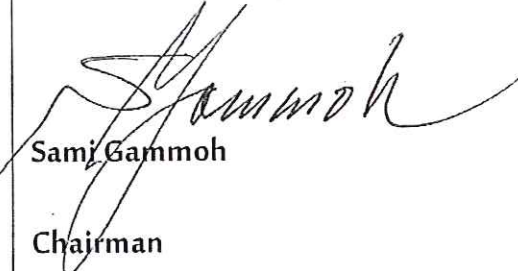



بجورصة عمان  
11/11

الرقم : 82/1/2/102

<p>To: Jordan Securities Commission Amman Stock Exchange Date: 01/11/2020 Subject: <u>Quarterly Report as of 30/9/2020</u></p>	<p>السادة هيئة الأوراق المالية السادة بورصة عمان التاريخ: 2020/11/01 الموضوع: <u>التقرير ربع السنوي كما هي في 2020/9/30</u></p>
<p>Attached the Quarterly Report of Jordan International Investment Co. as of 30/09/2020 In English.</p>	<p>مرفق طيه نسخة من البيانات المالية ربع السنوية لشركة الأردن الدولية للاستثمار كما هي بتاريخ 2020/9/30 باللغة الإنجليزية.</p>
<p>Kindly accept our highly appreciation and respect .</p> <p> Sami Gammoh Chairman</p>	<p>وتفضلوا بقبول فائق الاحترام،،،</p> <p> سامي قموه رئيس مجلس الإدارة</p>



JORDAN INTERNATIONAL INVESTMENT COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN – THE HASHEMITE KINGDOM OF JORDAN

CONDENSED CONSOLIDATED INTERIM  
FINANCIAL INFORMATION FOR  
THE NINE-MONTHS ENDED  
SEPTEMBER 30, 2020

JORDAN INTERNATIONAL INVESTMENT COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN – THE HASHEMITE KINGDOM OF JORDAN  
SEPTEMBER 30, 2020

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## INDEPENDENT AUDITOR'S REVIEW REPORT

AM/ 7609

To the Chairman and Members of the Board of Directors  
Jordan International Investment Company  
(A Public Shareholding Limited Company)  
Amman – The Hashemite Kingdom of Jordan

### **Introduction**

We have reviewed the accompanying condensed consolidated interim statement of financial position of Jordan International Investment Company (A Public Shareholding Limited Company) "the Company" as of September 30, 2020 and the related condensed consolidated interim statements of profit or loss and comprehensive income for the three-months and nine-months ended September 30, 2020 and condensed consolidated interim statements of changes in owners' equity and cash flows for the nine-months 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 information in accordance with International Accounting Standard number (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements number 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Company". 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 the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard (34) "Interim Financial Reporting".

### **Other Matters**

1. The consolidated financial statements for the year ended December 31, 2019, and the condensed consolidated interim financial information for the nine-months ended September 30, 2019, were audited and reviewed by another auditor who expressed an unmodified opinion and unmodified conclusion on those statements and information on May 13, 2020, and October 30, 2019 respectively.
2. The accompanying condensed consolidated interim financial information are a translation of the statutory condensed consolidated interim financial information in the Arabic language to which reference should be made.

Amman – The Hashemite Kingdom of Jordan  
October 27, 2020

Deloitte & Touche (M.E.) Jordan

ديلويت أند توش (الشرق الأوسط)

