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التاريخ : ٢٠١٩/١١/٢١
السادة : السيد

الرقم : 85/1/2/102

<p>To: Jordan Securities Commission Amman Stock Exchange Date: 21/11/2019 Subject: Quarterly Report as of 30/9/2019</p>	<p>السادة هيئة الأوراق المالية السادة بورصة عمان التاريخ: 2019/11/21 الموضوع: التقرير ربع السنوي كما هي في 2019/9/30</p>
<p>Attached the Quarterly Report of Jordan International Investment Co. as of 30/09/2019 In English.</p>	<p>مرافقكم عليه نسخة من البيانات المالية ربع السنوية لشركة الأردن الدولية للاستثمار كما هي بتاريخ 2019/9/30 باللغة الإنجليزية.</p>
<p>Kindly accept our highly appreciation and respect</p> <p> Sami Gammoh Chairman</p>	<p>وتفضلوا بقبول فائق الاحترام،،،</p> <p> سامي قموه رئيس مجلس الإدارة</p>



**JORDAN INTERNATIONAL INVESTMENT COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN
CONSOLIDATED CONDENSED INTERIM FINANCIAL
INFORMATION FOR THE NINE-MONTH PERIOD
ENDED SEPTEMBER 30, 2019**

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

**JORDAN INTERNATIONAL INVESTMENT COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN**

FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2019

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

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

**To Chairman and the Members of Board of Directors
Jordan International Investment Company
(Public Shareholding Limited Company)
Amman – Jordan**

We have reviewed the accompanying consolidated condensed interim financial information of **Jordan International Investment Company – Public Shareholding Limited Company- and its subsidiary (“the Group”)** which comprise consolidated condensed interim statement of financial position as at September 30, 2019 and the related consolidated condensed interim statements of profit or loss and other comprehensive income, changes in equity and cash flows for the nine month period then ended and the notes about consolidated condensed interim financial information. The Group’s management is responsible for the preparation and fair presentation of this consolidated condensed interim financial information in accordance with International Accounting Standard number (34) “Interim Financial Reporting”. Our responsibility is to express a conclusion on this consolidated condensed interim financial information 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 consolidated 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 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 consolidated condensed interim financial information as at September 30, 2019 is not prepared, in all material respects, in accordance with International Accounting Standard number (34) “Interim Financial Reporting”.

Other Matter

This financial information is a translated copy to the English language of the original consolidated condensed interim financial information issued in Arabic language.

**Kawasmy and Partners
KPMG**

Hatem Kawasmy
License no. (656)



Amman - Jordan
October 30, 2019

KPMG Kawasmy & Partners Co., a registered Jordanian partnership under No. (226),
is a member firm of KPMG International, a Swiss cooperative

JORDAN INTERNATIONAL INVESTMENT COMPANY
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

<i>In Jordanian Dinars</i>		As of September 30, 2019 (Reviewed not audited)	As of December 31, 2018 (Audited)
	Note		
Assets			
Current Assets			
Cash at vaults and at banks	5	496,999	1,701,022
Cheques under collection		-	9,305
Trade and other receivables	6	95,526	90,373
Financial assets at fair value through statement of other comprehensive income	7	110,452	134,750
Financial assets at fair value through statement of Profit or Loss	8	1,185,106	-
Due from related party	12-1	19,428	-
Total Current Assets		1,907,511	1,935,450
Non-Current Assets			
Investment in properties - Net	9	7,533,639	7,543,045
Deferred tax assets	11-B	44,214	33,661
Property and equipment - Net		26,146	28,535
Total Non-Current Assets		7,603,999	7,605,241
Total Assets		9,511,510	9,540,691
Liabilities and Equity			
Current Liabilities			
Accounts payable and other credit balances	10	82,265	81,557
Income tax provision	11-B	2,336	20,059
Total Current Liabilities		84,601	101,616
Equity			
Paid-up capital	1	10,000,000	10,000,000
Statutory reserve		47,346	47,346
Special reserve		2,225	2,225
Financial assets valuation reserve		(49,317)	(45,856)
Accumulated (losses)		(573,345)	(564,640)
Total Owner's Equity		9,426,909	9,439,075
Total Liabilities and Owner's Equity		9,511,510	9,540,691

The companying notes on pages (6) to (16) are an integral part of this consolidated condensed interim financial information and should be read with it and with the review report.

