



شركة الديرة للإستثمار والتطوير العقاري
DEERA INVESTMENT & REAL ESTATE DEVELOPMENT CO.

No. 2/4/1 / 278

الرقم : ٢٧٨ / 1/4/2

To: Jordan Securities Commission Amman Stock Exchange Date: 30/05/2017 Subject: Quarterly Report as of 31/03/2017	السادة هيئة الأوراق المالية السادة بورصة عمان التاريخ: 2017/05/30 الموضوع: التقرير ربع السنوي كما هي في 2017/03/31
Attached the Quarterly Report of Deera Investment and Real Estate Development as of 31/03/2017	مرفق طيه نسخة من البيانات المالية ربع السنوية لشركة الديرة للإستثمار والتطوير العقاري كما هي بتاريخ 2017/03/31 م
Kindly accept our high appreciation and respect Deera Investment and Real Estate Development Chief Executive Officer Mohammad Alawi	وتفضلوا بقبول فائق الاحترام ... شركة الديرة للإستثمار والتطوير العقاري الرئيس التنفيذي محمد العلاوي



بورصة عمان
الدائرة الإدارية والمالية
الديوان
٢١ أيار ٢٠١٧
الرقم المتسلسل: 3336
رقم الملف: 31255
الجهة المختصة: 2110/611



**DEERA INVESTMENT AND REAL ESTATE DEVELOPMENT GROUP
PUBLIC SHAREHOLDING COMPANY
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
31 MARCH 2017**

DEERA INVESTMENT AND REAL ESTATE DEVELOPMENT GROUP
PUBLIC SHAREHOLDING COMPANY
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REVIEW REPORT ON INTERIM FINANCIAL STATEMENT

**TO THE CHAIRMAN AND MEMBERS OF THE BOARD OF DIRECTORS
DEERA INVESTMENT AND REAL ESTATE DEVELOPMENT GROUP
PUBLIC SHAREHOLDING COMPANY
AMMAN - JORDAN**

We have reviewed the accompanying condensed consolidated interim statement of financial position of Deera Investment and Real Estate Development Group as at 31 March 2017, and the related condensed consolidated interim statements of comprehensive income, changes in equity and cash flows for the period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this condensed consolidated interim financial statement in accordance with International Accounting Standard IAS (34) relating to Interim Financial Reporting. Our responsibility is to express a conclusion on this condensed consolidated interim financial statement based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagement 2410 "Review of Interim Financial Statement 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 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard (34) relating to interim financial reporting.

Amman – Jordan

22 April 2017

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DEERA INVESTMENT AND REAL ESTATE DEVELOPMENT GROUP
PUBLIC SHAREHOLDING COMPANY
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
31 MARCH 2017

	31 MARCH 2017 JD	31 December 2016 JD
Assets		Audited
Non - Current Assets		
Property, plant and equipment	115 867	91 074
Projects under construction	16 149 989	15 249 914
Investment in associates	15 238 571	15 184 172
Investment properties	18 700 328	18 695 976
Assets held under capital lease	4 804 867	4 804 867
Financial assets at fair value through comprehensive income	2 001 820	2 401 531
cheques under collection Long-term	387 762	35 740
Total Non - Current Assets	57 399 204	56 463 274
Current Assets		
Assets held for sale	3 980 875	4 712 609
Other debit balances	231 961	303 011
Due from related parties	70 097	139 293
Accounts receivable	315 642	178 262
Short-term cheques under collection	257 518	141 759
Cash and cash equivalents	436 824	1 323 153
Total Current Assets	5 292 917	6 798 087
Total Assets	62 692 121	63 261 361
Equity and Liabilities		
Equity		
Share capital	40 000 000	40 000 000
Share premium	16 400 000	16 400 000
Statutory reserve	2 713 643	2 713 643
Voluntary reserve	175 157	175 157
Fair value reserve	(4 196 243)	(3 719 319)
Retained earning	5 599 045	5 616 637
Total Equity	60 691 602	61 186 118
Non - Current Liabilities		
Long-term Murabaha financing facility	918 740	1 077 867
Total Non - Current Liabilities	918 740	1 077 867
Current Liabilities		
Short-term Murabaha financing facility	742 598	689 555
Capital lease obligations	67 000	67 000
Provision for income tax	-	20 358
Other credit balances	191 836	177 417
Advance payments in assets held for sale	58 033	7 056
Due to related parties	2 378	-
Accounts payable	19 934	35 990
Total Current Liabilities	1 081 779	997 376
Total Liabilities	2 000 519	2 075 243
Total Equity and Liabilities	62 692 121	63 261 361

The accompanying notes are an integral part of these condensed consolidated interim financial statements

