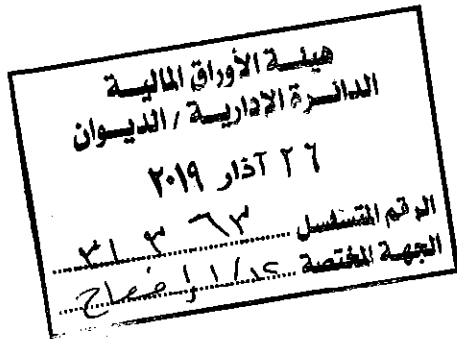


شركة اتحاد المستثمرين العرب للتطوير العقاري م.ع.م
ARAB INVESTORS UNION CO.FOR REAL ESTATES DEVLOPMENT



<p>To: Jordan Securities Commission Amman Stock Exchange NO :- 1029/JS/2019 Date:- 26/03/2019 Subject: Audited Financial Statements for the fiscal year ended 31/12/2018</p>	<p>السادة هيئة الأوراق المالية السادة بورصة عمان الرقم :- ٢٠١٩/١٥/١٠٢٩ التاريخ:- ٢٠١٩/٠٣/٢٦ الموضوع: البيانات المالية السنوية المدققة للسنة المنتهية في ٢٠١٨/١٢/٣١</p>
<p>Attached the Audited Financial Statements of Arab Investors Union Co. For Real Estates Development for the fiscal year ended 31/12/2018</p>	<p>مرفق طيه نسخة من البيانات المالية المدققة لشركة اتحاد المستثمرين العرب للتطوير العقاري عن السنة المالية المنتهية في ٢٠١٨/١٢/٣١</p>
<p>Kindly accept our high appreciation and respect Arab Investors Union Co. For Real Estates Development General Manager's Signature</p>	<p>وتفضلوا بقبول فائق الاحترام،،، شركة اتحاد المستثمرين العرب للتطوير العقاري توقيع المدير العام</p>



عُوز احمد النباه

Company
Arab Investors Union Co.
For Real Estates Developing P.L.C
(Public Shareholding Company)
Amman - Jordan
Financial Statements and
and Independent Auditor's Report
for the Year ended December 31, 2018

Company
Arab Investors Union Co.
(Public Shareholding Company)
Amman - Jordan

Table of Contents	
Description	Page
Independent auditor's report	3
Statement of financial position as of December 31, 2018	6
Statement of comprehensive income for the Year ended December 31, 2018	7
Statement of other comprehensive income for the Year ended December 31, 2018	8
Statement of changes in equity for the year ended December 31, 2018	9
Statement of Cash Flows for the Year ended December 31, 2018	10
Notes to the Financial Statements	11 -19

INDEPENDENT AUDITOR'S REPORT**To Arab Investors Union Co.For Real Estates Developing P.L.C Company****Opinion**

We have audited the financial statements of Arab Investors Union Co.For Real Estates Developing P.L.C Company which comprise the statement of financial position as at December 31, 2018 and the statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

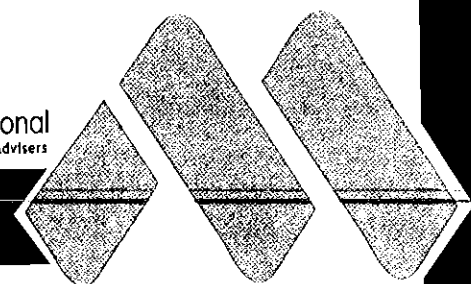
Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

- Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
- As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

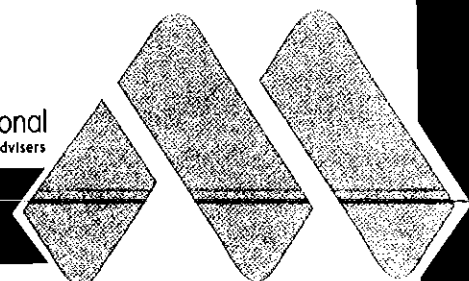
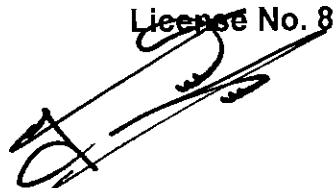
Report on Other Legal and Regulatory Requirements

The Company has proper accounting records which are, in all material respects, consistent with the accompanying financial statements, accordingly, we recommend to approve these financial statements.

