



الشركة العربية الدولية للتعليم والاستثمار ش.م.ع

Arab International Co. For Education & Investment P.L.C



رأس المال المدفوع 40500000 دينار أردني - سجل تجاري 208 - Com.Reg:208 Paid Up. Capital: J.D 40,500,000

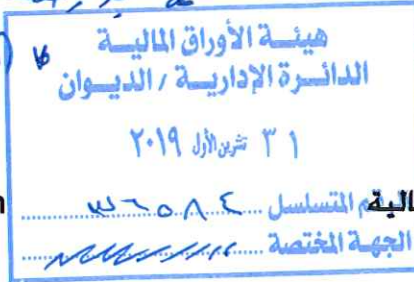
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التاريخ: 2019/10/31

To: Jordan Securities Commission
Amman Stock Exchange



**Subject: Semi- Annual Report as of
30/9/2019**

**الموضوع: التقرير نصف السنوي كما هو في
2019/9/30**

Attached the company's Quarterly
Report of **ARAB INTERNATIONAL
COMPANY FOR EDUCATION &
INVESTMENT** As of 30/9/2019

مرفق طيه نسخة من التقرير الربع السنوي
للشركة العربية الدولية للتعليم والاستثمار

كما هو بتاريخ 2019/9/30

Kindly accept our highly appreciation
and respect

وتفضلوا بقبول فائق الاحترام...

Dr. Haitham Abu-Khadijeh
Vice Chairman of the Board

الدكتور هيثم عبد الله ابو خديجة

نائب رئيس مجلس الإدارة

Attachments:

A copy of the condensed interim financial
statements as of Sep. 30, 2019 for **ARAB
INTERNATIONAL COMPANY FOR EDUCATION &
INVESTMENT** and the report of the accountant on the
review of the condensed interim financial statements
on CD in PDF format.

المرفقات:

نسخة من القوائم المالية المرحلية الموجزة كما في 30 ايلول
2019 للشركة العربية الدولية للتعليم والاستثمار مع تقرير
المحاسب القانوني حول مراجعة القوائم المالية المرحلية الموجزة
على CD بصيغة ملف (PDF).

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**Arab International Company For
Education And Investment
Public shareholding company
Amman - The Hashemite Kingdom of Jordan**

**Condensed interim financial statements
As of September 30, 2019
(Reviewed not audited)**

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Report on the review of the condensed interim financial statements

587 19 03

To the Board of Directors of

Arab International Company for Education and Investment (P.S.C)

Amman - The Hashemite Kingdom of Jordan

Introduction:

We have reviewed the accompanying condensed interim financial statements of **Arab International Company for Education and Investment (P.S.C)** comprising of condensed interim statement of financial position as at September 30, 2019, and the related condensed interim statements of comprehensive income, changes in owners' equity and cash flows for nine months ended September 30, 2019 and the related explanatory notes.

The management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with *IAS 34 –interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review:

We conducted our review in accordance with International Standard on Review 2410 "Review of interim Financial Information Performed by the Independent Auditor of the Entity". A review of the condensed 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. Consequently, it 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 financial statements are not prepared, in all material respects in accordance with IAS 34.

Other matters:

Condensed interim financial statements were prepared for Instructions for listing the stock exchange in the Amman Stock Exchange & for management's purposes.

Al Abbasi & Partners Co.

Nabeel Moh'd Obeidat

License No. 877



Amman in

October 27, 2019

**Arab International Company For
Education And Investment
Public shareholding company
Amman - The Hashemite Kingdom of Jordan
Statement of condensed interim financial position
as of September 30, 2019 (reviewed not audited)**

	<u>Note</u>	<u>30-Sep-2019</u>	<u>31-Dec-2018</u>
<u>Assets</u>		JD	JD
<u>Non - current assets</u>		(Reviewed)	(Audited)
Property , plant & equipments - net	5	32,795,352	34,058,837
Intangible assets - Net		3,663	7,743
Projects under constructions		1,412,034	447,846
Investments in associates	6	49,330,866	50,065,066
Financial assets at fair value through comprehensive income st.		62,400	46,400
Total non - current assets		83,604,315	84,625,892
<u>Current assets</u>			
Cash on hand and at banks		409,985	183,701
Students receivable & cheques under collection & notes receivable- net		3,581,118	2,487,393
Due from related parties	15 A	304,638	396,076
Financial assets at fair value through income		358,694	485,305
Supplies warehouse and other		525,732	441,896
Other debit balances		1,541,571	2,568,992
Total current assets		6,721,738	6,563,363
Total assets		90,326,053	91,189,255

