

شركة المعاصرون للمشاريع الاسكانية م.ع.م. Contempro For Housing Projects p.l.c.

الرقم: م.هـ. ١٠٨٦ / ١٠ / ٢٠١٩

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للمرئفة
بإدارة عمان

السيد
السيد

السادة / هيئة الأوراق المالية المحترمين
دائرة الإفصاح المحترمين

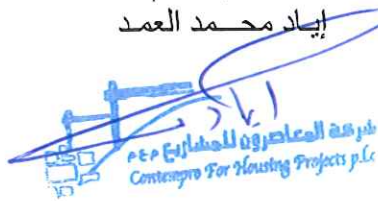
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تحية طيبة وبعد ،،،

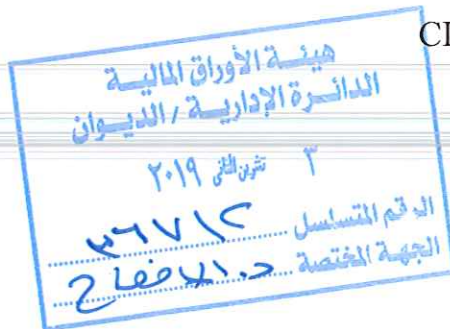
عملاً بتعليمات الإفصاح الصادرة عن هيئتك الموقرة نرفق لكم طيه الميزانية العمومية بالانجليزي والحسابات الختامية وتقرير مراقبي الحسابات عن الفترة المنتية في ٣٠ ايلول ٢٠١٩ لشركة المعاصرون للمشاريع الإسكانية المساهمة العامة المحدودة .

وتفضلوا بقبول فائق الاحترام ،،،

شركة المعاصرون للمشاريع الاسكانية
المدير العام
إياد محمد العمد



نسخة القرص المدمج للميزانية عربي و انجليزي CD



CONTEMPRO FOR HOUSING PROJECTS
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN

CONDENSED INTERIM
FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED
SEPTEMBER 30, 2019
TOGETHER WITH THE INDEPENDENT
AUDITOR'S REVIEW REPORT

CONTEMPRO FOR HOUSING PROJECTS
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN
CONDENSED INTERIM
FINANCIAL INFORMATION AND INDEPENDENT
AUDITOR’S REVIEW REPORT FOR NINE-MONTH PERIOD
ENDED SEPTEMBER 30, 2019

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Independent Auditors' Review Report

AM/ 017622

To The Chairman and Board of Directors Members
Contempro for Housing Projects
(A Public Shareholding Limited Company)
Amman – Jordan

Introduction

We have reviewed the accompanying condensed interim statement of financial position of the Contempro for Housing Projects (A Public Shareholding limited Company) as of September 30, 2019 and the related condensed interim statements of profit or loss and comprehensive income for the three month and nine month period ended September 30, 2019 and changes in shareholders' equity and condensed interim cash flows for the nine-month period then ended, September 30, 2019 and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this financial information in accordance with International Accounting Standard (34) Related to Interim Financial Reporting. Our responsibility is to express a conclusion on interim financial information 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 Company". A review of condensed interim financial information consists of making inquiries, primarily from the 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 financial information for Contempro for Housing Projects (A Public Shareholding Limited Company) are not prepared, in all material respects, in accordance with International Accounting Standard (34) relating to interim financial reporting.

Emphasis of a Matter

We draw attention to note (14) of the condensed interim financial information, which describes that the comparative figures included in the condensed interim statements of changes in shareholders' equity have been restated. Our conclusion is not modified in respect of this matter.

