



موجه الى  
السيد حازم  
2019  
ع

30<sup>th</sup> July 2019  
056/EIH/2019

Securities Commission  
Amman  
Jordan

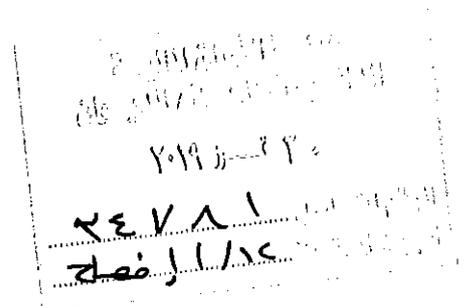
Dear Sirs

**Subject: The Interim Consolidated Financial Statements as at 30/06/2019**

Pursuant to the provisions of Article (43 / A-3) of the Securities Law No 76 of 2002, we attach herewith the second quarter interim consolidated financial statements as at 30 June 2019 including the auditors' report of the Jordanian Expatriates Investment Holding Company.

Yours sincerely,

General Manager  
Kifaya Naim Haj Ali



Copy to:  
Amman Stock Exchange

**Jordanian Expatriates Investment Holding Company**  
**Public Shareholding Company**  
**Condensed Interim Consolidated Financial Statements (Unaudited)**  
**30 June 2019**

**Jordanian Expatriates Investment Holding Company**  
**Public Shareholding Company**

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

**To The Board of Directors  
Jordanian Expatriates Investment Holding Company  
Public Shareholding Company  
Amman - Jordan**

**Introduction**

We have reviewed the accompanying condensed interim consolidated financial statements of **Jordanian Expatriates Investment Holding Company (PLC)**, comprising the interim consolidated statement of financial position as at 30 June 2019 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 this condensed interim consolidated financial statement 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 statement 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 are not prepared, in all material respects, in accordance with International Accounting Standard number (34) "Interim Financial Reporting".

29 July 2019  
Amman - Jordan



**Arab Professionals**  
**Amin Samara**  
**License No. (481)**

**Jordanian Expatriates Investment Holding Company**  
**Public Shareholding Company**  
**Interim Consolidated Statement of Financial Position as at 30 June 2019**

(In Jordanian Dinar)

	Note	30 June 2019 (Unaudited)	31 December 2018 (Audited)
<b>Assets</b>			
Cash and cash equivalents		4,491,303	4,459,943
Financial assets at fair value through statement of profit or loss		6,846,137	7,181,892
Brokerage receivables		276,972	306,570
Margin financing receivables		844,057	832,128
Brokers receivable		261,912	117,393
Settlement guarantee fund		89,000	89,000
Other current assets		508,437	131,709
Financial assets at fair value through other comprehensive income		3,667,857	3,667,857
Financial assets at amortized cost		753,149	964,627
Investment property		2,846,481	2,846,481
Property and equipment		7,954	8,193
Brokerage license		1	1
<b>Total assets</b>		<b>20,593,260</b>	<b>20,605,794</b>
<b>Liabilities and Equity</b>			
<b>Liabilities</b>			
Brokerage payables		148,856	45,245
Amounts due to related parties		54,574	61,355
Other current liabilities		780,032	463,195
<b>Total liabilities</b>		<b>983,462</b>	<b>569,795</b>
<b>Equity</b>			
Paid in capital		16,125,000	16,125,000
Addition paid in capital		105,986	105,986
Statutory reserve		2,340,245	2,340,245
Voluntary reserve		11,448	11,448
Retained earnings	3	520,677	955,509
<b>Total shareholders equity</b>		<b>19,103,356</b>	<b>19,538,188</b>
Non-controlling interests		506,442	497,811
<b>Total equity</b>		<b>19,609,798</b>	<b>20,035,999</b>
<b>Total liabilities and equity</b>		<b>20,593,260</b>	<b>20,605,794</b>

"The accompanying notes from (1) to (7) are an integral part of these condensed interim consolidated financial statements and read with review report"