010103



JORDAN INTERNATIONAL INVESTMENT COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - THE HASHEMITE KINGDOM OF JORDAN  
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
		JD	JD
<u>ASSETS</u>			
Current Assets:			
Cash on hand and at banks	4	606,472	797,025
Financial assets at fair value through profit or loss	5	911,577	886,413
Accounts receivable and other debit balances - net	6	87,745	100,715
Total Current Assets		1,605,794	1,784,153
Non-current assets:			
Investments properties - net	7	7,507,178	7,508,120
Deferred tax assets		71,690	50,736
Financial assets at fair value through other comprehensive income		76,550	83,390
Property and equipment - net		25,867	26,768
Total Non-Current Assets		7,681,285	7,669,014
TOTAL ASSETS		9,287,079	9,453,167
<u>LIABILITIES AND OWNERS' EQUITY</u>			
Current Liabilities:			
Accounts payable and other credit balances		11,423	83,888
Income tax provision	9/B	2,899	2,766
Total Current Liabilities		14,322	86,654
TOTAL LIABILITIES		14,322	86,654
OWNERS' EQUITY:			
Paid-up capital		10,000,000	10,000,000
Statutory reserve		48,676	48,676
Special reserve		2,225	2,225
Valuation reserve for financial assets at fair value		(52,809)	(45,969)
Accumulated (losses)		(638,419)	(638,419)
(Loss) for period		(86,916)	-
Owners' Equity - Net		9,272,757	9,366,513
TOTAL LIABILITIES AND NET OWNERS' EQUITY		9,287,079	9,453,167

Chairman of the Board of Directors

General Manager

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED  
CONSOLIDATED INTERIM FINANCIAL INFORMATION.

JORDAN INTERNATIONAL INVESTMENT COMPANY

(A PUBLIC SHAREHOLDING LIMITED COMPANY)

AMMAN - THE HASHEMITE KINGDOM OF JORDAN

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

	For the Three-Months		For the Nine-Months	
	Ended September 30,		Ended September 30,	
Note	2020 (Reviewed)	2019 (Reviewed)	2020 (Reviewed)	2019 (Reviewed)
	JD	JD	JD	JD
Rent revenue - net	2,825	1,749	9,275	6,999
Bank interest revenue	7,586	10,789	22,983	54,922
Gain (loss) from sale of financial assets at fair value through profit or loss	318	(17,701)	8,612	15,483
Dividends income	10,928	-	32,053	-
Other revenue (expense)	1,455	1,978	15,106	(924)
Total Revenue	23,112	(3,185)	88,029	76,480
<u>Less:</u> General and administrative expenses	(29,293)	(23,489)	(95,792)	(85,241)
Gain (loss) on valuation of financial assets at fair value through profit or loss	24,520	-	(99,782)	-
(Loss) / Profit for the Period before Tax	18,339	(26,674)	(107,545)	(8,761)
Income tax surplus (expense) for the period	9/C (4,749)	2,768	20,629	5,776
(Loss) for the Period	13,590	(23,906)	(86,916)	(2,985)
<u>Other Comprehensive Income Items that will not be reclassified subsequently to the condensed consolidated interim statement of profit or loss:</u>				
Change in financial assets valuation reserve	(5,940)	(3,899)	(6,840)	(9,236)
Realized gain from sale of financial assets at fair value through other comprehensive income	-	-	-	55
Total Other (Comprehensive Loss) Items	(5,940)	(3,899)	(6,840)	(9,181)
Total (Comprehensive Loss) for the Period	7,650	(27,805)	(93,756)	(12,166)
(Loss) per Share for the Period (Basic and Diluted)	10 0/0014	(0/0024)	(0/009)	(0/0003)

Chairman of the Board of Directors

General Manager

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION.

JORDAN INTERNATIONAL INVESTMENT COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - THE HASHEMITE KINGDOM OF JORDAN

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN OWNERS' EQUITY

	Financial Assets						Net Owners' Equity
	Paid-up Capital	Statutory Reserve	Special Reserve	Valuation Reserve	Accumulated (Losses)	(Loss) for the Period	
	JD	JD	JD	JD	JD	JD	JD
<u>For the Nine-Months Ended September 30, 2020</u>							
Balance - beginning of the period	10,000,000	48,676	2,225	(45,969)	(638,419)	-	9,366,513
Total (comprehensive loss) for the period	-	-	-	(6,840)	-	(86,916)	(93,756)
Balance at the End of the Period	<u>10,000,000</u>	<u>48,676</u>	<u>2,225</u>	<u>(52,809)</u>	<u>(638,419)</u>	<u>(86,916)</u>	<u>9,272,757</u>
<u>For the Nine-Months Ended September 30, 2019</u>							
Balance - beginning of the period	10,000,000	47,346	2,225	(45,856)	(564,640)	-	9,439,075
Total comprehensive (loss) for the period	-	-	-	-	-	(2,985)	(2,985)
Changes in financial assets valuation reserve- net after tax	-	-	-	(9,236)	-	-	(9,236)
Realized gain from sale of financial assets at fair value through OCI	-	-	-	5,775	-	(5,720)	55
Balance at the End of the Period	<u>10,000,000</u>	<u>47,346</u>	<u>2,225</u>	<u>(49,317)</u>	<u>(564,640)</u>	<u>(8,705)</u>	<u>9,426,909</u>