The accompanying notes form from (1) To (18) is an integral part of these statements

**Arab International Company For
Education And Investment**
Public shareholding company
Amman - The Hashemite Kingdom of Jordan
Follow - statement of condensed interim financial position
as of September 30, 2019 (reviewed not audited)

	Note	30-Sep-2019	31-Dec-2018
		JD	JD
<u>Owners' equity and liabilities</u>			
<u>Owners' equity</u>		(Reviewed)	(Audited)
Capital		40,500,000	40,500,000
Statutory reserve		10,125,000	10,125,000
Fair value reserve		(957,344)	370,559
Retained earnings	7	18,476,620	25,314,111
Profit for the period		2,968,761	-
Total owners' equity		71,113,037	76,309,670
<u>Non-current liabilities</u>			
Provision for end of service indemnity	8	319,661	319,661
Total non-current liabilities		319,661	319,661
<u>Current liabilities</u>			
Banks overdraft		8,315,967	6,355,698
Notes and accounts payable		539,769	422,647
Due to related parties	15 B	222,777	289,509
Unearned revenues		6,105,871	2,818,461
Students refundable deposits		203,308	237,939
Income tax provision	9	171,851	1,006,151
Other credit balances		3,333,812	3,429,519
Total current liabilities		18,893,355	14,559,924
Total owners' equity and liabilities		90,326,053	91,189,255

The accompanying notes form from (1) To (18) is an integral part of these statements

**Arab International Company For
Education And Investment**
Public shareholding company
Amman - The Hashemite Kingdom of Jordan
Condensed interim statement of comprehensive income
for the nine months ended September 30, 2019 (reviewed not audited)

	Note	For the nine months ended 30-Sep-2019 JD (Reviewed)	30-Sep-2018 JD (Reviewed)	For the three months ended 30-Sep-2019 JD (Reviewed)	30-Sep-2018 JD (Reviewed)
Revenues		12,502,385	13,862,216	2,829,604	3,024,489
Operating expenses	10	(11,029,887)	(11,595,746)	(3,455,774)	(3,966,144)
Gross profit margin		1,472,498	2,266,470	(626,170)	(941,655)
General & administrative expenses	11	(645,418)	(644,217)	(194,787)	(11,585)
Company's share of associates profit		2,158,734	1,697,248	881,210	(156,315)
Unrealized (loss) from financial assets at fair value through income		(126,610)	(48,797)	(37,128)	24,399
Receivables impairment provision / Credit risks		-	(56,613)	143,414	(15,413)
Finance expenses		(401,508)	(263,511)	(220,227)	(164,529)
Judgment fees		(8,120)	(203,725)	(8,120)	(203,725)
Returned from receivables impairment provision		94,560	-	94,560	-
Other revenues		733,030	654,925	234,082	296,770
Profit for the period before tax		3,277,166	3,401,780	266,834	(1,172,053)
Income tax	9	(308,405)	(370,244)	171,196	204,945
Profit for the period		2,968,761	3,031,536	438,030	(967,108)
<u>Add: other comprehensive income items</u>					
Net changes in fair value for financial assets through comprehensive income statement		(1,327,903)	(658,888)	223,135	(611,226)
Gains from selling financial assets through comprehensive income		(115,966)	(1,774)	-	-
Total comprehensive income for the period		1,524,892	2,370,874	661,165	(1,578,334)
		Fils/Dinar	Fils/Dinar	Fils/Dinar	Fils/Dinar
Basic and diluted earning per share	12	0.073	0.075	0.011	(0.024)

The accompanying notes form from (1) To (18) is an integral part of these statements

**Arab International Company For
Education And Investment
Public shareholding company
Amman - The Hashemite Kingdom of Jordan**

**Statement of condensed interim of changes in owners' equity
for the nine months ended September 30, 2019 (reviewed not audited)**

