



28th April 2019
042/EIH/2019



Securities Commission
Amman
Jordan

Dear Sirs

Subject: The Interim Consolidated Financial Statements as at 31/03/2019

Pursuant to the provisions of Article (43 / A-3) of the Securities Law No 76 of 2002, we attach herewith the first quarter interim consolidated financial statements as at 31 March 2019 including the auditors' report of the Jordanian Expatriates Investment Holding Company.

Yours sincerely,

Acting General Manager
Kifaya Naim Haj Ali

Copy to:
Amman Stock Exchange



Jordanian Expatriates Investment Holding Company
Public Shareholding Company

Condensed Interim Consolidated Financial Statements (Unaudited)

31 March 2019

Jordanian Expatriates Investment Holding Company
Public Shareholding Company

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Report on Review of Condensed Interim Consolidated Financial Statements

**To The Board of Directors
Jordanian Expatriates Investment Holding Company
Public Shareholding Company
Amman - Jordan**

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of **Jordanian Expatriates Investment Holding Company (PLC)**, comprising the interim consolidated statement of financial position as at 31 March 2019 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 three-months period then ended and the notes about condensed interim consolidated financial statements. Management is responsible for the preparation and presentation of this condensed interim consolidated financial statement in accordance with International Accounting Standard number (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed interim consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements number (2410) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim consolidated financial statement 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 Accounting Standard number (34) "Interim Financial Reporting".

11 April 2019
Amman - Jordan



Arab Professionals
Amin Samara
License No. (481)

Jordanian Expatriates Investment Holding Company
Public Shareholding Company
Interim Consolidated Statement of Financial Position as at 31 March 2019
(In Jordanian Dinar)

	31 March 2019 (Unaudited)	31 December 2018 (Audited)
Assets		
Cash and cash equivalents	4,612,250	4,459,943
Financial assets at fair value through statement of profit or loss	7,056,610	7,181,892
Brokerage receivables	280,617	306,570
Margin financing receivables	868,155	832,128
Brokers receivable	114,324	117,393
Settlement guarantee fund	89,000	89,000
Other current assets	194,674	131,709
Financial assets at fair value through other comprehensive income	3,667,857	3,667,857
Financial assets at amortized cost	965,088	964,627
Investment property	2,846,481	2,846,481
Property and equipment	8,040	8,193
Brokerage license	1	1
Total assets	20,703,097	20,605,794
Liabilities and Equity		
Liabilities		
Brokerage payables	253,643	45,245
Amounts due to related parties	-	61,355
Other current liabilities	463,067	463,195
Total liabilities	716,710	569,795
Equity		
Paid in capital	16,125,000	16,125,000
Addition paid in capital	105,986	105,986
Statutory reserve	2,340,245	2,340,245
Voluntary reserve	11,448	11,448
Retained earnings	904,886	955,509
Total shareholders equity	19,487,565	19,538,188
Non-controlling interests	498,822	497,811
Total equity	19,986,387	20,035,999
Total liabilities and equity	20,703,097	20,605,794

"The accompanying notes from (1) to (7) are an integral part of these condensed interim consolidated financial statements and read with review report"

Jordanian Expatriates Investment Holding Company
Public Shareholding Company
Interim Consolidated Statement of Comprehensive Income
For the Three Months Ended at 31 March 2019

(In Jordanian Dinar)

	31 March 2019 (Unaudited)	31 March 2018 (Unaudited)
Gain (loss) from sale of financial assets at fair value through statement of profit or loss	19,599	(76,055)
Changes in fair value of financial assets at fair value through statement of profit or loss	(185,031)	(313,962)
Dividend income	109,634	393,189
Brokerage commissions	29,604	29,668
Interest income on margin financing accounts	22,863	15,977
Interest income from bank deposits	51,057	65,357
Interest income from financial assets at amortized cost	4,312	3,275
Loss from sale of financial assets at amortized cost	-	(1,150)
Administrative expenses	(95,751)	(111,038)
Depreciation	(282)	(319)
Other expenses and revenues	(684)	13,620
(Loss) profit before income tax	(44,679)	18,562
Income tax for the period	(3,248)	(42,083)
National contribution tax	(1,685)	-
Total comprehensive loss for the period	(49,612)	(23,521)
Attributable to:		
Owners of the parent	(50,623)	(17,743)
Non-controlling interests	1,011	(5,778)
	(49,612)	(23,521)
 Basic and diluted loss per share	 (0.003)	 (0.001)