Accumulated losses includes an amount of JD 71,690, representing the value restricted as deferred tax assets in accordance with the relevant laws and regulations as of September 30, 2020 (JD 50,736 as of December 31, 2019).

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION.

JORDAN INTERNATIONAL INVESTMENT COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - THE HASHEMITE KINGDOM OF JORDAN  
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	For the Nine-Months		
	Ended September 30,		
	Note	2020 (Reviewed)	2019 (Reviewed)
CASH FLOWS FROM OPERATING ACTIVITIES:		JD	JD
(Loss) profit for the period before tax		(107,545)	(8,761)
Adjustments:			
Bank interest revenue		(22,983)	(54,922)
Loss on valuation of financial assets at fair value through profit or loss		99,782	-
(Gain) from selling of financial assets at fair value through profit or loss		(8,612)	(15,483)
Depreciation		12,930	11,983
Net Cash Flows (used in) Operating Activities before Changes in Working Capital Items		(26,428)	(67,183)
Decrease in checks under collection		-	9,305
Decrease (increase) in accounts receivable and other debit balances		12,970	(27,604)
(Decrease) increase in accounts payable and other credit balances		(72,465)	708
Net Cash Flows (used in) Operating Activities before Income Tax Paid		(85,923)	(84,774)
Income tax paid	9/B	(192)	(20,059)
Net Cash Flows (used in) Operating Activities		(86,115)	(104,833)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Bank interest received		22,983	57,945
(Purchase) of property and equipment		-	(188)
(Purchase) of investments properties		(10,864)	-
(Purchase) of financial assets at fair value through comprehensive income		-	(20,993)
(Purchase) of financial assets at fair value through profit or loss		(351,810)	(1,835,181)
Proceeds from sale of financial assets at fair value through profit or loss		235,253	677,058
Proceeds from sale of financial assets at fair value through comprehensive income		-	14,669
Dividends from financial assets at fair value through profit or loss		-	7,500
Net Cash Flows (used in) Investing Activities		(104,438)	(1,099,190)
Net (Decrease) in Cash and Cash Equivalent		(190,553)	(1,204,023)
Cash and cash equivalent at the beginning of the year		797,025	1,701,022
Cash and Cash Equivalent at the End of the Period	4	606,472	496,999

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED  
INTERIM FINANCIAL INFORMATION.



JORDAN INTERNATIONAL INVESTMENT COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN – THE HASHEMITE KINGDOM OF JORDAN  
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1. Incorporation and Activities

- a. Jordan International Investment Company is a public shareholding limited company registered with the Companies Control Department under the number (412) on July 13, 2006 as a result of the merger of Jordan International Industries Company - a public shareholding limited company - and the Jordan International Company for Tourism and Real Estate Investments - a limited liability company. The Company's paid-up capital amounted to JD 10 million, distributed to 10 million shares, with a par value of JD 1 per share.

The Company is owned by 90.9% from Jordan International Insurance Company, a public shareholding limited company.

- b. The Company's main objectives include the following:
- Implementation of industrial projects.
  - Commercial agencies.
  - Commercial brokerages (except for dealing with international SEC).
  - Import and export.
  - Managing and establishing of tourist hotels.
  - Owning land to implement the Company's objectives.
  - Purchase lands and build apartments on it, and selling them without interest "Reba".
  - Borrowing the necessary money from banks.