The consolidated condensed interim financial information were approved by the Board of Directors on its meeting held on October 30, 2019 and were approved by:

Chairman of Board of Directors

Financial Manager

JORDAN INTERNATIONAL INVESTMENT COMPANY
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME (REVIEWED NOT AUDITED)**

<i>In Jordanian Dinars</i>	<i>Note</i>	For the Three-Month Period Ended September 30,		For the Nine-Month Period Ended September 30,	
		2019	2018	2019	2018
Rentals revenue – net		1,749	2,625	6,999	8,333
Revenue from sale of Investment in property		-	159,164	-	201,785
Interest Revenue		10,789	14,636	54,922	40,496
Other (expenses) revenues – net		1,978	(1,140)	(924)	2,031
Net gain of financial assets through statement of profit or loss		(17,701)	-	15,483	-
Total Revenue		(3,185)	175,285	76,480	252,645
General and Administrative expenses		(23,489)	(30,827)	(85,241)	(89,306)
(Loss) Profit for the period before income tax		(26,674)	144,458	(8,761)	163,339
Income tax saving (expense) for the period	11-C	2,768	(18,584)	5,776	(18,584)
Net (Loss) Income for the Period		(23,906)	125,874	(2,985)	144,755
Other Comprehensive Income Items that will Never be Reclassified to Consolidated Condensed Interim Statement of Profit or Loss:					
Net change in fair value reserve on financial assets – Net after tax		(3,899)	(3,463)	(9,236)	(7,338)
Gain from sale of financial assets through statement of other comprehensive income		-	-	55	-
Total Other Comprehensive Loss Items		(3,899)	(3,463)	(9,181)	(7,338)
Total Comprehensive (Loss) Income for the Period		(27,805)	122,441	(12,166)	137,417
Basic and diluted (loss) earnings per share for the period (JOD / share)	13	(0.0024)	(0.0126)	(0.0003)	0.0145

The companying notes on pages (6) to (16) are an integral part of this consolidated condensed interim financial information and should be read with it and with the review report.
The consolidated condensed interim financial information were approved by the Board of Directors on its meeting held on October 30, 2019 and were approved by:

Chairman of Board of Directors

Financial Manager

**JORDAN INTERNATIONAL INVESTMENT COMPANY
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CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (REVIEWED NOT AUDITED)

	Financial					Total
	Paid-up capital	Statutory reserve	Special reserve	asset valuation reserve	Accumulated losses	Owner's equity
<i>In Jordanian Dinars</i>						
For the Nine-Month Period Ended September 30, 2019						
Balance as at January 1, 2019	10,000,000	47,346	2,225	(45,856)	(564,640)	9,439,075
Net (loss) for the period	-	-	-	-	(2,985)	(2,985)
Net change in financial assets valuation reserve – net after tax	-	-	-	(9,236)	-	(9,236)
Realized gain from sale of financial assets through statement of other comprehensive income	-	-	-	5,775	(5,720)	55
Total comprehensive (loss) for the period	-	-	-	(3,461)	(8,705)	(12,166)
Balance as of September 30, 2019	10,000,000	47,346	2,225	(49,317)	(573,345)	9,426,909
For the Nine-Month Period Ended September 30, 2018						
Balance as at January 1, 2018	10,000,000	29,806	2,225	(23,539)	(704,391)	9,304,101
Profit for the period	-	-	-	-	144,755	144,755
Net change in financial assets valuation reserve	-	-	-	(7,388)	-	(7,338)
Total comprehensive income for the period	-	-	-	(7,388)	144,755	137,417
Balance as of September 30, 2018	10,000,000	29,806	2,225	(30,877)	(559,636)	9,441,518

The accompanying notes on pages (6) to (16) are an integral part of this consolidated condensed interim financial information and should be read with it and with the review report.

