



شركة الإحداثيات العقارية م.ع.م
IHDATHIAT REALSTATE Co.Ltd

الإحداثيات العقارية
IHDATHIAT

To: Jordan Securities Commission
Amman Stock Exchange

Date: 31/10/2017

Subject: Quarterly Report as of September 30, 2017

Attached the Quarterly Report of (Ihdathiat Real Estate CO) as of September 30, 2017

Kindly accept our highly appreciation and respect

Ihdathiat Real Estate CO

Ala'a Al Masri Nadeen Al Qutieshat

Chairman

Vice chairman

الإحداثيات العقارية
المساهمة العامة المحدودة
عمان - الأردن

To Securities depository center

السادة هيئة الأوراق المالية المحترمين

السادة بورصة عمان المحترمين

التاريخ: ٣١ / ١٠ / ٢٠١٧

الموضوع: التقرير ربع السنوي كما هي في ٢٠١٧/٩/٣٠

مرفق طيه نسخة من البيانات المالية ربع السنوية لشركة الإحداثيات العقارية كما هي بتاريخ ٢٠١٧/٩/٣٠

وتفضلوا بقبول فائق الاحترام

شركة الإحداثيات العقارية

رئيس مجلس الإدارة نائب رئيس مجلس الإدارة

نادين القطيشات

الاء المصري

نادين القطيشات

الاء المصري

شركة الإحداثيات العقارية
المساهمة العامة المحدودة

عمان - الأردن

نسخة السادة مركز إيداع الأوراق المالية المحترمين

بورصة عمان
الدائرة الإدارية والمالية
الديوان
٣١ تشرين الأول ٢٠١٧
5225 الرقم التسلسلي
31236 رقم الملف
2017616 الجهة المختصة

AL – IHDATHIAT REAL ESTATE COMPANY
PUBLIC SHAREHOLDING COMPANY

INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)

30 SEPTEMBER 2017





Building a better
working world

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**REPORT ON REVIEW OF
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TO THE BOARD OF DIRECTORS OF AL-IHDATHIAT REAL ESTATE COMPANY
AMMAN - JORDAN**

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Al-Ihdathiat Real Estate Company - Public Shareholding Company (the "Company") and its subsidiaries (the "Group") as at 30 September 2017, comprising of the interim condensed consolidated statement of financial position as at 30 September 2017 and the related interim condensed consolidated statements of income and comprehensive income, changes in equity and cash flows for the nine months period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard IAS 34 (Interim Financial Reporting). 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 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 the 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 IAS 34.

Emphasis of matter

Without qualifying our conclusion and as disclosed in note (6) to the interim condensed consolidated financial statements, investment properties include housing units with an amount of JD 161,932 that are not registered in the name of the Group as of 30 September 2017 which includes promise for sale to the Group.

Amman – Jordan
22 October 2017

AL-IHDATHIAT REAL ESTATE COMPANY - PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 SEPTEMBER 2017

<u>ASSETS</u>	<u>Notes</u>	30 September 2017	31 December 2016
		JD (Unaudited)	JD (Audited)
Non-current assets -			
Property and equipment		26	127
Properties under development	6	3,409,488	3,411,969
Financial assets at fair value through other comprehensive income		3,903	4,424
		<u>3,413,417</u>	<u>3,416,520</u>
Current assets -			
Other current assets		8,295	4,452
Cash and bank balances		51,081	73,850
		<u>59,376</u>	<u>78,302</u>
Total Assets		<u>3,472,793</u>	<u>3,494,822</u>
<u>EQUITY AND LIABILITIES</u>			
Shareholders' equity			
Paid in capital	1	4,486,627	4,486,627
Share capital issuance discount		(589,659)	(589,659)
Statutory reserve		65,940	65,940
Voluntary reserve		68,946	68,946
Fair value reserve		(2,433)	(1,912)
Accumulated losses		(624,347)	(624,347)
Loss for the period		(27,004)	-
Total Equity		<u>3,378,070</u>	<u>3,405,595</u>
Liabilities -			
Current liabilities			
Due to related parties	3	33,399	30,395
Other current liabilities		61,324	58,832
Total liabilities		<u>94,723</u>	<u>89,227</u>
Total Equity and Liabilities		<u>3,472,793</u>	<u>3,494,822</u>

The attached notes from 1 to 6 form part of these Interim condensed consolidated financial statements

AL-IHDATHIAT REAL ESTATE COMPANY - PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2017 (UNAUDITED)

	<u>Note</u>	<u>For the three months ended 30 September</u>		<u>For the nine months ended 30 September</u>	
		<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
		<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>
Interest income		380	574	1,303	1,449
Dividends paid		-	-	206	176
Other revenues		1,411	1,008	3,411	2,263
Administrative expenses		(7,768)	(8,256)	(31,404)	(36,894)
Marketing expenses		-	-	(520)	(879)
Finance expenses		-	-	-	(4,866)
Loss for the period		(5,977)	(6,674)	(27,004)	(38,751)
		<u>JD/ Fils</u>	<u>JD/ Fils</u>	<u>JD/ Fils</u>	<u>JD/ Fils</u>
Basic and diluted earnings per share from the loss for the period	4	(0/001)	(0/001)	(0/006)	(0/009)