2. Basis of Preparation

- The accompanying condensed consolidated interim financial information for the Company and its subsidiary for the nine-months ended September 30, 2020 have been prepared in accordance with International Accounting Standard number (34) "Interim Financial Reporting".
- The condensed consolidated interim financial information are prepared in Jordanian Dinar which represents the functional and presentation currency for the Company and its subsidiary.
- The condensed consolidated interim financial information does not include all information and disclosures required for the annual consolidated financial statements and should be read with the Company's annual financial statements for the year ended December 31, 2019. Moreover, the results of operations for the nine-months ended September 30, 2020 do not necessarily provide an indication of the expected results for the year ending December 31, 2020. No appropriation occurred on the profit of the period ended September 30, 2020 which is performed at the end of the fiscal year.

Judgments, estimates and risk management

The preparation of the condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Company's annual consolidated financial statements for the year ended December 31, 2019, except what is mentioned in Note (3).

We believe that our used estimates for the preparation of the condensed consolidated interim financial information are reasonable and consistent with the estimates approved for the preparation of the consolidated financial statements for the year 2019, except for the following:

The occurrence of the outbreak of the Corona virus (COVID-19) at the beginning of the year 2020 and its spread in several geographical regions around the world has caused disturbances to economic activities and businesses, and this event is witnessing continuous and rapid developments, which requires the Company management to conduct an assessment of the expected effects on the Company's business, and conducting a study to review and evaluate potential risks in the interim consolidated financial information as of September 30, 2020, based on the foregoing, the Company has taken the following measures to contain the crisis as follows:

- a. The Company has formed a Business continuity planning committee to determine and oversee the implementation of business continuity plan, which are:
  - Providing alternative locations to distribute the employees on, in order to ensure continuity of work and to maintain social separation among employees.
  - Activate working remotely feature for sensitive jobs in order to ensure the continuity of providing service to customers through electronic channels.
  - Maintaining the safety of all employees and clients, through taking all procedures related to the sterilization of branches and workplaces.
- b. In terms of monitoring the impact of the (COVID-19) crisis on the Company's business results, the Company's management has updated the forward-looking assumptions used in calculation of expected credit losses provision.
- c. As for monitoring the impact of the (COVID-19) crisis on the Company's liquidity levels, the Company's management has prepared all scenarios related to stressful situations, knowing that the Company has comfortable levels and that enables it to respond to market conditions and economy developments.

### 3. Significant Accounting Policies

The accounting policies adopted in preparing the condensed consolidated interim financial information are consistent with those applied in the year ended December 31, 2019 except for the effect of the adoption of the new and revised standards which are applied on current periods as explained below:

#### a. Amendments to IAS (1) and IAS (8) and Related to Definition of Materiality

The amendments are intended to make the definition of material in IAS No. (1) easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'.

The definition of material in IAS (8) has been replaced by a reference to the definition of material in IAS (1). In addition, the IASB amended other Standards and the Conceptual Framework that contain a definition of material or refer to the term 'material' to ensure consistency.

The amendments are applied prospectively for annual periods beginning on or after January 1, 2020.



#### Amendments to IFRS (3) and Related to Definition of a Business

The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

Additional guidance is provided that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets.

The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after the first annual reporting period beginning on or after January 1, 2020,

#### Amendments to References to the Conceptual Framework in IFRS

Together with the revised Conceptual Framework, which became effective upon publication on 29 March 2018, the IASB has also issued Amendments to References to the Conceptual Framework in IFRS Standards. The document contains amendments to IFRS (2), IFRS (3), IFRS (6), IFRS (14), IAS (1), IAS (8), IAS (34), IAS (38), IFRIC (12), IFRIC (19), IFRIC (20), IFRIC (22), and SIC (32).

Not all amendments, however, update those pronouncements with regard to references to and quotes from the framework so that they refer to the revised Conceptual Framework. Some pronouncements are only updated to indicate which version of the Framework they are referencing to (the IASB Framework adopted by the IASB in 2001, the IASB Framework of 2010, or the new revised Conceptual Framework of 2018) or to indicate that definitions in the standard have not been updated with the new definitions developed in the revised Conceptual Framework.

The amendments, where they actually are updates, are effective for annual periods beginning on or after January 1, 2020.

