

التاريخ: 30.10.2017
الرقم: ف ع - ر م - 377 - 2017

السادة بورصة عمان المحترمين،

الموضوع: البيانات المالية الموحدة كما في 30 ايلول 2017

تحية وبعد،،،

بالإشارة الى الموضوع أعلاه، نرفق لكم طيه البيانات المالية للتسعة أشهر المنتهية كما في 30-09-2017 باللغة الانجليزية والمعمدة من قبل مجلس إدارة شركة فينيكس العربية القابضة والمراجعة من قبل مدقق حساباتنا القانوني.

وتفضلوا بقبول فائق الاحترام،،،

الرئيس التنفيذي
م. طلال يعيش



بورصة عمان
الدائرة الإدارية والمالية
الديوان
٣٠ تشرين الأول ٢٠١٧
الرقم المتسلسل: 5155
رقم الملف: 31239
الجهة المختصة: 10061

**ARAB PHOENIX HOLDINGS COMPANY
(PREVIOUSLY TAAMEER JORDAN HOLDINGS)
(PUBLIC SHAREHOLDING COMPANY
– HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL
INFORMATION FOR THE NINE MONTHS
ENDED SEPTEMBER 30, 2017**

**TOGETHER WITH THE INDEPENDENT AUDITOR'S
REPORT ON THE REVIEW OF THE CONDENSED
CONSOLIDATED INTERIM FINANCIAL INFORMATION**

**ARAB PHOENIX HOLDINGS COMPANY
(PREVIOUSLY TAAMEER JORDAN HOLDINGS)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

Contents	Page
Independent auditor's report on the review of the condensed consolidated interim financial information	1-2
Condensed consolidated interim statement of financial position	3
Condensed consolidated interim statement of profit or loss and other comprehensive income	4
Condensed consolidated interim statement of changes in shareholders' equity	5
Condensed consolidated interim statement of cash flows	6
Notes to the condensed consolidated interim financial information	7-19



Kawasmy & Partners CO.
Amman - Jordan
Shmeisani, Al-Shareef Abdul Hameed Sharaf Str. BLD # 28
Tel : +962 6 5650700, Fax : +962 6 5688598

A translated version from the Original Arabic conclusion.

Independent Auditor's Report on the Review of the Condensed Consolidated Interim Financial Information

**To the General Assembly of
Arab Phoenix Holdings Company
(Previously Taameer Jordan Holdings)
(Public Shareholding Company – Holding Company)
And its subsidiaries (the group)
Amman – Jordan**

We have reviewed the accompanying condensed consolidated interim statement of financial position of Arab Phoenix Holdings Company (Public Shareholding Company – Holding Company) and its subsidiaries (“the Group”) as at September 30, 2017 and the related condensed consolidated interim statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the nine months period then ended. 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

Except for what is described in the below basis for qualified conclusion paragraph, we conducted our review in accordance with International Standard on Review Engagements (2410) “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of condensed consolidated 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

- Trade receivables and other debit balances, trade payables and other credit balances, and advance payments received against sales in the condensed consolidated interim financial information include balances with an approximate amount as of September 30, 2017 JOD 2,5 Million (December 31, 2016: JOD 2,6 Million), JOD 2,7 Million (December 31, 2016: JOD 2,9 Million) and JOD 12,1 Million (December 31, 2016: JOD 12,5 Million), respectively for which we did not receive confirmations and we were unable to obtain sufficient and appropriate review evidence through the performance of alternative review procedures to verify the existence, accuracy and the recoverability of these balances, knowing that management has taken action to reduce the unconfirmed balances by an approximate amount of JOD 7,5 million during the year 2016, furthermore we have been informed by the Group’s management that there are no sufficient information available in relation to these balances up to date and that management is in the process to secure these information, therefore we can’t determine whether any necessary adjustments are required to the condensed consolidated interim financial information.



Qualified Conclusion

Based on our review and except for the possible effects of what is mentioned in the basis for qualified conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information does not present fairly in all material respects the condensed consolidated interim financial position of the group as of September 30, 2017 and its condensed consolidated interim financial performance and its condensed consolidated interim cash flow for the period then ended, in accordance with International Accounting Standard number (34) "Interim Financial Reporting".

Emphasis of matter paragraph

Without further qualifying our conclusion, we draw attention to note (16) which states that there are restrictions over the Group's movable and immovable funds due to lawsuits raised against the Group by the local Jordanian Courts for the benefit of different parties, also the Group accumulated losses reached JOD 33,5 Million as of September 30, 2017 equivalent to 38,5 % of the group capital (December 31, 2016 : JOD 32,6 Million), in addition to a deficit in the Group's working capital with an approximate amount of JOD 24,6 Million (December 31, 2016 : JOD 23,6 Million). In addition the accumulated losses for some of the subsidiaries companies exceeded its paid up capital as of September 30, 2017. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern, however the Group complied with the most of 2016 future plan items to handle the above conditions and to ensure the Group's continuity, the group has provided us with its plan for the year 2017 for the same objective as stated in Note (17), accordingly management has prepared the condensed consolidated interim financial information on the going concern basis.

