

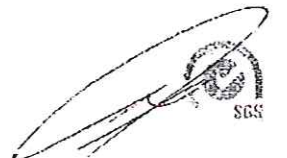


<p>هيئة الأوراق المالية الدائرة الإدارية / الديوان</p>	<p>نموذج رقم (4-1) Form No. (1-4)</p>
<p>٢٩ تموز ٢٠٢٠ الرقم التسلسل ٣٥٥٨ الجهة المختصة ١٤٤١/١٤٤٢</p>	<p>السادة السيد بادر ناصر موصية على الانفصال</p>
<p>Date: 09/07/2020 Ref.: 208/2020  To: Jordan Securities Commission  Subject: Semi-Annual Report as of 30/06/2020</p>	<p>التاريخ: 2020/07/28 الإشارة: 2020/218  السادة هيئة الأوراق المالية المحترمين  الموضوع: التقرير نصف السنوي كما هو في 2020/06/30</p>
<p>Attached the Company's Semi-Annual Report of (Almchanya Real Estate Investments and Housing plc.) as of 30/06/2020.</p>	<p>مرفق طيه نسخة من التقرير نصف السنوي للشركة المهنية للإستثمارات العقارية والإسكان كما هو بتاريخ 2020/06/30.</p>
<p>Kindly accept our high appreciation and respect  Company's Name: Almchanya Real Estate Investments and Housing plc.  Acting Director-General/ Executive Director of Project Dept.    Eng. Bader Naser</p>	<p>ونفضالوا بقبول فائق الإحترام،،،  إسم الشركة: المهنية للإستثمارات العقارية والإسكان  القائم بأعمال المدير العام/ المدير التنفيذي لدائرة المشاريع    المهندس بدر ناصر</p>

المرفقات:

- نسخة من البيانات المالية باللغتين العربية والإنجليزية

Rima

  
SGS

**Almehanya For Real Estate Investments & Housing Co.**

**Public Shareholding Company**

**Condensed Interim Consolidated Financial Statements (Unaudited)**

**30 June 2020**

**Almehanya For Real Estate Investments & Housing Co.  
Public Shareholding Company**

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**Report on Review of the Condensed Interim Consolidated Financial Statements**

**To The Board of Directors  
Almehanya For Real Estate Investments & Housing Co.  
Public Shareholding Company  
Amman - Jordan**

**Introduction**

We have reviewed the accompanying condensed interim consolidated financial statements of Almehanya For Real Estate Investments & Housing Co. PLC, comprising of the interim consolidated statement of financial position as at 30 June 2020 and the related interim consolidated statement of comprehensive income, interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the six-months period then ended and the notes about condensed interim consolidated financial statements. Management is responsible for the preparation and presentation of these condensed interim consolidated financial statements in accordance with International Accounting Standard number (34) "Interim Financial reporting". Our responsibility is to express a conclusion on this condensed interim consolidated financial statements based on our review.

**Scope of Review**


We conducted our review in accordance with the International Standard on Review Engagements number (2410) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim consolidated 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 interim consolidated financial statements as at 30 June 2020 are not prepared, in all material respects, in accordance with International Accounting Standard number (34) "Interim Financial Reporting".

28 July 2020  
Amman - Jordan



  
**Arab Professionals**  
**Ibrahim Hammoudeh**  
License No. (606)

**Almehanya For Real Estate Investments & Housing Co.**  
**Public Shareholding Company**  
**Interim consolidated statement of financial position as at 30 June 2020**  
**(In Jordanian Dinar)**