The Hashemate Kingdom Of
Jordan-Amman
January 23, 2019



Morison KSI - Jordan
Modernity International certified
auditors
Mohammad Harb
License No. 852



Arab Investors Union Co.For Real Estates Developing P.L.C
(Public Shareholding Company)
Amman - Jordan

Statement of financial position as of December 31, 2018

	<u>Notes</u>	<u>2018</u>	<u>2017</u>
	No	JD	JD
<u>Assets</u>			
<u>Current assets</u>			
Cash and cash equivalents	3	1,383	5,875
Other debit balances	4	926	4,714
Total current assets		<u>2,309</u>	<u>10,589</u>
<u>Non-current assets</u>			
Property, plant and equipment	5	1,945	2,526
Investments in land		2,531,859	2,531,859
Total Non-current assets		<u>2,533,804</u>	<u>2,534,385</u>
Total assets		<u>2,536,113</u>	<u>2,544,974</u>
<u>Liabilities And Equity</u>			
<u>Current liabilities</u>			
Accounts payable		77,502	70,503
Other Credit balances	6	22,195	12,447
Total current liabilities		<u>99,697</u>	<u>82,950</u>
Total liabilities		<u>99,697</u>	<u>82,950</u>
<u>Equity</u>			
Capital		3,000,000	3,000,000
Accumlated losses		(563,584)	(537,976)
Total Equity		<u>2,436,416</u>	<u>2,462,024</u>
Total liabilities and Equity		<u>2,536,113</u>	<u>2,544,974</u>

The accompanying notes are an integral part of these financial statements

Arab Investors Union Co.For Real Estates Developing P.L.C
(Public Shareholding Company)
Amman - Jordan

Statement of comprehensive income for the Year ended December 31, 2018

	<u>Notes</u>	<u>2018</u>	<u>2017</u>
	No	JD	JD
<u>Revenue</u>			
Land sales		-	27,580
The cost of land		-	(25,639)
		<u>-</u>	<u>1,941</u>
Total profit (loss)		<u>-</u>	<u>1,941</u>
Income from renter property		300	124
		<u>300</u>	<u>2,065</u>
Total Revenue		<u>300</u>	<u>2,065</u>
<u>Expenses</u>			
Salaries, Wages and Accessories		(6,600)	(6,600)
General and administrative expenses	7	(18,727)	(19,158)
Depreciation		(581)	(615)
		<u>(25,908)</u>	<u>(26,373)</u>
Total Expenses		<u>(25,908)</u>	<u>(26,373)</u>
(Loss) years		<u>(25,608)</u>	<u>(24,308)</u>

The accompanying notes are an integral part of these financial statements

Arab Investors Union Co.For Real Estates Developing P.L.C
(Public Shareholding Company)
Amman - Jordan

Statement of other comprehensive income for the Year ended December 31, 2018

	<u>Notes</u>	<u>2018</u>	<u>2017</u>
	No	JD	JD
<u>Expenses</u>			
Loss years		(25,608)	(24,308)
Loss for the year after other comprehensive income		<u>(25,608)</u>	<u>(24,308)</u>

The accompanying notes are an integral part of these financial statements

Arab Investors Union Co.For Real Estates Developing P.L.C
(Public Shareholding Company)
Amman - Jordan

Statement of changes in equity for the year ended December 31, 2018

	<u>Capital</u>	<u>Accumulated</u> <u>losses</u>	<u>Total</u>
	JD	JD	JD
2017			
Beginning Balance of Jan 1,2017	3,000,000	(513,668)	2,486,332
Loss years	-	(24,308)	(24,308)
Balance as of December 31, 2017	<u><u>3,000,000</u></u>	<u><u>(537,976)</u></u>	<u><u>2,462,024</u></u>
2018			
Beginning Balance of Jan 1,2018	3,000,000	(537,976)	2,462,024
Loss years	-	(25,608)	(25,608)
Balance as of December 31, 2018	<u><u>3,000,000</u></u>	<u><u>(563,584)</u></u>	<u><u>2,436,416</u></u>

The accompanying notes are an integral part of these financial statements

Arab Investors Union Co.For Real Estates Developing P.L.C
(Public Shareholding Company)
Amman - Jordan

Statement of Cash Flows for the Year ended December 31, 2018

	<u>2018</u>	<u>2017</u>
	JD	JD
<u>Cash Flows from Operating Activities</u>		
Loss years	(25,608)	(24,308)
Depreciation	581	615
	<u>(25,027)</u>	<u>(23,693)</u>
<u>Income operational before Change in the working capital</u>		
Other debit balances	3,788	(2,839)
Accounts payables	6,999	10,050
Other Credit balances	9,748	4,955
	<u>(4,492)</u>	<u>(11,527)</u>
<u>Cash Flows from Investing Activities</u>		
Additions in property, plant and equipment	-	(890)
Investments in land	-	17,564
	<u>-</u>	<u>16,674</u>
Net cash flows (used in) investing activities		
Net Change in cash	(4,492)	5,147
Cash at the beginning of the year	5,875	728
	<u>1,383</u>	<u>5,875</u>
Cash at the end of the year	1,383	5,875

The accompanying notes are an integral part of these financial statements

Arab Investors Union Co.For Real Estates Developing P.L.C
(Public Shareholding Company)
Amman - Jordan

Notes to the Financial Statements

1) General information

a. Establishment of the Company

- Arab Investors Union for Real Estate Development was established as a public shareholding company limited in the register of companies with the Ministry of Industry and Trade under No. (398) on 10 April 2006 with a capital of JD (3,000,000) and the date of the last revision of 18 May 2011.