Kawasmy and Partners
KPMG

Hatem Kawasmy
License no. (656)

Amman - Jordan
October, 18 2017



**ARAB PHOENIX HOLDINGS COMPANY
(PREVIOUSLY TAAMEER JORDAN HOLDINGS)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

Jordanian Dinar

Assets		As of September 30, 2017 (Reviewed not audited)	As of December 31, 2016 (Audited)
	Note		
Current assets			
Cash and cash equivalents		175,526	1,160,699
Trade receivables and other debit balances		3,094,620	3,021,677
Inventory	6	3,139,813	3,208,735
Residential Villas inventory ready for sale		565,985	-
Due from related party	7	1,001,870	1,001,870
		7,977,814	8,392,981
Assets held for sale		-	845,877
Total current assets		7,977,814	9,238,858
Non-current assets			
Property and equipment	8	37,788	46,375
Projects - Factories under construction	9	2,171,726	10,314,448
Investment in associate company	10	3,288,767	3,296,728
Lands inventory		10,895,629	10,895,629
Investments property	11	8,142,721	-
Financial assets at fair value through other comprehensive income		15,902	16,009
Lands under development and housing projects under construction	12	53,395,206	53,262,544
Total non-current assets		77,947,739	77,831,733
Total assets		85,925,553	87,070,591
Liabilities and shareholders' equity			
Current liabilities			
Trade payables and other credit balances		6,748,832	7,085,715
Advance payments received against sales		20,755,842	20,766,477
Due bank loan	13	190,393	284,118
Income tax provision	14	2,501,606	2,383,664
Lawsuits provision	15	2,435,414	2,375,911
Total current liabilities		32,632,087	32,895,885
Total liabilities		32,632,087	32,895,885
Shareholders' equity			
Paid up capital	1	86,840,292	86,840,292
Fair value reserve		(272,165)	(272,058)
Excess of purchase cost over the book value of the owned shares in subsidiary		183,444	183,444
Accumulated losses		(33,458,105)	(32,576,972)
Net shareholders' equity		53,293,466	54,174,706
Total liabilities and shareholders' equity		85,925,553	87,070,591

The companying notes on pages (7) to (19) are an integral part of these condensed consolidated interim financial information.

The condensed consolidated interim financial information on pages from (3) to (19) were approved by the board of directors on October 18, 2017.

**ARAB PHOENIX HOLDINGS COMPANY
(PREVIOUSLY TAAMEER JORDAN HOLDINGS)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

<i>Jordanian Dinar</i>	Note	For the three months ended on September 30,		For the nine months ended on September 30,	
		2017	2016	2017	2016
		(Reviewed not audited)		(Reviewed not audited)	
Residential villa's sales net loss -Al Andalusia project		-	67,027	-	(102,397)
Gain from sale of held for sale assets		(737)	-	69,919	-
Company's share from associate company operating results	7,10	(2,877)	(1,215)	(7,961)	(8,534)
Administrative expenses		(216,909)	(227,866)	(716,097)	(635,173)
Other revenues		31,842	31,214	49,979	66,615
Projects under construction expenses		-	-	-	(68,986)
Lawsuits provision (expenses) surplus	15	6,276	2,161	(85,275)	764,289
Income from provisions that are no longer needed - tax provision	14	-	-	-	5,414
(Loss) Profit for the period before income tax		(182,405)	(128,679)	(689,435)	21,228
Income tax expense for the period	14	-	-	-	-
Previous years income tax expense	14	(191,698)	-	(191,698)	(135,945)
Total Loss for the period		(374,103)	(128,679)	(881,133)	(114,717)
Other comprehensive income Items that will never be reclassified to profit or loss statement:					
Change in fair value for financial assets at fair value through other comprehensive income		(160)	54	(107)	960
Total comprehensive income for the period		(374,263)	(128,625)	(881,240)	(113,757)
Basic and diluted loss per share		(0.0043)	(0.0014)	(0.0101)	(0,0013)

The companying notes on pages (7) to (19) are an integral part of these condensed consolidated interim financial information.

The condensed consolidated interim financial information on pages from (3) to (19) were approved by the board of directors on October 18, 2017.