Description	Retained earnings				Profit of the period				Total retained earnings	
	Capital	Statutory reserve	Fair value reserve *	Realized	Unrealized *	Realized	Unrealized *	Total		Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
For the nine months ended September 30, 2019										
Balance as of January 1, 2019- audited	40,500,000	10,125,000	370,559	14,459,037	10,855,074	-	-	25,314,111	76,309,670	
Prior years' income tax	-	-	-	(503,009)	-	-	-	(503,009)	(503,009)	
Prior years' income tax - associates	-	-	-	-	(143,516)	-	-	(143,516)	(143,516)	
Adjusted opening balances	40,500,000	10,125,000	370,559	13,956,028	10,711,558	-	-	24,667,586	75,663,145	
Total comprehensive income for the period	-	-	(1,327,903)	-	(115,966)	792,110	2,176,651	2,852,795	1,524,892	
Dividends paid to shareholders (Note 7)	-	-	-	(6,075,000)	-	-	-	(6,075,000)	(6,075,000)	
Balance as of September 30, 2019 - reviewed	40,500,000	10,125,000	(957,344)	7,881,028	10,595,592	792,110	2,176,651	21,445,381	71,113,037	
For the nine months ended September 30, 2018										
Balance as of January 1, 2018 - audited	40,500,000	10,125,000	1,305,353	16,303,913	14,358,805	-	-	30,662,718	82,593,071	
Effect of initial application of IFRS 9	-	-	-	(1,190,740)	-	-	-	(1,190,740)	(1,190,740)	
Effect of initial application of IFRS 9 - associates	-	-	-	-	(1,964,024)	-	-	(1,964,024)	(1,964,024)	
Adjusted opening balances	40,500,000	10,125,000	1,305,353	15,113,173	12,394,781	-	-	27,507,954	79,438,307	
Total comprehensive income for the period	-	-	(658,888)	-	(1,774)	1,334,288	1,697,248	3,029,762	2,370,874	
Dividends paid to shareholders	-	-	-	(8,100,000)	-	-	-	(8,100,000)	(8,100,000)	
Balance as of September 30, 2018 - reviewed	40,500,000	10,125,000	646,465	7,013,173	12,393,007	1,334,288	1,697,248	22,437,716	73,709,181	

In accordance with the instructions of Securities Commission , it is prohibited to dispose fair value reserve & Unrealized retained earnings through dividends to shareholders or capitalization or loss amortization or anything else .

The accompanying notes form from (1) To (18) is an integral part of these statements

**Arab International Company For
Education And Investment**
Public shareholding company
Amman - The Hashemite Kingdom of Jordan
Statement of condensed interim of cash flows
for the nine months ended September 30, 2019 (reviewed not audited)

	Note	30-Sep-2019 JD	30-Sep-2018 JD
<u>Cash flows from operating activities</u>			
Profit for the period before tax		3,277,166	3,401,780
Depreciation & amortization		1,751,413	1,845,710
Company's share of associates' (profit)		(2,158,734)	(1,697,248)
Realized loss loss from financial assets at fair value through income statement		126,610	48,797
Impairment debts		-	56,613
Returned from receivables impairment provision		(94,560)	-
Capital loss		(1,862)	2,422
Finance expenses		401,508	263,511
Operating income before changes in working capital		3,301,541	3,921,585
<u>(Increase) decrease in current assets</u>			
Students receivable & cheques under collection & notes receivable		(999,165)	343,433
Due from related parties		(247)	(106,294)
Supplies warehouse and other		(83,836)	(6,042)
Other debit balances		1,027,421	(1,051,083)
<u>Increase (decrease) in current liabilities</u>			
Accounts payable		117,122	46,606
Due to related parties		(66,732)	(201,896)
Unearned revenues		3,287,410	1,818,723
Students refundable deposits		(34,631)	(66,646)
Other credit balances		(95,707)	495,648
Net cash provided from operating activities before paid tax		6,453,176	5,194,034
Paid tax	9	(1,142,705)	(1,554,233)
Prior years' income tax paid		(503,009)	-
Net cash provided from operating activities		4,807,462	3,639,801

The accompanying notes form from (1) To (18) is an integral part of these statements

**Arab International Company For
Education And Investment
Public shareholding company
Amman - The Hashemite Kingdom of Jordan
Statement of condensed interim of cash flows
for the nine months ended September 30, 2019 (reviewed not audited)**