Capital when registering	3,000,000
Authorized Capital	3,000,000
Subscribed capital	3,000,000
Number of shares / shares	3,000,000
Value of the share / share	1

b. The principal activities of the Company are described below:

- Buy and sell land, after the development, organization and improvement and divided, sort and deliver all necessary services mainly on the laws in force.
- Import and export.
- It owns movable and immovable property.
- Investment company funds in real estate fields.
- Borrow money for it from banks.

Board of Directors and authorized signatories

Board of Directors	Adjective
Fayyad Ahmed Abdel Karim Nabulsi	Member of the Board of Directors
Ali Mohammed Al Mari	Member of the Board of Directors
Aoun Bashir Abdel Karim Nabulsi	chairman
The victory of Ahmed Abdel Karim Nabulsi	Member of the Board of Directors
Abdul Karim Ahmed Abdul Karim Nabulsi	Vice Chairman of the Board of Directors

- The delegation of two members of the Board of Directors Mr. Aoun Bashir Abdul Karim Nabulsi and Vice Chairman of the Board of Directors Mr. Abdul Karim Ahmed Abdul Karim Nabulsi and Board Member Mr. Fawaz Ahmed Abdul Karim Nabulsi signed all financial transactions amounting to (50,000) fifty thousand dinars or less .
- Chairman of the Board of Directors Mr. Aoun Bashir Abdul Karim Nabulsi and Deputy Chairman of the Board of Directors Mr. Abdul Karim Ahmed Abdul Karim Nabulsi and Board Member Mr. Ali Mohammed Shafer Al Marai together to sign all financial transactions, which exceed (50,000) fifty thousand dinars.
- Mr. Aoun Bashir Abdul Karim Nabulsi and Board Member Mr. Ali Mohammed Shafer Al Mari and Board Member Mr. Fawaz Ahmed Abdul Karim Al Nabulsi are authorized to sign all administrative, legal and non-financial matters pertaining to the Company.

Notes to the Financial Statements

2) Summary of significant accounting policies

- The financial statements have been prepared in accordance with International Financial Reporting Standards. Financial statements preparation framework.

a. Measurement bases used in preparing the financial statements

- The financial statements have been prepared on the historical cost basis except for measurement of certain items at bases other than historical cost.

b. Accounting Estimates

- The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised. Accounting adjustments has no retrospective effects.

c. Cash and cash equivalents

- cash comprises cash on hand, current accounts and demand deposits with banks.
- cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

d- Non-financial assets

- The listed value is reviewed for enterprise assets at the end of each financial year to determine whether a pointer about the decline in case there is an indicator on the lower recoverable amount is estimated from those assets.
- If the listed value of the assets recoverable amount of that asset is recording impairment of such assets.
- All are recorded in the income statement low losses.

e. Inventory

- Inventories are priced at cost using the average cost or net realizable value method, whichever is less.

f. Accounts receivable

- Accounts receivable are carried at fair value and recoverable after making allowance for doubtful debts.

Notes to the Financial Statements

g. Property and equipment

- All property and equipment at historical cost appears, Historical cost includes all direct costs eligible for capitalization which is borne by the company and associated with the acquisition of the asset.
- Depreciation is computed using the straight-line method over the useful life of the asset.

h. Provisions

- Provisions are recognized when the Company has a legal obligation or the actual result of a past event, and that the payment of a potential liabilities can be reliably measured it.

i. Accounts payable and accruals

- It is recognized as accounts payable and the amounts payable upon receipt of the goods or take advantage of the service by the company either has claim by the supplier or did not take place.

j. Installments due and returned checks and notes receivable

- Installments due and returned checks and notes receivable at fair value of the show and recover after provision for doubtful debts is debt taken in the event of sufficient objective evidence that the availability of the company will be unable to collect the amounts owed to it according to the original agreement with the debtors.

k. Income tax

- Taxes are calculated under the tax rates prescribed under the law, regulations and instructions.

l. Foreign currency transactions

- The translation Transactions in foreign currencies during the year at prices prevailing on the date of the transaction.
- The translation of monetary monetary assets and liabilities denominated in foreign currencies in Jordanian dinars on the financial statements the exchange rates prevailing at that date.
- It represents the gain (loss) on foreign currency monetary items in the difference between the amortized cost in Jordanian dinars at the beginning of the year and adjusted using the effective interest rate and payments during the year and the amortized cost in foreign currency translated into the Jordanian dinar exchange rates prevailing at the end of the year.
- The translation of assets and non-monetary liabilities denominated in foreign currencies and the phenomenon at fair value to the Jordanian dinar exchange rates prevailing at the date of the determination of fair value.
- Are registered differences arising from the translation of foreign currencies to the Jordanian dinar in the income statement.