JORDAN INTERNATIONAL INVESTMENT COMPANY
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CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (REVIEWED NOT AUDITED)

<i>In Jordanian Dinars</i>	<u>Note</u>	For the Nine Month Period Ended September 30,	
		2019	2018
Cash flows from operating activities			
(Loss) Profit for the period before income tax		(8,761)	163,339
Adjustments:			
Interest revenue		(54,922)	(40,496)
Depreciation expense of property and equipment and investment in properties		11,983	12,202
(Gain) from sale of real estate investments		-	(201,785)
(Gain) on sale of financial assets through statement of profit or loss		(15,483)	-
Net cash flows (used in) operating activities before changes in working capital items		(67,183)	(66,740)
Changes in:			
Cheques under collection		9,305	(20,000)
Trade and other receivables		(8,176)	(6,941)
Due from related party		(19,428)	404
Accounts payable and other credit balances		708	(5,954)
Net cash flows (used in) operating activities before income tax paid		(84,774)	(99,231)
Income tax paid	11	(20,059)	-
Net cash flows (used in) operating activities		(104,833)	(99,231)
Cash flows from investing activities			
Proceeds from sale of investment in properties		-	779,159
(Purchase) of financial assets at fair value through other comprehensive income		(20,993)	(18,700)
(Purchase) of financial assets at fair value through statement of profit or loss		(1,835,181)	-
(Purchase) of property and equipment		(188)	-
Proceeds from sale of financial assets at fair value through statement of other comprehensive income		14,669	-
Proceeds from sale of financial assets at fair value through statement of profit or loss		677,058	-
Bank Interest received		57,945	40,496
Dividends from financial assets at fair value through other comprehensive income		7,500	-
Net cash flow (used in) from investing activities		(1,099,190)	800,955
Net changes in cash at vaults and at banks during the period		(1,204,023)	701,724
Cash at vaults and at banks at the beginning of the period		1,701,022	970,758
Cash at Vaults and at Banks at the End of the Period		496,999	1,672,482

The companying notes on pages (6) to (16) are an integral part of this consolidated condensed interim financial information and should be read with it and with the review report.

**JORDAN INTERNATIONAL INVESTMENT COMPANY
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NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

1) GENERAL

- A- The Company was established as a Jordanian Public Shareholding Limited Company and registered at the Companies Controller Department under Number (412) on July 13, 2006. The Company is the result of the merger between Jordan International Industries Company, a Public Shareholding Limited Company, and the Jordan International Company for Tourism and Real Estate Investments, a Limited Liability Company. The Company's paid-up capital amounted to JOD 10 million, distributed among by 10 million shares at a par value of one Jordanian Dinar per share.
- Jordan International Insurance Company has 90.90% ownership of the Company's shares which is a Public Shareholding Limited Company.
- B- The Company's main objectives are:
- Acquiring lands and establishing industrial projects, crafts estates, housing cities, touristic hotels and residential buildings.
 - Dealing in movable and immovable properties according to the applicable laws and regulations.
 - Obtaining and implementing commercial agencies and carrying out brokerage activities.
 - Importing, exporting, marketing and distributing all types of commodities by all means.
 - Establishing, purchasing, and fully or partially owning any company, corporation, goodwill, or trade name, whether local or international.
 - Establishing and licensing car park lots.

The Company is located in Zahran – Amman - Hashemite Kingdom of Jordan.

- C- The Board of Directors approved the consolidated condensed interim financial information on October 30, 2019.

2) BASIS OF PREPARATION OF CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

a) Statement of compliance

- The consolidated condensed interim financial information has been prepared in accordance with IAS (34) "Interim Financial Reporting" in which selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended December 31, 2018.
- This consolidated condensed interim financial information does not include all the information required for full annual consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS). This consolidated condensed interim financial information should be read with the consolidated financial statements for the year ended December 31, 2018. As well as the financial performance for the period ended September 30, 2019 does not necessarily give an indication for the expected financial performance for the year that will be ending on December 31, 2019. In addition, no appropriation has been made on the profit (loss) for the period to reserves, which will be accounted for in the annual consolidated financial statements at the end of the year 2019.

b) Basis of measurement

The consolidated condensed interim financial information has been prepared on the historical cost basis except for the financial assets at fair value through profit or loss and financial assets at fair value through statement of other comprehensive income measured at fair value, financial assets and financial liabilities at amortized cost.

c) Functional and presentation currency

The consolidated condensed interim financial information is presented in Jordanian Dinar, which is the Group's functional and presentation currency.

