

<p>TO : Jordan Securities Commission Amman Stock Exchange</p> <p>Date:9/8/2017</p> <p>Subject: Semi- Annual Report as of 30/6/2017</p>	<p>السادة : هيئة الأوراق المالية السادة : بورصة عمان</p> <p>التاريخ: 9/8/2017</p> <p>الموضوع : التقرير نصف السنوي كما هو في 30/6/2017</p>
<p>Attached the company's Semi- Annual Report of (Kafaa For Financial & Economical Investments CO.P.L.C) as of 30/6/2017.</p>	<p>مرفق طيه نسخة من التقرير نصف السنوي لشركة (الكفاءة للاستثمارات المالية والاقتصادية م.ع.م) كما هي بتاريخ 30/6/2017.</p>
<p>Kindly accept our high appreciation and respect,,,</p> <p>Company s Name :(Kafaa For Financial & Economical Investments CO.P.L.C) General Managers Signature</p> <p> Eng. Mysson abu-awad</p>	<p>وتفضلوا بقبول فائق الاحترام ،،،</p> <p>اسم الشركة : الكفاءة للاستثمارات المالية والاقتصادية م.ع.م توقيع المدير العام</p> <p> م.ميسون ابو عوض</p>



شركة الكفاءة للاستثمارات المالية والاقتصادية م.ع.م

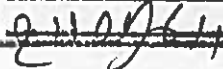
KAFA'A

بورصة عمان
الدائرة الإدارية والمالية
الديوان

١٠ آب ٢٠١٧

الرقم التسلسلي: 4234

رقم الملف: 31267

الجهة المختصة: 

KAFI'A FOR FINANCIAL & ECONOMICAL INVESTMENTS P L C

AMMAN - JORDAN

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KHALIFEH & RAYYAN

Auditors and Financial Consultants

Independent Auditor's Report

Messrs Chairman and members of the Board of Directors
KAFKA FOR FINANCIAL & ECONOMICAL INVESTMENTS P L C

Report on the Review Financial Statements

We have reviewed the accompanying the financial statements of KAFKA FOR FINANCIAL & ECONOMICAL INVESTMENTS P L C as of June 30, 2017 for the six-month periods then ended.

Management's Responsibility

The Company's management is responsible for the preparation and fair presentation of the interim financial information in accordance with IFRS, this responsibility includes the design, implementation, and maintenance of internal control sufficient to provide a reasonable basis for the preparation and fair presentation of interim financial information in accordance with the applicable financial reporting framework.

Auditor's Responsibility

Our responsibility is to conduct our review in accordance with International Standards on Auditing applicable to reviews of interim financial information. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, the objective of which is the expression of an opinion regarding the financial information. Accordingly, we do not express such an opinion.

Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim financial information for it to be in accordance with International Financial Report Standards.

Khalifeh & Rayyan Auditors and Financial Consultants

Imad Alrayyan

License No. 719

Amman – Jordan

As on: 30 of July 2017

KHALIFEH & RAYYAN
Auditors And Financial Consultants

KAFA'A FOR FINANCIAL & ECONOMICAL INVESTMENTS P L C

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	<u>Notes</u>	<u>30-Jun-17</u>	<u>31-Dec-16</u>
Assets		JOD	JOD
Non-Current assets			
Properties and equipments	9	54	138
Real-estate investments		3,507,590	3,507,590
Financial assets at fair value (Comprehensive income)	4	77,697	81,350
		<u>3,585,342</u>	<u>3,589,078</u>
Current assets			
Receivables & promissory notes		13	13
Financial assets at fair value (FVTPL)	4	0	10,900
Cash in hands and at banks	3	4,193	4,562
		<u>4,206</u>	<u>15,476</u>
TOTAL ASSETS		<u><u>3,589,549</u></u>	<u><u>3,604,554</u></u>
EQUITY AND LIABILITIES			
EQUITY			
AUTHORIZED CAPITAL(4,000,000share/Jod)			
Paid in capital		4,000,000	4,000,000
Statutory reserve		4,681	4,681
Retained earnings		549,384-	540,664-
Accumulated evaluation in fair value of financial assets		279,312-	275,660-
		<u>3,175,985</u>	<u>3,188,357</u>
LIABILITIES			
Current liabilities			
Accounts payables	5	371,984	375,762
Other payables	6	41,579	40,434
		<u>413,563</u>	<u>416,197</u>
TOTAL EQUITY AND LIABILITIES		<u><u>3,589,549</u></u>	<u><u>3,604,554</u></u>

