Afaq Holding for Investment & Real Estate Development P.L.C

شركة آفاق للإستثمار والتطوير العقاري القابضة المساهمة العامة المحدوده

المناصير للإستثمار

Date :30/04/2019

التاريخ:- 2019/04/30

To: Jordan Securities Commission

Amman Stock Exchange

السادة هيئة الاوراق المالية

السادة بورصة عمان

Subject: Quarterly Report as of 31/03/2019

الموضوع: التقرير ربع السنوي كما هي في 2019/03/31

Attached the Quarterly Report of as of 31/03/2019.

مرفق طيه نسخة من البيانات المالية ربع السنوية كما هي بتاريخ 2019/03/31.

Kindly accept our highly appreciation and respect

وتفضلوا بقبول فائق الاحترام،،،

Afaq Holding for Investment and Real Estate Development

Vice Chairman of the Board of Directors

Muin Mohammad Qadada

شركة آفاق للاستثمار والتطوير العقاري القابضه

نائب رئيس مجلس الادارة

معين محمد قداده

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AFAQ HOLDING FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY

PUBLIC SHAREHOLDING COMPANY

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 MARCH 2019

EY
Building a better
working world

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TO THE BOARD OF DIRECTORS OF
AFAQ HOLDING FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
AMMAN - JORDAN

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Afaq Holding for Investment and Real Estate Development Company and its subsidiaries (together referred to as "the Group") as at 31 March 2019, comprising the interim condensed consolidated statement of financial position as at 31 March 2019 and the related interim condensed consolidated statement of comprehensive income, changes in equity and cash flows for the three-month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard IAS 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

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 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 of Qualified Conclusion

The Group has not provided us with the details of goodwill amounting to JD 24,661,180 and the estimates and assumptions used in its valuation as at 31 March 2019. Accordingly, we were not able to perform our review procedures on goodwill.

Qualified Conclusion

Except for the effect of the matter in the basis of the qualified conclusion above, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Emphasis of Matter

Without further qualification in our conclusion, and as disclosed in note (5) to the interim condensed consolidated financial statements, the property and equipment include properties and land amounting to JD 503,915 this is not registered in the name of the Company.

Other Matter

The consolidated financial statement for the year ended 31 December 2018 and the interim condensed financial statement for the period ended 31 March 2018 were audited and reviewed respectively by another auditor. Unqualified opinion and unqualified conclusion were issued on these consolidated financial statements on 18 March 2019 and 25 April 2018, respectively.

Amman – Jordan
30 April 2019

Ernst & Young

AFAQ HOLDING FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	Notes	31 March 2019 JD (Unaudited)	31 December 2018 JD (Audited)
ASSETS			
Non-Current assets			
Goodwill		24,661,180	24,661,180
Property and equipment	5	55,594,280	78,964,656
Right of use assets	3	17,150,863	-
		97,406,323	103,625,836
Current assets			
Prepaid expenses and other current assets		3,311,134	3,411,104
Inventory and Spare parts		5,516,983	5,866,555
Accounts receivable and checks under collection		20,791,793	22,434,754
Due from related parties	7	19,773,949	18,795,639
Cash on hand and at banks	6	598,169	67,823
		49,992,028	50,575,875
Property and Equipment held for sale		18,610,397	13,883,383
TOTAL ASSETS		166,008,748	168,085,094
EQUITY AND LIABILITIES			
Shareholders' equity			
Paid in capital	1	80,000,000	80,000,000
Statutory reserve		7,402,418	7,402,418
Accumulated losses		(10,154,162)	(8,709,081)
Total shareholders' equity		77,248,256	78,693,337
LIABILITIES			
Non-Current Liabilities			
Long term loans and murabaha	8	3,436,479	3,672,082
Long term ijarah leases		8,744,201	7,807,898
Long term postponed checks		4,759,897	603,368
Due to a related party	7	5,973,627	7,081,965
		22,914,204	19,165,313
Current liabilities			
Accrued expenses and other current liabilities		2,068,485	2,094,579
Accounts payables		4,206,097	3,572,100
Current portion of long term postponed checks		10,492,030	21,591,634
Current portion of long term ijarah leases		1,482,213	2,569,149
Current portion of long term loans		1,888,186	1,575,373
Current portion of long term loans and murabaha	8	1,888,967	2,246,102
Due to related parties	7	22,214,841	14,298,262
Due to banks	9	21,605,469	22,279,245
		65,846,288	70,226,444
Total liabilities		88,760,492	89,391,757
TOTAL EQUITY AND LIABILITIES		166,008,748	168,085,094

