

التاريخ : 2017/07/30  
الرقم : رم / 84/2017

السادة بورصة عمان المحترمين

الموضوع : إيداع القوائم المالية النصف سنوية

تحية طيبة وبعد،

نرفق لكم طياً القوائم المالية الموحدة النصف سنوية باللغة الإنجليزية للفترة المالية من 2017/01/01 ولغاية 2017/06/30 الخاصة بالشركة العربية للاستثمار في النقل الجوي المساهمة العامة المحدودة شاكرين لكم حسن تعاونكم.

وتفضلوا بقبول فائق الاحترام ...

الشركة العربية للاستثمار في النقل الجوي  
المساهمة العامة المحدودة  
رئيس مجلس الإدارة



أمجد العواملة



بورصة عمان
الدائرة الإدارية والمالية
الديوان
٢٠ نر ٢٠١٧
الرقم المتسلسل: ٢٠١٥
رقم الملف: ٢٠١٥
الجهة المختصة: المدير العام

\*مرفق/القوائم المالية النصف سنوية

**Arabian Aviation Investment Company**  
**" Limited public shareholding Co "**  
**Amman – The Hashemite Kingdom of Jordan**

**Interim Condensed Consolidated Financial Statements**  
**& Independent Auditor's Report As at June 30, 2017**

Arabian Aviation Investment Company  
" Limited public shareholding Co "  
Amman – The Hashemite Kingdom of Jordan

Index

	<u>Page</u>
Review Report	3
The Interim condensed consolidated statement of financial position as at 30 June 2017	4
The Interim condensed consolidated comprehensive statement of income as at 30 June 2017	5
The Interim condensed consolidated statement of the changes in shareholders' equities	6
Interim condensed consolidated statement of Cash flows as at 30 June 2017	7
Accounting policies	8 - 12
Notes to the interim condensed consolidated financial statements	13 - 15

**Report on review of the condensed interim consolidated financial statements**

To the board of directors

Arabian Aviation Investment Company .

Limited Public shareholding company

Amman – Jordan

**Introduction**

We have reviewed the accompanying condensed interim consolidated financial statements of Arabian Aviation Investment Company . PLC, comprising the interim consolidated statement of financial position as at 30 June 2017 and the related interim consolidated statement of comprehensive income , interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the six months period then ended. Management is responsible of the preparation and presentation of this interim consolidated financial information in accordance with international financial reporting standard ( IAS 34 ) interim financial reporting our responsibility is to express a conclusion on this interim consolidated financial statement based on our review.

**Scope of review**

We conducted our review in accordance with the 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 condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with international financial reporting standard ( IAS 34 ) interim financial reporting .

The Scientific Office for Auditing,

Accounting and Consulting

Jamal M. Falah

License No. “285”

10 July 2017

Amman - Jordan

**Arabian Aviation Investment Company**  
**" Limited public shareholding Co "**  
**Amman – The Hashemite Kingdom of Jordan**  
**The Interim Condensed Consolidated Statement for financial**  
**position as at 30 June 2017**

	Note	30/06/2017	31/12/2016
		<u>JD</u>	<u>JD</u>
<b><u>Assets</u></b>			
<b><u>Current assets</u></b>			
Cash on hand and at banks		105,689	243,935
Checks under collection		117,530	117,100
Financial assets in fair value through income statement	2	978,954	2,387,852
Associates debit account		500,000	-
Other current assets		38,070	36,313
Accounts receivable		43,112	17,841
<b>Total current assets</b>		<u>1,783,355</u>	<u>2,803,041</u>
<b><u>Noncurrent assets</u></b>			
Properties and equipment		4,351	5,756
Real estate investments		-	50,621
Financial assets in fair value through other comprehensive income		-	16,801
Investments associates	3	8,160,823	6,055,389
<b>Total noncurrent assets</b>		<u>8,165,174</u>	<u>6,128,567</u>
<b>Total assets</b>		<u>9,948,529</u>	<u>8,931,608</u>
<b><u>Liabilities and shareholders' equity</u></b>			
<b><u>Current liabilities</u></b>			
Shareholders' refunds		199,650	200,633
Payable and other current liabilities		382,694	58,697
Associates credit account		1,215,321	100,000
Payable for investments		-	6,000,000
<b>Total current liabilities</b>		<u>1,797,665</u>	<u>6,359,330</u>
<b><u>Shareholders' equity</u></b>			
Authorized capital		6,000,000	6,000,000
Subscribed and paid capital		6,000,000	3,000,000
Share premium		3,000,000	-
Compulsory reserve		63,947	63,947
Fair value reserve		-	(4,271)
Retained losses		(913,083)	(487,398)
<b>Net shareholders' equity</b>		<u>8,150,864</u>	<u>2,572,278</u>
<b>Total liabilities and shareholders' equity</b>		<u>9,948,529</u>	<u>8,931,608</u>