**ARAB PHOENIX HOLDINGS COMPANY
(PREVIOUSLY TAAMEER JORDAN HOLDINGS)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Paid up capital	Fair value reserve	Excess of purchase cost over the book value of the owned shares in subsidiary	Accumulated losses	Net Shareholders' Equity
<i>Jordanian Dinar</i>					
<u>Changes for the nine months ended September 30, 2017</u> <u>(Reviewed not audited)</u>					
Balance as at January 1, 2017	86,840,292	(272,058)	183,444	(32,576,972)	54,174,706
Loss for the period	-	-	-	(881,133)	(881,133)
Other comprehensive income items	-	(107)	-	-	(107)
Balance as of September 30, 2017	86,840,292	(272,165)	183,444	(33,458,105)	53,293,466
<u>Changes for the nine months ended September 30, 2016</u> <u>(Reviewed not audited)</u>					
Balance as at January 1, 2016	86,840,292	(272,805)	183,444	(32,296,564)	54,454,367
Losses for the period	-	-	-	(114,717)	(114,717)
Other comprehensive income items	-	960	-	-	960
Balance as of September 30, 2016	86,840,292	(271,845)	183,444	(32,411,281)	54,340,610

According to the Jordanian Securities Commission instructions the negative value of the cumulative change in fair value included in the retained earnings is prohibited from distribution to shareholders.

The companying notes on pages (7) to (19) are an integral part of these condensed consolidated interim financial information.

The condensed consolidated interim financial information on pages from (3) to (19) were approved by the board of directors on October 18, 2017.

**ARAB PHOENIX HOLDINGS COMPANY
(PREVIOUSLY TAAMEER JORDAN HOLDINGS)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOW

		For the nine Months Ended September 30,	
		2017	2016
<i>Jordanian Dinar</i>	Note	(Reviewed not audited)	
Cash flows from operating activities:			
(Loss) Profit for the period before Income tax		(689,435)	21,228
Adjustments:			
Depreciation	8	11,029	84,648
Company's share from associate company operating results	10	7,961	8,534
Expense (surplus) lawsuits provision	15	85,275	(764,289)
Income from provisions that are no longer needed – tax provision		-	(5,414)
		(585,170)	(655,293)
Changes in working capital items:			
Inventory		68,922	187,849
Trade receivables and other debit balances		(72,944)	285,946
Trade payables and other credit balances		(336,883)	(231,813)
Advance payments received against sales		(10,635)	-
Lands under development and projects under construction		(698,647)	744,250
Proceeds from sale of held for sale assets		845,877	-
Cash flows (used in) from the operating activities		(789,480)	330,939
Lawsuits provision paid	15	(25,772)	(152,077)
Income tax paid	14	(73,756)	-
Net Cash flows (used in) from the operating activities		(889,008)	178,862
Cash flows from investing activities:			
Purchase of property and equipment	8	(2,440)	(14,544)
Net cash flows used in investing activities		(2,440)	(14,544)
Cash flows from financing activities:			
Due bank loan		(93,725)	-
Net cash flows used in financing activities		(93,725)	-
Net change in cash and cash equivalents		(985,173)	164,318
Cash and cash equivalents at the beginning of the period		1,160,699	45,274
Cash and cash equivalents at the end of the period		175,526	209,592

The accompanying notes on pages (7) to (19) are an integral part of these condensed consolidated interim financial information.

The condensed consolidated interim financial information on pages from (3) to (19) were approved by the board of directors on October 18, 2017.

**ARAB PHOENIX HOLDINGS COMPANY
(PREVIOUSLY TAMEER JORDAN HOLDING)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1) GENERAL

Taameer Jordan holdings public shareholding company "The Company" was established and registered in the ministry of industry and trade of Jordan under no. (378) on December 19, 2005. The authorized paid up capital amounted 212 million shares (1 JOD /share) and paid up capital amounted to JOD 211,982,573 as of December 31, 2014.

The General Assembly decided in its extraordinary meeting held on April 30, 2007 to change the company's legal status to become Taameer Jordan Holdings public shareholding company (holding company).

The general assembly decided in its extraordinary meeting held on April 18, 2015 to decrease the company's capital through amortizing the accumulated losses amounted to JOD 125,142,281 as of December 31, 2014 from its paid up capital 211,982,573 JOD/Share, accordingly paid up capital after decrease is now amounted to 86,840,292 JOD/Shares, The Company completed the capital decrease procedures in the ministry of industry and trade of Jordan during 2015.

The general assembly decided in its extraordinary meeting held on April 12, 2017 to change the Company's name, the board of directors completed the related procedures at the Companies Control Department to change the Company's name to be (Arab Phoenix Holdings Company) previously Taameer Jordan Holdings.

The Company's Head office is located in Amman – Jordan, Um Othainah.

The condensed consolidated interim financial information were approved by the Board of Directors on its meeting held on October 18, 2017.

The main objectives of the Company are:

- Trademarks and public agencies.
- Representation of local and foreign companies.
- Pursuit all businesses.
- Patents Agents.
- Ownership of movable and immovable funds, for achieving the company's objectives.
- Rental of movable and immovable funds, for achieving the company's objectives. Contracting with any party to achieve the company's objectives.
- .Properties finance leasing.
- Borrowing the required funds from banks.
- Entering into investment contracts and partnership.