#### b. Basis of Consolidation of the Consolidated Condensed Interim Financial Information

- The consolidated condensed interim financial information include the financial statements of the Company and its subsidiary companies that are subject to its control. In this regard, control is established when the Company has the ability to conduct the main activities of the subsidiary company, it is subject to the variable returns arising from its investment in the subsidiary company, or it has the right to these returns, and it has the ability to influence the returns through its control of the subsidiary company. Intercompany transactions, balances, revenues and expenses are eliminated between the Company and its subsidiaries.

- The results of the subsidiary companies are incorporated into the consolidated condensed statement of profit or loss from the effective date of acquisition, which is the date on which the Company assumes actual control over the subsidiary. Moreover, the operating results of the disposed subsidiaries are incorporated into the consolidated statement of profit or loss up to the effective date of disposal, which is the date on which the Company loses control over the subsidiary companies.
- Control is achieved when the Company:
  - Has the ability to control the investee.
  - Is subject to variable returns, or have the right to variable returns arising from its association with the investee.
  - Has the ability to use its power to influence the returns of the investee.

The Company re-evaluates whether it controls the investee companies or not, if the facts and circumstances indicate that there are changes to one or more of the control criteria referred to above.

In case the Company's voting rights are less than the majority's voting rights in any of the investee companies, it shall have the power to control when the voting rights suffice to grant the Company the ability to direct the activities of the related subsidiary unilaterally. Moreover, the Company takes into account all the facts and circumstances in assessing whether the Company has enough voting rights in the investee to enable it to control or not. These facts and circumstances include the following:

- The size of voting rights owned by the Company in relation to the size and distribution of other voting rights.
- Potential voting rights held by the Company and any other voting rights held by others or third parties.
- Rights arising from other contractual arrangements.
- Any additional facts and circumstances indicating that the Company has or does not have an existing responsibility for directing the relevant activities at the time of making the required decisions, including how to vote at previous General Assembly meetings.

When the Company loses control over any of its subsidiaries, the Company:

- Derecognizes the assets of the subsidiary (including goodwill) and liabilities.
- Derecognizes the carrying amount of any uncontrolled interest.
- Derecognizes the cumulative transfer differences recognized in consolidated owners' equity.
- Derecognizes the fair value of the consideration received.
- Derecognizes the fair value of any investment held.
- Derecognizes any surplus or deficit in the consolidated statement of profit or loss.
- Reclassifies the Company's equity previously recognized in other comprehensive income to the condensed consolidated interim statement of profit or loss or retained earnings, as appropriate.

The financial information of the subsidiary companies are prepared for the same financial period of the Company using the same accounting policies of the Company. If the accounting policies adopted by the subsidiary companies differ from those adopted by the Company, the necessary adjustments to the financial information of the subsidiary companies are made to comply with the accounting policies of the Company.

Non-controlling interest represent the unowned part by the Company from subsidiary companies owners' equity.



The Company owned the following subsidiaries directly as of September 30, 2020:

<u>Company's Name</u>	<u>Principal Activity</u>	<u>Ownership Percentage</u>	<u>Capital</u>	<u>Year of Incorporation</u>
Tilal Salem Real Estate Company	Investments property	100%	150,000	2012

The major financial information of the subsidiary company for the period ended September 30, 2020 is as follows:

<u>Company's Name</u>	<u>Total Assets</u>	<u>Total Liabilities</u>	<u>Total Revenue</u>	<u>Total Expenses</u>
	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>
Tilal Salem Real Estate Company	297,803	60,573	3,288	2,066

4. Cash on Hand and at Banks

This item consists of the following:

	<u>September 30, 2020 (Reviewed)</u>	<u>December 31, 2019 (Audited)</u>
	<u>JD</u>	<u>JD</u>
Cash on hand	233	84
Current accounts at banks	40,239	7,966
Deposits at banks	566,000	788,975
	<u>606,472</u>	<u>797,025</u>

- The interest rates on deposits at banks in dinars range from 1% to 5.25%.