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NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

d) Basis of consolidated condensed interim financial information

The consolidated condensed interim financial information includes the consolidated condensed interim financial information for the Company and its following subsidiary, after the elimination of transactions and balances between them, the Company has the following subsidiary as of September 30, 2019:

<u>Company Name</u>	<u>Paid up Capital</u>	<u>Ownership Percentage</u>	<u>Nature of operation</u>	<u>Operation country</u>	<u>Date of acquisition</u>
Tellal Salem Real Estate Industrial Company	150,000	99.9%	Investment in properties	Jordan	2012

The following is the most important information about the subsidiary as of September 30, 2019 and 2018:

<u>As of September 30, 2019</u>				
<u>In Jordanian Dinars</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Revenue</u>	<u>Expenses</u>
Tellal Salem Real Estate Industrial Company	392,446	155,741	15,314	4,080
<u>As of September 30, 2018</u>				
<u>In Jordanian Dinars</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Revenue</u>	<u>Expenses</u>
Tellal Salem Real Estate Industrial Company	719,715	481,602	94,565	1,687

The Group accounts for business combinations of a subsidiary in the consolidated condensed interim statement of profit and loss and other comprehensive income starting from the date of the acquisition which is the date when control is transferred to the Group.

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment.

Any gain on bargain purchases is recognized in the consolidated condensed interim statement of profit or loss and other comprehensive income immediately. Transactions costs are expensed as incurred in the consolidated condensed interim statement of profit or loss and other comprehensive income except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationship. Such amounts are generally recognized in the consolidated condensed interim statement of profit or loss and other comprehensive income.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as shareholders' equity, then it is not re-measured and settlement is accounted for within Shareholder's equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in the consolidated condensed interim statement of profit or loss and other comprehensive income.

Non-controlling interest are measured at their proportionate share of the acquiree identifiable net assets at the acquisition date.

On the loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in the consolidated condensed interim statement of profit or loss and other comprehensive income.

Balances, transactions and unrealized profits and expenses resulted from transactions within the Group are eliminated when preparing these consolidated condensed interim financial information.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

e) Use of judgments and estimates

- These consolidated condensed interim financial information have been prepared in accordance with IAS 34, "interim financial reporting" which requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.
- In preparing these consolidated condensed interim financial information, significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended December 31, 2018 and they are reasonable and sufficient based on management's opinion.

3) CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the consolidated condensed interim financial statement are consistent with those adopted for the year ended December 31, 2018 except for the following new and adjusted standards, which became applicable in January 1st, 2019 as follow:

- IFRS 16 Leases. (Applicable from January 1, 2019 with early implementation)
- IFRIC 23 Uncertainty of Income Tax Processes. (Applicable from January 1, 2019)
- Amendments to IFRS 9 "Pre-payment Features with Negative Compensation". (Applicable from January 1, 2019)
- Amendments to IAS 19 Amendments to the Plan, Amortization or Settlement. (Applicable from January 1, 2019)
- Annual improvements to IFRS 2015-2017 (Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23).

The adoption of the above standards did not significantly affect the amounts or disclosures in this condensed consolidated interim financial information, and below is the details for the applied standards:

IFRS (16) "Leases"

IFRS 16 was issued on January 2016 and is effective for financial periods beginning on or after January 1, 2019. IFRS 16 provides that all leases and associated contractual rights and obligations shall generally be recognized in the financial position of the Group, unless the period is 12 months or less or a lease for low-value assets. Accordingly, the classification required under IAS 17 "Leases" in operating or finance leases has been canceled for lessors. For each lease, the lessee recognizes a liability for future lease commitments. In contrast, the right to use the leased asset is capitalized, which is generally equivalent to the present value of future lease payments plus directly attributable costs that are amortized over the useful life.

The Group has adopted IFRS 16, "Leases", which supersedes the existing guidelines on leases, including IAS 17 "Leases" and International Interpretation (4) "Determining whether an arrangement (15) "Operating leases - incentives" and the interpretation of the previous Interpretations Committee 27 "Assessing the substance of transactions that take the legal form of a lease".

