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التاريخ: 2020/08/09

**Amman Stock Exchange
Jordan Securities Commission**

السادة بورصة عمان
السادة هيئة الأوراق المالية

**Subject: Semi-Annual Report as of
30/06/2020**

الموضوع: البيانات المالية النصف السنوية كما
في 2020/06/30

Gentlemen,

تحية طيبة وبعد،

Please find attached the Semi- Annual Report
for **Premier Business and Projects Co.** as
of 30/06/2020 in English.

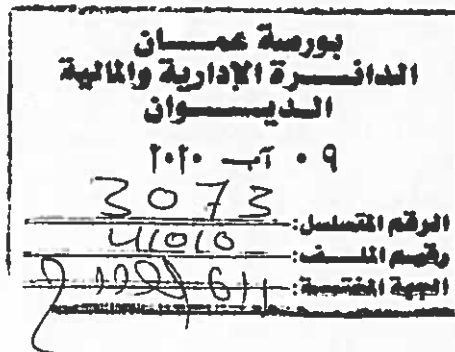
مرفق طيه نسخة من البيانات المالية النصف السنوية
لشركة المتصدرة للأعمال والمشاريع كما في
2020/06/30 باللغة الانجليزية.

Best regards,

وتفضلوا بقبول فائق الاحترام والتقدير،،،

Basim Muasher
Chairman

باسم المعشر
رئيس مجلس الإدارة



PREMIER BUSINESS AND PROJECTS

(PUBLIC SHAREHOLDING COMPANY)

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

30 JUNE 2020



Building a better
working world

Ernst & Young Jordan

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**REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENT
TO THE BOARD OF DIRECTOR OF PREMIER BUSINESS AND PROJECTS COMPANY
PUBLIC SHAREHOLDING COMPANY
AMMAN - JORDAN**

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Premier Business and Projects Company (a public shareholding Company) as at 30 June 2020 and the related interim condensed income statement, interim condensed statement of comprehensive income, interim condensed statements of changes in equity and interim condensed statement of cash flows for the six months period then ended and explanatory information. Board of Directors is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with 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.

Emphasis of Matter

We draw attention to notes No. (7) and (8) in the accompanying financial statements, that there is an account receivable balance due from the Chairman of the Board of Directors amounting to JD 377,289 as of 30 June 2020. Also, the Chairman of the Board of Directors personally guarantee the Company's loan amounting to JD 346,648 as of 30 June 2020. This matter does not modify our opinion on the financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34.

Amman – Jordan
5 August 2020

Ernst + Young



**PREMIER BUSINESS AND PROJECTS
(PUBLIC SHAREHOLDING COMPANY)
INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020 (UNAUDITED)**

	Notes	30 June 2020 JD (Unaudited)	31 December 2019 JD (Audited)
ASSETS			
Non-current assets -			
Financial assets at fair value through other comprehensive income	5	230,301	242,566
Investment in associates	6	2,583,275	2,435,093
Property and equipment		433,094	461,760
Investment properties		80,003	80,003
		<u>3,326,673</u>	<u>3,219,422</u>
Current assets -			
Other debit balances		14,800	12,001
Due from related parties	7	385,078	406,703
Cash on hand and at banks		-	50
		<u>399,878</u>	<u>418,754</u>
Total assets		<u>3,726,551</u>	<u>3,638,176</u>
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders equity -			
Paid-in capital		1,500,000	1,500,000
Statutory reserve		784,554	784,554
Voluntary reserve		511,279	511,279
Fair value reserve		(814,955)	(927,597)
Retained earnings		820,214	908,568
Net equity		<u>2,801,092</u>	<u>2,776,804</u>
Current liabilities -			
Short-term bank loan	8	346,648	320,000
Shareholders deposits		111,184	111,184
Income tax provision	9	18,020	18,020
Other credit balances		192,911	149,795
Other provisions		176,856	176,856
Due to related parties	7	79,826	85,517
Bank loan		14	-
Total liabilities		<u>925,459</u>	<u>861,372</u>
Total shareholders' equity & liabilities		<u>3,726,551</u>	<u>3,638,176</u>

The accompanying notes from 1 to 10 represent an integral part of these interim condensed financial statements

**PREMIER BUSINESS AND PROJECTS
(PUBLIC SHAREHOLDING COMPANY)
INTERIM INCOME STATEMENT
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020 (UNAUDITED)**