2) BASIS OF PREPARATION OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

(a) Statement of compliance

- The condensed consolidated interim financial information for the nine monthes ended on September 30, 2017 have been prepared in accordance with IAS 34 "Interim Financial Reporting".

**ARAB PHOENIX HOLDINGS COMPANY
(PREVIOUSLY TAMEER JORDAN HOLDING)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

- These condensed consolidated interim financial information should be read with the consolidated financial statements for the year ended December 31, 2016. As well as the financial performance for the condensed consolidated interim financial period ended September 30, 2017 does not necessarily give an indication for the expected financial performance for the year that will be ending on December 31, 2017. In addition, no appropriation has been made on the profit for the period to reserves, which will be appropriated in the annual consolidated financial statements at the end of the year 2017.
 - The considerations of measurement and recognition were applied in the condensed interim financial statements as of December 31, 2016, moreover, the Company did not have transactions effected by seasonality events during the year.
- (b) Basis of condensed consolidated interim financial information consolidation**
- The condensed consolidated interim financial information comprise the condensed consolidated interim financial information of Arab phoenix Holdings (the parent company) and its subsidiaries, which are subject to its control. Subsidiaries are entities controlled by the Group.
- The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial information of the subsidiaries are included in the consolidated financial information from the date on which controls commences until the date on which control ceases.

**ARAB PHOENIX HOLDINGS COMPANY
(PREVIOUSLY TAMEER JORDAN HOLDING)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The Company owns the following subsidiaries and associates as of September 30, 2017:

<u>Company Name</u>	<u>Authorized Capital</u>	<u>Paid up capital</u>	<u>Ownership %</u>	<u>Nature of Operation</u>	<u>Country of operation</u>
Al- Andalusia company for Tourist Resorts and Housing projects	6,000,000	6,000,000	%100	Construction, management and ownership of hotels and resorts, buying lands and construction of projects and re-sale activities.	Amman-Jordan
Al- Qubas real estate development Company	2,000,000	2,000,000	%100	Purchase and development of lands, construction of housing projects for re-sale and rent activities.	Amman-Jordan
Tiraz for Construction	200,000	100,000	%100	Implementation all Arab Phoenix Holding company projects and manage the construction of these projects.	Amman-Jordan
Al Madariyoun Concrete Industries.	200,000	100,000	%100	Preparation and processing of concrete molds and prefabricated concrete industries.	Amman-Jordan
Al Madariyoun Fabrication Industries	30,000	15,000	%100	Manufacturing and forming a timber to manufacture doors and furniture, and manufacturing and pulling aluminum and plastic windows.	Amman-Jordan
Tamear For investment	30,000	15,000	%100	Construction of housing projects of all types, construction, management and ownership of hotels and resorts.	Amman-Jordan
Al- Rawabet for real estate development	30,000	15,000	%100	Construction of trading complexes and renting, buying and selling of real estates and lands	Amman-Jordan
Red Sea Resort for real estate Development	30,000	15,000	%100	Construction of housing projects and trading complexes, buying and selling of real estates and lands after development, Construction, management and ownership of hotels and resorts	Amman-Jordan
Tanfeeth for construction	300,000	300,000	%100	Implementation of construction contracts and specializing in Electro mechanic business.	Amman-Jordan
Al Maha Real Estate Investment Company	12,000,000	12,000,000	%33.33	Real estate development	Amman-Jordan

**ARAB PHOENIX HOLDING COMPANY
(PREVIOUSLY TAMEER JORDAN HOLDING)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The following table represents the financial position and financial performance of the subsidiaries as of September 30, 2017:

<i>Jordanian Dinar</i>	As of September 30, 2017 (Reviewed not audited)			
	Total Assets	Total Liabilities	Total Revenue	Profit (Loss) for the period
Al-Andalusia Company for Tourist Resorts and Housing projects	31,337,357	9,119,881	-	(35,775)
Al- Qubas real estate development Company	29,134,887	22,616,436	-	(303,831)
Al Tiraz for Construction	3,897,273	723,374	-	(3,328)
Al Madariyoun Concrete Industries	8,646,071	18,600,348	-	28,235
Al Madariyoun Fabrication Industries	2,539,765	5,931,511	-	(27,572)
Tameer For investment	5,976,762	18,797,044	-	(24,408)
Al- Rawabet for real estate development	141,305	308,073	-	(1,156)
Red Sea Resort for real estate Development	30,639,630	26,242,609	-	3,615
Tanfeeth for construction	258	424,015	-	(17,409)

The results of the subsidiary are consolidated in the consolidated statement of profit or loss and other comprehensive income at the date of acquisition, which is the date that actual control is obtained over the subsidiary.