The attached notes from 1 to 6 form part of these interim condensed consolidated financial statements

AL-IHDATHIAT REAL ESTATE COMPANY - PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2017 (UNAUDITED)

	For the three months ended 30 September		For the nine months ended 30 September	
	2017	2016	2017	2016
	JD	JD	JD	JD
Loss for the period	<u>(5,977)</u>	<u>(6,674)</u>	<u>(27,004)</u>	<u>(38,751)</u>
Add: other comprehensive income net of tax that will not be transferred to profit or loss in subsequent periods:				
Change in fair value of financial assets at fair value through other comprehensive income	<u>(245)</u>	<u>(3)</u>	<u>(521)</u>	<u>(213)</u>
Total other comprehensive income for the period after tax	<u>(245)</u>	<u>(3)</u>	<u>(521)</u>	<u>(213)</u>
Total comprehensive income for the period	<u>(6,222)</u>	<u>(6,677)</u>	<u>(27,525)</u>	<u>(38,964)</u>

The attached notes from 1 to 6 form part of these interim condensed consolidated financial statements

AL-IHDATHIAT REAL ESTATE COMPANY - PUBLIC SHAREHOLDING COMPANY
 INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2017 (UNAUDITED)

	Paid in capital		Share capital issuance discount		Statutory reserve		Voluntary reserve		Fair value reserve		Loss for the period		Accumulated losses		Total		
	JD		JD		JD		JD		JD		JD		JD		JD		
For the nine months ended 30 September 2017																	
As at 1 January 2017	4,486,627		(589,659)		65,940		68,946		(1,912)		-		(624,347)		3,405,595		
Total comprehensive income	-		-		-		-		(521)		(27,004)		-		(27,525)		
Balance at 30 September 2017	<u>4,486,627</u>		<u>(589,659)</u>		<u>65,940</u>		<u>68,946</u>		<u>(2,433)</u>		<u>(27,004)</u>		<u>(624,347)</u>		<u>3,378,070</u>		
For the nine months ended 30 September 2016																	
As at 1 January 2016	4,070,627		(428,251)		65,940		68,946		(1,788)		-		(580,274)		3,195,200		
Total comprehensive income	-		-		-		-		(213)		(38,751)		-		(38,964)		
Increase in capital (Note 1)	416,000		(161,408)		-		-		-		-		-		254,592		
Balance at 30 September 2016	<u>4,486,627</u>		<u>(589,659)</u>		<u>65,940</u>		<u>68,946</u>		<u>(2,001)</u>		<u>(38,751)</u>		<u>(580,274)</u>		<u>3,410,828</u>		

The attached notes from 1 to 6 form part of these interim condensed consolidated financial statements

AL-IHDATHIAT REAL ESTATE COMPANY - PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2017 (UNAUDITED)

	For the nine month ended 30 September	
	2017	2016
	JD	JD
<u>OPERATING ACTIVITIES</u>		
Loss for the period	(27,004)	(38,751)
Adjustments for -		
Depreciation	2,582	2,589
Interest income	(1,303)	(1,449)
Finance cost	-	4,866
Working capital changes -		
Other current assets	(3,843)	379
Other current liabilities	2,492	429
Related parties transactions	3,004	(214,191)
Net cash flows used in operating activities	(24,072)	(246,128)
<u>INVESTING ACTIVITY</u>		
Interest income received	1,303	1,449
Net cash flows from investing activity	1,303	1,449
<u>FINANCING ACTIVITY</u>		
Increase in capital	-	254,592
Finance cost	-	(4,866)
Net cash flows from financing activity	-	249,726
Net (decrease) increase in cash and cash equivalents	(22,769)	5,047
Cash and cash equivalents at 1 January	73,850	72,188
Cash and cash equivalents at the period ended	51,081	77,235

The attached notes from 1 to 6 form part of these interim condensed consolidated financial statements

(1) GENERAL

Al-Ihdathiat Real Estate Company - Public Shareholding Company (the "Group") incorporated on 18 September 2005 with an authorized capital of JD 5,000,000 and issued capital of JD 3,000,000 divided into 3,000,000 shares at a par value of JD 1 each. The general assembly decided in its unordinary meeting held on 20 April 2015 to increase the capital from JD 3,000,000 to JD 4,070,627 as of 31 December 2015 through the issuance of 1,070,627 shares at par value of JD 1 and with an issuance discount of 400 cents.