The accompanying notes are an integral part of this statement

**Arabian Aviation Investment Company**  
**" Limited public shareholding Co "**  
**Amman – The Hashemite Kingdom of Jordan**  
**The interim condensed consolidated statement**  
**of comprehensive income as at 30 June 2017**

	<u>2017/06/30</u>	<u>2016/06/30</u>
	<u>JD</u>	<u>JD</u>
<b><u>Comprehensive income</u></b>		
Differences in assessment of financial assets in fair value through comprehensive income items	(113,553)	251,880
Profits (losses) of selling financial assets in fair value through income statement	(210,367)	76,684
Commissions on selling and purchasing financial assets through income statement	(42,525)	(25,977)
Net revenues	(366,445)	302,587
General and Administrative expenses	(59,327)	(55,786)
Properties, equipment depreciation expenses	(1,405)	-
Profits ( Losses ) of properties and equipment sale	(10,621)	10,589
adjustment debtors' provision	10,000	-
Other revenues	2,113	2,905
profit ( losses ) of the period	(425,685)	260,295
<b><u>Other comprehensive income</u></b>		
Differences in assessment of financial assets in fair value through other comprehensive income items	4,271	14,000
Total comprehensive income of the period	(421,414)	274,295
	<u>JD / share</u>	<u>JD / share</u>
Earnings per share	(0.07)	0.09
weighted average of shares number	6,000,000	3,000,000

The accompanying notes are an integral part of this statement

( 5 / 15 )

Arabian Aviation Investment Company  
" Limited public shareholding Co "

Amman – The Hashemite Kingdom of Jordan

Interim condensed consolidated statement of changes in shareholders' equity t as at 30 June 2017

<u>Description</u>	<u>Retained profit (losses)</u>							<u>Total</u>
	<u>Capital</u>	<u>Share premium</u>	<u>Compulsory reserve</u>	<u>Fair value reserve</u>	<u>Realized profit (losses)</u>	<u>Unrealized profit (losses)</u>	<u>Total retained profit (losses)</u>	
	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>
Balance at 31 December 2016	3,000,000	-	63,947	(4,271)	(487,398)	-	(487,398)	2,572,278
Capital	3,000,000	-	-	-	-	-	-	3,000,000
Share premium	-	3,000,000	-	-	-	-	-	3,000,000
Period losses	-	-	-	-	(312,132)	(113,553)	(425,685)	(425,685)
Fair value reserve	-	-	-	4,271	-	-	-	4,271
Balance on 30 June 2017	6,000,000	3,000,000	63,947	-	(799,530)	(113,553)	(913,083)	8,150,864
<u>Balance on 31 December 2015</u>	<u>3,000,000</u>	<u>-</u>	<u>39,862</u>	<u>(10,472)</u>	<u>(1,183,360)</u>	<u>-</u>	<u>(1,183,360)</u>	<u>1,846,030</u>
Period profit	-	-	-	-	8,415	251,880	260,295	260,295
Fair value reserve	-	-	-	14,000	-	-	-	14,000
Balance on 30 June 2016	3,000,000	-	39,862	3,528	(1,174,945)	251,880	(923,065)	2,120,325