	30 June 2020 (Unaudited)	31 December 2019 (Audited)
<b>Assets</b>		
<b>Non - Current Assets</b>		
Investment properties	822,646	898,414
Investment in joint venture	1	1
Right of use assets	71,262	79,614
Property and equipment	79,571	88,694
Long term interests in joint venture	6,002,434	6,088,647
Long term accounts receivable and checks under collection	802,221	1,109,879
<b>Total Non - Current Assets</b>	<b>7,778,135</b>	<b>8,265,249</b>
<b>Current Assets</b>		
Lands held for sale	18,033,573	17,639,078
Properties held for sale	7,394,187	7,460,044
Other current assets	57,371	40,663
Amounts due from related party	-	12,002
Accounts receivable and checks under collection	1,699,913	1,972,157
Financial assets at fair value through profit or loss	2,053,019	2,222,028
Deposits at Islamic bank	1,334,450	1,318,756
Cash and cash equivalents	766,709	732,662
<b>Total Current Assets</b>	<b>31,339,222</b>	<b>31,397,390</b>
<b>Total Assets</b>	<b>39,117,357</b>	<b>39,662,639</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Paid - in capital	35,200,000	35,200,000
Statutory reserve	440,266	440,266
Shares owned by subsidiary company	(582,730)	(582,730)
Accumulated losses	(302,015)	(74,675)
<b>Equity Attributable to the Owners of the Company</b>	<b>34,755,521</b>	<b>34,982,861</b>
Non - controlling interests	1,819,935	2,053,926
<b>Total Equity</b>	<b>36,575,456</b>	<b>37,036,787</b>
<b>Liabilities</b>		
<b>Non - Current Liabilities</b>		
Lease obligation - long term	50,575	59,662
<b>Current Liabilities</b>		
Amounts due to shareholders	1,591,769	1,660,221
Provision for sold real estate development	46,642	90,123
Deferred revenues	501,181	501,181
Advance payments received against properties and lands sale	44,445	5,000
Lease obligation - short term	15,154	15,644
Amounts due to related party	1,723	-
Claims and contractors retentions	4,077	26,077
Provision for investment in Joint Venture	104,331	73,169
Deferred checks	67,537	-
Other liabilities	114,467	194,775
<b>Total Current Liabilities</b>	<b>2,491,326</b>	<b>2,566,190</b>
<b>Total Liabilities</b>	<b>2,541,901</b>	<b>2,625,852</b>
<b>Total Equity and Liabilities</b>	<b>39,117,357</b>	<b>39,662,639</b>

"The accompanying notes from (1) to (5) are an integral part of these condensed interim consolidated financial statements and read with review report"

**Almehanya For Real Estate Investments & Housing Co.**  
**Public Shareholding Company**

**Interim consolidated statement of comprehensive income for the six months ended at 30 June 2020 (Unaudited)**

**(In Jordanian Dinar)**

	Note	For the six months ended		For the three months ended	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
Net properties and lands sales		395,205	1,246,559	105,081	732,893
Properties and lands cost of sales		(232,758)	(900,715)	(67,683)	(640,796)
<b>Gross profit</b>		<b>162,447</b>	<b>345,844</b>	<b>37,398</b>	<b>92,097</b>
Real estate rent revenues, net		2,625	5,983	1,365	1,617
Administrative expenses		(191,357)	(225,464)	(77,031)	(117,468)
Marketing expenses		(10,056)	(22,676)	(5,162)	(12,596)
Management and maintenance real estate expenses		(17,223)	(21,998)	(9,473)	(11,577)
Morabaha income		29,489	19,307	14,034	1,432
Changes in financial assets at fair value through profit or loss		(169,009)	306,760	(11,897)	67,768
Dividends		-	107,704	-	105,434
Company's share from investment in joint venture		(31,162)	-	(11,050)	-
Other revenues		5,317	4,445	2,500	20
<b>(Loss) Profit before income tax</b>		<b>(218,929)</b>	<b>519,905</b>	<b>(59,316)</b>	<b>126,727</b>
Income tax for previous years	3	-	(1,629)	-	1,664
Income and National contribution tax expense for the period	3	(2,895)	(22,665)	3,369	8,132
<b>Total comprehensive (loss) income for the period</b>		<b>(221,824)</b>	<b>495,611</b>	<b>(55,947)</b>	<b>136,523</b>
<b>Attributable to :</b>					
Shareholders of the Company		(227,340)	481,939	(58,907)	132,388
Non - controlling interest		5,516	13,672	2,960	4,135
		<b>(221,824)</b>	<b>495,611</b>	<b>(55,947)</b>	<b>136,523</b>
<b>Basic and diluted (losses) earnings per share</b>		<b>(0.007)</b>	<b>0.014</b>	<b>(0.002)</b>	<b>0.004</b>

"The accompanying notes from (1) to (5) are an integral part of these condensed interim consolidated financial statements and read with review report"