The Group has used the second option which is modified retrospective approach of accounting - which allows comparative figures to be presented under IAS 17 "Leases" - permitted under IFRS 16 in the first-time application of IFRS 16 Operating leases individually (for each lease separately), the right of use leased assets is generally measured at the amount of the lease obligation using the interest rate at initial application.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

The significant accounting policies adopted as a result of the adoption of IFRS (16) as of January 2019 are as follows:

The Group determines whether the contract is a lease or includes rental terms. A contract is a lease or a lease if it includes the transfer of control over a specified asset for a specified period against compensation, and to determine whether the contract involves the transfer of control, the Group shall assess:

- If the contract includes the use of a specific asset, where it may be disclosed in the contract clearly and may be implied, and the asset must be separated, or the benefits derived from it be clearly separated. If the lessor retains the right of substitution, the asset may not be considered as specified.
- The Group has the right to receive all economic benefits from the use of the asset and for the period specified for the asset.
- The Group has the right to operate and manage the asset. That is, the Group has the power to make decisions as to how the asset is to be used and to determine the objectives of such use.
- This policy applies to existing contracts as of January 1, 2019 and new contracts. Until the end of the financial year 2018, the leases of properties were classified either as an operating lease or a finance lease. The amounts paid in respect of operating leases are recognized in the consolidated condensed interim statement of profit or loss on a straight-line basis over the lease term.

Effective from January 1, 2019, leases are recognized as right of use of assets and liabilities at the date that the asset is ready for use by the Group. The amount of each lease payment is allocated between the lease commitments and finance costs. Finance costs are recognized in the consolidated condensed interim profit or loss statement during the period of the lease to reach a fixed periodic interest rate on the remaining balance of the liability for each period and the assets of the right of use are amortized over the useful life of the asset or lease period whichever is shorter according to the straight-line method.

On application, lease liability is measured at the present value of the remaining lease payments, discounted at the Group's borrowing rate as of January 1, 2019. Rental commitments include net present value of the following lease payments:

- Fixed payments (including embedded fixed payments) less rent incentives receivable;
- Variable rent payments based on index or rate;
- Amounts expected to be paid by the lessee under residual value guarantees;
- The price of the exercise of the purchase option if the lessee is reasonably certain to exercise this option (if any), and
- Payment of termination fines, if the terms of the lease include this option.

Lease payments are discounted using the implicit interest rate or the additional rate of borrowing for the lessee, if not available, which the tenant must pay to borrow funds to obtain an asset in a similar economic environment.

While the rights to use the assets are measured at the amount equal to the lease obligations, which are adjusted to any advance or due rents - the Group has applied this approach to all of its leases.

While payments relating to short-term leases and low-value leases are recognized on a straight-line basis as an expense in the consolidated interim statement of profit or loss, short-term leases are leases of 12 months or less.

The Group used the following practical applications in applying IFRS (16) to previously classified leases as operating leases under IAS (17):

- Use of one discount rate on the portfolio of leases with similar characteristics.
- Application of the exemption in the Standard by not recognizing the rights to use the related assets and liabilities for leases less than 12 months.

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NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

- Excludes direct initial costs from measuring the right to use the asset at the date of initial application.
- The use of estimates when determining the duration of the lease if the contract contains options for extension or termination.
- Application of the standard to contracts associated with tangible assets.

Effect on consolidated condensed interim financial statements:

The Group has implemented International Financial Reporting Standard number (16) starting from January 1, 2019 and there was no material impact on the consolidated condensed interim financial information for the nine-month period ended at 30 September 2019.

• **New Standards and Interpretation not yet adopted:**

- International Financial Reporting Standards (17): Insurance Contracts (effective on January 1st, 2021 with earlier application permitted).

• **Amendments**

- Amendments to International Financial Reporting Standard (10) and International accounting standards (28) Sale or Contribution of Assets between Investor and its Joint Venture (no date specified).
- Amendments to International Accounting Standards (1) and International Accounting Standards (8) Definition of material (effective January 1st 2021).
- Amendments to International Financial Reporting Standard (3) definition of a Business (effective January 1st, 2021).

Management does not expect that there will be a material impact from following the above criteria upon application.

4) FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT

- Generally, the Group's objectives, policies and processes for managing risk are the same as those disclosed in its financial statements as of and for the year ended December 31, 2018.
- There have been no changes in the Group's approach to capital management during the current financial interim period neither the Group is subject to externally imposed capital requirements.
- Fair value hierarchy for the financial assets has been disclosed in Note (17).