The accompanying notes are an integral part of this statement

( 6 / 15 )

  
**Scientific Office**  
for Auditing, Accounting  
& Consulting  
Public Accountants



Arabian Aviation Investment Company  
" Limited public shareholding Co "  
Amman – The Hashemite Kingdom of Jordan  
Interim condensed consolidated statement of Cash flows  
as at 30 June 2017

<u>Description</u>	<u>2017/06/30</u>	<u>2016/06/30</u>
	<u>JD</u>	<u>JD</u>
<u>Cash flows from operations activities</u>		
Comprehensive income of the period	(425,685)	274,295
Properties and equipment depreciation	1,405	1,580
Properties and equipment sale profits ( losses )	10,621	(10,589)
Differences in assessment of financial assets	117,824	(251,880)
<b>Operation profit( losses ) before changing in working capital</b>	<b>(295,835)</b>	<b>13,406</b>
Accounts receivable and other current assets	(27,028)	(59,020)
Accounts payable and other current liabilities	323,997	(33,698)
Checks under collection	(430)	(101,414)
Associated company account	615,321	-
Financial assets in fair value through comprehensive income statement	1,295,345	83,708
<b>Net cash from operations activities</b>	<b>1,911,370</b>	<b>(97,018)</b>
<u>Cash flow from investment activities</u>		
Investment in associated company	(2,105,434)	-
property and equipment	-	14,967
Realestate investment	40,000	-
Financial assets in fair value through other comprehensive income	16,801	(50,084)
<b>Net cash flow from investment activities</b>	<b>(2,048,633)</b>	<b>(35,117)</b>
<u>cash flow from financing activities</u>		
Shareholders refunds	(983)	(1,556)
<b>Net cash flow from financing activities</b>	<b>(983)</b>	<b>(1,556)</b>
<b>Net cash from activities</b>	<b>(138,246)</b>	<b>(133,691)</b>
Cash opening balance	243,935	453,070
<b>Cash closing balance</b>	<b>105,689</b>	<b>319,379</b>

The accompanying notes are an integral part of this statement



**Arabian Aviation Investment Company**  
**" Limited public shareholding Co "**  
**Amman – The Hashemite Kingdom of Jordan**  
**Accounting policies**

**Consolidated financial statements preparation principles:**

- The consolidated financial statements were prepared in accordance with the historical cost principle except the Financial Assets in Fair Value through Other Comprehensive Income and the Financial Assets in Fair Value through the Income Statement, which appear in the fair value on the consolidated financial statements date.
- The financial statements were prepared in accordance with International Accounting Standard 34 (Interim Financial Reporting) and under the applicable laws and instructions of the historical cost principle.
- Jordan Dinar is the currency in which the consolidated financial statements are presented, and it constitutes the main currency for the Company.

**Financial statements consolidation principles:**

The attached brief consolidated financial statements include the assets, liabilities and operations results of Arabian Aviation Investment Company PLC; Ithmar Transportation Company JSC, which is 100% owned by the parent Company; and Al-Azamia Real Estate Investment Company, which is 100% owned by Ithmar Transportation Company JSC.

**Use of estimations:**

The financial statements preparation and accounting policies application require the Company's Management to make some estimations and assumptions that affect the financial statements and notes thereof. Such estimations are based on suppositions subject to various degrees of accuracy and certainty. Therefore, the actual results in future may be different from the Management's estimations as a result of the change in the situations and circumstances of the suppositions on which those estimations were based.

Below are the most important estimations used in preparing the financial statements:

**The enclosed explanatory notes constitute an integral part hereof.**

( 8 / 15 )

**Arabian Aviation Investment Company**  
**" Limited public shareholding Co "**  
**Amman – The Hashemite Kingdom of Jordan**  
**Accounting policies**

- The Management re-estimates the useful life of the tangible assets on a regular basis to calculate the annual depreciations depending on the general status of those assets and the expected useful life estimations, and the impairment (if any) is calculated in the income statement.
- The Management regularly review the financial assets presented in cost to estimate any impairment, and such impairment is presented in the income statement.
- The Company Management estimates the provision for doubtful account after taking into consideration the collectability of the same.