Amman – Jordan
October 29, 2019


Deloitte & Touche (M.E.) – Jordan
ديلويت أند توش (الشرق الأوسط)
010105

CONTEMPO FOR HOUSING PROJECTS
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	September 30, 2019 (Reviewed) JD	December 31, 2018 (Audited) JD
<u>ASSETS</u>			
Current assets			
Cash on hand and at banks	4	3,489,542	1,794,273
Accounts receivable -net	5	12,004	127,688
Advanced payment to contractors		-	848
Apartments available for sale	6	2,920,282	4,654,167
Other debit balances		16,052	11,717
Total Current Assets		6,437,880	6,588,693
Non-Current assets			
Payments on project under construction	7	518,767	892,793
Defferd tax assets		9,630	9,630
Investment property - net	8	786,595	-
Property and equipment – net		20,157	17,243
Total Non-Current Assets		1,335,149	919,666
TOTAL ASSETS		7,773,029	7,508,359
<u>Liabilities and Shareholders' Equity</u>			
<u>LIABILITIES</u>			
Current Liabilities			
Accounts payable		57,349	52,258
Advanced payments from customers		156,849	313,697
Shareholders' payable (dividends not distributed)		194,174	194,860
Income tax provision	9	72,313	3,874
Deffered revenue		33,333	-
Other credit balances		19,809	40,444
Total Current Liabilities		533,827	605,133
TOTAL LIABILITIES		533,827	605,133
<u>Shareholders' Equity</u>			
Authorized and paid-up capital		6,000,000	6,000,000
Statutory reserve		642,921	642,921
Voluntary reserve		169,064	169,064
Retained earnings		91,241	91,241
Profit for the period		335,976	-
Total Shareholders' Equity		7,239,202	6,903,226
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		7,773,029	7,508,359

Chairman of the Board of Directors

General Manager

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED
INTERIM FINANCIAL INFORMATION.

CONTEMPO FOR HOUSING PROJECTS
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME FOR THREE-MONTH AND
NINE-MONTH ENDED SEPTEMBER 30, 2019 AND 2018

	For the Three-Months Ended September 30,		For the Nine-Months Ended September 30,		
	2019 (Reviewed)	2018 (Reviewed)	2019 (Reviewed)	2018 (Reviewed)	
Note			JD	JD	
Sales of apartments	2,400,000	-	2,755,846	1,072,381	
Revenue from rental of investment property	6,667	-	6,667	-	
Cost of sales	<u>(1,894,942)</u>	-	<u>(2,208,089)</u>	<u>(954,290)</u>	
Gross operating profit	511,725	-	554,424	118,091	
General and administrative expenses	(50,386)	(74,650)	(181,790)	(202,488)	
Depreciation property equipment and investment property	(6,006)	(2,500)	(9,944)	(6,438)	
Bank credit interest	6,464	22,946	39,126	53,209	
Profit on sale of property and equipment	-	-	2,599	-	
Profit (loss) for the period before income tax	461,797	(54,204)	404,415	(37,626)	
Income tax expense	<u>(68,439)</u>	<u>(3,316)</u>	<u>(68,439)</u>	-	
Profit (loss) for the period / Total comprehensive income (comprehensive loss) for the period	<u>393,358</u>	<u>(57,520)</u>	<u>335,976</u>	<u>(37,626)</u>	
Earnings per Share (loss) for the period (Basic & Diluted)	10	<u>0/06</u>	<u>(0/009)</u>	<u>0/06</u>	<u>(-/006)</u>

Chairman of the Board of Directors

General Manager

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION.

CONTEMPRO FOR HOUSING PROJECTS
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN

CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIODS SEPTEMBER 30, 2019 AND 2018

	Note	Paid-Up Capital		Statutory Reserve		Voluntary Reserve		Retained Earnings		Profit (Loss) for the Period		Total
		JD		JD		JD		JD		JD		
For the Nine-Month Ended September 30, 2019												
Balance at the beginning of the period (Audited)		6,000,000	-	642,921	-	169,064	-	91,241	-	-	-	6,903,226
Total comprehensive income for the period		-	-	-	-	-	-	-	-	335,976	-	335,976
Balance at the end of the period (Reviewed)		<u>6,000,000</u>	<u>-</u>	<u>642,921</u>	<u>-</u>	<u>169,064</u>	<u>-</u>	<u>91,241</u>	<u>-</u>	<u>335,976</u>	<u>-</u>	<u>7,239,202</u>
For the Nine-Month Ended September 30, 2018 (Restated)												
Balance at the beginning of the period (Audited)		6,000,000	-	660,908	-	460,453	-	50,623	-	-	-	7,171,984
(As disclosed previously)	14	-	-	(22,215)	-	(291,389)	-	49,031	-	-	-	(264,573)
Pervious years restatement		-	-	-	-	-	-	(38,519)	-	-	-	(38,519)
IFRS (9) implementation impact – net (restated)		6,000,000	-	638,693	-	169,064	-	61,135	-	-	-	6,868,892
Restated balance as of January 01, 2018		-	-	-	-	-	-	-	-	(37,626)	-	(37,626)
Total restated comprehensive loss for the period		<u>6,000,000</u>	<u>-</u>	<u>638,693</u>	<u>-</u>	<u>169,064</u>	<u>-</u>	<u>61,135</u>	<u>-</u>	<u>(37,626)</u>	<u>-</u>	<u>6,831,266</u>
Balance at the end of the period (Reviewed)		<u>6,000,000</u>	<u>-</u>	<u>638,693</u>	<u>-</u>	<u>169,064</u>	<u>-</u>	<u>61,135</u>	<u>-</u>	<u>(37,626)</u>	<u>-</u>	<u>6,831,266</u>