5) CASH AT VAULTS AND AT BANKS

This item consists of the following:

<i>In Jordanian Dinars</i>	As of September 30, 2019 (Reviewed not audited)	As of December 31, 2018 (Audited)
Cash at vaults	417	548
Current account at banks	6,970	491
Deposits at bank *	489,612	1,699,983
	496,999	1,701,022

* Interest rates on deposits at bank ranged from **1.7% to 6%** during the period and are renewed on monthly basis (December 31, 2018: 1.7% to 6%).

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NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

6) TRADE AND OTHER RECEIVABLES

This item consists of the following:

<i>In Jordanian Dinars</i>	As of September 30, 2019 (Reviewed not audited)	As of December 31, 2018 (Audited)
Trade receivables	68,235	66,522
Employees receivable	-	188
Refundable deposits	79,796	77,622
Prepaid expenses	6,662	2,933
Accrued interest	1,313	4,336
Advanced payment to Water Authority	1,523	1,523
Income tax depost	748	-
	158,277	153,124
Less: Expected credit loss provision*	(62,751)	(62,751)
	95,526	90,373

*The expected credit losses amounted to JOD 62,751 as of September 30, 2019 and December 31, 2018 was calculated according to management estimates.

7) FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF OTHER COMPREHENSIVE INCOME

<i>In Jordanian Dinars</i>	As of September 30, 2019 (Reviewed not audited)	As of December 31, 2018 (Audited)
Listed and traded Shares in Amman Stock Exchange	89,016	113,314
Listed and not traded Shares in Amman Stock Exchange	21,436	21,436
	110,452	134,750

*These shares have been re-evaluated according to the latest available study prepared by the company's management.

8) FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMETN OF PROFIT OR LOSS

This item consists of the following:

<i>In Jordanian Dinar</i>	As of September 30, 2019 (Reviewed not audited)	As of December 31, 2018 (Audited)
Listed and traded shares in Amman Stock Exchange	1,185,106	-
	1,185,106	-

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NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

9) INVESTMENT IN PROPERTIES – NET

This item consists of the following:

<i>In Jordanian Dinar</i>	As of September 30, 2019 (Reviewed not audited)	As of December 31, 2018 (Audited)
Lands	7,018,000	7,018,000
Buildings	467,119	467,119
Apartments	120,697	120,697
Wadi Saqra Office	88,433	88,433
	7,694,249	7,694,249
<u>Less: Accumulated depreciation and impairment:</u>		
Accumulated depreciation	(154,484)	(145,078)
Impairment in investments in properties	(6,126)	(6,126)
	7,533,639	7,543,045

- The fair value of the investment in properties was reassessed by two accredited valuers with an average market value of JOD 9,186,266 under the latest real estate valuation available to the Company on September 30, 2019 (2018: JOD 10,160,140).

10) ACCOUNTS PAYABLE AND OTHER CREDIT BALANCES

This item consists of the following:

<i>In Jordanian Dinar</i>	As of September 30, 2019 (Reviewed not audited)	As of December 31, 2018 (Audited)
Accounts payable	331	2,728
Unearned revenue	3,126	4,125
Contingent liabilities*	68,500	68,500
Accrued expenses	4,859	755
Lawsuits provision	5,449	5,449
	82,265	81,557

- * This item represents claims lodged against the group by one of the corporations with an amount of JOD 68,500. The claim represents service fees, operational costs, and penalties related to the Group-owned buildings in Halabat Industrial Zone. Consequently, the Company has filed a lawsuit to preclude a claim at Amman Court of First Instance, the lawsuit is currently going through the appeal phase (note 15).

11) INCOME TAX:

A- Tax Position:

A settlement has been reached with the Income and Sales Tax Department up to the end of the year 2018 for Jordan International Investment Company, also the Company has reached a final settlement with the Income and Sales Tax Department up to the year 2018 for Tellal Salem Real Estate Industrial Company (a subsidiary). In the opinion of the Company's management and its tax consultant, the booked provisions in the consolidated condensed interim financial information are sufficient to face its tax liabilities.