	Note	30-Sep-2019 JD	30-Sep-2018 JD
<u>Cash flows from investing activities</u>			
Acquisitions of property , plant & equipments	5	(484,244)	(673,714)
Acquisitions of intangible assets		-	(375)
Associates' shares purchased	6	(80,000)	(165,360)
Proceeds from sales of prperty , plant & equipments		2,259	940
Paid on projects under construction		(872,503)	(274,449)
Dividends received from associates	6	1,272,448	1,778,177
Proceeds from sales of associates	6	97,101	-
Net cash (used in) provided from investing activities		(64,939)	665,219
<u>Cash flows from financing activities</u>			
Dividends paid to shareholders	7	(6,075,000)	(8,100,000)
Banks overdraft		1,960,269	4,170,979
Finance expenses		(401,508)	(263,511)
Net cash (used in) financing activities		(4,516,239)	(4,192,532)
Net increase in cash		226,284	112,488
Cash on hand and at banks at beginning of period		183,701	202,624
Cash on hand and at banks at end of period		409,985	315,112

The accompanying notes form from (1) To (18) is an integral part of these statements

**Arab International Company For
Education And Investment
Public shareholding company
Amman - The Hashemite Kingdom of Jordan**

Notes to the condensed interim financial statements - reviewed not audited

1- Company's registration and objectives

The **Arab International Company For Education And Investment** was established & registered as a public shareholding company under number (208) on **November 20, 1991** , the company operates its educational activities through the **Applied Science University** , which started teaching as of **October 13, 1991**.

One of company's main objectives is to found and establish a private university to accommodate students from Jordan and abroad and prepare them as specialists at the university level in the technological fields mainly inlaid with human and social studies that can contribute to meet the needs of the Kingdom and neighbouring Arab countries .

It also aims to establish a number of centers and institutes for the rehabilitation of students enrolled to a leading positions in various scientific , training and performance fields .

The company may, in order to achieve its objectives directly , carry out all the investment activities required by its business and its interest in selling, buying, owning, brokering , lending , borrowing , pledging and lending . The company may also have an interest to participate in any way in the bodies and institutions that cooperate to achieve its objectives in The Hashemite Kingdom of Jordan or outside .

The condensed interim financial statements were approved by the board of directors at its meeting held on **October 27, 2019**, these financial statements aren't subject to the approval of the general assembly of shareholders .

2- Significant accounting policies

Basis of preparation of interim financial statements

These condensed interim financial statement have been prepared in accordance with international accounting standards ((IFRS) IAS 34))(Interim Financial Reporting).

The condensed interim financial statements are presented in Jordanian Dinars (JOD) which is the company's presentation functional currency .

The condensed interim financial statements have been prepared on historical cost except financial assets and liabilities which appears on fair value.

These condensed interim financial statements do not include all the information required for a complete set of IFRS financial statements, However , selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the company's financial position and performance since the last annual report of financial statements as of **December 31, 2018**, in addition, The results for the nine months period ended **September 30, 2019** are not necessarily indicative of the results that may be expected for the financial year ending **December 31, 2019** , and no appropriation was made for the three months profit ended **June 30, 2019** since it made at the year-end .

**Arab International Company For
Education And Investment
Public shareholding company
Amman - The Hashemite Kingdom of Jordan**

Notes to the condensed interim financial statements - reviewed not audited

3- Use of estimates

The preparation of the condensed interim 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 and expenses and the resultant provisions and particular, considerable judgement by management is required in the estimation of the amount and timing of future cash flows. 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 change in such provisions.

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

- Management evaluates its investments for impairment on a regular basis where there is a prolonged decline, Management estimates the value of impairment and the same is charged in the statement of condensed interim comprehensive income - An estimate of the collectible amount of trade accounts receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on historical recovery rates.
- Inventories are held at the lower of either cost or net realizable value. When inventories become old or obsolete, an estimate is made of their realizable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of aging or obsolescence, based on historical selling prices.
- Management reviews periodically the tangible and intangible assets in order to assess the amortization and depreciation for the year based on the useful life and future economic benefits. Any impairment is taken to the statement of condensed interim comprehensive

4- Changes in accounting policies

Accounting policies followed in condensed interim financial statements' preparation for this period are consistent with the policies followed the last year, Except for the Company's application of the following Standards effective for annual periods beginning on 1 January 2019:

IFRS 16 "Leases"

IFRIC 23 on uncertainties about tax treatment.

Amendments to IFRS 9 Financial Instruments, Advantages of Prepayments with Negative Compensation.

Amendments to IAS 28 Investments in Associates and Joint Ventures, long-term shares in associates and joint ventures.

Amendments to IAS 19 Employee awards, modification, reduction or settlement of the plan.

Amendments to different standards based on annual improvements to IFRS 2015-2017.