The parent company controls subsidiaries when it is exposed, or has rights, to variable returns from its involvement with these subsidiaries and has the ability to affect those returns through its power over these subsidiaries.

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

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

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 statement of profit or loss and other comprehensive income immediately. Transactions costs are expensed as incurred, except if related to the issue of debt or 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 is classified as equity, then it is not re-measured and settlement is accounted for within 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.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. This means that no gain or loss from these changes should be recognized in profit or loss. It also means that no change in the carrying amounts of the subsidiary's assets (including goodwill) or liabilities should be recognized as a result of such transactions

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:

**ARAB PHOENIX HOLDING COMPANY
(PREVIOUSLY TAMEER JORDAN HOLDING)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

- 1- Derecognizes the assets and liabilities of the former subsidiary from the consolidated 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 of the 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 subsidiary's 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 consolidated financial statement.

(c) Use of estimates

- These condensed consolidated interim financial information have been prepared in accordance with IAS 34, "interim financial reporting" which requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.
- In preparing these condensed consolidated interim financial information for the nine months ended on September 30, 2017, 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 consolidated financial statements as at and for the year ended December 31, 2016.

3) Significant Accounting Policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements for the nine months ended 30 September 2017 are the same as those applied by the Group in its consolidated financial statements for the year ended December 31, 2016, except for the following International Financial Reporting Standards effective starting from January 1, 2017:

Amendments to IAS (7).

Annual improvements to the International Financial Reporting Standards for the 2014-2016 cycles.

Amendments to IAS 12 Recognition of deferred tax assets for unrealized losses.

The adoption of these new standards does not have a material impact on the interim condensed consolidated financial information and its explanatory notes.

IFRS not yet effective with early application permitted:

IFRS 9 Financial Instruments. (Effective 1 January 2018).

IFRS 16 Leases. (Effective 1 January 2019).

IFRS 15 Revenue from Customer Contracts. (Effective 1 January 2018).

**ARAB PHOENIX HOLDING COMPANY
(PREVIOUSLY TAMEER JORDAN HOLDING)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

4) FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT

The Group 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 December 31, 2016.

Financial assets fair value hierarchy representing equity instruments is disclosed in note 18.

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

5) Segment Reporting

An operating segment is a group of components of the Company affected by risks and returns that distinguish it from others and engages in producing products or services known as operating segments or engages in producing products or services within economic environments known as geographical segments.

A- Operating Segment

The Company operates its activities in major operating segments, which represents the follows:

- Manufacturing.
- Property investment.
- Contracting business

B- Geographical Segment

The group operates its activities inside the Hashemite Kingdom of Jordan.

The group operating segments include the following:

<i>Jordanian Dinar</i>	<u>Manufacturing</u>	<u>Real estate</u>	<u>Construction</u>	<u>Total</u>
<u>For the nine months ended September 30, 2017 (Reviewed not audited)</u>				
Segment net revenues	-	-	-	-
Contingent liabilities provision	(14,740)	(70,535)	-	(85,275)
Income tax provision	-	(191,698)	-	(191,698)
Administrative and other expenses	(54,517)	(598,825)	(20,737)	(674,079)
Gain from sale of held for sale assets	69,919	-	-	69,919
Segment Gain (loss)	662	(861,058)	(20,737)	(881,133)
Segment total assets	10,885,617	75,039,233	703	85,925,553
Segment total liabilities	241,525	31,482,774	907,788	32,632,087

**ARAB PHOENIX HOLDING COMPANY
(PREVIOUSLY TAMEER JORDAN HOLDING)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

<i>Jordanian Dinar</i>	<u>Manufacturing</u>	<u>Real estate</u>	<u>Construction</u>	<u>Total</u>
<u>For the nine months ended September 30, 2016 (Reviewed not audited)</u>				
Segment net revenues	-	(102,396)	-	(102,396)
Contingent liabilities provision	2,160	746,660	15,468	764,288
Income tax provision	-	(130,531)	-	(130,531)
Administrative and other expenses	(41,097)	(537,167)	(67,814)	(646,078)
Gain on sale of assets held for sale	-	-	-	-
Segment loss	(38,937)	(23,434)	(52,346)	(114,717)
Segment total assets	12,020,281	75,851,934	71,847	87,944,062
Segment total liabilities	245,577	32,529,395	828,480	33,603,452

6) Inventory

<i>Jordanian Dinar</i>	<u>As of September 30, 2017 (Reviewed not audited)</u>	<u>As of December 31, 2016 (Audited)</u>
Raw materials	3,165,300	3,234,222
Spare parts	10,586	10,586
Less: damaged inventory provision*	(36,073)	(36,073)
	3,139,813	3,208,735

The movement on the provision during the period / year was as follows:

<i>Jordanian Dinar</i>	<u>2017</u>	<u>2016</u>
Balance at the beginning of the period / year	36,073	-
Additions during the period / year	-	36,073
Balance at the end of the period / year	36,073	36,073

7) RELATED PARTIES BALANCES AND TRANSACTIONS

Related parties are sister and associate companies, and the companies owned by the principal owners and senior management personnel of the company. The company's management approves the pricing policies and terms of these transactions.