**Almehanya For Real Estate Investments & Housing Co.**  
**Public Shareholding Company**

**Interim consolidated statement of changes in equity for the six months ended at 30 June 2020 (Unaudited)**

(In Jordanian Dinar)

	Paid - in Capital	Statutory Reserve	Shares Owned By Subsidiary Company	Accumulated (losses) Earnings *	Total Shareholders Equity	Non - Controlling Interests	Total Equity
Balance at 1 January 2020	35,200,000	440,266	(582,730)	(74,675)	34,982,861	2,053,926	37,036,787
Total comprehensive loss for the period	-	-	-	(227,340)	(227,340)	5,516	(221,824)
Non - controlling interests	-	-	-	-	-	(239,507)	(239,507)
Balance at 30 June 2020	35,200,000	440,266	(582,730)	(302,015)	34,755,521	1,819,935	36,575,456
Balance at 1 January 2019	35,200,000	437,396	(582,730)	1,059,849	36,114,515	2,472,821	38,587,336
Paid cash dividend	-	-	-	(1,039,788)	(1,039,788)	-	(1,039,788)
Total comprehensive income for the period	-	-	-	481,939	481,939	13,672	495,611
Balance at 30 June 2019	35,200,000	437,396	(582,730)	502,000	35,556,666	2,486,493	38,043,159

\* Accumulated losses at 30 June 2020 does not include unrealized gains related to changes in fair value of financial assets at fair value through profit or loss which are not Allowed to be distributed to shareholders.

"The accompanying notes from (1) to (5) are an integral part of these condensed interim consolidated financial statements and read with review report"

**Almehanya For Real Estate Investments & Housing Co.**  
**Public Shareholding Company**  
**Interim consolidated statement of cash flows for the six months ended at 30 June 2020 (Unaudited)**

(In Jordanian Dinar)

	30 June 2020	30 June 2019
<b>Operating Activities</b>		
(Loss) Profit for the period before income tax	(218,929)	519,905
Depreciation	17,650	14,005
Changes in fair value of financial assets through profit or loss	169,009	(306,760)
Right of use depreciation	8,352	-
Lease obligation interest	2,923	-
Company's share from investment in Joint Venture	31,162	-
<b>Changes In Working Capital</b>		
Accounts receivable and checks under collection	579,902	488,366
Other current assets	(16,708)	9,537
Claims and contractors retentions	(22,000)	-
Other liabilities	709	(48,226)
Advance payments received against properties and lands sale	39,445	(55,806)
Lands held for sale	(437,976)	391,982
Deferred checks	67,537	-
Properties held for sale	65,857	442,427
Amounts due from related parties	13,725	(54,200)
Income tax paid	(83,912)	(87,476)
<b>Net Cash Flows From Operating Activities</b>	<u>216,746</u>	<u>1,313,754</u>
<b>Investing Activities</b>		
Investment and long term interests in joint venture	86,213	(1,265,066)
Deposits at Islamic Bank	(15,694)	1,331,802
Property and equipment	(442)	(2,781)
Investment properties	67,683	-
<b>Net Cash Flows From Investing Activities</b>	<u>137,760</u>	<u>63,955</u>
<b>Financing Activities</b>		
Amounts due to shareholders	(68,452)	284,162
Dividends	-	(1,039,788)
Non - controlling interests	(239,507)	-
Lease obligation	(12,500)	-
<b>Net Cash Flows Used in Financing Activities</b>	<u>(320,459)</u>	<u>(755,626)</u>
<b>Net Changes in Cash and Cash Equivalents</b>	34,047	622,083
Cash and cash equivalents, beginning of year	732,662	551,053
<b>Cash and Cash Equivalents, end of period</b>	<u><u>766,709</u></u>	<u><u>1,173,136</u></u>

"The accompanying notes from (1) to (5) are an integral part of these condensed interim consolidated financial statements and read with review report"



**Almehanya For Real Estate Investments & Housing Co.**  
**Public Shareholding Company**  
**Notes to the condensed interim consolidated financial statements (Unaudited)**  
**30 June 2020**

**(In Jordanian Dinar)**

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**1 . General**

Almehanya for Real Estate Investments & Housing Co. was established as a Public Shareholding Company on 1 February 2007 under registration number (428) and commenced operation on 14 August 2007 in the Hashemite Kingdom of Jordan.