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION.

CONTEMPRO FOR HOUSING PROJECTS
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – JORDAN
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE- MONTH PERIOD ENDED SEPTEMBER 30, 2019 AND 2018

	For the Nine-Month Ended September 30	
	2019	2018
	(Reviewed)	(Reviewed)
Note	JD	JD
Cash Flows from Operating Activities:		
Profit (Loss) for the period before income tax	404,415	(37,626)
Adjustments for:		
(Profit) from sale of property and equipment	(2,599)	-
Property and equipment and investment properties depreciation expense	9,944	6,438
Net Cash Flows From (Used in) Operations before Changes in Working Capital	411,760	(31,188)
Decrease (increase) in accounts receivable	115,684	(105,915)
Decrease in apartments available for sale	942,010	954,290
(Increase) in other debit balances	(4,335)	(6,984)
Increase in accounts payable	5,091	36,872
(Decrease) in shareholders payable (dividends not distributed)	(686)	(7,304)
Decrease (increase) in advanced payments to subcontractor	848	(34,176)
(Decrease) in advance payment from customers	(156,848)	(520,473)
Increase (decrease) in other credit balances	12,698	(36,980)
Net Cash Flows From Operating Activities before income tax paid	1,326,222	248,142
Paid income tax	-	(6,282)
Net Cash Flows From Operating Activities	1,326,222	241,860
Cash Flows From Investing Activities:		
Payments on project under constructing	374,026	(877,179)
(Purchase) of property and equipment	(14,374)	-
Proceeds from sale of Property and equipment	9,395	130
Net Cash (Used in) Investing Activities	369,047	(877,049)
Net increase (decrease) in Cash	1,695,269	(635,189)
Cash on hand at and banks - beginning of the year	1,794,273	2,412,059
Cash on Hand and at Banks - End of the Period	3,489,542	1,776,870
Non cash transactions:		
Transfer from ready for sale apartments to investment property	791,875	-

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED
INTERIM FINANCIAL INFORMATION

CONTEMPRO FOR HOUSING PROJECTS
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN –JORDAN
NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION

1. Incorporation and Activities

- a. Contempro for Housing Projects Company was established as a Jordanian limited liability company and was registered with the Ministry of Industry and Trade under No. (7285) on May 19, 2002 and it was converted to a public shareholding limited company on January 3, 2006 and registered under No. (381) with a paid-up capital of JD 3,615,000 per Share and was increased on February 15, 2007 to become JD 6,000,000 represented by 6,000,000 shares at par value of one Jordanian Dinar per share. The address of the Company is Sweifieh, PO Box 831223, Amman-Jordan.
- b. The Company's main objectives:
- Purchase of land and the establishment of apartments on them and sell without interest.
 - Investing the Company's funds in real estate fields.
 - Acquiring land to fulfill the Company's objectives.
 - Investment of agricultural lands.
 - Borrowing from banks for the Company purposes up to 50% of the Company's paid-up capital.
 - Tourism investments.
 - Commercial investments.

2. Basis of Preparation

- The condensed interim financial information have been prepared in accordance with International Accounting Standard (IAS) 34 related to (Interim Financial Reporting).
- The condensed interim financial statements are stated in Jordanian Dinar which represents the functional currency for the Company.
- The condensed interim financial information do not include all information and disclosures required for the annual financial statements and should be read with the Company's annual report for the year ended December 31, 2018. Moreover, the results of operations for the nine-month period ended September 30, 2019 do not necessarily provide an indication of the apportionment results of operations for the year ending December 31, 2019.