5. Financial Assets at Fair Value Through Profit or Loss

This item consists of the following:

	<u>September 30, 2020 (Reviewed)</u>	<u>December 31, 2019 (Audited)</u>
	<u>JD</u>	<u>JD</u>
Stocks listed in Amman Stock Exchange	911,577	886,413
	<u>911,577</u>	<u>886,413</u>

6. Accounts Receivable and other Debit Balances - Net

This item consists of the following:

	<u>September 30, 2020 (Reviewed)</u>	<u>December 31, 2019 (Audited)</u>
	<u>JD</u>	<u>JD</u>
Accounts receivable *	130,140	75,573
Refundable deposits	1,800	70,300
Prepaid expenses	3,195	4,193
Advance payments	1,523	1,523
Accrued interests	1,260	1,338
Income tax deposit	12,578	10,539
Total	<u>150,496</u>	<u>163,466</u>
(Less): Allowance for expected credit loss	<u>(62,751)</u>	<u>(62,751)</u>
	<u>87,745</u>	<u>100,715</u>

- \* Accounts receivable include an amount of JD 58,666 represents due from related parties.

7. Investments Property - Net

This item consists of the following:

	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
	JD	JD
Lands	7,007,660	6,996,796
Buildings	467,119	467,119
Apartments	120,697	120,697
Office – Wadi Saqra	88,433	88,433
	<u>7,683,909</u>	<u>7,673,045</u>
<u>Less:</u> Accumulated Depreciation	(170,605)	(158,799)
Impairment in the fair value of investments	<u>(6,126)</u>	<u>(6,126)</u>
	<u>7,507,178</u>	<u>7,508,120</u>

- The fair value of real estate investments was evaluated by real estate appraisers at JD 9,186,265 as of September 30, 2020 and December 31, 2019.

8. Balances and Transactions with Related Parties

Related parties, as defined in International Accounting Standard No. (24) (Related Party Disclosures), include subsidiaries and associate companies, major shareholders, directors and other key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. The balances and movements resulting from transactions with related parties are as follows:

	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
	JD	JD
<u>Condensed Consolidated interim Statement of Financial Position Items:</u>		
Accounts receivable – Ibda’a Company for Financial Investment *	58,666	-
 <u>Condensed Consolidated interim Statement of Profit or Loss Items:</u>		
	For the Nine-Months Period Ended September 30, 2020 (Reviewed)	2019 (Reviewed)
	JD	JD
Financial brokerage commission expenses – Ibda’a Company for Financial Investment *	2,346	10,504

- \* Subsidiary to the parent company.

- The following is a summary of the benefits (salaries, bonuses, and other benefits) of the executive management:

	For the Nine-Months Ended September 30,	
	2020	2019
	(Reviewed)	(Reviewed)
	JD	JD
Salaries and other benefits	11,520	11,520
	<u>11,520</u>	<u>11,520</u>

## 9. Income Tax

### a. Tax Status

- The Company has reached a final settlement with the Income and Sales Tax Department until the end of the year 2018 for Jordan International Investment Company. Furthermore, the income tax return for the year 2019 was submitted within the legal period, however, it was not audited by Income and Sales Tax Department and the final decision was not issued.
- The Company has reached to a final settlement with the Income and Sales Tax Department until the end of year 2018 for Telal Salem Company (Subsidiary). Furthermore, income tax return for the year 2019 was submitted within the legal period, however, it was not audited by Income and Sales Tax Department and a final decision was not issued.
- In the opinion of the management and Company's tax advisor the provisions recorded in the condensed consolidated interim financial information are sufficient to cover any tax liabilities.