"The accompanying notes from (1) to (7) are an integral part of these condensed interim consolidated financial statements and read with review report"

Jordanian Expatriates Investment Holding Company
Public Shareholding Company
Interim Consolidated Statement of Changes in Equity for the Three Months Ended at 31 March 2019
(In Jordanian Dinar)

	Paid-in capital	Additional paid in capital	Reserves		Retained* earnings	Total shareholders equity	Non-controlling interests	Total equity
			Statutory	Voluntary				
Balance at 1 January 2019	16,125,000	105,986	2,340,245	11,448	955,509	19,538,188	497,811	20,035,999
Total comprehensive loss for the period	-	-	-	-	(50,623)	(50,623)	1,011	(49,612)
Balance at 31 March 2019	16,125,000	105,986	2,340,245	11,448	904,886	19,487,565	498,822	19,986,387
Balance at 1 January 2018	16,125,000	105,986	2,263,788	11,448	1,940,980	20,447,202	1,213,733	21,660,935
Total comprehensive loss for the period	-	-	-	-	(17,743)	(17,743)	(5,778)	(23,521)
Balance at 31 March 2018	16,125,000	105,986	2,263,788	11,448	1,923,237	20,429,459	1,207,955	21,637,414

* Retained earnings as at 31 March 2019 dose not include unrealized gains related to changes in fair value of financial assets at fair value through statement of profit or loss not allowed to be distributed to shareholders.

"The accompanying notes from (1) to (7) are an integral part of these condensed interim consolidated financial statements and read with review report"

Jordanian Expatriates Investment Holding Company
Public Shareholding Company
Interim Consolidated Statement of Cash Flows
For the Three Months Ended at 31 March 2019

(In Jordanian Dinar)

	31 March 2019 (Unaudited)	31 March 2018 (Unaudited)
Operating activities		
Loss for the period	(49,612)	(23,521)
Depreciation	282	319
Changes in fair value of financial assets at fair value through statement of profit or loss	185,031	313,962
Changes in working capital		
Financial assets at fair value through statement of profit or loss	(59,749)	(60,325)
Brokerage receivables	234,351	88,449
Margin financing receivables	(36,027)	(36,519)
Other current assets	(62,965)	905
Brokers receivables	3,069	170,028
Amounts due to related parties	(61,355)	(187,386)
Other current liabilities	(128)	30,035
Net cash flows from operating activities	<u>152,897</u>	<u>295,947</u>
Investing activities		
Property and equipment	(129)	(86)
Financial assets at amortized cost	(461)	(37,351)
Net cash flows used in investing activities	<u>(590)</u>	<u>(37,437)</u>
Changes in cash and cash equivalents	152,307	258,510
Cash and cash equivalents at beginning of the year	<u>4,459,943</u>	<u>5,871,551</u>
Cash and cash equivalents at end of period	<u><u>4,612,250</u></u>	<u><u>6,130,061</u></u>

"The accompanying notes from (1) to (7) are an integral part of these condensed interim consolidated financial statements and read with review report"

Jordanian Expatriates Investment Holding Company
Public Shareholding Company
Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)
31 March 2019

(In Jordanian Dinar)

1 . General

Jordanian Expatriates Investment Holding Company was established on 2 July 1988 and registered in accordance with Jordanian Companies Law under No. (202) as public Shareholding Company. The Company's head office is in the Hashemite Kingdom of Jordan. Company's main objectives are to invest in industrial, commercial, agricultural, tourism and other economic fields.

Company's shares are listed in Amman Stock Exchange – Jordan.

The condensed interim consolidated financial statements have been approved for issue by the Company's Board of Directors on 11 April 2019.

2 . Summary of Significant Accounting Policies

Basis of Preparation

The condensed interim consolidated financial statements of the Company have been prepared in accordance with International Accounting Standard number (34) "Interim Financial Reporting". They do not include all of the information required in annual financial statements in accordance with IFRSs, and should be read in conjunction with the consolidated financial statements of the Company for the year ended 31 December 2018.

The condensed interim consolidated financial statements have been prepared on a historical cost basis except for investment securities, which have been measured at fair value.

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

The accounting policies are consistent with those used in the previous period, except for the adoption of new and amended standards effective as at the beginning of the period.

Basis of Consolidation

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

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

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

Non - controlling interest represent the subsidiary equity not owned by the parent shareholders.