		For the three months ended 30 June		For the six months ended 30 June	
		2020	2019	2020	2019
		JD	JD	JD	JD
Dividends income from financial assets at fair value through other comprehensive income		-	11,041	-	11,041
Share of profit from associates	6	69,216	119,512	148,182	153,009
Other revenues		27,458	8,688	36,583	17,375
Total Revenues		96,674	139,241	184,765	181,425
Expenses					
Administrative expenses		(64,343)	(75,303)	(129,995)	(138,999)
Financing costs		-	(12,987)	-	(30,987)
Depreciation		(14,333)	(16,523)	(28,666)	(32,865)
Total Expenses		(78,676)	(104,813)	(158,661)	(202,851)
Profit (Loss) before income tax		17,998	34,428	26,104	(21,426)
Income tax for the period		-	-	-	-
Profit (Loss) for the period		17,998	34,428	26,104	(21,426)
		JD/ Fils	JD/ Fils	JD/ Fils	JD/ Fils
Basic and diluted earnings (losses) per share for the period		0/012	0/022	0/017	(0/014)

The accompanying notes from 1 to 10 represent an integral part of these interim condensed financial statements

**PREMIER BUSINESS AND PROJECTS
(PUBLIC SHAREHOLDING COMPANY)
INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020 (UNAUDITED)**

	For the three months ended 30 June		For the six months ended 30 June	
	2020	2019	2020	2019
	JD	JD	JD	JD
Profit (Loss) for the period	17,998	34,428	26,104	(21,426)
Add: Other comprehensive income after income tax				
Net change in fair value of financial assets at fair value through other comprehensive income	11,044	(11,829)	(1,816)	(17,517)
Total comprehensive income for the period	<u>29,042</u>	<u>22,599</u>	<u>24,288</u>	<u>(38,943)</u>

The accompanying notes from 1 to 10 represent an integral part of these interim condensed financial statements

**PREMIER BUSINESS AND PROJECTS
(PUBLIC SHAREHOLDING COMPANY)
INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020 (UNAUDITED)**

	Reserves					Total
	Paid in	Statutory	Voluntary	Fair value	Retained	
	capital			reserve	earned	
	JD	JD	JD	JD	JD	JD
30 June 2020 -						
Balance at 1 January 2020	1,500,000	784,554	511,279	(927,597)	908,568	2,776,804
Total comprehensive income for the period	-	-	-	(1,816)	26,104	24,288
Loss on sale of financial assets at fair value through other comprehensive income	-	-	-	114,458	(114,458)	-
Balance at 30 June 2020	<u>1,500,000</u>	<u>784,554</u>	<u>511,279</u>	<u>(814,955)</u>	<u>820,214</u>	<u>2,801,092</u>
30 June 2019 -						
Balance at 1 January 2019	1,500,000	784,554	511,279	(1,080,963)	1,101,495	2,816,365
Total comprehensive income for the period	-	-	-	(17,517)	(21,426)	(38,943)
Balance at 30 June 2019	<u>1,500,000</u>	<u>784,554</u>	<u>511,279</u>	<u>(1,098,480)</u>	<u>1,080,069</u>	<u>2,777,422</u>

- The Company cannot use a restricted amount of JD 814,955 from retained earnings as of 30 June 2020 (31 December 2019: JD 927,597) that represents negative fair value reserve.

The accompanying notes from 1 to 10 represent an integral part of these interim condensed financial statements

**PREMIER BUSINESS AND PROJECTS
(PUBLIC SHAREHOLDING COMPANY)
INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020 (UNAUDITED)**

	30 June 2020 JD	30 June 2019 JD
<u>Operating Activities</u>		
Profit (Loss) for the period before tax	26,104	(21,426)
Adjustments -		
Depreciation	28,666	32,865
Financing costs	-	30,987
Dividend income from financial assets at fair value through other comprehensive income	-	(11,041)
Share of profit from associates	(148,182)	(153,009)
Working capital changes:		
Other debit balances	(2,799)	2,021
Other credit balances	43,116	28,333
Net cash flows used in operating activities	(53,095)	(91,270)
<u>Investing Activities</u>		
Dividends from associate investment	-	976,000
Dividend income from financial assets at fair value through other comprehensive income	-	11,041
Proceeds from selling financial assets at fair value through other comprehensive income	10,449	
Net cash flows from investing activities	10,449	987,041
<u>Financing Activities</u>		
Short-term loans paid	-	(592,916)
Net cash movement of related parties balances	42,582	(232,106)
Financing costs paid	-	(50,987)
Dividends paid	-	(687)
Net cash flows from (used in) financing activities	42,582	(876,696)
Net (decrease) increase in cash and cash equivalents	(64)	19,075
Cash and cash equivalents at the beginning of the period	50	1
Cash and cash equivalents at the end of the period	(14)	19,076