7-1) Related parties balances:

<i>Jordanian Dinar</i>		<u>As of September 30, 2017 (Reviewed not audited)</u>	<u>As of December 31, 2016 (Audited)</u>
<u>Due from related parties:</u>	<u>Relationship</u>		
Al-Maha for Real Estate development	Associate Company	1,001,870	1,001,870
		1,001,870	1,001,870

**ARAB PHOENIX HOLDING COMPANY
(PREVIOUSLY TAMEER JORDAN HOLDING)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

7-2) Related parties transactions:

<i>Jordanian Dinar</i>	Nature of relationship	Nature of transaction	As of September 30, 2017 (Reviewed not audited)	December 31, 2016 (Audited)
Al-Maha for Real Estate development	Associate Company	Company's share from associate company operating results	(7,961)	(12,591)
			<u>(7,961)</u>	<u>(12,591)</u>

7-3) Key and executive management salaries and remunerations:

The short-term key and executive management's salaries and remunerations for the period ended September 30, 2017 amounted to JOD 120,600 (Against JOD 104,600 for the period ended September 30, 2016).

8) Property and equipment

The additions over property and equipment during the period ended September 30, 2017 amounted to JOD 2,440, (September 30, 2016: JOD 14,544). The depreciation expense on property and equipment during the period ended September 30, 2017 amounted to JOD 11,029 (September 30, 2016: JOD 84,648). The net book value of the disposals during the period ended September 30, 2017 amounted to JOD Zero, (2016: JOD Zero).

Property and equipment includes vehicles at net book value amounted to JOD 1,070 as of September 30, 2017 reserved against lawsuits raised against the group.

9) Projects - Factories under construction

This item represents amounts paid for the machinery and equipment's related to the construction of Al-Madariyoun Fabrication Industries factory, this factory is constructed over a land recorded as property investment that is owned by a sister Company – Al Madariyoun Concrete Industries Company.

During the second quarter of 2017, the management of the group decided to reclass part from it's factories projects under construction item to investments property at net book value amounted to JOD 8,142,721 as of September 30, 2017 as shown in note No. (11), in order to be in line with international standards requirements.

- Projects – factories under construction includes projects at net book value amounted to JOD 2,171,726 as of September 30, 2017 reserved for lawsuits raised against the Group (December 31, 2016: JOD 10,314,448).
- Management plan for these projects is to study the related sales or renting options of these projects.

10) Investment in associate company

<i>Jordanian Dinar</i>	Paid-up capital	Country of registration	Ownership Percentage %	As of September 30, 2017 (Reviewed not audited)	As of December 31, 2016 (Audited)
Al-Maha for Real Estate Development – Private shareholding	12,000,000	Jordan	%33,33	<u>3,288,767</u>	<u>3,296,728</u>

**ARAB PHOENIX HOLDING COMPANY
(PREVIOUSLY TAMEER JORDAN HOLDING)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The movement on the investment in associate company balance during the period/ year was as follows:

<i>Jordanian Dinar</i>	2017 (Reviewed not audited)	2016 (Audited)
Balance at the beginning of the period / year	3,296,728	3,309,319
Company's share from associate company operating results	(7,961)	(12,591)
Ending balance of the period / year	3,288,767	3,296,728

Al-Maha for Real Estate development company owns lands with a net book value amounted to JOD 12,614,585 as of December 31, 2016. The company's general assembly decided in its meeting conducted on 22 September 2010 to distribute these lands over the company's owners, in addition that the fair value of these lands covers the Investment amount in this company and the receivable balance due from the company as of December 31, 2016.

There is a reservation on the groups' share in Al-Maha for Real Estate development company as of September 30, 2017 and 2016.

11) Investments property

During the second quarter of 2017, the management of the group decided to re-class a part from factories projects under construction item to investments property at net book value amounted to JOD 8,142,721 as of September 30, 2017, this item represents one land and building registered under Al -Madariyoum Concrete Industries Company.

- Investment property includes a land and building at net book value amounted to JOD 8,142,721 as of September 30, 2017 reserved for lawsuits raised against the Group, the fair value of these investments has been estimated based on an opinion of three real state valuers at a value of JOD 8,495,937.
- Management plan for these projects is to study the related sales or renting options of these projects.

12) Lands under development and housing projects under construction

Lands under development and housing projects under construction includes projects at net book value amounted to JOD 53,395,206 as of September 30, 2017 (December 31, 2016: JOD 53,262,544) reserved for lawsuits raised against the Group.

