

# جوردان إنفست

شركة الثقة للاستثمارات الأردنية

To: Jordan Securities Commission

Amman Stock Exchange

Date: 14/5/2017

Subject: Quarterly Report as of March 31, 2017

Attached the Quarterly Report of (Jordan Investment Trust) as of March 31, 2017

السادة هيئة الأوراق المالية المحترمين

السادة بورصة عمان المحترمين

التاريخ: 2017/5/14

الموضوع: التقرير ربع السنوي كما هي في 2017/3/31

مرفق طيه نسخة من البيانات المالية ربع السنوية لشركة الثقة للاستثمارات الأردنية كما هي بتاريخ 2017/3/31.

Regards

وتفضلوا بقبول فائق الاحترام،،،

Tareq Nahhas

Compliance officer

شركة الثقة للاستثمارات الأردنية

ضابط الامتثال

طارق نحاس

جوردان إنفست  
شركة الثقة للاستثمارات الأردنية مع  
عمان.. الأردن

شركة الثقة للاستثمارات الأردنية  
عمان.. الأردن

- To Securities depository center

- نسخة السادة مركز إيداع الأوراق المالية

بورصة عمان
الدائرة الإدارية والمالية
الديوان
١٤ أيار ٢٠١٧
الرقم المتسلسل: 3039
رقم الملف: 31039
الجهة المختصة: 211/111

**JORDAN INVESTMENT TRUST COMPANY**  
**(PUBLIC SHAREHOLDING COMPANY)**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL**  
**STATEMENTS (UNAUDITED)**

**31 MARCH 2017**



Building a better  
working world

Ernst & Young Jordan  
P.O.Box 1140  
Amman 11118  
Jordan

Tel: 00 962 6580 0777/00 962 6552 6111  
Fax: 00 962 6553 8300  
www.ey.com/jo

## REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF JORDAN INVESTMENT TRUST COMPANY AMMAN - JORDAN

### Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY) ("THE COMPANY") and its subsidiaries ("together the Group") as of 31 March 2017 comprising of interim consolidated statement of financial position as of 31 March 2017 and the related interim consolidated income statement, interim consolidated statement of comprehensive income, interim consolidated statement of changes in equity, and the interim consolidated statement of cash flows for the three months period then ended and explanatory notes. Board of directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### Scope of review

We conducted our review in accordance with the 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.

### Conclusion

Based on our review, 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 International Accounting Standard 34.

Amman – Jordan  
25 April 2017

*Ernst & Young*

**JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)**  
**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS OF 31 MARCH 2017**

		31 March 2017	31 December 2016
	Notes	JD (Unaudited)	JD (Audited)
<b><u>ASSETS</u></b>			
Cash on hand and at banks	10	1,199,168	430,481
Financial assets at fair value through profit or loss		6,892,828	6,665,495
Financial assets at fair value through other comprehensive income		134,205	129,798
Accounts receivable - net		189,038	198,355
Investments in associates	4	11,866,662	12,976,435
Other debit balances		817,280	690,353
Property and equipment		2,703,610	2,735,918
Investment properties		9,219,197	9,206,946
Intangible assets		247,548	250,763
<b>Total Assets</b>		<b>33,269,536</b>	<b>33,284,544</b>
<b><u>LIABILITIES AND EQUITY</u></b>			
<b>Liabilities -</b>			
Loans	9	455,621	679,386
Brokerage customers payables		95,045	108,430
Other credit balances		1,265,272	1,292,319
<b>Total Liabilities</b>		<b>1,815,938</b>	<b>2,080,135</b>
<b>Equity -</b>			
<b>Shareholders' equity</b>			
Paid in capital	12	25,783,125	25,783,125
Share premium		746,349	746,349
Statutory reserve		2,578,727	2,578,727
Voluntary reserve		755,202	755,202
Fair value reserve		(127,803)	(132,210)
Accumulated losses		(509,483)	(762,259)
<b>Net Shareholders' equity</b>		<b>29,226,117</b>	<b>28,968,934</b>
Non-controlling interest		2,227,481	2,235,475
<b>Net Equity</b>		<b>31,453,598</b>	<b>31,204,409</b>
<b>Total Liabilities and Equity</b>		<b>33,269,536</b>	<b>33,284,544</b>