DEERA INVESTMENT AND REAL ESTATE DEVELOPMENT GROUP
PUBLIC SHAREHOLDING COMPANY
CONDENSED CONSOLIDATED INTERIM STATEMENT OF INCOME
31 MARCH 2017

	31 MARCH 2017 JD	31 MARCH 2016 JD
Operating revenue	838 996	-
Operating expenses	(784 501)	-
Gross profit	54 495	-
Administrative expenses	(199 319)	(171 157)
Group's share of associates	(15 551)	(3 560)
Other revenue	112 855	20 024
Loss for the Period	(47 520)	(154 693)
Basic and diluted loss per share	(0.001) JD	(0.004) JD

The accompanying notes are an integral part of these condensed consolidated interim financial statements

DEERA INVESTMENT AND REAL ESTATE DEVELOPMENT GROUP
PUBLIC SHAREHOLDING COMPANY
CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
31 MARCH 2017

	31 MARCH 2017 JD	31 MARCH 2016 JD
Loss for the Period	(47 520)	(154 693)
Other comprehensive income items:		
Change in the fair value of reserve	(476 924)	(35 154)
Gain from sale of financial assets at fair value	29 928	-
Total comprehensive income for the period	(494 516)	(189 847)

The accompanying notes are an integral part of these condensed consolidated interim financial statements

DEERA INVESTMENT AND REAL ESTATE DEVELOPMENT GROUP
PUBLIC SHAREHOLDING COMPANY
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
31 MARCH 2017

	Share capital	Share premium	Statutory reserve	Voluntary reserve	Cumulative change in Fair value	Retained earnings	Total Equity
2016							
31 DECEMBER 2015	40 000 000	16 400 000	2 702 084	175 157	(4 007 859)	9 625 221	64 894 603
Total comprehensive income for the period	-	-	-	-	(35 154)	(154 693)	(189 847)
31 MARCH 2016	40 000 000	16 400 000	2 702 084	175 157	(4 043 013)	9 470 528	64 704 756
2017							
31 DECEMBER 2016	40 000 000	16 400 000	2 713 643	175 157	(3 719 319)	5 616 637	61 186 118
Total comprehensive income for the period	-	-	-	-	(446 996)	(47 520)	(494 516)
Gain from sale of financial assets	-	-	-	-	(29 928)	29 928	-
31 MARCH 2017	40 000 000	16 400 000	2 713 643	175 157	(4 196 243)	5 599 045	60 691 602

The accompanying notes are an integral part of these condensed consolidated interim financial statements

DEERA INVESTMENT AND REAL ESTATE DEVELOPMENT GROUP
PUBLIC SHAREHOLDING COMPANY
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
31 MARCH 2017

	31 MARCH 2017 JD	31 MARCH 2016 JD
Operating activities		
Loss for the Period	(47 520)	(154 693)
Adjustments for:		
Depreciation	5 421	3 437
Group's share of associates	15 551	3 560
Interest revenue	(87)	(30 033)
Changes in operating assets and liabilities		
Other debit balances	71 050	(23 657)
Assets held for sale	731 734	-
Due from related parties	69 196	(12 999)
Account receivables	(137 380)	(149)
cheques under collection	(467 781)	6 000
Advance payments in assets held for sale	50 977	-
Financial assets at fair value through comprehensive Income	(47 285)	-
Other credit balances	14 419	11 746
Provision for income tax	(20 358)	(817)
Account payables	(16 056)	(3 590)
Due to related parties	2 378	-
Net cash from (used in) operating activities	224 259	(201 195)
Investing activities		
Proceeds from interest revenue	87	13 125
Projects under constructions	(900 075)	(168 364)
Purchase of property, plant and equipment	(30 214)	(1 561)
Investment in associate	(69 950)	-
Investments properties	(4 352)	-
Net cash used in investing activities	(1 004 504)	(156 800)
Financing activities		
Murabaha financing facility	(106 084)	(132 928)
Net cash used in financing activities	(106 084)	(132 928)
Net change in cash and cash equivalents	(886 329)	(490 923)
Cash and cash equivalents at 1 January	1 323 153	4 734 039
Cash and cash equivalents at 31 March	436 824	4 243 116

The accompanying notes are an integral part of these condensed consolidated interim financial statements

DEERA INVESTMENT AND REAL ESTATE DEVELOPMENT GROUP
PUBLIC SHAREHOLDING COMPANY
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT
31 MARCH 2017

1) General

The Company was registered at the Ministry of Industry and Trade as a Jordanian public shareholding company under No. (410) on 8 June 2006. The company's share capital is JD 40 000 000.

The Company's main activities are acquired and sell properties, Land development, construction of commercial and residential buildings, and other related activities.

The accompanying condensed consolidated interim financial statement was approved by the Management on 22 April 2017.

2) Basis of preparation

The accompanying condensed consolidated interim financial statements have been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting".