The accompanying notes from 1 to 13 form part of these interim condensed consolidated financial statements

AFAQ HOLDING FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2019 (UNAUDITED)

	Notes	For the three months ended 31 March 2019	2018
		JD	JD
Revenues	10	13,037,022	19,106,823
Cost of revenues		(12,595,955)	(17,795,191)
Gross profit		441,067	1,311,632
Administrative, selling and marketing expenses		(883,319)	(1,020,636)
Finance costs		(903,535)	(987,511)
Other revenues and expenses		(99,294)	(39,701)
Loss for the period before income tax		(1,445,081)	(736,216)
Income tax expense		-	(21,472)
Loss for the period		(1,445,081)	(757,688)
Add: Other comprehensive income items - net of tax	11	-	-
Total comprehensive income for the period		(1,445,081)	(757,688)
		JD/Fils	JD/Fils
Basic and diluted losses per share attributable to equity holders of the parent		(0/018)	(0/009)

The accompanying notes from 1 to 13 form part of these interim condensed consolidated financial statements

AFAQ HOLDING FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2019 (UNAUDITED)

	Paid in capital	Statutory reserve	Retained earnings (accumulated losses)	Total
	JD	JD	JD	JD
For the three months ended 31 March 2019 -				
Balance as of 1 January 2019	80,000,000	7,402,418	(8,709,081)	78,693,337
Total comprehensive income for the period	-	-	(1,445,081)	(1,445,081)
Balance as of 31 March 2019	80,000,000	7,402,418	(10,154,162)	77,248,256
For the three months ended 31 March 2018 -				
Balance as of 1 January 2018	80,000,000	7,402,418	3,376,557	90,778,975
Total comprehensive income for the period	-	-	(757,688)	(757,688)
Balance as of 31 March 2018	80,000,000	7,402,418	2,618,869	90,021,287

AFAQ HOLDING FOR INVESTMENT AND REAL ESTATE DEVELOPMENT COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2019 (UNAUDITED)

	Notes	For the three months ended 31 March 2019	2018
		JD	JD
OPERATING ACTIVITIES			
Loss for the period before tax		(1,445,081)	(736,216)
Adjustments for-			
Depreciation of property and equipment		1,085,085	1,563,402
Depreciation of right of use assets		156,984	-
Loss from sale of property and equipment/property and equipment held for sale		106,904	36,647
Finance costs		903,535	987,511
Working capital changes-			
Accounts receivable and checks under collection		1,642,961	185,290
Prepaid expenses and other current assets		99,970	40,780
Inventory and Spare parts		349,572	294,033
Postponed checks		(6,943,075)	(3,975,151)
Accounts payables		633,997	3,538,345
Accrued expenses and other current liabilities		(26,094)	(110,322)
Due from related parties		(2,011,788)	-
Due to related parties		7,841,719	-
Net cash flows from operating activities		2,394,689	1,824,319
INVESTING ACTIVITIES			
Purchase of property and equipment	5	(26,419)	(600,055)
Proceeds from sale of property and equipment/ property and equipment held for sale		169,945	128,103
Net cash flows from (used in) investing activities		143,526	(471,952)
FINANCING ACTIVITIES			
Repayment of loans		(279,925)	(1,300,786)
Commitments from lease agreements		(150,633)	(747,490)
Finance costs		(903,535)	(987,511)
Net cash flows used in financing activities		(1,334,093)	(3,035,787)
Net increase (decrease) in cash and cash equivalents		1,204,122	(1,683,420)
Cash and cash equivalents at the beginning of the period		(22,211,422)	(18,882,140)
Cash and cash equivalents at end of the period	6	(21,007,300)	(20,565,560)

The accompanying notes from 1 to 13 form part of these interim condensed consolidated financial statements

(1) GENERAL

Afaq Holding for Investment and Real Estate Development Company ("the Company") was registered as a Jordanian public shareholding company on 30 November 2005 under the commercial registration number (375) by the Ministry of Industry and Trade after its legal status was transferred from a limited liability company to a public shareholding company. The Company's paid-in capital is JD 80,000,000 consisting of 80,000,000 shares at par value of JD 1.