**Jordanian Expatriates Investment Holding Company**  
**Public Shareholding Company**  
**Interim Consolidated Statement of Comprehensive Income**  
**For the Six Months Ended at 30 June 2019 (Unaudited)**

(In Jordanian Dinar)

	For the three months ended		For the six months ended	
	30 June 2019	30 June 2018	30 June 2019	30 June 2018
Dividend income	506,087	37,393	615,721	430,582
Gain from sale of financial assets at fair value through profit or loss	16,430	160,288	36,029	84,233
Change in fair value of financial assets at fair value through profit or loss	(18,213)	410,068	(203,244)	96,106
Brokerage commissions	41,876	29,490	71,480	59,158
Interest income on margin financing accounts	12,485	17,572	35,348	33,549
Interest income from bank deposits	55,139	70,145	106,196	135,502
Interest income from financial assets at amortized cost	24,283	7,049	28,595	29,014
Gain (loss) from sale of financial assets at amortized cost	1,665	18,690	1,665	(1,150)
Unneeded provision for expected credit loss	-	705,512	-	705,512
Administrative expenses	(162,807)	(170,065)	(258,558)	(281,103)
Legal expenses	(54,574)	-	(54,574)	-
Depreciation	(530)	(295)	(812)	( 614)
Other revenues and expenses	36,027	(18,975)	35,343	(5,355)
<b>Profit before income tax</b>	<b>457,868</b>	<b>1,266,872</b>	<b>413,189</b>	<b>1,285,434</b>
Income tax for the period	(29,892)	(17,981)	(33,140)	(60,064)
National contribution tax	1,685	-	-	-
<b>Total comprehensive income for the period</b>	<b>429,661</b>	<b>1,248,891</b>	<b>380,049</b>	<b>1,225,370</b>
<b>Attributable to:</b>				
Shareholders of the company	422,041	973,082	371,418	955,339
Non-controlling interests	7,620	275,809	8,631	270,031
	<b>429,661</b>	<b>1,248,891</b>	<b>380,049</b>	<b>1,225,370</b>
<b>Basic and diluted profit per share</b>	<b>0.026</b>	<b>0.060</b>	<b>0.023</b>	<b>0.059</b>

“The accompanying notes from (1) to (7) are an integral part of these condensed interim consolidated financial statements and read with review report”

**Jordanian Expatriates Investment Holding Company**  
**Public Shareholding Company**  
**Interim Consolidated Statement of Changes in Equity For the Six Months Ended at 30 June 2019 (Unaudited)**

(In Jordanian Dinar)

	Paid-in capital	Additional paid in capital	Reserves		Retained earnings	Total shareholders equity	Non- controlling interests	Total equity
			Statutory	Voluntary				
<b>Balance at 1 January 2019</b>	<b>16,125,000</b>	<b>105,986</b>	<b>2,340,245</b>	<b>11,448</b>	<b>955,509</b>	<b>19,538,188</b>	<b>497,811</b>	<b>20,035,999</b>
Dividends	-	-	-	-	(806,250)	(806,250)	-	(806,250)
Total comprehensive income for the period	-	-	-	-	371,418	371,418	8,631	380,049
<b>Balance at 30 June 2019</b>	<b>16,125,000</b>	<b>105,986</b>	<b>2,340,245</b>	<b>11,448</b>	<b>520,677</b>	<b>19,103,356</b>	<b>506,442</b>	<b>19,609,798</b>
<b>Balance at 1 January 2018</b>	<b>16,125,000</b>	<b>105,986</b>	<b>2,263,788</b>	<b>11,448</b>	<b>1,940,980</b>	<b>20,447,202</b>	<b>1,213,733</b>	<b>21,660,935</b>
Dividends	-	-	-	-	(1,612,500)	(1,612,500)	-	(1,612,500)
Total comprehensive income for the period	-	-	-	-	955,339	955,339	270,031	1,225,370
Purchase of additional shares in a subsidiary	-	-	-	-	11,865	11,865	(556,412)	(544,547)
<b>Balance at 30 June 2018</b>	<b>16,125,000</b>	<b>105,986</b>	<b>2,263,788</b>	<b>11,448</b>	<b>1,295,684</b>	<b>19,801,906</b>	<b>927,352</b>	<b>20,729,258</b>