Judgments, Estimates and Risk Management

The preparation of the condensed interim financial information requires management to make judgments, estimates and assumptions that affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Company's annual financial statements for the year ended December 31, 2018, except as mentioned in note No. (3).

3. Significant Accounting Policies

The accounting policies adopted in preparing the condensed interim financial information are consistent with those applied in the year ended December 31, 2018 except for the effect of the adoption of the new and revised standards which are applied on the current period as follow below:

a. New and amended standards adopted by the Company:

Annual improvements to IFRSs issued between 2015 and 2017

Improvements include amendments to IFRS No. (3) Business Combinations, (11) Joint Arrangements, International Accounting Standards NO. (12), Income Taxes and (23) Borrowing Costs.

IFRIC (23) Uncertainty on the Treatment of Income Tax

The interpretation clarifies the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax benefits and tax rates when there is uncertainty about the treatment of income tax under IAS (12) and specifically addresses:

- Whether the tax treatment should be considered in aggregate;
- Assumptions regarding the procedures for the examination of tax authorities;
- Determination of taxable profit (tax loss), tax basis, unused tax losses, unused tax breaks, and tax rates;
- The impact of changes in facts and circumstances.

Amendments to IFRS (9) "Financial Instruments".

These amendments relate to the advantages of prepayment with negative compensation, where the current requirements of IFRS No. (9) regarding termination rights have been amended to allow for the measurement at amortized cost (or on the business model at fair value through other comprehensive income) status of negative compensation payments.

Amendments to IAS (28) "Investment in Associates and Joint Ventures".

These amendments relate to long-term shares in allied enterprises and joint ventures. These amendments clarify that an entity applies IFRS No. (9) "*Financial Instruments*" to long-term interests in an associate or joint venture that forms part of the net investment in an associate or joint venture if the equity method has not been applied to it.

Amendments to IAS (19) "Employee Benefits".

These amendments relate to adjustments to plans, reductions, or settlements.

Effect of Application of IFRS (16) "Leases"

The Company has adopted IFRS No. (16), "Leases", which replace the existing guidelines on leases, including IAS No. (17) "Leases", IFRIC (4) "Determining whether an arrangement contains a lease" and the interpretation of the previous Interpretations Committee (15) "Operational leases - incentives" and SIC (27) "Evaluating the Substance of Transactions in the Legal Form of a Lease".

IFRS (16) was issued in January 2016 and is effective for annual periods commencing on or after 1 January 2019. IFRS No. (16) stipulates that all leases and the associated contractual rights and obligations should generally be recognize in the Company's financial Position, unless the term is 12 months or less or the lease for low value asset. Thus, the classification required under IAS (17) "Leases" into operating or finance leases is eliminated for Lessees. For each lease, the lessee recognizes a liability for the lease obligations incurred in the future. Correspondingly, a right to use the leased asset is capitalized, which is generally equivalent to the present value of the future lease payments plus directly attributable costs and which is amortized over the useful life.

The Company has adopted the simplified and permitted method under the IFRS (16) upon adoption of IFRS (16). During the first time application of IFRS (16) to operating leases individually (for each contract lease separately), the right to use the leased assets was generally measured at the amount of lease liability, using the interest rate at the time of first time application.

As of September 30, 2019, the Company doesn't have any long-term lease contracts, however all lease contracts have one year maturity and are renewed by the agreement of both parties. For that, no material effect resulted in adopting IFRS (16).

b. New and Revised Standards and Interpretations but not Yet Effective

Effective for annual periods beginning on or after January 1, 2020:

- Amendments regarding the definition of material.
- Amendments to clarify the definition of a business within IFRS No. (3).
- IFRS No. (17): Insurance Contracts
- Amendments to IFRS No. (10) Consolidated Financial Statements and IAS No. (28) Investments in Associates and Joint Ventures (2011) relating to the treatment of the sale or contribution of assets from and investor to its associate or joint venture.
- Amendments to IFRS No. (2), IFRS No. (3), IFRS No. (6), IFRS No. (14), IAS No. (1), IAS No. (8), IAS No. (34), IAS No. (37), IAS No. (38), IFRIC No. (12), IFRIC No. (19), IFRIC No. (20), IFRIC No. (22), and SIC- No. (32) to update those pronouncements with regard to references to and quotes from the framework or to indicate where they refer to a different version of the Conceptual Framework.