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B- The movement on income tax provision is as follows:

<i>In Jordanian Dinar</i>	As of September 30, 2019 (Reviewed not audited)	As of December 31, 2018 (Audited)
Income tax provision at the beginning of the period / year	20,059	-
Income tax expense for the period / year	2,336	20,059
Income tax paid during the period / year	(20,059)	-
Income tax provision at the end of period / year	2,336	20,059

C- The income tax presented in the consolidated condensed interim statement of profit or loss is as follows:

<i>In Jordanian dinar</i>	For the nine months ended September 30,	
	2019	2018
Income tax for the period	2,336	20,059
Deferred tax assets additions	(9,351)	(1,475)
Amortization of deferred tax assets	1,239	-
	(5,776)	18,584

- Income tax in the consolidated condensed interim statement of comprehensive income represents the following:

<i>In Jordanian dinar</i>	2019	2018
Deferred tax assets	(2,441)	-
	(2,441)	-

A- Deferred Tax Assets:

This item consists of the following:

<i>In Jordanian Dinar</i>	Balance at the beginning of the Period	Released amount	Additions Amount	Balance at the end of the period	Deferred Tax	
					As of September 30, 2019 (reviewed not audited)	As of December 31, 2018 (audited)
Expected credit losses provision	62,751	-	-	62,751	13,178	13,178
Impairment provision in investment properties value	6,126	-	-	6,126	1,286	1,286
Evaluation loss of financial assets through statement of profit or loss	5,900	(5,900)	44,528	44,528	9,351	1,239
Evaluation loss of financial assets through statement of other comprehensive income	11,564	-	11,622	23,186	4,869	2,428
Provision for contingent liabilities	68,500	-	-	68,500	14,385	14,385
Provision for lawsuits	5,449	-	-	5,449	1,145	1,145
	160,290	(5,900)	56,150	210,540	44,214	33,661

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The movement on Deferred Tax Assets/Liability account is as follows:

<i>In Jordanian Dinar</i>	September 30, 2019 (Reviewed not audited)		December 31, 2018 (Audited)	
	Assets	Liabilities	Assets	Liabilities
Balance at beginning of the period / year	33,661	-	32,058	-
Additions during the period / year	11,792	-	1,603	-
Released during the period / year	(1,239)	-	-	-
Balance at end of period / year	44,214	-	33,661	-

Deferred tax benefits were calculated as the management expects to benefit from these provisions in the near future by 21% as at September 30, 2019 and 31 December 2018 in accordance with the Income Tax Act No. (38) for 2018 which effective from January 1, 2019.

12) RELATED PARTIES BALANCES AND TRANSACTIONS

Related parties include the main shareholders board members and main managers and sister companies and parent company, The Company's management has approved the pricing policies and terms of transactions with related parties, balances and transactions with related parties during the period/year were as follows:

(12-1) Due from related party

<i>In Jordanian Dinar</i>	<u>Nature of Relation</u>	As of September 30, 2019 (Reviewed not audited)	As of December 31, 2018 (Audited)
<u>Consolidated Condensed Interim Statement of Financial Position</u>			
Ibda'a for financial investment Company	Sister Company	19,428	-
		19,428	-
<u>Consolidated Condensed Interim Statement of Profit or Loss</u>			
Expenses			
Jordan International Insurance Company	Parent Company	-	-
Ibda'a for financial investment Company	Sister Company	10,504	-
		For the Nine-Months Period ended September 30,	
		2019	2018

(12-2) Key management remuneration

Salaries and remunerations paid to the Company's higher executive management for the nine month period ended September 30, 2019 amounted to JOD 11,520 (September 30, 2018: JOD 11,515).

13) BASIC AND DILUTED (LOSS) EARNINGS PER SHARE FOR THE PERIOD:

Earnings per share is calculated by dividing the profit for the period by the weighted average number of shares during the period and the details are as follows:

<i>In Jordanian Dinar</i>	For the Nine- Month Period ended September 30, (Reviewed not audited)	
	2019	2018
Profit for the period (JOD)	(2,985)	144,755
Weighted average for number of shares (Share)	10,000,000	10,000,000
(Loss) Earnings Per Share for the Period – JOD/Share	(0,0003)	0,0145

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14) GEOGRAPHICAL SEGMENT

The Group operates its activities inside the Hashemite Kingdom of Jordan, and the Group's operations are focused on investment in land, real estates and construction projects.

