



**شركة الضمان للإستثمار المساهمة العامة المحدودة**

التاريخ: ٢٠١٩/٨/٢٢

الرقم: ٢٠١٩/١٧٦

السادة بورصة عمان المحترمين

الموضوع: القوائم الماليه المرحليه المختصره (باللغة الانجليزية)  
للبربع الثاني عن العام ٢٠١٩ (DMAN)

تحية طيبة،،

استناداً لتعليمات الافصاح ، نرفق لكم طيه البيانات المالية المرحلية المختصرة الربع سنوية للشركة كما في ٢٠١٩/٦/٣٠ باللغة الانجليزية، وتقرير المراجعة بعد أن تم مراجعته من قبل مدقي حسابات الشركة السادة ارنست ويونغ.

واقبلوا فانق الاحترام،،،

شركة الضمان للاستثمار  
المساهمة العامة المحدودة

\* مرفق البيانات المالية باللغة الانجليزية

شركة الضمان للإستثمار  
المساهمة العامة المحدودة  
عمان - الأردن

بورصة عمان  
الدائرة الإدارية والمالية  
الديوان  
٢٢ آب ٢٠١٩  
الرقم المتسلسل: 4037  
رقم الملف: 31065  
الجهة المختصة: [Handwritten Signature]

هاتف: ٥٦٢٢٣٦٥ (٩٦٢ ٦)

فاكس: ٥٦٢٢٤٦٢ (٩٦٢ ٦)

ص.ب ٩٤٢٤٣٠

عمان ١١١٩٤ الأردن

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**AL-DAMAN FOR INVESTMENTS COMPANY**

**PUBLIC SHAREHOLDING COMPANY**

**UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS**

**30 JUNE 2019**





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**Report on Review of Interim Condensed Financial Statements  
To the Board of Directors of  
Al-Daman for Investments Company- Public Shareholding Company  
Amman - Jordan**

**Introduction**

We have reviewed the accompanying interim condensed financial statements of Al-Daman for Investments Company - Public Shareholding Company (the "Company") as at 30 June 2019, comprising of the interim condensed statement of financial position as at 30 June 2019 and the related interim condensed statement of income, interim condensed statement of comprehensive income, interim condensed statement of changes in equity and interim condensed statement of cash flows for the six month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard IAS 34 Interim Financial Reporting. 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 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 financial statements are not prepared, in all material respects, in accordance with IAS 34.

Amman – Jordan  
29 July 2019

*Ernst + Young*

**AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION**  
**AT 30 JUNE 2019**

	Notes	30 June 2019 JD (Unaudited)	31 December 2018 JD (Audited)
<b><u>ASSETS</u></b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment		19,114	19,922
Investments properties		2,186,097	2,190,469
Right of use – lease asset	2	1,444,619	-
Projects in progress		24,316	42,178
Investment in an associate	3	5,374,370	5,511,942
Financial assets at fair value through other comprehensive income		236,459	224,725
		<u>9,284,975</u>	<u>7,989,236</u>
<b>CURRENT ASSETS</b>			
Checks and promissory notes under collection		67,558	41,109
Accounts receivable		86,113	205,814
Other current assets		98,538	178,968
Cash and bank balances	4	2,647,618	2,432,318
		<u>2,899,827</u>	<u>2,858,209</u>
<b>TOTAL ASSETS</b>		<u><u>12,184,802</u></u>	<u><u>10,847,445</u></u>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>SHAREHOLDER'S EQUITY</b>			
Paid in capital		10,000,000	10,000,000
Statutory reserve	5	362,735	362,735
Voluntary reserve	5	64,164	64,164
Fair value reserve		(32,777)	(44,511)
Company's share of fair value reserve of an associate		(170,539)	(171,511)
Retained earnings		376,212	491,417
<b>TOTAL EQUITY</b>		<u>10,599,795</u>	<u>10,702,294</u>
<b><u>LIABILITIES</u></b>			
<b>NON-CURRENT LIABILITIES</b>			
lease liability	2	1,480,807	-
<b>CURRENT LIABILITIES</b>			
Other current liabilities		104,200	145,151
<b>TOTAL LIABILITIES</b>		<u>1,585,007</u>	<u>145,151</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>12,184,802</u></u>	<u><u>10,847,445</u></u>

The attached notes from 1 to 10 form part of these interim condensed financial statements

**AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF INCOME**  
**FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2019 (UNAUDITED)**