The principal activities of the Company are as follows:

- Manage the Group's subsidiaries or other companies in which it holds shares.
- Investing its funds in shares, bonds and securities.
- Providing loans, guarantees to finance its subsidiaries.
- Own, exploit and lease patents, trademarks, franchises and other rights to its subsidiaries or to companies in which it holds shares.

The interim condensed consolidated financial statements were approved for issuance by the Board of Directors in its meeting held on 30 April 2019.

(2) BASIS OF PREPARATION

The interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting.

The interim condensed consolidated financial statements do not contain all information and disclosures required for the full consolidated financial statements prepared in accordance with the International Financial Reporting Standards, which should be read in conjunction with the Group's annual financial statements as of 31 December 2018. In addition, results of the three-month period ended 31 March 2019 are not necessarily indicative of the results for the year ending 31 December 2019.

(3) CHANGES IN THE ACCOUNTING POLICIES

The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2018 except for the adoption of new standards effective as of 1 January 2019 shown below:

IFRS 16 Leases

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for most leases under a single on-balance sheet model.

Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the Group is the lessor.

The Group adopted IFRS 16 using the modified retrospective approach with the date of initial application of 1 January 2019 accordingly, prior year financial statements were not restated. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

The Group has lease contracts for various items of plant, equipment (land and locomotive headers). Before the adoption of IFRS 16, the Group classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Group; otherwise it was classified as an operating lease. Finance leases were capitalised at the commencement of the lease at the inception date at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under Prepayments and Trade and other payables, respectively.

Upon adoption of IFRS 16, the Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Group.

• *Leases previously classified as finance leases*

The Group did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under IAS 17). The requirements of IFRS 16 was applied to these leases from 1 January 2019.

Property and Equipment amounting to JD 17,307,847 under IAS 17 was reclassified to right of use assets as a result of the adoption of International Financial Reporting Standard 16.

Impact on the interim condensed consolidated statement of financial position (increase/(decrease)) as of 1 January 2019:

	JD
Non-current assets	
Right of use assets	17,307,847
Property and equipment-net	(17,307,847)

• *Leases previously accounted for as operating leases*

No effect has been made from the application of the Standard as lease contracts previously recognized as operating leases are short-term or depreciated.

The Group's new accounting policies, which have been applied from the fate of the application of International Financial Standard 16, are as follows:

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to some of its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases to lease the assets for additional terms. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew.

That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

The Group included the renewal period as part of the lease term for leases of plant and machinery due to the significance of these assets to its operations. These leases have a short non-cancellable period and there will be a significant negative effect on production if a replacement is not readily available.

IFRIC Interpretation 23 Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 and does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. An entity must determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The interpretation is effective for annual reporting periods beginning on or after 1January 2019, but certain transition reliefs are available.

These amendments do not have any impact on the Group's interim condensed consolidated financial statements.

Amendments to IFRS 9: Prepayment Features with Negative Compensation

Under IFRS 9, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to IFRS 9 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

These amendments do not have any impact on the Group's interim condensed consolidated financial statements.

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture

The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. The IASB has deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments must apply them prospectively.

These amendments do not have any impact on the Group's interim condensed consolidated financial statements.

Amendments to IAS 28: Long-term interests in associates and joint ventures

The amendments clarify that an entity applies IFRS 9 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in IFRS 9 applies to such long-term interests.

The amendments also clarified that, in applying IFRS 9, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognised as adjustments to the net investment in the associate or joint venture that arise from applying IAS 28 Investments in Associates and Joint Ventures.

These amendments do not have any impact on the Group's interim condensed consolidated financial statements.