(The accompanying notes are an integral part of these financial statements)

KAFA'A FOR FINANCIAL & ECONOMICAL INVESTMENTS P L C

COMPREHENSIVE INCOME STATEMENT FOR THE PERIOD ENDED AT 30 JUNE 2017

	<u>Notes</u>	<u>30-Jun-17</u> JOD	<u>30-Jun-16</u> JOD
Profit (loss) of invesments		428	-
Gross profit(loss)		428	-
Administrative expenses	8	9,064-	11,797-
Re -evaluation of financial assets at fair value		0	2,727-
Depreciation of properties and equipments	9	84-	92-
<u>Loss of the period</u>		8,720-	14,616-
Changes in fair value of financial assets		3,652-	7,190-
Comprehensive loss		12,372-	21,805-
Total number of shares		4,000,000	4,000,000
EPS		0.0031-	0.0055-

(The accompanying notes are an integral part of these financial statements)

KAFA'A FOR FINANCIAL & ECONOMICAL INVESTMENTS P L C

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED AT 30 JUNE 2017

	<u>Notes</u>	<u>30-Jun-17</u> JOD	<u>30-Jun-16</u> JOD
Operating activities			
Loss of the period		8,720-	14,616-
Adjustments for:			
Depreciation		84	92
Re-evaluation of financial assets at fair value through income statement		0	2,727
Changes in working capital			
Financial assets at fair value (FVTPL)		10,900	0
Accounts payables		3,778-	14,102
Other payables		1,144	2,400-
Net cash used in operating activities		<u>-369</u>	<u>-95</u>
Investing activities			
Real estate investments		<u>0</u>	<u>0</u>
Net cash from operating activities		<u>0</u>	<u>0</u>
Net changes in cash and cash equivalent		-369	-95
Cash and cash equivalent at beginning of period		4,562	4,857
Cash and cash equivalent at end of period		4,193	4,762

(The accompanying notes are an integral part of these financial statements)

KAFA'A FOR FINANCIAL & ECONOMICAL INVESTMENTS P L C
Statements of changes in equity for the period ended at 30 JUNE 2017

	<u>Paid in capital</u>	<u>Statutory reserve</u>	<u>Accumulated changes in fair value</u>	<u>Retained earnings (losses)</u>	<u>Total equity</u>
	JOD	JOD	JOD	JOD	JOD
Balance as at 01/01/2017	4,000,000	4,681	275,660-	540,664-	3,188,357
Total comprehensive income for the period			3,652-	8,720-	12,372-
Balance as at 30/6/2017	<u>4,000,000</u>	<u>4,681</u>	<u>279,312-</u>	<u>549,384-</u>	<u>3,175,985</u>
Balance as at 01/01/2016	4,000,000	4,681	274,115-	504,941-	3,225,626
Total comprehensive income for the period			7,190-	14,616-	21,805-
Balance as at 30/6/2016	<u>4,000,000</u>	<u>4,681</u>	<u>281,305-</u>	<u>519,557-</u>	<u>3,203,820</u>

(The accompanying notes are an integral part of these financial statements)

KAFA'A FOR FINANCIAL & ECONOMICAL INVESTMENTS P L C
NOTES TO THE FINANCIAL STATEMENTS
30 June 2017

1- GENERAL

KAFA'A FOR FINANCIAL & ECONOMICAL INVESTMENTS P.L.C was registered on 7th March 2007 as public limited company at the Ministry of Industry and Trade under registration number(431) with an issued share capital of 4,000,000 share at a par value of JOD 1 each.

The company's main objectives are:

- * Obsession of companies and projects fully and partially in different business sectors
- * Establishing new projects and providing consultancy services for arranging the necessary finance through capital markets by issuance of shares ,bond and securities
- * Evaluation , capital restructure of companies and increase their capital in addition of merging and acquisition operations.
- * Trading and possession of shares and bonds through financial market brokers.

2- Summary of significant accounting policies

The principle accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basic of preparation

The financial statements of the company have been prepared based on the historical cost .

The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates .It also requires management to exercise its judgment in the process of applying the company's accounting policies .