The accompanying notes from 1 to 13 form part of these interim condensed consolidated financial statements and to be read with the review report

**JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)**  
**INTERIM CONSOLIDATED INCOME STATEMENT**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2017 (UNAUDITED)**

	<u>Notes</u>	31 March 2017 JD	31 March 2016 JD
<b>Revenues -</b>			
Interest income		2,223	4,362
Profit from financial assets at fair value through profit or loss	5	228,322	143,208
Brokerage commissions		4,634	8,348
Share of profit from associates	4	235,386	356,327
Other income		219,430	224,723
<b>Net revenue</b>		<b>689,995</b>	<b>736,968</b>
<b>Less:</b>			
Interest and commission		15,040	16,699
Administrative expenses		295,014	301,661
Depreciation and amortization		61,572	61,842
Other expenses		54,261	55,144
<b>Profit for the period before income tax</b>		<b>264,108</b>	<b>301,622</b>
Income tax expense	8	(19,326)	(6,735)
<b>Profit for the period</b>		<b>244,782</b>	<b>294,887</b>
Attributable to:			
Shareholders of the company		252,776	309,649
Non-controlling interests		(7,994)	(14,762)
		<b>244,782</b>	<b>294,887</b>
		<b>Fils /JD</b>	<b>Fils JD</b>
Basic and diluted earnings per share for the period		<b>0/009</b>	<b>0/012</b>

The accompanying notes from 1 to 13 form part of these interim condensed consolidated financial statements and to be read with the review report

**JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)**  
**INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2017 (UNAUDITED)**

	31 March 2017 JD	31 March 2016 JD
Profit for the period	244,782	294,887
<b>Add: other comprehensive income not to be reclassified to profit and loss in subsequent periods:</b>		
Change in fair value of financial assets at fair value through other comprehensive income	4,407	(9,927)
<b>Total comprehensive income for the period</b>	<b>249,189</b>	<b>284,960</b>
<b>Attributable to:</b>		
Shareholders of the company	257,183	299,722
Non-controlling interests	(7,994)	(14,762)
	<b>249,189</b>	<b>284,960</b>

The accompanying notes from 1 to 13 form part of these interim condensed consolidated financial statements and to be read with the review report

**JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)  
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE THREE MONTHS ENDED 31 MARCH 2017 (UNAUDITED)**

	Reserves							
	Share		Statutory	Voluntary	Fair value reserve	Accumulated losses	Total	Non-controlling interest
	Paid in capital	premium						
	JD	JD	JD	JD	JD	JD	JD	Total equity
For the three months period ended 31 March 2017-								
Balance as at 1 January 2017	25,783,125	746,349	2,578,727	755,202	(132,210)	(762,259)	28,968,934	31,204,409
Total comprehensive income for the period	-	-	-	-	4,407	252,776	257,183	249,189
Balance as of 31 March 2017	25,783,125	746,349	2,578,727	755,202	(127,803)	(509,483)	29,226,117	31,453,598
For the three months period ended 31 March 2016 -								
Balance as at 1 January 2016	25,783,125	746,349	2,427,893	755,202	(92,736)	(1,673,981)	27,945,852	30,313,294
Total comprehensive income for the period	-	-	-	-	(9,927)	309,649	299,722	284,960
Balance as of 31 March 2016	25,783,125	746,349	2,427,893	755,202	(102,663)	(1,364,332)	28,245,574	30,598,254

The accompanying notes from 1 to 13 form part of these interim condensed consolidated financial statements and to be read with the review report

**JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)**  
**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2017 (UNAUDITED)**