**Cash and cash equivalents:**

This Item constitutes the cash and cash equivalents in hand, at bank current accounts of the Company and the short-term investments due within three months and can be turned in a known amount of cash with no change in value risks.

**Financial assets in fair value through the income statement:**

This Item includes the investment in the corporate shares and bonds maintained for trade purposes and making profits from the short-term market prices variations.

These assets are recognized when purchasing in fair value (possession expenses are registered in the income statement upon purchase) and they are subsequently reevaluated in fair value. The change in their fair value is presented in the briefed consolidated income statement, including the change in the fair value resulting from the differences in the nonfinancial assets conversion in foreign currency. If these assets are sold, in whole or in part, the profits or losses resulting from the sale are registered in the income statement.

The distributed dividends or acquired benefits from these assets are recognized in the income statement.

The enclosed explanatory notes constitute an integral part hereof.

( 9 / 15 )

**Arabian Aviation Investment Company**  
**" Limited public shareholding Co "**  
**Amman – The Hashemite Kingdom of Jordan**  
**Accounting policies**

**Checks under collection:**

Checks under collection are presented in fair value upon receipt.

**Financial assets recognition date:**

The financial assets sale and purchase are recognized on the trade date (the date on which the Company complies with selling or purchasing the financial assets).

**Fair value:**

The closing prices in active markets constitute the fair value of the financial assets. In case of no declared prices available or no active trade available for some financial assets, their value are estimated through a comparison with the fair value of a similar financial instrument or through calculating the current fair value of the future cash flow in relation thereto. If the fair value of the financial assets could not be reliably measured, they are presented in cost less any impairment thereof.

**Accounts receivable:**

Accounts receivable are presented in the invoice original amount less the amounts unexpected to be collected, and the doubtful accounts are estimated when the collection of the amount, in whole or in part, is unlikely. The bad debts are omitted when there is no possibility to be collected.

**Spare part warehouse :**

The materials warehouses are priced in the cost price or realized net value, whichever less, and the cost is determined on the defined cost basis for each of the items in the inventory alone. When the inventory is less than the cost amount, the gap is recognized as stock price reduction, and it is recognized in the income statement.

The enclosed explanatory notes constitute an integral part hereof.  
( 10 / 15 )

**Arabian Aviation Investment Company**  
**" Limited public shareholding Co "**  
**Amman – The Hashemite Kingdom of Jordan**  
**Accounting policies**

**Properties and equipment:**

Properties, equipment and machines are presented in cost less accumulated depreciation. Except lands, they are depreciated when they are ready to be used at a fixed rate throughout their expected useful life in percentages (2-20%).

**Financial assets in fair value through other comprehensive income statement:**

The financial assets in fair value through other comprehensive income statement are presented upon purchase in fair value plus the possession expenses, and they are subsequently reevaluated in fair value. The change in fair value is presented in the comprehensive income statement and within the equity, including the change in fair value resulting from the variations of the nonfinancial assets conversion in the foreign currencies. In case of selling such assets in whole or in part, profits or losses resulting from the sale are registered in the comprehensive income statement and within the equity; and the sold assets evaluation reserve is directly converted into carried forward profits or losses, not through income statement.

These assets are not subject to this impairment, and the distributed dividends are registered in the income statement.

**Accounts payable and other liabilities:**

The future accounts payable for the received goods and services are recognized whether or not a claim was made by the supplier.

**Provisions:**

Provisions are recognized when the Company has a liability (legal or expected) resulting from a previous event; the settlement of the liabilities is probably; and their value are reliably measurable.

The enclosed explanatory notes constitute an integral part hereof.