15) CONTINGENT LIABILITIES

The company had contingent liabilities as of the consolidated condensed interim financial information date as below:

- A- Bank letters of guarantee amounting to JOD 10,000 as at September 30, 2019 and December 31, 2018.
- B- There is a claim lodged against the Company by one of the corporations with an amount of JOD 68,500. The claim represents service fees, operational costs, and penalties related to the Company-owned buildings in Halabat Industrial Zone. Consequently, the Company has filed a lawsuit to preclude a claim at Amman Court of First Instance. Furthermore, a decision was issued prohibiting the Company to claim the above-mentioned amount and dismiss the apprehendable money of the Company and guarantee the defendant to take the fees. Moreover, the defendant has presented an appeal and a response on that appeal was made. The defendant filed a cassation therefore, a decision to overturn the case was issued by the court of cassation and it was dismissed, and the appeal decision was highlighted, the lawsuit is currently going through the cassation phase. In the opinion of the Company's management and its legal consultant, the Company will not incur any amounts in excess of the provisions taken as of September 30, 2019.

16) LAWSUITS AGAINST THE COMPANY

- There are lawsuits filed against the Company at courts claiming compensation for labor issues at a total amount of JOD 2,692 as of September 30, 2019 accordingly a provision for lawsuits was booked, moreover, the case has been dropped temporarily because the claimant did not attend.
- There is a lawsuit against Tellal Salem Real Estate Industrial Company (subsidiary). This lawsuit is to terminate the sale of lands' contracts the Company owned the land in prior year. The case is currently in the court going through the presentation of the evidence. In the opinion of the management and the company's lawyer, no need to book any lawsuits provision against this case since the legal status of the Company is good.

17) FAIR VALUE LEVELS

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for financial assets.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instrument evaluated based on:

Prices quoted in active markets for similar instruments or through the use of valuation model that includes inputs that can be traced to markets, these inputs good be defend directly or indirectly.

Level 3: inputs for the asset or liability that are not based on observable market data (Inputs not observable).

A. Financial Assets measured at fair value in continuous basis:

<i>In Jordanian dinar</i>	September 30, 2019 (Reviewed not audited)			
	Carrying amount	Fair Value		
		Level (1)	Level (2)	Level (3)
<u>Financial Assets</u>				
Financial assets at fair value through statement of other comprehensive income	110,452	89,016	21,436	-
Financial assets at fair value through statement of profit or loss	1,185,106	1,185,106	-	-

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<i>In Jordanian dinar</i>	December 31, 2018 (Audited)			
	Carrying amount	Fair Value		
		Level (1)	Level (2)	Level (3)
<u>Financial Assets</u>				
Financial assets at fair value through statement of other comprehensive income	134,750	113,314	21,436	-
There were no transfers between level 1 and level 2 during the period ended September 30, 2019.				

B. Financial Assets not measured at fair value:

<i>In Jordanian Dinar</i>	Carrying amount	September 30, 2019 (Reviewed not audited)		
		Fair Value		
		Level (1)	Level (2)	Level (3)
<u>Financial Assets</u>				
Cash at vaults and at banks	496,999	-	-	-
Trade and other receivables	88,864	-	-	-
Due from related party	19,428	-	-	-

<i>In Jordanian Dinar</i>	Carrying amount	December 31, 2018 (Audited)		
		Fair Value		
		Level (1)	Level (2)	Level (3)
<u>Financial Assets</u>				
Cash at vaults and at banks	1,701,022	-	-	-
Cheques under collection	9,305	-	-	-
Accounts and other receivables	87,440	-	-	-

There were no transfers between level 1 and level 2 during the period ended September 30, 2019.

C. Non-financial assets that are measured at fair value of which their fair value are exposed in the Condensed interim financial statements:

<i>In Jordanian Dinar</i>	Carrying amount	September 30, 2019 (Reviewed not audited)		
		Fair Value		
		Level (1)	Level (2)	Level (3)
<u>Financial assets</u>				
Investment in properties	7,533,639	-	9,186,266	-
<i>In Jordanian Dinar</i>	Carrying amount	December 31, 2018 (Audited)		
		Fair Value		
		Level (1)	Level (2)	Level (3)
<u>Financial assets</u>				
Investment properties	7,543,045	-	10,160,140	-

The above items represent fair value of non-financial assets that are determined based on values of similar financial investments in a non-active market.

18) COMPARATIVE FIGURES

The comparative figures represent the consolidated audited statement of financial position as at December 31, 2018, in addition to the consolidated condensed interim statement of profit or loss and other comprehensive income and consolidated condensed interim statement of changes in equity and consolidated condensed interim statement of cash flows for the nine-month period ended September 30, 2018.