(4) BASIS OF CONSOLIDATION

The interim condensed consolidated financial statements comprise the financial statements of Afaq Holding for Investment and Real Estate Development Company ("Company") and the following subsidiaries (collectively referred to as the "Group") as of 31 March 2019:

Entity Name	Location of Registration	Year of Registration	Ownership and voting right	Principle Activities
Jordan Modern Ready Mix Concrete Ltd. *	Hashemite Kingdom of Jordan	2000	100%	Manufacturing and selling of ready-made concrete
Advanced Transport and Land Shipping Services Ltd.	Hashemite Kingdom of Jordan	2001	100%	Freight transport inside and outside the Kingdom
Visions For Maintenance and Spare Parts Ltd.	Hashemite Kingdom of Jordan	2010	100%	Maintenance and manufacturing of trailers

* This subsidiary has obtained an exemption of 75% on its income tax for its projects in accordance with the Investment Promotion Act, except for the Aqaba Economic Zone Authority (ASEZA) Branch. This exemption is valid until 31 December 2019.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee,
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The financial statements of the subsidiaries are consolidated from the date of control until the date it is not controlled. Revenue and expenses of the subsidiaries are consolidated in the consolidated statement of comprehensive income from the date of control until the date it is not controlled.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary without a loss of control is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary.
- Derecognizes the carrying amount of any non- controlling interests.
- Derecognizes the cumulative translation differences, recorded in equity.
- Recognizes the fair value of the consideration received.
- Recognizes the fair value of any investment retained.
- Recognizes the gain or loss resulted from loss of control.
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss.

(5) PROPERTY AND EQUIPMENT

During the three months ended 31 March 2019, the Group acquired property and equipment with a cost of JD 26,419 (31 March 2018: JD 600,055). An amount of JD 17,307,847 related to land and leases in accordance with IAS (17) was reclassified from property and equipment to right of use assets as a result of the adoption of IFRS (16) (Note 3).

The cost of investment in properties and land not registered under the Groups' name and registered under the name of the employees of the Group during the period amounted to JD 503,915.

(6) CASH ON HAND AND AT BANKS

	31 March 2019 JD (Unaudited)	31 December 2018 JD (Audited)
Cash on hand	410,357	5,557
Cash at banks	187,812	62,266
	598,169	67,823
Less: Due to Banks	(21,605,469)	(22,279,245)
Cash on hand and at Banks	(21,007,300)	(22,211,422)

(7) TRANSACTIONS WITH RELATED PARTIES

The following is a summary of the balances with related parties that appear in the interim condensed consolidated statement of financial position:

Due from related parties-

	31 March 2019	31 December 2018
	JD	JD
	(Unaudited)	(Audited)
Eng Ziad Khalaf Mohammad Al Manaseer	7,124	231,229
Arab Towers Contracting Co.	13,826,780	13,023,055
Jordan Modern International Trade Co.	319	507
Trust Industrial Concrete Co.	1,014	144,434
AL-Bunyan For Cement and Concrete Products Manufacturing Co.	1,658,301	1,559,299
Distinguished for Mining Co.	215,615	215,456
Jordan Clearing & Transportation Co.	947,081	945,185
Al Bunyan for Marble and Granite Co.	179,400	113,949
Luminous for Technology Co.	17,078	44,827
Developed Crushers Co.	2,604,488	2,467,875
Jordan Modern Advanced Chemical Industries Ltd.	5,721	564
Architecture lines Co.	720	720
Al Bunyan for Real Estate Development Co.	16	88,281
Jordan Magnesia Co.	280,618	219,620
Modern for mining Co.	22,395	21,915
Jordanian integrated for mining and exploration Co.	14,854	14,854
Mediterranean and gulf insurance and reinsurance Co. (Medgulf-Jordan)	4,644	28,985
Jordan Modern Cement and Mining Co.	274,009	-
United Iron and Steel Co.	5,754	-
Jordan Modern Food Industries Co.	4,896	-
Jordan Tours & Travel Co.	1,387	-
Ziad Al Manaseer Charity Association	250	-
Provision for Doubtful Debts	(298,515)	(325,116)
	19,773,949	18,795,639