The following subsidiaries have been consolidated:

Company	Paid in capital	Ownership	Activity
Jordanian Expatriates for Financial Brokerage	2,250,000	75%	Brokerage services
Jordanian Expatriates for Real Estate and Development	1,600,000	100%	Real estate investment

Use of Estimates

The preparation of the condensed interim consolidated financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues, expenses and the provisions. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future changes in such provisions.

Management believes that the estimates are reasonable and are as follows:

- Management reviews periodically the tangible and intangible assets in order to assess the depreciation and amortization for the year based on the useful life and future economic benefits. Any impairment is taken to the interim consolidated statement of profit or loss.
- The measurement of impairment losses under IFRS 9 requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. Elements of the expected credit loss model that are considered accounting judgments and estimates include Probability of default (PD), Loss given default (LGD) and Exposure at default (EAD)

3 . Income tax

- The Company has settled its tax liability with Income Tax Department up to the year ended 2016.
- The income tax returns for the years 2017 and 2018 have been filed with the Income Tax Department but the Department has not reviewed the Company's records till the date of this report.
- The income tax provision for the three months ended at 31 March 2019 was calculated in accordance with the Income Tax Law.

4 . Contingent liabilities

The Company is contingently liable with respect to bank letters of guarantee for JOD (450,000).

5 . Analysis of the Maturities of Assets and Liabilities

The following table illustrates the analysis of assets and liabilities according to the expected period of their recoverability or settlement.

31 March 2019	Less than one year	More than one year	Total
Assets			
Cash and cash equivalents	4,612,250	-	4,612,250
Financial assets at fair value through statement of profit or loss	7,056,610	-	7,056,610
Brokerage receivables	280,617	-	280,617
Margin financing receivable	868,155	-	868,155
Brokers receivables	114,324	-	114,324
Settlement guarantee fund	89,000	-	89,000
Other currents assets	194,674	-	194,674
Financial assets at fair value through other comprehensive income	-	3,667,857	3,667,857
Financial assets at amortized cost	-	965,088	965,088
Investment property	-	2,846,481	2,846,481
Property and equipment	-	8,040	8,040
Brokerage license	-	1	1
Total assets	13,215,630	7,487,467	20,703,097
Liabilities			
Brokerage payables	253,643	-	253,643
Other current liabilities	463,067	-	463,067
Total liabilities	716,710	-	716,710
31 December 2018	Less than one year	More than one year	Total
Assets			
Cash and cash equivalents	4,459,943	-	4,459,943
Financial assets at fair value through statement of profit or loss	7,181,892	-	7,181,892
Brokerage receivables	306,570	-	306,570
Margin financing receivable	832,128	-	832,128
Brokers receivables	117,393	-	117,393
Settlement guarantee fund	89,000	-	89,000
Other currents assets	131,709	-	131,709
Financial assets at fair value through other comprehensive income	-	3,667,857	3,667,857
Financial assets at amortized cost	-	964,627	964,627
Investment property	-	2,846,481	2,846,481
Property and equipment	-	8,193	8,193
Brokerage license	-	1	1
Total assets	13,118,635	7,487,159	20,605,794
Liabilities			
Brokerage payables	45,245	-	45,245
Amount due to related parties	61,355	-	61,355
Other current liabilities	463,195	-	463,195
Total liabilities	569,795	-	569,795

6 . Fair Value

The fair values of the financial assets and liabilities are not materially different from their carrying values as most of these items are either short-term in nature or re-priced frequently.

Financial assets and financial liabilities measured at fair value in the consolidated statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, 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 or indirectly.
- Level 3: unobservable inputs for the asset or liability.

31 March 2019	Level 1	Level 2	Level 3	Total
Financial assets at fair value through statement of profit or loss	7,056,610	-	-	7,056,610
Financial assets at fair value through other comprehensive income	-	-	3,667,857	3,167,857
	<u>7,056,610</u>	<u>-</u>	<u>3,667,857</u>	<u>10,724,467</u>
31 December 2018	Level 1	Level 2	Level 3	Total
Financial assets at fair value through statement of profit or loss	7,181,892	-	-	7,181,892
Financial assets at fair value through other comprehensive income	-	-	3,667,857	3,667,857
	<u>7,181,892</u>	<u>-</u>	<u>3,667,857</u>	<u>10,849,749</u>

Financial assets included in level 3 are stated at cost less impairment charges, as the fair value of these assets cannot be measured reliably due to the lack of available active markets for identical assets.