Arab International Company For

Education And Investment

Public shareholding company

Amman - The Hashemite Kingdom of Jordan

Notes to the condensed interim financial statements - reviewed not audited

Effective for year beginning 1 January 2020

Amendments to references to conceptual framework in IFRS standards

Effective for year beginning 1 January 2021

IFRS 17 "Insurance Contracts

Effective date deferred indefinitely / available for optional adoption

Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" on sale or contribution of assets between an investor and its associate or joint venture

According to management opinion not to adopt the new and revised IFRSs and improvements to IFRSs has an important impact on the interim condensed financial statements.

Arab International Company For
Education And Investment
Public shareholding company
Amman - The Hashemite Kingdom of Jordan

Notes to the condensed interim financial statements - reviewed not audited

5- Property, plant & equipments - Net

A. This item consists of the following :

	Buildings & constructions		Laboratory & office equipment & machines		Furniture & fixtures		Scientific research instrument - solar energy		Cars & buses		Books & periodicals		Tools & equipments		Laboratory equipments		Educational tools & clarification		Power plant		Others		Irrigation networks		Parking		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Cost																												
Balance beginning of the period	10,145,305	41,666,231	13,847,531	4,584,760	2,792,365	2,608,798	3,224,350	267,928	103,075	327,058	151,191	54,877	15,081	112,828	79,901,378													
Additions	-	1,700	226,969	44,102	121,178	9,050	43,186	4,583	10,193	-	-	-	23,283	-	484,244													
Disposals	-	-	(1,371)	(1,965)	-	-	-	-	-	-	-	-	-	-	(3,336)													
Balance ending of the period	10,145,305	41,667,931	14,073,129	4,626,897	2,913,543	2,617,848	3,267,536	272,511	113,268	327,058	151,191	54,877	38,364	112,828	80,382,286													
Accumulated depreciations																												
Balance beginning of the period	-	22,697,548	12,454,304	4,179,817	771,400	2,393,090	2,465,569	228,948	103,042	325,017	151,184	50,454	15,074	7,094	45,842,541													
Additions	-	978,894	333,950	82,335	216,574	62,877	46,848	10,242	229	1,511	-	1,181	-	12,693	1,747,334													
Disposals	-	-	(1,223)	(1,718)	-	-	-	-	-	-	-	-	-	-	(2,941)													
Balance ending of the period	-	23,676,442	12,787,031	4,260,434	987,974	2,455,967	2,512,417	239,190	103,271	326,528	151,184	51,635	15,074	19,787	47,586,934													
Net book value as of September 30, 2019 (Reviewed)	10,145,305	17,991,489	1,286,098	366,463	1,925,569	161,881	755,119	33,321	9,997	530	7	3,242	23,290	93,041	32,795,352													
Net book value as of December 31, 2018 (Audited)	10,145,305	18,968,683	1,393,227	404,943	2,020,965	215,708	758,781	38,980	33	2,041	7	4,423	7	105,734	34,058,837													

B. Cost of depreciated property , plant & equipments JD 28,92,315 as of September 30, 2019 (JD 26,524,362 as of December 31, 2018)

**Arab International Company For
Education And Investment
Public shareholding company
Amman - The Hashemite Kingdom of Jordan**

Notes to the condensed interim financial statements - reviewed not audited

6- Investments in associates

A. This item consists of :

	Number of shares	Ownership rate %	Market value	30-Sep-2019		31-Dec-2018	
				Fair value		Fair value	
	Share		JD	JD (Reviewed)	JD (Audited)		
<u>National</u>							
<u>Public shareholding companies (listed)</u>							
Arab Int'l Food & Factories & Investments Co.	4,856,545	46.252	6,167,812	9,959,267		10,724,365	
International Co. for Medical Investments	2,070,588	46	1,904,941	927,891		1,062,272	
Etihad Schools Co.	6,246,489	41.643	6,184,024	7,572,117		7,611,435	
First Finance Co.	8,062,863	23	4,515,203	10,362,958		10,182,560	
Jordanian Real Estate Co. For Development	5,582,601	16.181	2,121,388	5,560,071		5,586,692	
Ibn Alhaytham Hospital Co.	9,737,443	48.687	9,542,694	10,125,769		9,776,558	
Contemporaries Co. for Housing projects	580,924	8.334	424,075	700,900		667,650	
Total			30,860,137	45,208,973		45,611,532	
<u>Limited liability companies (unlisted)</u>							
Alomana' for Investment & portfolio management	3,732,424	41.471	-	3,627,947		3,942,487	
Trans World Information Technology Co. *	45,810	44.911	-	407,446		407,446	
University Scientific Research Co. *	6,000	20	-	6,000		6,000	
Jordanian Consultative Center for Administrative Development & Capacity Building *	500	50	-	500		500	
Applied Energy Company*	100,000	40	-	80,000		-	
Total			-	4,121,893		4,356,433	
<u>International</u>							
<u>Limited liability companies (unlisted)</u>							
Arab Int'l Co. for Education & Investments - Maskat	-	-	-	-		97,101	
Total			-	-		97,101	
Total				49,330,866		50,065,066	