The Company's main activities are property investment, real estate development and real estate management, establishing and constructing housing projects.

According to the Company's code of establishment the Company must follow the Islamic Religion Rules in all its operations.

The Company shares are listed in Amman Stock Exchange – Jordan.

The condensed interim consolidated financial statements have been approved for issue by the Company's Board of Directors on 28 July 2020.

**2 . Summary of Significant Accounting Policies**

**Basis of Preparation**

The condensed interim Consolidated financial statements of the company have been prepared in accordance with IAS number 34 Interim Financial Reporting. They do not include all of the information required in annual financial statements in accordance with IFRS, and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2019.

The condensed interim consolidated financial statements have been prepared on a historical cost basis except for the financial assets, which have been measured at fair value.

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

The accounting policies are consistent with those used in the previous period, except for the adoption of new and amended standards effective as at the beginning of the year.

**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 so as 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 statement of comprehensive income 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 comprehensive income to the disposal date which is the date on which the Company loses control over the subsidiaries.

The following subsidiaries have been consolidated:

Company	Capital	Ownership	Activity
Sakhaa for multiple investments Co.	15,000	100%	Trading in financial assets
Tal Al Romman for investments and real estate development Co.	15,000	100%	Real estate development
Al Theheba Al Gharbeia for investments and real estate development Co.	15,000	100%	Real estate development
Taamol for investments and real estate development Co.	15,000	100%	Real estate development
Al Beshery for investments and real estate development Co.	15,000	100%	Real estate development
Daheyat Al Beshery for housing Co.	10,000	75%	Real estate development
Daheyat Tabarbor for housing Co.	10,000	75%	Real estate development
Al Marhafeia for investment property Co.	10,000	100%	Real estate development

### Use of Estimates

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues, expenses and the provisions. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future changes in such provisions.

Management believes that these estimates are reasonable and are as follows:

- Management reviews periodically the tangible assets in order to assess the depreciation for the year based on the useful life and future economic benefits. Any impairment is taken to the interim consolidated statement of profit or loss.
- The measurement of impairment losses under IFRS 9 requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. Elements of the expected credit loss model that are considered accounting judgments and estimates include Probability of default (PD), Loss given default (LGD) and Exposure at default (EAD).

### 3 . Tax Status

The movement on provision for the income tax is as follows:

	30 June 2020	31 December 2019
Balance at beginning of the period/year	108,910	187,224
Income and national contribution tax expense for the period/year	2,895	88,337
Prior years tax	-	29,191
Income tax withholdings offsetting	-	(108,362)
Income tax paid	(83,912)	(87,480)
<b>Balance at end of the period / year</b>	<b>27,893</b>	<b>108,910</b>

Income tax for the period/year in the consolidated statement of comprehensive income consists of the following:

	30 June 2020	31 December 2019
Income tax for the period/year	2,757	84,130
National contribution tax expense for the period/year	138	4,207
Prior years income tax	-	29,191
	<b>2,895</b>	<b>117,528</b>

- The Company has settled its tax liability with Income Tax Department up to the year ended 2017.
- The Income Tax returns for the years 2018 and 2019 has been filed with the Income Tax Department but the Department has not reviewed the company's records till the date of this report.
- The Income and National Contribution Tax provision for the six months ended at 30 June 2020 was calculated in accordance with the Income Tax Law.

#### 4 . Fair Value

The fair values of the financial assets and liabilities are not materially different from their carrying values as most of these items are either short-term in nature or re-priced frequently.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observe ability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

30 June 2020	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	2,051,445	-	1,574	2,053,019
31 December 2019	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	2,220,454	-	1,574	2,222,028

Financial assets included in level 3 are stated at cost less impairment charges, as the fair value of these assets cannot be measured reliably due to the lack of available active markets for identical assets.

#### 5 . The Impact of the New Corona Pandemic (Covid-19)

The outbreak of the new Corona virus (Covid-19) at the beginning of 2020 caused a global economic crisis and disrupted many companies and economic activities, which would negatively affect the financial position of the Company, the results of its operations and its cash flows, and given that the situation is changing and rapidly developing, the Company's management is unable to determine the likely impact of this outbreak on the Company's interim consolidated financial statements at this stage.