The accompanying notes from 1 to 10 represent an integral part of these interim condensed financial statements

**PREMIER BUSINESS AND PROJECTS
(PUBLIC SHAREHOLDING COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AT 30 JUNE 2020 (UNAUDITED)**

(1) GENERAL

Premier Business and Projects Co. LTD was founded during 1973 under the name Arab Chemical Detergent Industries Co. Ltd, as a Public Shareholding Company with a share capital of JD 250,000. Several amendments were made to the shares capital, and during 2017 the authorized and paid in capital of the company was amend to become 1,500,000 shares at a par value of 1 JD per share.

The objectives of the company are to invest in companies of all kinds and to buy and sell lands, real estates and movable and immovable property.

(2) BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim condensed financial statements of the company as of 30 June 2020 have been prepared in accordance with International Accounting Standard 34 (Interim financial reporting).

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

The interim condensed financial statements are prepared under the historical cost convention except for financial assets at fair value through other comprehensive income which have been measured at fair value at the financial statement date.

The interim condensed 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 Company annual financial statements as of 31 December 2019. In addition, results for the six months period ended 30 June 2020 do not necessarily indicate the expected results for the financial year ending 31 December 2020.

(3) CHANGES IN ACCOUNTING POLICIES

The accounting policies used in the preparation of the interim condensed financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2019 except for the adoption of new standards effective as of 1 January 2020 shown below:

Amendments to IFRS 3: Definition of a Business

The IASB issued amendments to the definition of a business in IFRS 3 Business Combinations to help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test.

The amendments are applied to transactions that are either business combinations or asset acquisitions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2020. Consequently, the Company did not have to revisit such transactions that occurred in prior periods. Earlier application is permitted and must be disclosed.

These amendments do not have any impact on the Company's financial statements.

Interest Rate Benchmark Reform Amendments to IFRS 9 and IFRS 7

Interest Rate Benchmark Reform Amendments to IFRS 9 and IFRS 7 includes a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument. As a result of interest rate benchmark reform, there may be uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument during the period before the replacement of an existing interest rate benchmark with an alternative risk-free interest rate (an RFR). This may lead to uncertainty whether a forecast transaction is highly probable and whether prospectively the hedging relationship is expected to be highly effective.

The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark with an alternative risk-free interest rate (an "RFR"). The effective date of the amendments was for annual periods beginning on or after 1 January 2020, with early application permitted. The requirements must be applied retrospectively. However, any hedge relationships that have previously been de-designated cannot be reinstated upon application, nor can any hedge relationships be designated with the benefit of hindsight.

With phase one completed, the IASB is now shifting its focus to consider those issues that could affect financial reporting when an existing interest rate benchmark is replaced with an RFR. This is referred to as phase two of the IASB's project.

These amendments do not have any impact on the Company's financial statements.

**PREMIER BUSINESS AND PROJECTS
(PUBLIC SHAREHOLDING COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AT 30 JUNE 2020 (UNAUDITED)**

(4) LEGAL RESERVES

The Company did not deduct the legal reserves according to the provisions of the Companies Law since these are interim financial statements.

(5) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE

	30 June 2020	31 December 2019
	JD	JD
	(Unaudited)	(Audited)
Investment in companies shares – quoted	230,301	242,566

The movement in the fair value reserve is summarized below:

	30 June 2020	31 December 2019
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the period / year	(927,597)	(1,080,963)
Unrealized losses	(1,816)	(63,650)
Realized losses	114,458	217,016
Balance at the end period / year	(814,955)	(927,597)

**PREMIER BUSINESS AND PROJECTS
(PUBLIC SHAREHOLDING COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AT 30 JUNE 2020 (UNAUDITED)**

(6) INVESTMENT IN ASSOCIATES

This item consists of the following:

	Ownership interest		Activity	30 June	31 December
	30 June 2020	31 December 2019		2020	2019
				JD (Unaudited)	JD (Audited)
Henkel Company – Jordan	40%	40%	Marketing and distribution	2,583,275	2,435,093
Obeji for consumer products Company – Jordan*	-	50%	Marketing and distribution	-	-
				<u>2,583,275</u>	<u>2,435,093</u>

* On 31 May 2020, the company sold 680,000 shares of its 800,000 shares (equivalent to 85%) in Obaji consumer products Company - Jordan, for one JD for the entire number of shares, knowing that a full impairment was recorded on this investment in the previous years.