	Note	31 March 2017 JD	31 March 2016 JD
<b><u>OPERATING ACTIVITIES</u></b>			
Profit for the year before tax		264,108	301,622
<b>Adjustments for -</b>			
Depreciation and amortization		61,572	61,842
Change in fair value of financial assets at fair value through profit and loss		(227,333)	(133,415)
Share of profit from associates		(235,386)	(356,327)
<b>Changes in working capital -</b>			
Financial assets at fair value through profit or loss		-	(21,968)
Account receivables and other debit balances		(117,610)	(131,863)
Account payables and other credit balances		(59,758)	(30,586)
<b>Net cash used in operating activities</b>		<u>(314,407)</u>	<u>(310,695)</u>
<b><u>INVESTING ACTIVITIES</u></b>			
Purchase of property and equipment		(38,300)	(2,071)
Dividends received from associate		1,345,159	1,084,795
<b>Net cash from investing activities</b>		<u>1,306,859</u>	<u>1,082,724</u>
<b><u>FINANCING ACTIVITY</u></b>			
Loans		(223,765)	(1,209)
<b>Net cash used in financing activity</b>		<u>(223,765)</u>	<u>(1,209)</u>
<b>Net increase in cash and cash equivalents</b>		768,687	770,820
Cash and cash equivalents at beginning of the period		430,481	689,634
<b>Cash and cash equivalents at end of the period</b>	10	<u>1,199,168</u>	<u>1,460,454</u>

The accompanying notes from 1 to 13 form part of these interim condensed consolidated financial statements and to be read with the review report



**(1) GENERAL**

Jordan Investment Trust was incorporated in Jordan as a public shareholding company and registered on April 23, 1998 with an authorized capital of JD 20,000,000 divided into 20,000,000 shares, at a per value of JD each. The authorized and paid up capital was increased several time during previous years to reach JD 29,513,889.

The main objectives of the Company are to invest in all available fields of investment in industrial, agricultural, financial, real estate, tourism and services sectors, and in particular to purchase and hold shares, allotments, real estate, bonds and manage investment portfolios. Other activities include, providing consulting services and capital market operations services which support and foster investment, acting as a broker in organizing the capital financing operations required for establishment, expansion and development of the companies including the undertakings of issuance of shares and bond or participate with the gatherings that aim to such undertakings.

The Company's registered office is located in Jabal Amman, Amman - The Hashemite Kingdom of Jordan.

The main objectives of the subsidiaries are to invest in all available fields of investment.

These financial statements were authorized for issuance by the Board of Directors on 25 April 2017.

**(2) BASIS OF PREPARATION AND THE ACCOUNTING POLICIES**

**BASIS OF PREPARATION**

The accompanying interim condensed consolidated financial statements for the Group as of 31 March 2017 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

The interim condensed consolidated financial statements have been presented in Jordanian Dinars "JD" which is the functional currency of the Group.

The financial statements are prepared under the historical cost convention except for financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income which have been measured at fair value at the financial statements date.

The interim condensed consolidated financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards, and should be read in conjunction with the Group's annual financial statements as at 31 December 2016. In addition, the results for the three months ended 31 March 2017 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2017.

**BASIS OF CONSOLIDATION**

The interim condensed consolidated financial statements comprise the financial statements of Jordan Investment Trust Company and its wholly owned subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

Group controls an investee 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, and
- 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.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of income from the date the Group gains control until the date the Group ceases to control the subsidiary.

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, profits and losses relating to transactions between members of the Group are eliminated.

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

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the translation reserve of the foreign currencies
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained in the subsidiary;
- Recognises profit or loss resulting from controlling loss ; and
- Reclassifies the company's share of components previously recognised in other comprehensive income to profit or loss.

#### **CHANGES IN ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended 31 December 2016, except for the adoption of new standards effective as of 1 January 2017.

##### **Amendments to IAS 7 Statement of Cash Flows: Disclosure Initiative**

Limited amendments which require entities to provide disclosures about changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). However, the adoption of these amendments have no impact on the Group's interim condensed consolidated financial statements.