* Have not been assessed in accordance with the equity method because no interim financial statements have been issued.

B. The Company owns shares of **1,196,727** shares in Amanah Agricultural and Industrial Investments Company - a public joint stock company (an associate). The Company has created a provision for impairment in full value during the previous years.

**Arab International Company For
Education And Investment
Public shareholding company**

Amman - The Hashemite Kingdom of Jordan

Notes to the condensed interim financial statements - reviewed not audited

6- Investments in associates - follow

C. The following summary of assets, liabilities, revenues and companys' share of associates P/L :

Activity	Assets	Liabilities	Revenues	Companies' share of associates P/L
	JD	JD	JD	JD
<u>National</u>				
<u>Public shareholding companies (listed)</u>				
Arab Int'l Food & Factories & Investments Co.	21,663,372	131,218	1,115,691	436,585
Inernational Co. for Medical Investments	2,743,704	727,121	60,935	(17,917)
Etthihad Schools Co.	27,060,852	8,877,443	5,739,255	351,162
First Finance Co.	58,916,190	13,932,215	3,806,737	593,380
Jordanian Real Estate Co. For Development	35,924,745	1,563,016	640,955	23,426
Ibn Alhaytham Hospital Co.	29,491,559	8,693,873	11,902,885	583,626
Contemporaries Co. for Housing prjects**	7,773,029	533,827	2,804,238	33,249
Total	183,573,451	34,458,713	26,070,696	2,003,511
<u>Limited liability companies (unListed)</u>				
Alomana' for Investment & portfolio management	9,935,167	1,187,013	672,630	155,223
Trans World Information Technology Co. *	-	-	-	-
University Scientific Research Co. *	-	-	-	-
Jordanian Consultative Center for Administrative				
Development & Capacity Building *	-	-	-	-
Applied Energy Company	-	-	-	-
Total	9,935,167	1,187,013	672,630	155,223
Total	193,508,618	35,645,726	26,743,326	2,158,734

* Financial information are not available according to not issueing interim financial statements as of September 30, 2019.

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6- Follow - Investment in associates

D- Transaction of investment in associates during the period represents of :

	<u>30-Sep-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
Balance beginning of the period / year	50,065,066	53,401,917
Company's share of associates profit	2,158,734	1,487,807
Net changes in fair value for associates	(1,343,903)	(918,793)
Dividends received from associates	(1,272,448)	(1,778,177)
Associates' shares purchased	80,000	85,360
(Loss) from selling financial assets through comprehensive income	(115,966)	(1,791)
Prior years' income tax	(143,516)	(46,013)
Effect of initial application of IFRS 9	-	(2,165,244)
Proceeds from sales of associates	(97,101)	-
Balance ending of the period / year	49,330,866	50,065,066

E- For purposes of company's membership in the associates board of directors and other purposes for Security Depository Center , the number of share reserved as follows:

		<u>30-Sep-2019</u>	<u>31-Dec-2018</u>
	No. of shares	Market Value	
	Share	JD	JD
		(Reviewed)	(Audited)
Arab Int'l Food & Factories & Investments Co.	5,000	6,350	7,800
Inernational Co. for Medical Investments	20,000	18,400	33,000
Ettihad Schools Co.	20,000	19,800	31,400
First Finance Co.	50,000	28,000	24,000
Jordanian Real Estate Co. For Development	5,000	1,900	1,950
Ibn Alhaytham Hospital Co.	20,000	19,600	20,000
Total		94,050	118,150