13) Due bank loan

This item represents the loan provided to the group from Jordan Kuwait Bank, during the period ended September 30, 2017 the group approximately paid JOD 94 thousand from the due amount of this loan.

14) Income tax provision

The movement on income tax provision during the period/ year was as follows:

<i>Jordanian Dinar</i>	September 30, 2017 (Reviewed not audited)	December 31, 2016 (Audited)
Balance at the beginning of the period / year	2,383,664	1,916,837
Previous years income tax and penalties	191,698	248,431
Income tax due on current period / year profits	-	241,095
Income tax paid	(73,756)	(2,814)
Reversal of provision	-	(19,885)
Balance at the end of the period / year	2,501,606	2,383,664

**ARAB PHOENIX HOLDING COMPANY
(PREVIOUSLY TAMEER JORDAN HOLDING)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

Current tax payable is calculated at the tax rate 20% for the parent company and its subsidiaries in accordance with the new prevailing income tax law in Jordan No. 34 for the year 2014 effective from January 1, 2015.

The company didn't recognize the deferred tax assets related to the accumulated losses till the period ended September 30, 2017 due to the high level of uncertainty from achieving taxable income in the near future.

There are reservations over the Group's movable and immovable funds for the benefit of the Income and sales tax department to settle claims which is the right of the department, the group recognized the sufficient provisions to meet these claims.

15) Lawsuits provision

The movement on lawsuits provision during the period/ year was as follows:

<i>In Jordanian Dinar</i>	September 30, 2017 (Reviewed not audited)	December 31, 2016 (Audited)
Balance at the beginning of the period/year	2,375,911	3,560,276
Additions during the period/year	102,817	301,527
Reversal of provision during the period /year	(17,542)	(1,304,029)
Paid during the period/year	(25,772)	(158,929)
Transferred to trade payables and other credit balances	-	(22,934)
Balance at the end of the period / year	2,435,414	2,375,911

16) CONTINGENT LIABILITIES

<i>In Jordanian Dinar</i>	September 30, 2017 (Reviewed not audited)	December 31 ,2016 (Audited)
Bank guarantees	758,889	758,889
Against :cash margins	(7,500)	(7,500)

Lawsuits raised against the group:

Total amount of legal cases raised against the group amounted to JOD 8,526,429 during the period ended September 30, 2017 (December 31,2016: JOD 6,712,863), accordingly the group recognized lawsuits provision amounted to JOD 2,435,414 during the period ended September 30, 2017 where this provision includes and taking into account the related legal liabilities amounted to JOD 1,881,229. The management and its legal counsel believes that the recorded provisions in the condensed consolidated financial information are sufficient to cover any current and future obligations.

**ARAB PHOENIX HOLDING COMPANY
(PREVIOUSLY TAMEER JORDAN HOLDING)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

17) Going concern

This condensed consolidated interim financial information of the Group shows that there are some events and issues which constitute a major challenge on the performance of the group in the future and these issues include the following:

- There are reservations over the group's movable and immovable funds due to lawsuits raised against the group for the benefit of different entities.
- The group accumulated losses amounted to JOD (33,458,105) as of September 30, 2017 representing 38,5% of the group capital.
- A deficit in the working capital amounted to JOD 24,654,273.
- The group faces a high debt - to - equity ratio amounted to 61% as of September 30, 2017 (December 31, 2016: 59%) as a result of the decrease in the owners' equity due to the accumulated losses of the group.
- The accumulated losses for number of the subsidiaries companies exceeded half of its capital as of September 30, 2017 in addition to deficit in its working capital as follows:

September 30, 2017 (Reviewed not audited)			
<i>Jordanian Dinar</i>	Paid-up capital	(Accumulated losses) / retained earnings	Deficit in working capital
Al- Andalusia company for Tourist Resorts and Housing projects	6,000,000	14,350,763	-
Al- Qubas real estate development Company	2,000,000	(1,072,585)	(20,564,502)
Al Tiraz for Construction	100,000	2,973,900	-
Al Madariyoun Concrete Industries	100,000	(10,054,276)	(18,097,015)
Al Madariyoun Fabrication Industries	15,000	(3,406,746)	(5,586,868)
Tameer For investment	15,000	(12,850,282)	(18,535,774)
Al- Rawabet for real estate development	15,000	(196,768)	(166,768)
Red Sea Resort for real estate Development	15,000	(4,029,303)	(18,644,011)
Tanfeeth for construction	300,000	(896,594)	(423,757)