( 11 / 15 )

Arabian Aviation Investment Company  
" Limited public shareholding Co "  
Amman – The Hashemite Kingdom of Jordan  
Accounting policies

**Clearing:**

Clearing is made between the financial assets and financial liabilities, and the net amount is presented in the financial statements when the binding legal rights are settled on the clearing basis or when the assets are realized and liabilities are settled at the same time.

**Revenues:**

Revenues are recognized in accordance with the accrual accounting.

**Foreign currencies:**

Transactions made in foreign currencies throughout the year are recognized in the exchange rates current on the date of those transactions. The financial assets and financial liabilities accounts in foreign currency are converted using the exchange rates current on the date of the financial statements and declared by Central Bank of Jordan. The profits and losses resulting from the foreign currencies conversion are recognized in the income statement.

**Income tax:**

Taxes are calculated on the taxable profits basis. Taxable profits are different from the profits presented in the financial statements because the presented profits include untaxable revenues; expenses that cannot be registered in the fiscal year, but sometimes in subsequent years; accumulated losses acceptable for the Taxes Authority; or items nondeductible or acceptable for Taxes Authority.

The enclosed explanatory notes constitute an integral part hereof.  
( 12 / 15 )



**Arabian Aviation Investment Company**

**" Limited public shareholding Co "**

**Amman – The Hashemite Kingdom of Jordan**

**Notes to the interim condensed financial statements**

**1. General note:**

**Establishment of the company:**

- Arabian Aviation Investment Company was established as a public liability company and registered in the public liability companies registry at the Companies Control Department under No. 446 on 15.11.2007. It was registered under its former name Al-Fatihoun Al-Arab for Investment, and the name was changed upon a request made by the General Assembly in its extraordinary meeting held on 03.10.2015. The name was changed from "Al-Fatihoun Al-Arab for Investment" to " Arabian Aviation Investment Company."
- On 20.04.2017, the extraordinary General Assembly decided to increase the authorized capital to become 6.500.000 share / JD instead of 6.000.000,share / JD and the company don't complete the necessary legal procedures.

**Company's objectives:**

Invest in the transportation and shipping companies; to carry out various trade operations; and to have stocks and shares in all kinds of companies.

Arabian Aviation Investment Company  
" Limited public shareholding Co "  
Amman – The Hashemite Kingdom of Jordan  
Notes to the interim condensed consolidated financial statements

2- Financial assets in fair value through income statement:

<u>Description</u>	<u>Shares</u>	<u>30/06/2017</u>	<u>31/12/2016</u>
	<u>2017</u>	<u>JD</u>	<u>JD</u>
Century Investment Group Co.	71,272	165,351	2,031,744
Arab Union International Insurance Co.	331,250	334,562	157,185
Rum Financial Brokerage Co.	112,095	216,343	190,125
United Financial Investments Co	-	-	8,798
Masaken Amman Rrealestate Develeopment Co.	5,000	13,350	-
Rum group for transportation and tourism investment CO.	280,167	249,348	-
<b>Total</b>		<b>978,954</b>	<b>2,387,852</b>



Arabian Aviation Investment Company

" Limited public shareholding Co "

Amman – The Hashemite Kingdom of Jordan

Notes to the interim condensed consolidated financial statements

3. Investment in associated company:

<u>Description</u>	<u>30/06/2017</u>	<u>31/12/2016</u>
	<u>JD</u>	<u>JD</u>
Arkan Financial Investments Co.	100,000	100,000
Rum Aviation Investment Co.	8,060,823	5,955,389
Total	<u>8,160,823</u>	<u>6,055,389</u>

Below is a summary of the investment transactions during the periode :

	<u>capital</u>	<u>Share</u>	<u>Opening balance</u>	<u>Buy(Sell)</u>	<u>Closing balance</u>
	<u>JD</u>	<u>%</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>
Arkan Financial Investments Co.	700,000	14%	100,000	-	100,000
Rum Aviation Investment Co.	14,000,000	36%	5,955,389	2,105,434	8,060,823
Total			<u>6,055,389</u>	<u>2,105,434</u>	<u>8,160,823</u>