	Notes	For the three months ended 30 June		For the six months ended 30 June	
		2019	2018	2019	2018
		JD	JD	JD	JD
Operating revenues		130,922	131,375	239,151	241,626
Operating expenses		(66,933)	(90,963)	(132,774)	(176,567)
<b>Operating profit</b>		<b>63,989</b>	<b>40,412</b>	<b>106,377</b>	<b>65,059</b>
Interest income		37,525	34,428	72,459	65,908
Dividends income		10,100	9,245	12,805	11,650
Administrative expenses - Amman		(12,549)	(12,315)	(36,398)	(36,672)
Administrative expenses – Aqaba		(22,293)	(23,654)	(44,607)	(45,455)
Finance cost		(36,295)	-	(72,589)	-
(Provision) Recovered from for expected credit loss		(432)	(9,609)	(22,913)	5,992
Share of profit of an associate	3	34,194	62,116	69,661	110,867
Other revenues		-	(215)	-	5,985
<b>PROFIT FOR THE PERIOD</b>		<b>74,239</b>	<b>100,408</b>	<b>84,795</b>	<b>183,334</b>
		<u>JD/Fils</u>	<u>JD/Fils</u>	<u>JD/Fils</u>	<u>JD/Fils</u>
Basic and diluted earnings per share from the profit of the period	7	<u>0/007</u>	<u>0/010</u>	<u>0/008</u>	<u>0/018</u>

The attached notes from 1 to 10 form part of these interim condensed financial statements

**AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME STATEMENT**  
**FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2019 (UNAUDITED)**

	For the three months ended 30 June		For the six months ended 30 June	
	2019	2018	2019	2018
	JD	JD	JD	JD
<b>PROFIT FOR THE PERIOD</b>	74,239	100,408	84,795	183,334
<b>ADD: OTHER COMPREHENSIVE INCOME NOT TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIOD</b>				
Changes in fair value	7,363	(14,421)	11,734	(6,238)
Changes in fair value reserve of an associate	(11,804)	(20,036)	972	6,261
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>69,798</b>	<b>65,951</b>	<b>97,501</b>	<b>183,357</b>

The attached notes from 1 to 10 form part of these interim condensed financial statements

**FOR THE PERIOD ENDED 30 JUNE 2019 (UNAUDITED)**

	Paid in capital		Statutory reserve		Voluntary reserve		Fair value reserve		Company share of fair value reserve of an associate		Retained earnings		Total	
	JD		JD		JD		JD		JD		JD		JD	
<b>30 June 2019 -</b>														
Balance at 1 January 2019	10,000,000		362,735	64,164	(44,511)	(171,511)	491,417	10,702,294						
Profit for the period	-		-	-	-	-	84,795	84,795						
Changes in fair value reserve	-		-	-	11,734	-	-	11,734						
Changes in fair value reserve of an associate	-		-	-	-	972	-	-	972					
Total Comprehensive Income for the period	-		-	-	11,734	972	84,795	97,501						
Dividends paid (note 9)	-		-	-	-	-	(200,000)	(200,000)						
<b>Balance at 30 June 2019</b>	<b>10,000,000</b>		<b>362,735</b>	<b>64,164</b>	<b>(32,777)</b>	<b>(170,539)</b>	<b>376,212</b>	<b>10,599,795</b>						
<b>30 June 2018 -</b>														
Balance at 1 January 2018	10,000,000		329,386	64,164	(16,792)	(174,483)	591,275	10,793,550						
Profit for the period	-		-	-	-	-	183,334	183,334						
Changes in fair value reserve	-		-	-	(6,238)	-	-	(6,238)						
Changes in fair value reserve of an associate	-		-	-	-	6,261	-	6,261						
Total Comprehensive Income for the period	-		-	-	(6,238)	6,261	183,334	183,357						
Dividends paid (note 9)	-		-	-	-	-	(400,000)	(400,000)						
<b>Balance at 30 June 2018</b>	<b>10,000,000</b>		<b>329,386</b>	<b>64,164</b>	<b>(23,030)</b>	<b>(168,222)</b>	<b>374,609</b>	<b>10,576,907</b>						

An amount of JD 191,252 is restricted from the retained earnings, which represents the negative balance of fair value reserves and Company share of fair value reserve of an associate.