- According to the text of Article (75 - A) of the Companies Law No. (22) for the year 1997 and its amendments " should the losses of the limited liability company exceed half of its capital, the company's manager or its management committee shall invite the company's general assembly to an extraordinary meeting in order to decide whether the company should be liquidated or continue to exist in a manner that would rectify its position. If the general assembly fails to reach a decision in this respect within two consecutive meetings, the controller shall grant the company a grace period of not more than a month to reach the decision. If it fails in reaching a decision, the company shall be referred to court for the purposes of compulsory liquidation in accordance with the provisions of the law". And According to the text of Article (86) bis of the Companies Law No. (22) for the year 1997 and its amendments "If a private shareholding company is exposed to gross losses so that it becomes unable to meet its obligations towards its creditors, the board of directors shall invite the company's extraordinary General Assembly to a meeting to issue a decision, either to liquidate the company, or issue new shares, or any other decision which would guarantee its ability to fulfill its obligations. If the general assembly is unable to take a definite decision in this respect during two consecutive meetings, the controller shall give the company a one-month grace period to take the required decision. In the event the company fails to do so, it shall be referred to the court for compulsory liquidation in accordance with the provisions of this law".

**ARAB PHOENIX HOLDING COMPANY
(PREVIOUSLY TAMEER JORDAN HOLDING)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The Group's management plan to address the going concern indicators are summarized as follows:
The Group succeeded during the year 2016 in achieving the balance between three streams starting with the completion of current projects, payments for parts of the financial commitments to different parties through legal settlements and reconciliations which resulted in releasing parts of the reservations over the Group assets, and last stream was through the payment of all related administrative commitments and expenses necessary for the continuation of company's operations.

The Group was able to secure the needed cash for the above streams through the liquidation of part of assets owned by the Group and its subsidiaries in addition to collection part from the due receivables from Al- Andalusia clients.

As for the year 2017, The Group will focus on its core business which is the "Real Estates Development" and limit its vertical integration and prepare it for the coming growth period through two main directions:

First: Moving to the full operational mode and the continuation of current projects to make the current projects as the main cash generating sources to finance the current and future Group projects.

Second: Continue in settling debts and removing reservations and restrictions over the Group assets.

As for the plan, it is summarized in the following:

- Al- Andalusia project: continue and deliver what is left of project villas and collect the receivables from the clients.
- Zarqa project: after the continuation of phase one and starting the selling process, 2017 main target is to continue finishing up to 40% of the project.
- Red Sea project: continue finishing phase 1 of the project and delivering the sold villas to its owners and collect the related remaining receivables, in addition to start the completion and finalizing of phase2.
- Developing and selling of land plots owned by Arab Phoenix Holding and its subsidiaries.
- Selling of assets that are not useful any more to the Group and use the cash generated in the above main streams.
- Start the horizontal growth through the study of new projects inside and outside of Jordan.

18) FINANCIAL RISK MANAGEMENT

Market price risk

Equity price 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 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.

Share price risk

A change of 5% in fair value of the securities at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

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)

**ARAB PHOENIX HOLDING COMPANY
(PREVIOUSLY TAMEER JORDAN HOLDING)
(PUBLIC SHAREHOLDING COMPANY – HOLDING COMPANY)
AND IT'S SUBSIDIARIES (THE GROUP)
AMMAN – JORDAN**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

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).

<i>Jordanian Dinar</i>	<u>Book Value</u>	<u>Fair Value</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<u>September 30, 2017 (Reviewed not audited)</u>				
Cash and cash equivalents	175,526	-	175,526	-
Financial assets at fair value through other comprehensive income	15,902	-	15,902	-
Trade receivables and other debit balances	3,094,620	-	3,094,620	-
Due from related parties	1,001,870	-	1,001,870	-
Investment in associate company	3,288,767	-	3,288,767	-
Trade payables and other credit balances	(6,748,832)	-	(6,748,832)	-
Due bank loan	(190,393)	-	(190,393)	-
Advance payments received against sales	(20,755,842)	-	(20,755,842)	-
<u>December 31, 2016 (audited)</u>				
Cash and cash equivalents	1,160,699	-	1,160,699	-
Financial assets at fair value through of other comprehensive income	16,009	-	16,009	-
Trade receivables and other debit balances	3,021,677	-	3,021,677	-
Due from related parties	1,001,870	-	1,001,870	-
Investment in associate company	3,296,728	-	3,296,728	-
Trade payables and other credit balances	(7,085,715)	-	(7,085,715)	-
Due bank loan	(284,118)	-	(284,118)	-
Advance payments received against sales	(20,766,477)	-	(20,766,477)	-

Management believes that the carrying amount of these financial assets approximate their fair value. There were no transfers between level 1 and level 2.

19) COMPARATIVE FIGURES

The comparative figures represents the Consolidated Statement of Financial Position as of December 31, 2016 in addition to the condensed consolidated interim Statement of Profit or Loss and other comprehensive income and Condensed Consolidated Interim Statement of Changes in Shareholders' Equity and the Condensed Consolidated Interim Statement of Cash Flow for the period ended September 30, 2016.