Significant Accounting Estimates and Key Sources of Uncertainty Estimates

The critical judgements and estimates used in the preparation of these interim condensed financial information are consistent with those used in the preparation of the Company's annual financial statements for the year ended December 31, 2018 except for the changes below:

Extension and termination options of lease contracts

Extension and termination options are included in a number of leases. These terms are used to increase the operational flexibility in terms of contract management, most of the retained extension and termination options are exercisable by both the company and the lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The evaluation is reviewed when there is an important event or a significant change in the circumstances that has an effect on this assessment, and in which it is within the control of the lessee.

Discounting of lease payments

Lease payments are discounted (if any) using the Company's additional borrowing rate ("IBR"). The management has applied the judgements and estimates to determine the additional borrowing rate on the starting date of the lease contract.

4. Cash on Hand and at Banks

This item consists of the following:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Current accounts and cash on hand	73,781	97,208
Deposits at banks	3,426,343	1,707,647
<u>Less: Provision for expected credit loss</u>	<u>(10,582)</u>	<u>(10,582)</u>
	<u>3,489,542</u>	<u>1,794,273</u>

- Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries. Accordingly, management of the Company estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the bank, the management of the Company have assessed that there is no impairment, and hence have not recorded any loss allowance on these balance.

5. Accounts Receivable – Net

This item consists of the following:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Trades receivable *	46,188	162,618
Employees receivable	816	70
<u>Less: Provision for expected credit loss **</u>	<u>(35,000)</u>	<u>(35,000)</u>
	<u>12,004</u>	<u>127,688</u>

- * Trade receivables include a cheques under collection in the amount of JD 2,000 and the due date for the last cheque is November 1, 2019.

- ** The movement on provision for expected credit loss is as follows:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Balance at the beginning of the period / year (as previously disclosed)	-	-
Effect of implementation of IFRS (9)	-	35,000
Amended balance as of the beginning of the period / year	-	35,000
Additions during the period / year	-	-
Balance in the end of the period	<u>-</u>	<u>35,000</u>

- The Company always measures the loss allowance for trade receivable at an amount equal to lifetime ECL using the simplified approach. The expected credit losses on trade receivable are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

6. Apartments Available for Sale

This item consists of the following:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Khalda palace (1)	122,247	121,740
Khalda palace (2)	434,428	430,669
Kherbet Abdoun (535)	-	258,429
Kherbet Abdoun (202)	-	787,689
Qaser Al Snobar	143,175	288,118
The School	1,190,215	1,339,551
Al-Ryalat	<u>1,030,217</u>	<u>1,427,971</u>
	<u>2,920,282</u>	<u>4,654,167</u>

- The fair value for the apartments based on real estate valuation reports prepared by an accredited real estate appraiser at the Department of Lands and Survey, approximates the carrying value.

7. Payments on Project under Construction

This item consists of the following:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Ras Al Junde Project land No. (276) basin (22)	-	892,793
Ras Al Junde Project land No. (277)	<u>518,767</u>	-
	<u>518,767</u>	<u>892,793</u>

8. Investment Property - Net

This item consists of the following:

	September 30, 2019 (Reviewed)	December 31, 2018 (Audited)
	JD	JD
Villa	<u>791,875</u>	-
	791,875	-
Less: Accumulated Depreciation	<u>(5,280)</u>	-
	<u>786,595</u>	-

During the third quarter of 2019, the Company signed an agreement to rent the above property in amount of JD 40,000, and the property has been reclassified from apartments available for sale to investment property.

9. Income Tax

Tax Status:

A settlement has been reached with the Income and Sales Tax Department up to the end of the year 2018.