### b. Income Tax Provision

The movement on the income tax provision is as follows:

	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)
	JD	JD
Balance at beginning of the period / year	2,766	20,059
Income tax and national contribution for the period / year	325	2,766
<u>Less: Income tax paid during the period / year</u>	<u>(192)</u>	<u>(20,059)</u>
Balance at the End of the Period / Year	<u>2,899</u>	<u>2,766</u>

### c. Income Tax (Surplus) for the Period

Income tax (surplus) presented in the condensed consolidated interim statement of profit or loss is as follows:

	For the Nine-Months Ended September 30,	
	2020	2019
	(Reviewed)	(Reviewed)
	JD	JD
Income tax for the period	325	2,336
Impact of deferred taxes	(20,954)	(8,112)
	<u>(20,629)</u>	<u>(5,776)</u>



**10. (Loss) per Share for the Period**

(Loss) per share is calculated by dividing the (loss) for the period over the weighted average common stock during the period as following:

	For the Three-Months Ended September 30,		For the Nine-Months Ended September 30,	
	2020 (Reviewed)	2019 (Reviewed)	2020 (Reviewed)	2019 (Reviewed)
(Loss) for the period	JD 13,590	JD (23,906)	JD (86,916)	JD (2,985)
Weighted average number of shares	Share 10,000,000	Share 10,000,000	Share 10,000,000	Share 10,000,000
(Loss) per Share for the Period – (Basic and Diluted)	JD / Share 0.0014	JD / Share (0.0024)	JD / Share (0.009)	JD / Share (0.0003)

**11. Geographical and sectoral Distribution**

All Company's assets and operations are inside the Hashemite Kingdom of Jordan. The Company's operations focus on investing in lands, real estates, and perform projects.

**12. Lawsuits**

There are lawsuits against the Company at courts, amounted to JD 2,692 as of September 30, 2020 and December 31, 2019. In the management and the legal advisor's opinion, the Company will not have any liabilities that exceed the related provisions.

**13. Comparative figures**

The Company's reclassified some of the comparative figures for the period ended September 30, 2019 to be consistent with the figures of the period ended September 30, 2020, the reclassification has no effect on the condensed consolidated interim financial information for the period ended September 30, 2020.

**14. Approval of the Condensed Consolidated Financial Information**

The condensed consolidated interim financial information were approved by the Board of Directors on October 20, 2020.



### 15. Fair Value Hierarchy

#### a. Fair value of the Company's financial assets and financial liabilities determined at fair value on an ongoing basis:

Fair value is the price that is received to sell an asset or is paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

When estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants take those characteristics into account when pricing the asset or liability at the measurement date.

Some of the Company's financial assets and financial liabilities are valued at fair value at the end of each financial period. The table below provides information on how to determine the fair value of these financial assets and financial liabilities (Valuation methods and inputs used).

	Fair Value		Fair Value	Valuation Methods and Inputs Used	Significant Intangible Inputs	Relationship between Significant Intangible and Fair Value
	September 30, 2020 (Reviewed)	December 31, 2019 (Audited)				
Financial Assets/ Financial Liabilities	JD	JD				
Financial assets at fair value						
Financial assets at fair value through statement of profits or Losses						
Shares with market prices	911,577	886,413	Level One	Quoted Prices on Stock Exchanges	Not Applicable	Not Applicable
Total	911,577	886,413				
Financial assets at fair value						
Financial assets at fair value through comprehensive income						
Shares with available market prices	75,810	82,650	Level One	Quoted Prices on Stock Exchanges	Not Applicable	Not Applicable
Shares without available market prices	740	740	Level Three	Discounted Cash Flow	Not Applicable	Not Applicable
Total	76,550	83,390				

There were no transfers between level one and level three during the nine-months ended September 30, 2020 and the year ended December 31, 2019.

#### b. Fair value of the Company's financial assets and financial liabilities not determined or not designated at fair value continuously:

Except as described in the table below, we believe that the book value for the financial assets and financial liabilities in the Company's condensed consolidated interim financial information approximate their fair values because the Company's management believe that the book value of the items shown below approximate its fair value and that is due either to their short-term maturity, or that their interest rates are re-priced during the period.

	September 30, 2020		December 31, 2019	
	Book Value	Fair Value	Book Value	Fair Value
Financial assets not designated at fair value	JD	JD	JD	JD
Investments properties	7,507,178	9,186,265	7,508,120	9,151,539
Total Financial Assets Not Designated at Fair Value	7,507,178	9,186,265	7,508,120	9,151,539

The fair value of the financial assets included in the second level and third level category above has been determined in accordance with accepted pricing models which reflects the credit risks for the parties dealt with.