“The accompanying notes from (1) to (7) are an integral part of these condensed interim consolidated financial statements and read with review report”

**Jordanian Expatriates Investment Holding Company**  
**Public Shareholding Company**  
**Interim Consolidated Statement of Cash Flows**  
**For the Six Months Ended at 30 June 2019 (Unaudited)**

(In Jordanian Dinar)

	30 June 2019	30 June 2018
<b>Operating activities</b>		
Profit for the period	380,049	1,225,370
Depreciation	812	614
Change in fair value of financial assets at fair value through statement of profit or loss	203,244	(96,106)
(Gain) loss from sale of financial assets at amortized cost	(1,665)	1,150
Unneeded provision for expected credit loss	-	(705,512)
<b>Changes in working capital</b>		
Financial assets at fair value through statement of profit or loss	132,511	(296,931)
Brokerage receivables	133,209	710,483
Margin financing receivables	(11,929)	22,261
Brokers receivables	(144,519)	269,508
Related parties accounts	(6,781)	(186,102)
Other current assets	(376,728)	169,123
Other current liabilities	316,837	662,438
<b>Net cash flows from operating activities</b>	<u>625,040</u>	<u>1,776,296</u>
<b>Investing activities</b>		
Property and equipment	(573)	(175)
Financial assets at amortized cost	213,143	( 39,465)
<b>Net cash flows from (used in) investing activities</b>	<u>212,570</u>	<u>(39,640)</u>
<b>Financing Activities</b>		
Paid dividends	(806,250)	(1,612,500)
Purchase of additional shares in a subsidiary	-	(544,547)
<b>Net cash flows used in financing activities</b>	<u>(806,250)</u>	<u>(2,157,047)</u>
<b>Change in cash and cash equivalents</b>	31,360	(420,391)
Cash and cash equivalents, beginning of the year	4,459,943	5,871,551
<b>Cash and cash equivalents, end of the period</b>	<u>4,491,303</u>	<u>5,451,160</u>

"The accompanying notes from (1) to (7) are an integral part of these condensed interim consolidated financial statements and read with review report"

**Jordanian Expatriates Investment Holding Company**  
**Public Shareholding Company**  
**Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**  
**30 June 2019**

**(In Jordanian Dinar)**

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**1 . General**

**Jordanian Expatriates Investment Holding Company** was established on 2 July 1988 and registered in accordance with Jordanian Companies Law under No. (202) as public Shareholding Company. The Company's head office is in the Hashemite Kingdom of Jordan. Company's main objectives are to invest in industrial, commercial, agricultural, tourism and other economic fields.

The Company's shares are listed in Amman Stock Exchange.

The accompanying condensed interim consolidated financial statements have been approved for issue by the Company's Board of Directors on 29 July 2019.

**2 . Summary of Significant Accounting Policies**

**Basis of Preparation**

The condensed interim consolidated financial statements of the Company have been prepared in accordance with International Accounting Standard number (34) "Interim Financial Reporting". They do not include all of the information required in annual financial statements in accordance with IFRSs, and should be read in conjunction with the consolidated financial statements of the Company for the year ended 31 December 2018.

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

The condensed interim consolidated financial statements are presented in Jordanian Dinar 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 period.

**Basis of Consolidation**

The condensed interim consolidated financial statements comprise of the financial statements of the parent 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 interim statement of profit or loss 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 consolidated statement of profit or loss to the disposal date which is the date on which the Company loses control over the subsidiaries.

Non - controlling interest represent the subsidiary equity not owned by the parent shareholders.