Due to related parties:

	31 March 2019	31 December 2018
	JD	JD
	(Unaudited)	(Audited)
Non-Current		
Al-Manaseer Group for Industrial and Commercial Investments Company (Parent) Co.	5,973,627	7,081,965
Current		
Rome Shipping Agency Co.	-	94,453
Jordan Modern Oil & Fuel Services Co.	11,290,205	9,549,443
Manaseer commercial Services Co.	322,076	168,041
Al-Adyat Al Sareeah for equipment trade Co.	1,732,519	1,250,328
Jordan Modern Food Industries Co.	6,510	1,970
United Iron and Steel Manufacturing Co.	294,892	273,493
Jordan Modern for Information Technology Co.	106,425	69,709
Luminous for Technology Co.	-	21,578
Jordan Tours & Travel Co.	-	4,135
Manaseer Industrial Complex Co.	6,176,104	2,865,112
Developed Crushers Co.	1,633,202	-
Mediterranean and gulf insurance and reinsurance Co. (Medgulf-Jordan)	225,944	-
Trust industrial concrete co.	214,269	-
Jordan Clearing & Transportation Co.	118,242	-
Jordan Modern Freight and shipping Co.	94,453	-
	22,214,841	14,298,262

The following is a summary of balances due to/ from related parties included in the interim condensed consolidated statement of comprehensive income:

	For the three months ended 31 March	
	2019	2018
	JD	JD
	(Unaudited)	(Unaudited)
Sales - sister companies	1,803,072	3,480,980
Purchases - sister companies	6,917,082	10,371,259

Compensation of key management personnel of the Group:

The following is a summary of the benefits (salaries and other benefits):

	For the three months ended 31 March	
	2019	2018
	JD	JD
	(Unaudited)	(Unaudited)
Other salaries and benefits	57,897	57,897
Remuneration of Board of Directors Members	-	25,000

(8) LOANS AND MURABAHA

	31 March 2019		31 December 2018	
	Short Term	Long term	Short term	Long term
	JD	JD	JD	JD
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Invest Bank	1,006,689	-	164,910	1,000,800
Ahli Bank	187,500	2,812,500	835,890	1,998,594
Rajhi Bank	499,945	-	1,050,469	-
Capital Bank	194,833	623,979	194,833	672,688
	1,888,967	3,436,479	2,246,102	3,672,082

Invest Bank-

The Advanced Transport and Land Shipping Services Company (a subsidiary) signed a loan agreement with Invest Bank amounting to JD 3,000,000. The loan is repayable in 36 monthly installments amounting to JD 83,400 each, excluding any interest. The loan was acquired with the personal guarantee of Eng. Ziad Khalaf Mohammed Al Manaseer, as well as the Company.

Ahli Bank-

The Advanced Transport and Land Shipping Services Company (a subsidiary) has obtained a loan from Ahli Bank with a ceiling of JD 5,000,000. The loan is repayable in equal monthly installments over a period of 24 months, excluding the term-credit period. The loan was acquired with the personal guarantee of Eng. Ziad Khalaf Mohammad Al Manasseer, the Company and Jordan Modern Ready-Made Concrete Co. (a sister company).

Rajhi Bank-

During the year 2016, the Advanced Transport and Land Shipping Services Ltd. Company (a subsidiary) has obtained a loan from Rajhi Bank amounting to JD 6,000,000. The loan is repayable in monthly installments amounting to JD 166,666 each. The Company has also obtained a revolving loan amounting to JD 2,000,000, which is to be repaid within six months. The loan was acquired with the personal guarantee of the engineer Eng. Ziad Khalaf Mohammad Al Manaseer and pledging trailers to Rajhi Bank.