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7- Retained earnings

A. This item consists of :

	30-Sep-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Retained earnings at beginning of the period / year	25,314,111	30,662,718
Amendments to initial application of IFRS 9	-	(1,072,365)
Amendments to initial application of IFRS 9 - Associates	-	(2,165,244)
Prior years' income tax	(503,009)	(46,013)
Prior years' income tax - associates	(143,516)	-
Adjusted opening balance	24,667,586	27,379,096
Profit for the year	-	6,036,806
(Loss) from selling financial assets through comprehensive income	(115,966)	(1,791)
Dividends paid to shareholders	(6,075,000)	(8,100,000)
Retained earnings at ending of the period / year	18,476,620	25,314,111
<u>It's distributed as follows:</u>		
Retained earnings from realized profit	7,881,028	14,459,037
Retained earnings from unrealized profit	10,595,592	10,855,074
Total	18,476,620	25,314,111

B. The general assembly decided in its meeting held on **April 27, 2019** to distribute cash dividends for the year **2018** at the rate of **15%** of capital, amounted of **JD 6,075,000** .

8- Provision for end of service indemnity

Transaction of provision of end of service indemnity during the period represents of :

	30-Sep-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Balance beginning of the period/year	319,661	357,559
Addition for the period/year	-	25,345
Paid during the period/year (returned to income statement)	-	(63,243)
Balance ending of the period/year	319,661	319,661

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9- Income tax provision

A. Transaction of income tax provision during the period represents of :

	<u>30-Sep-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
Balance beginning of the period/year	1,006,151	1,372,028
Tax of the period/year (Note 9 C)	308,405	1,188,356
Paid tax during the period/year	(960,000)	(1,372,028)
Semi annual income tax paid	(182,705)	(182,205)
Balance ending of the period/year	171,851	1,006,151

B. Income tax was accepted up to the year **2018** according to the sampling system

C. Reconciliation of taxable income

	<u>30-Sep-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
Recorded profit	3,277,166	7,225,162
Non-taxable income	(2,253,294)	(1,586,852)
Non-taxable expenses	444,722	303,469
Taxable income	1,468,594	5,941,779
Income tax rate	20%	20%
Income tax for the period / year	293,719	1,188,356
National contribution accountt (1% of taxable income)	14,686	-
Total income tax	308,405	1,188,356

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10- Operating expenses

A. This item consists of :

	30-Sep-2019	30-Sep-2018
	JD	JD
Employees costs (Note 10 B)	6,191,825	6,767,037
Teaching, research, scholarship and students activities needs	1,166,747	1,253,331
Depreciations & amortizations	1,727,921	1,799,646
Students medical insurance	110,528	72,919
Water, electricity & fuel	823,516	803,177
College accreditation fees	231,238	79,750
Maintenance	170,071	260,200
Insurance and licenses	116,607	115,734
Stationary , printing and computers' needs	57,109	76,091
Advertising , newspapers & magazines	106,715	81,906
Entertainment , cleaning & donations	153,644	50,872
University Proficiency Exam Fees and Certification Course Fees	12,065	12,885
Communications and post	47,971	42,170
Trustees board transportations	38,250	40,976
Professional fees & sues	56,515	108,131
Value bag expenses	-	15,450
Others	19,165	15,471
Total	11,029,887	11,595,746

B. Employees costs (operating)

This item consists of :

	30-Sep-2019	30-Sep-2018
	JD	JD
Salaries , wages and bonuses	5,448,954	5,992,226
Company's share of social security	643,332	678,024
Medical insurance	89,956	84,441
Clothes & protective materials	9,583	12,346
Total	6,191,825	6,767,037

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Notes to the condensed interim financial statements - reviewed not audited

11- General and administrative expenses

A. This item consists of :

	<u>30-Sep-2019</u>	<u>30-Sep-2018</u>
	JD	JD
Employees costs (Note 11 B)	433,964	450,420
Water, electricity & fuel	5,100	4,280
Insurance and licenses	21,792	20,326
Maintenance	1,163	3,986
Entertainment , cleaning & donations	1,367	700
Advertising , newspapers & magazines	2,089	506
Board of directors transportations	27,000	26,733
Communications and post	9,476	11,536
Stationary , printing and computers' needs	3,494	4,891
Depreciations & amortizations	23,492	12,411
Rents	33,606	43,678
Income tax	82,875	64,750
Total	645,418	644,217

B. Employees costs (administrative)

This item consists of :

	<u>30-Sep-2019</u>	<u>30-Sep-2018</u>
	JD	JD
Salaries , wages and bonuses	409,510	423,008
Company's share of social security	14,416	13,327
Medical insurance	10,038	14,085
Total	433,964	450,420

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12- Basic and diluted earning per share

This item consists of :

	30-Sep-2019	30-Sep-2018
	JD	JD
Profit of the period after tax (JD)	2,968,761	3,031,536
Weighted average shares (share)	40,500,000	40,500,000
Basic and diluted earning per share	0.073	0.075

The diluted earning per share is equal to the basic earning per share .