**Jordanian Expatriates Investment Holding Company PLC**  
**Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**  
**30 June 2019**

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The following subsidiaries have been consolidated:

<u>Company</u>	<u>Paid in capital</u>	<u>Ownership</u>	<u>Activity</u>
Jordanian Expatriates for Financial Brokerage	2,250,000	75%	Brokerage services
Jordanian Expatriates for Real Estate and Development	1,600,000	100%	Real estate investment

### **Use of Estimates**

The preparation of the condensed interim 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 the estimates are reasonable and are as follows:

- Management reviews periodically the tangible and intangible assets in order to assess the depreciation and amortization 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 . Retained earnings**

The General Assembly has resolved in its meeting held in 2019 to distribute 5% cash dividends to the shareholders.

### **4 . Income tax**

- The Company has settled its tax liability with Income Tax Department up to the year ended 2016.
- The income tax returns for the years 2017 and 2018 have 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 tax provision for the six months ended at 30 June 2019 was calculated in accordance with the Income Tax Law.

### **5 . Contingent liabilities**

The Company is contingently liable with respect to bank letters of guarantee for JOD (450,000).

**Jordanian Expatriates Investment Holding Company PLC**  
**Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**  
**30 June 2019**

**6 . Analysis of the Maturities of Assets and Liabilities**

The following table illustrates the analysis of assets and liabilities according to the expected period of their recoverability or settlement.

30 June 2019	Less than one year	More than one year	Total
<b>Assets</b>			
Cash and cash equivalents	4,491,303	-	4,491,303
Financial assets at fair value through statement of profit or loss	6,846,137	-	6,846,137
Brokerage receivables	276,972	-	276,972
Margin financing receivable	844,057	-	844,057
Brokers receivables	261,912	-	261,912
Settlement guarantee fund	89,000	-	89,000
Other currents assets	508,437	-	508,437
Financial assets at fair value through other comprehensive income	-	3,667,857	3,667,857
Financial assets at amortized cost	-	753,149	753,149
Investment property	-	2,846,481	2,846,481
Property and equipment	-	7,954	7,954
Brokerage license	-	1	1
<b>Total assets</b>	<b>13,317,818</b>	<b>7,275,442</b>	<b>20,593,260</b>
<b>Liabilities</b>			
Brokerage payables	148,856	-	148,856
Amount due to related parties	54,574	-	54,574
Other current liabilities	780,032	-	780,032
<b>Total liabilities</b>	<b>983,462</b>	<b>-</b>	<b>983,462</b>
31 December 2018	Less than one year	More than one year	Total
<b>Assets</b>			
Cash and cash equivalents	4,459,943	-	4,459,943
Financial assets at fair value through statement of profit or loss	7,181,892	-	7,181,892
Brokerage receivables	306,570	-	306,570
Margin financing receivable	832,128	-	832,128
Brokers receivables	117,393	-	117,393
Settlement guarantee fund	89,000	-	89,000
Other currents assets	131,709	-	131,709
Financial assets at fair value through other comprehensive income	-	3,667,857	3,667,857
Financial assets at amortized cost	-	964,627	964,627
Investment property	-	2,846,481	2,846,481
Property and equipment	-	8,193	8,193
Brokerage license	-	1	1
<b>Total assets</b>	<b>13,118,635</b>	<b>7,487,159</b>	<b>20,605,794</b>
<b>Liabilities</b>			
Brokerage payables	45,245	-	45,245
Amount due to related parties	61,355	-	61,355
Other current liabilities	463,195	-	463,195
<b>Total liabilities</b>	<b>569,795</b>	<b>-</b>	<b>569,795</b>

## 7 . Fair Value of Financial instruments

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 consolidated statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability 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.

<u>30 June 2019</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at fair value through statement of profit or loss	6,846,137	-	-	<b>6,846,137</b>
Financial assets at fair value through other comprehensive income	-	-	3,667,857	<b>3,667,857</b>
	<u>6,846,137</u>	<u>-</u>	<u>3,667,857</u>	<u>10,513,994</u>
<u>31 December 2018</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at fair value through statement of profit or loss	7,181,892	-	-	<b>7,181,892</b>
Financial assets at fair value through other comprehensive income	-	-	3,667,857	<b>3,667,857</b>
	<u>7,181,892</u>	<u>-</u>	<u>3,667,857</u>	<u>10,849,749</u>

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.