##### **Amendments to IAS 12 Income Taxes: Recognition of Deferred Tax Assets for Un-recognised Losses**

Limited amendments to clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference and some other limited amendments, the adoption of these amendments have no impact on the Group's interim condensed consolidated financial statements.

**JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**31 MARCH 2017 (UNAUDITED)**

**(3) SEGMENT INFORMATION**

**Segment information for the basic sectors :**

For management purposes, the Group is organized into three major business segments:

**Financial investments** - Principally trading in equities and bonds, in addition to investment in associates and deposits at banks and act as a custodian.

**Investment properties** - Principally trading and renting properties and land owned by the Group.

**Food and Beverage** - Principally providing food and beverage services.

These segments are the basis on which the Group reports its primary segment information.

Below are the segment information:

	Financial Investments JD'000	Investment properties JD'000	Food and Beverage JD'000	Others JD'000	Total JD'000 (Unaudited)
<b>For the three months ended 31 March 2017 -</b>					
Segment revenues	471	27	187	5	690
Distributed expenses	(134)	(30)	(225)	(37)	(426)
Profit (loss) before income tax	337	(3)	(38)	(32)	264
Income tax expense					(19)
Profit for the period					245
<b>For the three months ended 31 March 2016 -</b>					
Segment revenues	512	21	200	4	737
Distributed expenses	(130)	(28)	(225)	(52)	(435)
Profit (loss) before income tax	382	(7)	(25)	(48)	302
Income tax expense					(7)
Profit for the period					295

**JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**31 MARCH 2017 (UNAUDITED)**

	Financial Investments JD'000	Investment properties JD'000	Food and Beverage JD'000	Others JD'000	Total JD'000 (Unaudited)
<b>31 March 2017 -</b>					
<b>Assets and Liabilities</b>					
Segment assets	22,797	9,219	817	437	<u>33,270</u>
Segment liabilities	1,310	61	253	192	<u>1,816</u>
Other segment information for the three months ended 31 March 2017 - Depreciation and amortization					<u>62</u>
<b>31 December 2016 -</b>					JD'000 (audited)
<b>Assets and Liabilities</b>					
Segment assets	22,938	9,207	690	449	<u>33,284</u>
Segment liabilities	1,599	59	237	185	<u>2,080</u>
Other segment information for the three months ended 31 March 2016 - Depreciation and amortization					<u>62</u>

**JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**31 MARCH 2017 (UNAUDITED)**

**(4) INVESTMENT IN ASSOCIATES**

This item represents the following:

	Ownership percentage %	Country of incorporation	Nature of activity	31 March 2017 JD (Unaudited)	31 December 2016 JD (Audited)
Education Capital (EDCAP)	20	Bahrain	Education	1,602	1,602
First Education Holding (FEH)	31.6	Bahrain	Education	11,865,060	12,974,833
				<u>11,866,662</u>	<u>12,976,435</u>

The following table illustrates the movement on the investments in associates:

	31 March 2017 JD (Unaudited)	31 December 2016 JD (Audited)
Balance at the beginning of the period/ year	12,976,435	12,559,105
Group share from associates profit	235,386	1,502,154
Dividends received from associates	(1,345,159)	(1,084,824)
Balance at the end of the period/ year	<u>11,866,662</u>	<u>12,976,435</u>

**(5) GAINS FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS**

	31 March 2017 JD (Unaudited)	31 March 2016 JD (Unaudited)
Change in fair value of financial assets through profit or loss	227,311	133,415
Dividends income	1,011	9,793
	<u>228,322</u>	<u>143,208</u>

**JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**31 MARCH 2017 (UNAUDITED)**

**(6) CONTINGENT LIABILITIES**

As of the date of the financial statements, the Group is contingently liable in respect of a bank guarantee amounting to JD 1,840,000 as of 31 March 2017 (31 December 2016: JD 1,840,000) for the benefit of the Jordan Securities Commission in accordance with the Jordan Securities Commission Law No. 76 of 2007, in addition to other bank letters of guarantee for the benefit of the Securities Depository Center amounted to JD 500,000.