The process of increase capital was completed on 20 August 2015. On April 12, 2016, the Securities Commission has approved on the allocation of 416,000 shares from the groups unquoted shares amounted to 929,373 shares for Jordan Investment Trust Company, where Jordan Investment Trust Company paid an amount of JD 254,594 (0.612 JD per share) in cash so that the quoted and paid in capital becomes JD 4,486,627.

The principal activities of the Company is property management and development, provide all associated services, the establishment of residential apartments, the purchase of lands and real estates, import and exports, and what it takes to achieve the company's objectives as well as investment in securities for its own accounts.

The Company's offices are located in Jabal Amman, Amman - The Hashemite Kingdom of Jordan.

(2) BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim condensed consolidated financial statements as of 30 September 2017 are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting.

The interim condensed consolidated 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 of the date of the interim condensed consolidated financial statement.

The interim condensed financial statement have been presented in Jordanian Dinars, which is the functional currency of the Group.

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 annual financial statements as of 31 December 2016. In addition, results of the nine month period ended 30 September 2017 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2017.

CHANGES IN ACCOUNTING POLICIES

The accounting policies used in the preparation of the consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2016 except for the followings:

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 consolidated interim condensed 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 consolidated interim condensed financial statements.

(3) RELATED PARTIES TRANSACTIONS

Related parties represent associated companies, major shareholders, directors and key management personnel of the Group, and companies of which they are principal owners. Pricing policies and terms of these transactions are approved by the Group's management.

Transactions with related parties presented in the consolidated statement of financial position are as follows:

	30 September 2017	31 December 2016
	JD	JD
	(Unaudited)	(Audited)
Related Parties		
Al-Ta'awon Company for property management (controlled by major shareholder)*	9,113	6,378
Jordan invest Company (The Parent Company)	24,286	24,017
	<u>33,399</u>	<u>30,395</u>

* The Group rents its offices from Al-Ta'awon Company for Property Management.

AL-IHDATHIAT REAL ESTATE COMPANY - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2017

Details of transactions with related parties appearing in the consolidated statement of comprehensive income are as follows:

	For the nine month ended 30 September	
	2017	2016
	JD (Unaudited)	JD (Unaudited)
Rent Expense paid for Al-Ta'awon Company for Property Management (Controlled by major shareholder)	2,000	2,000

The group has not paid salaries and bonuses to senior executives for the periods ended 30 September 2017 and 2016.

Subsidiaries

The interim condensed consolidated financial statement comprises the company's and its subsidiaries financial statements:

Company's Name	Paid in capital	Nature of activity	Percentage of Ownership		Company type
			30 September	31 December	
			2017	2016	
Sail Hosban Real Estate Company	1,000	Real estate investment	100%	100%	Limited Liability
Hojrat Alshamaly Real Estate Company	1,000	Real estate investment	100%	100%	Limited Liability
Khorbat Saka Real Estate Company	1,000	Real estate investment	100%	100%	Limited Liability

Companies have significant influence on the group

Jordan Invest Company has significant influence on the group where have 54% from the Group's capital as 30 September 2017 (31 December 2016: 54%).

AL-IHDATHIAT REAL ESTATE COMPANY - PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2017

(4) EARNINGS PER SHARE FROM THE LOSS FOR THE PERIOD

	For the three month ended 30 September		For the nine month ended 30 September	
	2017 (Unaudited)	2016 (Unaudited)	2017 (Unaudited)	2016 (Unaudited)
Weighted average number of shares (Share)	4,486,627	4,459,348	4,486,627	4,330,247
Loss for the period (JD)	(5,977)	(6,674)	(27,004)	(38,751)
	<u>JD/Fils</u>	<u>JD/Fils</u>	<u>JD/Fils</u>	<u>JD/Fils</u>
Basic and diluted earnings per share (JD) from the loss for the period	<u>(0/001)</u>	<u>(0/001)</u>	<u>(0/006)</u>	<u>(0/009)</u>

(5) INCOME TAX

The income tax provision was not calculated for the periods ended 30 September 2017 and 2016 due to the increase in the deductible expenses on the taxable income, according to the income tax law No. (34) for the year 2014.

The Group reached a final settlement with the Income and Sales Tax Department up to the year 2014.

The Group filed its tax returns for the years 2015 and 2016, however, the Income and Sales Tax Department has not reviewed the accounting records until the date of these consolidated financial statements.

(6) PROPERTIES UNDER DEVELOPMENT

The details of this item are as follows:

	30 September 2017 JD (Unaudited)	31 December 2016 JD (Audited)
Lands (lower of cost or net realizable value)	1,230,176	1,230,176
Residential units (at cost) *	237,205	239,409
Project under construction (at cost)	1,942,107	1,942,384
	<u>3,409,488</u>	<u>3,411,969</u>

- * This item includes housing units with a carrying value of JD 161,932 that consist of three apartments with a total area of approximately 220 square meters, the promise of sale of these apartments was recorded on behalf of the Group on 30 November 2011 while the ownership of these apartments was not transferred to the group until the date of the preparation these financial statements.