Cash in hands and at banks

Represent cash in hands and at banks with maturity of three months or less

Trade and other receivables

Trade receivables are recognized initially at cost value less doubtful provision for uncollectible amounts

Properties and equipments

Properties and equipments are shown at historical cost,less depreciation.Historical cost includes expenditure that is directly attributable to the acquisition of the item.

Depreciation on assets is calculated using the straight -line method to allocate their cost over their estimated useful life .

Trade and other payables

Trade payables are obligation to pay for goods or services that have been acquired in the ordinary course of business from suppliers . Trade payables are recognized at fair value.

KAFA'A FOR FINANCIAL & ECONOMICAL INVESTMENTS P L C
NOTES TO THE FINANCIAL STATEMENTS
30 June 2017

Financial Instruments

The fair value of company's assets and liabilities at the date of financial statements are not significantly differs from its carrying value.

Financial risk management

Capital risk management

The company's objectives when managing its capital are to safeguard the company's ability to continue as a going concern in order to provide returns for its shareholders and to maintain an optimal structure to reduce the cost of capital.

Credit risk

The company has no significant risk concentration. The company applies a consistent credit policy to all its customers who has acceptable credit ratings.

Liquidity risk

The management monitors the company's liquidity requirements to ensure that it has sufficient cash to meet its operational needs and obligations.

Foreign exchange risk

The company transactions mainly in Jordanian dinars and US dollar. The US dollar foreign exchange is fixed to the Jordanian dinar. Hence ,foreign exchange risk is considered to be immaterial.

3- CASH IN HANDS AND AT BANKS

	<u>30-Jun-17</u>	<u>31-Dec-16</u>
Cash at banks	4,193	4,562
	<u>4,193</u>	<u>4,562</u>

4- Financial assets at fair value through P&L statement

	<u>30-Jun-17</u>	<u>31-Dec-16</u>
Financial assets at fair value through P&L statement	23,802	23,802
Sale of financial assets	21,800-	0
Financial assets re evaluation provision	2,001-	12,902-
	0	10,900
Financial assets at fair value through comprehensive income	357,009	357,009
Impairment losses of financial assets through comprehensive income	<u>279,312-</u>	<u>275,660-</u>
	<u>77,697</u>	<u>81,350</u>
Total	<u><u>77,697</u></u>	<u><u>92,250</u></u>

KAFA'A FOR FINANCIAL & ECONOMICAL INVESTMENTS P L C

NOTES TO THE FINANCIAL STATEMENTS

30 June 2017

5- Payables

	<u>30-Jun-17</u>	<u>31-Dec-16</u>
Vendors	8,781	7,795
Others	363,204	367,968
	<u>371,984</u>	<u>375,762</u>

6- Other payables

	<u>30-Jun-17</u>	<u>31-Dec-16</u>
Accrued expenses (note7)	37,144	36,000
Shareholders deposits	4,176	4,176
Education suport provision	22	22
Income tax funds	35	35
Bar deposits	200	200
Employees payable	1	1
	<u>41,578</u>	<u>40,434</u>

7- Accrued expenses

	<u>30-Jun-17</u>	<u>31-Dec-16</u>
Board of directors transportation	36,000	36,000
Rent	1,144	0
	<u>37,144</u>	<u>36,000</u>

8- Administrative expenses

	<u>30-Jun-17</u>	<u>30-Jun-16</u>
Rent	1,144	1,144
Phone ,water and electricity	478	652
Fees and permits	662	3,116
Stationary	13	66
General maintenance	0	128
Entertainment	40	175
Cleaning	1	22
Advertising	0	619
subscriptions	4,400	2,000
Fuel	356	266
Car Insurance and licensing	102	576
Travel expenses	821	713
Miscellaneous expenses	44	25
Previous year expenses	116	1,144
Bank charges	15	25
Professional fees	870	1,125
	<u>9,064</u>	<u>11,797</u>

9- Properties and equipments

	Furniture	Computers and accessories	Vehicles	Electrical equipments	Total
Cost as at 1/1/2017	812	2,241	25,955	1,020	30,028
Additions(deletions)	0	0	0	0	0
Cost as at 30/6/2017	812	2,241	25,955	1,020	30,028
Accumulated depreciation as at 1/1/2017	721	2,240	25,954	975	29,889
Additions(deletions)	40	0	0	44	84
30/6/2017	761	2,240	25,954	1,019	29,973
Net book value at 30/6/2017	51	1	1	1	54