The attached notes from 1 to 10 form part of these interim condensed financial statements

**AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2019 (Unaudited)**

	Notes	For the six months ended 30 June	
		2019	2018
		JD	JD
<b><u>OPERATING ACTIVITIES</u></b>			
Profit for the period		84,795	183,334
<b>Adjustments for:</b>			
Depreciation		36,054	34,582
Depreciation on right of use asset		15,635	-
Provision (Recovered from) for expected credit loss		22,913	(5,992)
Share of profit of an associate		(69,661)	(110,867)
Interest income		(72,459)	(65,908)
Dividends income		(12,805)	(11,650)
finance cost		72,589	-
<b>Working capital changes:</b>			
Accounts receivable and other current assets		150,962	(115,057)
Checks and promissory notes under collection		(49,144)	69,098
Other current liabilities		(40,951)	2,429
<b>Net cash flows from (used in) operating activities</b>		<b>137,928</b>	<b>(20,031)</b>
<b><u>INVESTING ACTIVITIES</u></b>			
Deposits at banks with maturity of more than 3 months	4	(2,539,437)	(2,412,145)
Purchases of property and equipment and investments properties		(30,874)	(15,041)
Projects in progress		17,862	(200)
Dividends from associate		208,205	208,208
Interest income received		134,215	117,299
Dividends received		-	11,650
Lease liability paid		(52,036)	-
<b>Net cash flows used in investing activities</b>		<b>(2,262,065)</b>	<b>(2,090,229)</b>
<b><u>FINANCING ACTIVITIES</u></b>			
Dividends paid		(200,000)	(400,000)
<b>Net cash flows used in financing activities</b>		<b>(200,000)</b>	<b>(400,000)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(2,324,137)</b>	<b>(2,510,260)</b>
Cash and cash equivalents at 1 January		2,432,318	2,598,238
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	4	<b>108,181</b>	<b>87,978</b>

The attached notes from 1 to 10 form part of these interim condensed financial statements



**(1) GENERAL**

Al-Daman for Investments Company ("Company") was established and registered on 17th April 1993, as a Public Shareholding Company. The paid in capital is JD 10,000,000 divided into 10,000,000 share at par value of (JD 1) each.

The Company's objectives are to invest in projects, other companies, securities, and investing the Company's cash in real estate industry.

The interim condensed financial statements were authorized for issuance by the board of directors in their meeting held on 30 July 2019.

**(2-1) BASIS OF PREPARATION FINANCIAL STATEMENTS**

The interim condensed financial statements prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting".

The financial statements have been prepared on a historical cost basis, except for the financial assets at fair value through other comprehensive income, which have been measured at fair value as of the date of the financial statements.

The interim condensed financial statements do not contain all information and disclosures required for the 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 2018. In addition, the result of the six months period ended 30 June 2019 are not necessarily indicative of the result that may be expected for the financial year ending 31 December 2019.

**(2-2) CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES**

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 2018 except for the adoption of new standards effective as of 1 January 2019 shown below:

**IFRS 16 Leases**

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for most leases under a single on-balance sheet model.

**AL-DAMAN FOR INVESTMENTS COMPANY - PUBLIC SHAREHOLDING COMPANY**  
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Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the Company is the lessor.

The Company adopted IFRS 16 using the modified retrospective approach with the date of initial application of 1 January 2019 accordingly, prior year financial statements were not restated. The Company elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

The effect of adoption IFRS 16 is as follows:

Impact on the statement of financial position (increase/(decrease)) as at 1 January 2019:

	2019
	JD
	(Unaudited)
<b>Non-current assets</b>	
Right of use assets	1,460,254
Prepaid expenses	(8,500)
<b>Total assets</b>	<u>1,451,754</u>
<b>Non-current liabilities</b>	
Operating lease liabilities	<u>(1,451,754)</u>
<b>Total equity</b>	<u><u>-</u></u>

a) *Nature of the effect of adoption of IFRS 16*

The Company has lease contracts for a lot of land in Aqaba and offices in Amman. Before the adoption of IFRS 16, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Company; otherwise it was classified as an operating lease. Finance leases were capitalised at the commencement of the lease at the inception date at the fair value of the leased property or, if lower, at the present value of the minimum lease payments.

Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under Prepayments and Trade and other payables, respectively.

Upon adoption of IFRS 16, the Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Company.