Capital Bank-

The Jordanian Modern Ready Mix Concrete Company (a subsidiary) signed a loan agreement with Capital Bank for USD 2,197,000 (equivalent to JD 1,557,673). The loan was acquired to finance the purchase and installation of solar cell panels, bearing an annual interest of 4.8% with no commission. Whereas the Bank has restricted an amount of JD 467,302 from the Company's current account, which represents the last installment. The loan is repayable in 96 monthly installments amounting to USD 22,900, except for the last installment, over a period of 9 years, including a one-year grace period. The first installment is repayable after one year from the execution date and is to be repaid over the entire period of the loan and grace period as well. The loan was acquired with the personal guarantee of Eng. Ahmad Khalaf AlManaseer. During 2018, part of the project was completed and the restricted amount of JD 303,152 was paid to reach zero.

(9) DUE TO BANKS

	31 March 2019	31 December 2018
	JD	JD
	(Unaudited)	(Audited)
Arab Bank	5,047,612	5,038,281
Bank of Jordan	3,183,649	3,282,005
Invest Bank	6,723,503	6,650,768
Ahli Bank	724,510	3,020,801
Egyptian Arab Land Bank	1,007,562	1,297,763
Cairo Amman Bank	2,021,824	989,842
Audi Bank	2,896,809	1,999,785
	21,605,469	22,279,245

The bank overdraft ceilings amounted to JD 27,800,000 and bears interest rate ranging from 9% and 9.5%.

(10) REVENUES

	For the three months ended 31 March	
	2019	2018
	JD	JD
	(Unaudited)	(Unaudited)
Segments		
Ready-made concrete	9,717,680	13,152,150
Transport and shipping	5,235,912	8,098,040
Maintenance and spare parts	545,649	1,007,894
Eliminations (transactions between the group)	(2,462,219)	(3,151,261)
	13,037,022	19,106,823

(11) INCOME TAX

No provision for income tax was calculated for the Group for the three-month period ended 31 March 2019 and 2018 due to the excess of deductible expenses over taxable income in accordance with the Income Tax Law No. (38) of 2018 and the Income Tax Law No. (34) of 2014, respectively.

The tax status of the Company and its subsidiaries is as follows:

Afaq Holding for Investment and Real Estate Development Co. PSC

The Company has reached a final settlement up to the year 2017. The Company filed its tax returns for the year 2018. The Income and Sales Tax Department has not reviewed the Company's accounting records up to the date of the interim condensed consolidated financial statements.

Jordan Modern Ready-Made Concrete Co. LLC

The Company has reached a final settlement up to the year 2016. The Company filed its tax returns for the years 2017 and 2018. The Income and Sales Tax Department has not reviewed the Company's accounting records up to the date of the interim condensed consolidated financial statements.

As for the Aqaba Special Economic Zone Authority (ASEZA) branch, the Company has reached a final settlement with Income and Sales Tax Department up to the year 2014 and filed its tax returns for 2015, 2016, 2017 and 2018. The Income and Sales Tax Department has not reviewed the Company's accounting records up to the date of the interim condensed consolidated financial statements.

Advanced Land Transport & Cargo Co. LLC

The Company has reached a final settlement up to the year 2016 and filed its tax returns for the year 2017 and 2018. The Income and Sales Tax Department has not reviewed the Company's accounting records up to the date of the interim condensed consolidated financial statements.

Roaa Maintenance and Spare Parts Co. LLC

The Company has reached a final settlement up to the year 2016 and filed its tax returns for the year 2017 and 2018. The Income and Sales Tax Department has not reviewed the Company's accounting records up to the date of the interim condensed consolidated financial statements.

(12) CONTINGENT LIABILITIES

Bank Guarantees

At 31 March 2019, the Group had letters of guarantees and letters of credit amounting to JD 205,236 (31 December 2018: JD 254,493).

Claims against and by the Group

Claims filed against the Group:

The Group is a defendant in a number of lawsuits amounting to JD 153,848 as at 31 March 2019 (31 December 2018: JD 153,848).

Claims filed by the Group against third parties:

The Group filed claims against third parties in a number of lawsuits amounting to JD 4,148,833 as at 31 March 2019 (31 December 2018: JD 4,148,833).

(13) COMPARATIVE FIGURES

Some of the comparative figures for the period ended 31 March 2018 have been reclassified to correspond with 31 March 2019 presentation with no effect on equity or loss for the period ended 31 March 2018.