Notes to the Financial Statements

m. Lease contracts

- Are classified as capital leases such as contracts Rent If you arrange the lease transfer substantially all the benefits and risks of ownership of the asset to the lessee, it is classified as other leases as operating leases.
- It is loaded rents payable under operating leases on the list of business during the period of operating lease, using the straight line method.

n. Investments in land

- This item represents the value of land of a (2,531,859) JD it was registered under name of the company under the land ownership document of (1,270,738) JD Under non agencies to isolate the sale of land of (1,261,121) JD.
- The average fair value of investments in the land, according to the assessments real estate experts on financial statements of the sum of (2,692,797) JD as of December 31, 2018 and therefore the fair value of these investments teams an amount of (160,938) JD as of December 31, 2018

Notes to the Financial Statements

5) Property, plant and equipment	Furniture		Computer hardware and software		Electric Equipment and Supplies		Equipment and Tools		Plates land schemes		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
<u>Cost</u>												
Balance as of January 1, 2018	10,856		9,059		3,715		2,106		150			25,886
Balance as of December 31, 2018	10,856		9,059		3,715		2,106		150			25,886
<u>Accumulated depreciation</u>												
Balance as of January 1, 2018	10,450		8,116		3,265		1,380		149			23,360
Depreciation	-		396		48		137		-			581
Balance as of December 31, 2018	10,450		8,512		3,313		1,517		149			23,941
<u>Net book value</u>												
As of December 31, 2018	406		547		402		589		1			1,945
As of December 31, 2017	406		943		450		726		1			2,526

Arab Investors Union Co.For Real Estates Developing P.L.C
(Public Shareholding Company)
Amman - Jordan

Notes to the Financial Statements

	<u>2018</u>	<u>2017</u>
	JD	JD
6) Other Credit balances		
Accured Expenses	15,935	5,785
Secretariats underwriting shareholders and other	6,260	6,662
Total	<u><u>22,195</u></u>	<u><u>12,447</u></u>
	<u>2018</u>	<u>2017</u>
	JD	JD
7) General and administrative expenses		
Fees and subscriptions	5,161	5,813
Rent	5,000	5,000
Professional and consulting fees	2,850	2,990
Transportation	2,400	1,558
Post and Telegraph and Telephone	1,296	1,160
Water and Electricity	776	181
Stationery and publications	303	674
Hospitality and cleanliness	299	471
Advertising	275	483
Maintenance	250	545
Bank commision	30	210
Other	87	73
Total	<u><u>18,727</u></u>	<u><u>19,158</u></u>

Notes to the Financial Statements

8) Financial instruments

a- Fair value

- The carrying amounts of financial assets and liabilities is equal to roughly fair value.

b- Market risks

- Know the market risk as volatility risk fair value or future cash flows of a financial instrument due to changes in market prices and includes the following risks:-

c- Currency risk

- You know it's a risk, currency risk, volatility in the fair value or future cash flows of a financial instrument due to changes in foreign exchange rates.
- The financial instruments shown in the balance sheet is subject to currency risk.

d- Equity price risk

- Know the risk of price volatility risk it dictated that the fair value or future cash flows of a financial instrument due to changes in the rates of profit value in the market.
- The financial instruments shown in the balance sheet are not subject to price risk equity.

e- Other price risk

- Other price risk defines as fair value fluctuation risk or future cash flows of a financial instrument due to changes in market prices (other than those arising from interest rate risk or currency risk) whether special factors changes the financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.
- The financial instruments shown in the balance sheet are not subject to other price risk.

f- Credit risk

- You know it's a risk, credit risk, the failure of one party to a financial instrument in fulfilling its obligations, causing financial loss to the other party.
- The institution maintains financial institutions monetary credit.

Notes to the Financial Statements

l- Liquidity risk

- Board adopts framework for liquidity risk management to the Board of Directors is responsible for managing liquidity risk.
- Monitors cash flow organization and with due dates of financial assets and liabilities.
- The following table shows the due dates of financial assets and liabilities of the Foundation.

9) Approval of the financial statements

- The approval of the financial statements by the bard of management company on 2 February 2019.