The accompanying condensed consolidated interim financial information do not include all the information and disclosures required for the annual financial statements, which are prepared in accordance with the International Financial Reporting Standards and must be read with the consolidated financial statements of the Company as at 31 December 2016. In addition, the results of the Company's operations for the three months ended 31 March 2017 do not necessarily represent indications of the expected results for the year ending 31 December 2017, and do not contain the appropriation of the profit of the current period, which is usually performed at year end

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

The accounting policies adopted in the preparation of the condensed consolidated interim financial information are consistent with those adopted for the year ended 31 December 2016 except for the following: -

Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2) IFRS 4 'Insurance Contracts' (Amendments to IFRS 4)

Disclosure Initiative (Amendments to IAS 7): Amends IAS 7 'Statement of Cash Flows' to clarify that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

IFRS 9 Financial Instruments

IFRS 15 Revenue from Contracts with Customers

IFRS 16 Leases

Management anticipates that these new and revised standards, interpretations and amendments will be adopted in the group consolidated financial statements when they are applicable and adoption of these new standards, interpretations and amendments except for IFRS 9, IFRS 15 and IFRS 16, may have no material impact on the financial statements of the Company in the period of initial application, Management anticipates that IFRS 15 and IFRS 9 will be adopted in the Group consolidated financial statements for the annual year beginning 1 January 2018 and IFRS 16 for the annual year beginning on or after 1 January 2019. The application of IFRS 15 and IFRS 9 may have significant impact on amounts reported and disclosures made in the Group consolidated financial statements in respect of revenue from contracts with customers and the group financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of effects of the application of these standards until the group performs a detailed review.

DEERA REAL ESTATE DEVELOPMENT GROUP
PUBLIC SHAREHOLDING COMPANY
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT
31 MARCH 2017

3) Principles of consolidation

The consolidated financial statements comprise of the financial statements of the Company and its subsidiaries where the Company has the power to govern the financial and operating policies of the subsidiaries to obtain benefits from their activities. The financial statements of the subsidiaries are prepared for the same reporting year as the Company using consistent accounting policies. All balances, transactions, income, and expenses between the Company and its subsidiaries are eliminated.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases.

The results of operations of the subsidiaries are consolidated in the income statements from the acquisition date, which is the date on which control over subsidiaries is transferred to the Company. The results of operation of the disposed subsidiaries are consolidated in the income statement to the disposal date, which is the date on which the Company loses control over the subsidiaries

The following subsidiaries have been consolidated:

	Share capital JD	Nature of Activity -	Percentage of ownership 31 March 2017	Ownership percentage 2016
AL ITLALAH INVESTMENT AND REAL ESTATE DEVELOPMENT	5 348 238	Real estate	%100	%100
AL DEERA TOWER INVESTMENT AND REAL ESTATE DEVELOPMENT	5 340 384	Real estate	%100	%100
AWTAD FOR CONTRACTING CONSTRUCTION	150 000	Constructions	%100	%100
AL QAWS ELECTRONICS AND REAL ESTATE INVESTMENT	100 000	Real estate	%100	%100
AL ZANBQ INVESTMENT AND REAL ESTATE DEVELOPMENT	10 000	Real estate	%100	%100
ALSAMQ INVESTMENT AND REAL ESTATE DEVELOPMENT	10 000	Real estate	%100	%100
AL SAQI INVESTMENT AND REAL ESTATE DEVELOPMENT	10 000	Real estate	%100	%100
AL NASAEM INVESTMENT AND REAL ESTATE DEVELOPMENT	10 000	Real estate	%100	%100
AL TMAEM INVESTMENT AND REAL ESTATE DEVELOPMENT	10 000	Real estate	%100	%100

Accounting estimates

Preparation of the financial statements and the application of the accounting policies requires the management to perform assessments and assumptions that affect the amounts of financial assets, financial liabilities, and fair value reserve and to disclose contingent liabilities. Moreover, these assessments and assumptions affect revenues, expenses, provisions, and changes in the fair value shown in the statement of other comprehensive income and owners' equity. In particular, this requires the company's management to issue significant judgments and assumptions to assess future cash flow amounts and their timing. Moreover, the said assessments are necessarily based on assumptions and factors with varying degrees of consideration and uncertainty. In addition, actual results may differ from assessments due to the changes resulting from the conditions and circumstances of those assessments in the future.

4) Segmental Information

Segmental information for the basic sectors:

For management purposes, the Group is organized into one major business segment:

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

Information on Geographical Distribution:

This note represents the geographical distribution of the Group operations. Moreover, the Group conducts its operations mainly in the Kingdom, representing local operations.

5) Comparative figures

Some of the comparative figures for the year 2016 have been reclassified to correspond with the period ended 31 March 2017 presentation and it did not result in any change to the last period's operating results