**(7) OFF-BALANCE SHEET ITEMS**

The Group holds investments for others amounting to JD 607,381 as at 31 March 2017 (31 December 2016: JD 544,940).

**(8) INCOME TAX**

**Income tax provision -**

Movement on income tax provision is as follows:

	31 March 2017	31 December 2016
	JD (Unaudited)	JD (Audited)
Balance as at the beginning of the period/ year	45,381	5,108
Provision for income tax for the period/ year	19,326	44,999
Paid income tax	-	(4,726)
Balance at the end of the period/ year	64,707	45,381

The income tax appearing in the interim condensed consolidated income statement represents the following:

	31 March 2017	31 March 2016
	JD (Unaudited)	JD (Unaudited)
Income tax expense for the period	19,326	-
Deferred tax assets for the period	-	(6,735)
	19,326	(6,735)

Jordan Investment Trust Company has reached a final settlement with the Income tax department until the end of the year 2013.

**JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**31 MARCH 2017 (UNAUDITED)**

The Income tax department reviewed Jordan Investment Trust Company's accounting records for the year 2014 and reached a decision as not to accept the accumulated losses for the year 2009 which is still pending at the court as no decision was reached till this date. The claimed income tax amounted to JD 52,125 in addition to a legal compensation equal to JD 40,900. The company raised an objection in the court of law and no decision was reached to the date of preparing these financial statements.

The income tax department reviewed the accounting records of Jordan Investment Trust Company for the year 2009 and the decision was issued to write-off the losses. The company raised an objection in the court of law and the case is still pending.

The Income Tax Department reviewed the subsidiary Imcan for financial services (Subsidiary) accounting records for the years from 2007 to 2009 and decided to impose income tax differences of JD 210,850 and JD 57,889, and to rollover losses with amount of JD 368,508. In the management and the group tax consultant opinion the company will not be subject to any obligations against these claims.

Al-Ihdathiat Company submitted their annual declaration for the years 2012 to 2015, however the income tax department did not review it to the date of preparing these financial statements.

Medical Clinics Company submitted their annual declaration for the years 2013 to 2015, however the income tax department did not review it to the date of preparing these financial statements.

**(9) LOANS**

	Loan installments		31 March 2017 JD (Unaudited)	31 December 2016 JD (Audited)
	Short term JD	Long term JD		
The Bank of Jordan (1)	45,135	326,068	371,203	666,530
The Bank of Jordan (2)	9,297	63,474	72,771	-
Capital Bank of Jordan (3)	3,627	8,020	11,647	12,856
			<u>455,621</u>	<u>679,386</u>

**The Bank of Jordan Loan (1)**

On 2 September 2010, loan agreement was signed with the Bank of Jordan where the Group received an amount of JD 1,650,000 at annual interest rate of 8%. The loan is due after a grace period of 2 years over 60 equal monthly installment by JD 32,616 for each, the first installment fell due on 19 September 2012, the loan is secured by the mortgage of the property owned by Al Tawon Real Estate Management Company (Subsidiary) by JD 900,000. During 2017 an amount of JD 300,000 was paid with no penalty for early settlement and loan was rescheduled so that the first installment will be on 14 November 2017 and the final installment on 14 October 2018.



**JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**31 MARCH 2017 (UNAUDITED)**

**The Bank of Jordan Loan (2)**

On 11 January 2017, loan agreement was signed with the Bank of Jordan where the Group received an amount of JD 74,400 at annual interest rate of 7.25%. The loan was used to finance the purchase price of a new vehicle. The loan is payable over 60 equal monthly installment of JD 1,033 for each, starting 31 January 2017 until the final settlement.

**Capital Bank of Jordan Loan (3)**

On 26 August 2014 Al-Mota'dedeh Company for restaurant management (subsidiary) signed a loan agreement with Capital Bank of Jordan for an amount of JD 24,140 with an annual interest of 10.5 % calculated annually on a daily basis, the loan is used to finance 100% of the purchase price of a vehicle. The loan is repayable in 60 equal monthly installments of JD 403 for each starting 30 September 2014 until the final settlement.