13- Contingent liabilities

At the date of financial statements there were contingent liabilities represented of :

	30-Sep-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Banks guarantees	1,761,876	1,761,025
Total	1,761,876	1,761,025

14- Issues

There are cases filed by the company against third parties with a value of JD **1,831,341**, including cases filed against the Ministry of Higher Education and Scientific Research. Transfer it to the Scientific Research Fund. The purpose of this is to prevent a claim for payment of JD **1,626,256** on the grounds that this amount is in excess of the percentage allocated for the purposes of scientific research and fielding for previous years and the company should transfer it to the Scientific Research Fund.

There are lawsuits filed by third parties against the company amounting to JD **1,532,861** and include a case worth JD 1 million filed by Azmi Shaaban in his personal capacity against Amana for Agricultural Investments company and its board of directors members. Where he lent the company the amount of one million Jordanian dinars, the Arab International Company for Education and Investment is a member of the board of directors of the company.

The members of the Board have signed a guarantee to pay the premiums of the loan granted to the company and the member representing the Arab International Company for Education and Investment exceeded the limits of his mandate to represent the company in the board. The Court of First Instance issued a decision to dismiss the lawsuit from the Arab Company for Education and Investment and obliged the company's representative in the Board in his personal capacity to a share of the amount of JD **748,000** (representing the remaining amount of the loan granted). The decision was appealed and the Court of Appeal issued a decision to commit the Arab International Company for Education and Investment to its share of the amount of JD **124,666** and the case is currently pending before the Court of Cassation, and the rest of the cases filed against the company, mostly labor cases.

In the opinion of the legal advisor of the company, the result of these cases will be in favor of the company, and adequate provisions have been made to them in the financial statements.

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Notes to the condensed interim financial statements - reviewed not audited

15- Related parties transactions

Realated parties include key shareholders , key management personnel , key managers , associates and subsidiaries and controlled companies . The company's management has approved the pricing policies and terms of transactions with related parties.

A. Details of due from related parties appear on financial position

	Type of transaction	30-Sep-2019 JD (Reviewed)	31-Dec-2018 JD (Audited)
<u>Associates</u>			
Arab Int'l Food & Factories & Investments Co.	Expenses	31,908	30,972
International Co. for Medical Investments	Exp. & property	179,611	178,912
Ettihad Schools Co.	Expenses	73,404	74,642
Jordanian Real Estate Co. For Development	Expenses	19,716	19,866
University Scientific Research Co.	Finance	8,132	8,132
Jordanian Consultative Center for Administrative Development & Capacity Building	Finance	86,500	86,500
Total		399,271	399,024
Deduct : provision for related parties impairment debts		(94,633)	(94,633)
Net		304,638	304,391

B. Details of due to related parties appear on financial position

	Type of transaction	30-Sep-2019 JD (Reviewed)	31-Dec-2018 JD (Audited)
<u>Associates</u>			
Arab Int'l Co. for Education & Investments - Maskat	Finance	-	91,958
Trans World Information Technology Co.	Softwares	88,756	88,830
Ibn Alhaytham Hospital Co.	Treatments	133,206	108,271
First Finance Co.	Expenses	815	450
Total		222,777	289,509

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15- Follow - related parties transactions

C. Details related parties balances appear on statement of income

	Type of transaction	<u>30-Sep-2019</u> JD	<u>30-Sep-2018</u> JD
<u>Associates</u>			
Ibn Alhaytham Hospital Co.	Treatments	209,821	460,215
Ettihad Schools Co.	Expenses	-	35,440

D. Wages , allowances and other benefits for senior excutive managements :

	<u>30-Sep-2019</u> JD	<u>30-Sep-2018</u> JD
Wages & other benefits	548,830	534,944

16- Risk management

Company is facing finance , credit , liquidity and market risks , in general the main objectives and policies of company in finance risk management which financial statement is faced , it is similar to what declared in financial statements on **December 31, 2018**.

17- Subsequent events

There are no subsequent events may have material affects to financial position .

18- Comparative figures

Certain comparative figures were reclassified to conform with the presentation of the current period.