 711
Checks under collection	29 451	-	-	-
Accounts receivable	184 621	-	-	-
Other debit balances	137 293	-	-	-
Due from related party	442 000	-	-	-
Cash and cash equivalents	1 011 782	1 011 782	-	-
Accounts payable	(789 691)	-	-	-
Other credit balances	(1 986 349)	-	-	-
Loans	(3 671 319)	(3 671 319)	-	-

**\* Fair Value Based on Level 3**

This item represents investment in Saraya Al Aqaba for Real Estate Development Company; this investment was made during the year 2008 and still measured at acquisition cost

\* Management believes that the carrying amount of these financial assets approximate their fair value.

There were no transfers between level 1 and level 2.

**13) Comparative figures**

Some of the comparative figures for the year 2019 have been reclassified to correspond with the period ended 31 March 2020 presentation and it did not result in any change to the last period's operating results.