**(10) CASH ON HAND AND AT BANKS**

Cash and cash equivalents for the purpose of preparing the consolidated cash flow is as follows:

	31 March 2017	31 March 2016
	JD	JD
	(Unaudited)	(Unaudited)
Cash on hand	554	604
Call deposits	69,466	58,095
Time deposits *	945,946	1,173,668
Current accounts	183,202	228,087
	<u>1,199,168</u>	<u>1,460,454</u>

\*\* Time deposits represent monthly deposits in Jordanian Dinar with an annual average interest rate between 3 - 4%.

**(11) STATUTORY RESERVE**

The Company has not deducted any statutory reserve according to the Companies law since these are interim financial statement.

**JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**31 MARCH 2017 (UNAUDITED)**

**(12) EQUITY**

**Paid in capital -**

The authorized capital amounted to JD 29,513,889 at a par value JD 1 per share.

The details of the capital are as follows:

	31 March 2017	31 December 2016
	JD	JD
	(Unaudited)	(Audited)
Subscribed and paid in capital	29,513,889	29,513,889
Treasury shares owned by the parent company	(893,209)	(893,209)
Treasury shares *	(2,837,555)	(2,837,555)
	<u>25,783,125</u>	<u>25,783,125</u>

\* Treasury shares represent 2,026,491 share owned by Trust and Dubai Investment (a subsidiary) since January 2010. On acquisition date, total shares price amounted to JD 2,837,555. Noting that the Company has purchased these shares before the acquisition date.

**(13) RELATED PARTIES TRANSACTIONS**

Related parties Transactions represent the transactions made with associated companies, major shareholders, directors, and key management personnel of the Group, and entities which have main controlling shareholders.

Pricing policies and terms of the transactions with related parties are approved by the Group's management.

**Executive management's Compensations and remunerations**

The remuneration of executive management was as follows:

	31 March 2017	31 March 2016
	JD	JD
	(Unaudited)	(Unaudited)
Salaries and benefits	<u>57,665</u>	<u>49,965</u>

**JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**31 MARCH 2017 (UNAUDITED)**

**Subsidiaries**

The consolidated financial statements include the financial statements of Jordan Investment Trust Company and the subsidiaries listed in the following table:

Company's name	Country of incorporation	Ownership percentage	Company's capital	
			31 March 2017	31 December 2016
		%	JD	JD
Medical Clinics	Jordan	76.64	1,958,843	1,958,843
Imcan for Financial Services	Jordan	68.35	1,300,000	1,300,000
Akar Limited Company	British Virgin Islands	100	300,000	300,000
Amwaj Financial Investments	Jordan	100	60,000	60,000
Mazaya Financial Investments	Jordan	100	60,000	60,000
Burhan Al-Thiqa Financial Investments	Jordan	100	60,000	60,000
Nebras Financial Investments	Jordan	100	60,000	60,000
O'sos Al Ma'refa Financial Investments	Jordan	100	60,000	60,000
Al Rafah Financial Investments	Jordan	100	60,000	60,000
Trust and Sham Financial Investments	Jordan	100	81,000	81,000
Trust and Hospitality Financial Investments	Jordan	100	2,000,000	2,000,000
Al Sahel Financial Investments	Jordan	100	60,000	60,000
The Arabian Coffee	Jordan	100	60,000	60,000
Zohoor Al-Thiqa for Real Estate	Jordan	100	50,000	50,000
Al Olbah Real Estate	Jordan	100	50,000	50,000
Al Tawon for Real Estate Management	Jordan	100	10,000	10,000
Al-Mota'dedeh for Restaurants Management	Jordan	100	600,000	600,000
Al-Ihdathiat Real Estate Company	Jordan	58	4,486,627	4,486,627
Trust and Dubai Investment	Jordan	100	2,334,842	2,334,842