• *Leases previously accounted for as operating leases*

The Company recognised right-of-use assets and operating lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease

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b) *Amounts recognised in the statement of financial position and profit or loss*

Set out below, are the carrying amounts of the Company's right-of-use assets and lease liabilities and the movements for the period ended 30 June 2019:

	Land and offices	Lease liabilities
	JD	JD
<b>At 1 January 2019</b>	1,460,254	1,451,754
Amortization	(15,635)	-
Interest expense	-	72,589
Payments	-	(43,536)
<b>At 30 June 2019 (Unaudited)</b>	<u>1,444,619</u>	<u>1,480,807</u>

c) Set out below are the new accounting policies of the Company upon adoption of IFRS 16, which have been applied from the date of initial application:

**Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

**Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate.

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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
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The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

**Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to some of its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Significant judgement in determining the lease term of contracts with renewal options**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has the option, under some of its leases to lease the assets for additional terms. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew.

That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

The Company included the renewal period as part of the lease term for leases of plant and machinery due to the significance of these assets to its operations. These leases have a short non-cancellable period and there will be a significant negative effect on production if a replacement is not readily available.

#### **IFRIC Interpretation 23 Uncertainty over Income Tax Treatment**

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 and does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. An entity must determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The interpretation is effective for annual reporting periods beginning on or after 1 January 2019, but certain transition reliefs are available.

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

#### **Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture**

The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. The IASB has deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments must apply them prospectively.

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

#### **Amendments to IAS 28: Long-term interests in associates and joint ventures**

The amendments clarify that an entity applies IFRS 9 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in IFRS 9 applies to such long-term interests.

The amendments also clarified that, in applying IFRS 9, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognised as adjustments to the net investment in the associate or joint venture that arise from applying IAS 28 Investments in Associates and Joint Ventures.

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

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**(3) INVESTMENT IN AN ASSOCIATE**

This item represents the Company's share in Al-Sharq for projects investments PLC. – Holiday Inn Amman of approximately 26.03% (31 December 2018: 26.03%), the Company owns 4,164,153 shares as of 30 June 2019 (31 December 2018: 4,164,153 shares) from the capital of Al-Sharq for investment projects PLC with a fair value of JD 8,328,306 as of 30 June 2019 (31 December 2018: JD 9,410,986).

Movement on investment in an associate were as follow:

	30 June 2019	31 December 2018
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the period / year	5,511,942	5,473,193
Share of profit of an associate	69,661	243,985
Share of the change in fair value reserve of financial assets of an associate	972	2,972
Dividends received	(208,205)	(208,208)
Balance at the end of the period / year	<u>5,374,370</u>	<u>5,511,942</u>

The following schedules summarizes the financial information for the Company's investment in Alsharq Company for projects investments:

	30 June 2019	31 December 2018
	JD	JD
	(Unaudited)	(Audited)
Current assets	3,635,691	4,182,641
Non-Current assets	17,266,973	17,612,273
Current Liabilities	(582,503)	(946,148)
Shareholders' Equity	<u>20,320,161</u>	<u>20,848,766</u>
Percentage of ownership	<u>26,03%</u>	<u>26,03%</u>
Net investment	<u>5,374,370</u>	<u>5,511,942</u>

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**30 JUNE 2019 (Unaudited)**

	30 June 2019 JD (Unaudited)	30 June 2018 JD (Unaudited)
Operating revenues	2,599,522	2,702,881
Operating expenses	(893,587)	(872,537)
Administrative, maintenance, marketing and depreciation expenses	(1,443,763)	(1,408,823)
Others revenues	69,865	97,469
<b>Profit for the period before tax</b>	<b>332,037</b>	<b>518,990</b>
Income tax expense	(61,311)	(93,002)
National contribution to pay public debt	(3,066)	-
<b>Profit for the period</b>	<b>267,660</b>	<b>425,988</b>
<b>Company's share of profit for the period</b>	<b>69,661</b>	<b>110,867</b>

**(4) CASH AND BANK BALANCES**

	30 June 2019 JD (Unaudited)	31 December 2018 JD (Audited)
Cash on hand	900	60
Cash at banks	102,906	12,229
Deposits maturing within 3 months*	4,375	1,751,110
	108,181	1,763,399
Short term deposits maturing within a period more than 3 months*	2,539,437	668,919
<b>Cash and cash equivalents</b>	<b>2,647,618</b>	<b>2,432,318</b>

\* During the first half of the year 2019, deposits at banks earned interest at a rate between 1.25% and 6.25% (31 December 2018: 1.25% and 5.75%).