The movement in the investment in associate is summarized below:

	30 June 2020 JD (Unaudited)	31 December 2019 JD (Audited)
Balance at the beginning of the period/year	2,435,093	3,098,315
Company's share of Henkel Co. - Jordan profit	148,182	563,535
Company's share of Obeji Co. - Jordan loss	-	(250,757)
Less: received dividends - Henkel Co - Jordan	-	(976,000)
Balance at the ending of the period/year	<u>2,583,275</u>	<u>2,435,093</u>

**PREMIER BUSINESS AND PROJECTS
(PUBLIC SHAREHOLDING COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AT 30 JUNE 2020 (UNAUDITED)**

(7) RELATED PARTIES TRANSACTION

Related parties represent associated companies, major shareholders, key management personnel and board of directors. Pricing policies and terms of these transactions are approved by the Company's management.

The balances of related parties included in the interim statement of financial position are as follows:

	30 June 2020	31 December 2019
	JD	JD
	(Unaudited)	(Audited)
Due from related parties:		
Chairman of board of directors	377,289	398,914
Obeji for Consumer Products (Holdings)	7,789	7,789
	<u>385,078</u>	<u>406,703</u>
	30 June 2020	31 December 2019
	JD	JD
	(Unaudited)	(Audited)
Due to related parties:		
Obeji for Consumer Products – Jordan (Associate)	79,826	85,517
	<u>79,826</u>	<u>85,517</u>
	30 June 2020	31 December 2019
	JD	JD
	(Unaudited)	(Audited)
Financial assets at fair value through other comprehensive income:		
Financial Investments	62,300	78,913

The transactions with related parties included in the interim income statement are as follows:

Executive management remuneration and salaries -

Salaries and remunerations	<u>37,500</u>	<u>37,000</u>
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**PREMIER BUSINESS AND PROJECTS
(PUBLIC SHAREHOLDING COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AT 30 JUNE 2020 (UNAUDITED)**

	30 June 2020	30 June 2019
	JD	JD
	(Unaudited)	(Unaudited)
Other revenues -		
Rent income from Henkel Jordan	18,250	17,375

Guarantees:

There are personal guarantees provided by the Chairman of the board of directors against the Company's loan.

(8) BANK LOAN

	Instalments within one year	Long term Instalments	Total
	JD	JD	JD
30 June 2020-			
Jordan Kuwait Bank	346,648	-	346,648
31 December 2019-			
Jordan Kuwait Bank	320,000	-	320,000

On 30 September 2019, the Company obtained short-term loan of JD 320,000 with the interest rate of 10% to be paid in one payment on 2 January 2020. Later during 2020 it was rescheduled to be paid on 31 July 2020. The loan is secured by the Chairman personal guarantee.

(9) INCOME TAX

The Company did not calculate the income tax for the period ended 30 June 2020 due to the excess of expenses over the taxable income in accordance with the Income Tax Law No. (38) of 2018. The Company reached a final settlement with the Income Tax Department up to the year of 2017.

The Company submitted the income tax return to the Income Tax Department for the years 2018 and 2019 but they have not been reviewed by the Tax Department yet.

(10) CORONAVIRUS SPREAD (COVID – 19) AND ITS IMPACT ON THE GROUP

As a result of the continued impact of the Corona virus (Covid-19) on the global economy and various business sectors and the accompanying restrictions and measures imposed by the Jordanian Government and neighboring countries and the rest of the world, it is possible that operational activities may be affected by global developments that currently affect various economic and geographical sectors. The management assessed the impact of the Corona virus on activities and the financial performance to take appropriate measures to enable it to continue its activities in the current circumstances. The company's management believes that the impact of the pandemic on its business will be limited by the decrease in the value of its investment portfolio in the stock market.