	September 30, 2019 (Reviewed) JD	December 31, 2018 (Audited) JD
Balance – beginning of the period / year	3,874	6,282
Provision during the period / year	68,439	7,941
Income tax paid during the period / year	-	(6,282)
Income tax deductions 5% on interest	-	(4,067)
Balance – End of the Period / Year	<u>72,313</u>	<u>3,874</u>

In the opinion of the management and its tax consultant, the booked provisions in the condensed interim financial statements are sufficient to mitigate any tax liabilities as of September 30, 2019

10. Earnings per Share for the period

This item consists of the following:

	For Three-Month Ended September 30,		For Nine-Month Ended September 30,	
	2019 (Reviewed) JD	2018 (Reviewed) JD	2019 (Reviewed) JD	2018 (Reviewed) JD
Income (loss) for the period	393,358	(57,520)	335,976	(37,626)
Weighted average number of shares	<u>6,000,000</u>	<u>6,000,000</u>	<u>6,000,000</u>	<u>6,000,000</u>
Earning per Share for the period	<u>-/06</u>	<u>(-/009)</u>	<u>-/06</u>	<u>(-/006)</u>

11. Related Parties Balances and Transactions

Related parties, as defined in international Accounting standard (24) (Related party Disclosure), include associate companies, major shareholders directors and other key management personnel of the company, and entities controlled. Jointly controlled or significantly influenced by such as parties

- The salaries and bonuses of executive management amounted to JD 72,000 for the nine-month ended September 30, 2019 and September 30, 2018.
- During the years 2016 and 2017, the Company entered into a transactions with a member of the Board of Directors of the Company and a first degree relatives based on a signed contract with the Company. The agreement was signed on gross margin of 12.4% to be added to incurred costs to complete the project. The total cost of the project amounted to JD 1,234,268 and the total revenue of the project amounted to JD 1,387,317 of which JD 156,848 has been recognized as part of the Company's revenue for the period ended September 30, 2019. The Company has collected the total sale amount from of September 30, 2019. An amount of JD 156,849 is booked in the advance payments from customers' balance until its revenue is recognized.

12. Sectoral and Geographical Distribution

Information regarding the Company's reportable segments is set out below in accordance with "IFRS 8 Operating Segments". IFRS 8 requires reportable segments to be identified on the basis of internal reports that are regularly reviewed by the Company's chief operating decision maker ("CODM") and used to allocate resources to the segments and to assess their performance. The Company is mainly engaged in a single line of business, being the supply of services and related products. The majority of the Company's revenues, profits and assets relate to its operations in the Hashemite kingdom of Jordan. Sales revenues are recognized between segments at the price of sale at normal situations.

13. Risk Management

All risk management objectives and policies are consistent with those disclosed in the Company's annual financial statement for the year ended December 31, 2018.

14. Restatement Note for Period Ended 30 September 2019 with Period Ended September 30, 2018 Comparatives

Management has restated the condensed interim financial statements retrospectively to adjust the accounting policy of revenue recognition in the previous period in order to comply with the requirements of International Financial Reporting Standard 15 Revenue from Contracts with Customers ("IFRS 15").

Furthermore, during the nine month period ended September 30, 2019, management has adjusted the comparative figures for the six month period ended June 30, 2018 to comply with the requirements of International Accounting Standard 8 ("IAS 8"). The impact of these adjustments on statement of changes in shareholder's equity for the nine month period ended September 30, 2018 is due to errors related to the calculation and initial implementation relating to the determination of the allowance for expected credit losses for accounts receivable and cash at banks in order to comply with International Financial Reporting Standard 9 Financial Instruments ("IFRS 9") , net of deferred taxation.

The restatement impact on the condensed interim statement of changes in shareholders' equity is as follow:

	For the ninemonth period ended September 30, 2018		
	Balance before Restated	Prior Period Adjustment	Restated Balance
	JD	JD	JD
<u>Condensed Interim Statement of Changes in Shareholders' Equity</u>			
Retained earnings *	50,623	10,512	61,135
Statutory reserve	660,908	(22,215)	638,693
Voluntary reserve	460,453	(291,389)	169,064

- * The restatement on this financial statement line item includes an amount of JD (38,519) which represents the adjustment on the opening balances of retained earnings for the impact of the implementation for IFRS (9), and an amount of JD 49,031 that represents restatement on prior periods to adjust the accounting policy of revenue recognition.

15. Approval of interim condensed financial information

These interim condensed financial information were approved by the board of directors and authorized for issue on October 24, 2019.