**(5) LEGAL RESERVES**

The Company did not deduct legal reserves in accordance with the effective laws and instructions as these financial statements are interim financial statements.



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**(6) INCOME TAX**

Movement on income tax provision were as follows:

	30 June 2019	31 December 2018
	JD (Unaudited)	JD (Audited)
Balance at the beginning of the period / year	-	15,601
Income Tax paid	-	(1,038)
Refunds from income tax deposits	-	(3,156)
Release from income tax provision	-	(11,407)
Balance at the end of the period / year	-	-

No provision for income tax was calculated for the period ended 30 June 2019 and 2018 due to the accumulated losses from prior years in accordance with the Income Tax Law No. (34) of 2014.

The Company reached a final settlement with the income and sales tax department for its operations in Amman for the years up to 2016, and submitted its tax returns for 2017, which have not been reviewed by the income tax department until the date of the preparation of the interim financial statements.

The Company reached a settlement with the income and sales tax department for its operations in Aqaba for the years up to 2014.

The Company filed its tax returns for its operations in Aqaba for the years 2015, 2016, and 2017 which have not been reviewed by the income and sales tax department by the date of the preparation of the interim financial statements.

The Company's management has not recorded the deferred tax assets as it is not material and because of uncertainty of its benefit in the near future.

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**(7) BASIC AND DILUTED EARNINGS PER SHARE**

	For the three months ended 30 June		For the six months ended 30 June	
	2019 (Unaudited)	2018 (Unaudited)	2019 (Unaudited)	2018 (Unaudited)
Profit for the year (JD)	74,239	100,408	84,795	183,334
Weighted average number of shares (Share)	10,000,000	10,000,000	10,000,000	10,000,000
	JD/ Fils	JD/ Fils	JD/ Fils	JD/ Fils
Basic earnings per share (JD)	0/007	0/010	0/008	0/018

The diluted earnings per share equals the basic earnings per share.

**(8) SEGMENT INFORMATION**

The Business segment represents a group of assets and operations that work together to provide products or services that are subjected to risk and returns that differ from that related to other business segments.

The geographical segment is linked to providing products or services in a specific economical environment subjected to risks and returns that differ from those related to business in economical environment.

The Company's activities consists of one economical segment which represents revenues and expenses on the Aqaba project in addition to Amman office expenses, and the Board of Directors. There are no other segments, also the company is not involved in any other trade activity, and the following is a summary of operations:

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	2019		
	Amman	Private economic zone / Aqaba	Total
30 June 2019:	JD	JD	JD
Operating revenues	-	239,151	239,151
Operating expenses	-	(132,774)	(132,774)
Share of profit of an associate	69,661	-	69,661
Interest income	-	72,459	72,459
Administrative expenses	(36,398)	(44,607)	(81,005)
Finance cost	(1,042)	(71,547)	(72,589)
Dividends income	12,805	-	12,805
Recovered from provision for expected credit loss	-	(22,913)	(22,913)
<b>PROFIT FOR THE PERIOD</b>	<b>45,026</b>	<b>39,769</b>	<b>84,795</b>

  

	2018		
	Amman	Private economic zone / Aqaba	Total
30 June 2018:	JD	JD	JD
Operating revenues	-	241,626	241,626
Operating expenses	-	(176,567)	(176,567)
Share of profit of an associate	110,867	-	110,867
Interest income	-	65,908	65,908
Administrative expenses	(36,672)	(45,455)	(82,127)
Dividends income	11,650	-	11,650
Provision for doubtful debt	-	5,992	5,992
Other revenues	-	5,985	5,985
<b>PROFIT FOR THE PERIOD</b>	<b>85,845</b>	<b>97,489</b>	<b>183,334</b>

The Company owns 4,164,153 shares (31 December 2018: 4,164,153 shares) in AL-Sharq for projects investments PLC. – Holiday Inn which is equivalent to 26.03% (31 December 2018: 26.03%) from Al-Sharq for project investments PLC's capital with a fair value of 8,328,306 JD as of 30 June 2019 (31 December 2018: 9,410,986).

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**(9) DIVIDENDS DISTRIBUTED**

In its ordinary meeting held on 28 April 2019, the General Assembly approved the Board of Directors recommendation to distribute dividends of JD 200,000 to the shareholders (2018: JD 400,000).

**(10) COMPARATIVE FIGURES**

Some of 2018 figures have been reclassified in order to conform with the presentation of 2019 figures. Such reclassification did not affect reported loss or equity for 2018.

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