

JORDAN INVESTMENT TRUST COMPANY  
(PUBLIC SHAREHOLDING COMPANY)

INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS (UNAUDITED)

30 JUNE 2017



Building a better  
working world



Building a better  
working world

Ernst & Young Jordan  
P.O. Box 1140  
Amman 11118  
Jordan

Tel: 06 962 4550/0777/00 962 6552/6111  
Fax: 06 962 5553/3310  
EY Jordan

## REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF JORDAN INVESTMENT TRUST COMPANY AMMAN - JORDAN

### Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY) ("THE COMPANY") and its subsidiaries ("the Group") as of 30 June 2017 comprising of interim consolidated statement of financial position as of 30 June 2017 and the related interim consolidated income statement, interim consolidated statement of comprehensive income, interim consolidated statement of changes in equity, and the interim consolidated statement of cash flows for the six months period then ended and explanatory notes. Board of directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard, Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### Scope of review

We conducted our review in accordance with the 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 consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34.

Amman – Jordan  
27 July 2017

*Ernst & Young*

JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)  
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS OF 30 JUNE 2017

	Notes	30 June 2017 JD (Unaudited)	31 December 2016 JD (Audited)
<b>ASSETS</b>			
Cash on hand and at banks	11	1,090,294	430,481
Financial assets at fair value through profit or loss		6,672,291	6,665,495
Financial assets at fair value through other comprehensive income		135,970	129,798
Accounts receivable - net		187,196	198,355
Investments in associates	4	12,099,586	12,976,435
Other debit balances		731,817	690,353
Property and equipment		2,665,567	2,735,918
Investment properties		9,204,225	9,206,946
Intangible assets		244,333	250,763
<b>Total Assets</b>		<b>33,031,279</b>	<b>33,284,544</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities -</b>			
Loans	8	450,352	679,386
Brokerage customers payables		72,598	108,430
Other credit balances		1,165,288	1,292,319
<b>Total Liabilities</b>		<b>1,688,238</b>	<b>2,080,135</b>
<b>Equity -</b>			
<b>Shareholders' equity</b>			
Paid in capital	12	26,383,725	25,783,125
Share premium		746,349	746,349
Statutory reserve		2,578,727	2,578,727
Voluntary reserve		154,602	755,202
Fair value reserve		(126,038)	(132,210)
Accumulated losses		(614,982)	(762,259)
<b>Net Shareholders' equity</b>		<b>29,122,383</b>	<b>28,968,934</b>
Non-controlling interest		2,220,658	2,235,475
<b>Net Equity</b>		<b>31,343,041</b>	<b>31,204,409</b>
<b>Total Liabilities and Equity</b>		<b>33,031,279</b>	<b>33,284,544</b>

The accompanying notes from 1 to 14 form part of these interim condensed consolidated financial statements and to be read with the review report

JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)  
INTERIM CONSOLIDATED INCOME STATEMENT  
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2017 (UNAUDITED)

	Notes	For the three months ended 30 June		For the six months ended 30 June	
		2017	2016	2017	2016
		JD	JD	JD	JD
Revenues -					
Interest income		9,667	8,734	11,890	13,096
Profit from financial assets at fair value through profit or loss	5	(98,189)	310,782	130,133	453,990
Brokerage commissions		4,937	5,630	9,571	13,978
Share of profit from associates	4	232,923	374,468	468,309	730,795
Other income		201,097	153,995	420,527	378,718
<b>Net revenue</b>		<b>350,435</b>	<b>853,609</b>	<b>1,040,430</b>	<b>1,590,577</b>
Less:					
Interest and commission		12,630	20,549	27,670	37,248
Administrative expenses		341,605	312,440	636,619	614,101
Depreciation and amortization		59,415	63,648	120,987	125,490
Other expenses		46,533	35,722	100,794	90,866
<b>(Loss) profit for the period before income tax</b>		<b>(109,748)</b>	<b>421,250</b>	<b>154,360</b>	<b>722,872</b>
Income tax expense	10	(2,574)	(2,752)	(21,900)	(9,487)
<b>(Loss) profit for the period</b>		<b>(112,322)</b>	<b>418,498</b>	<b>132,460</b>	<b>713,385</b>
Attributable to:					
Shareholders of the company		(105,499)	427,281	147,277	736,930
Non-controlling interests		(6,823)	(8,783)	(14,817)	(23,545)
		<b>(112,322)</b>	<b>418,498</b>	<b>132,460</b>	<b>713,385</b>
		<u>JD / Fils</u>	<u>JD / Fils</u>	<u>JD / Fils</u>	<u>JD / Fils</u>
Basic and diluted earnings (losses) per share for the period		(0/004)	0/015	0/005	0/027

The accompanying notes from 1 to 14 form part of these interim condensed consolidated financial statements and to be read with the review report

JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)  
INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2017 (UNAUDITED)

	For the three months ended 30 June		For the six months ended 30 June	
	JD	JD	JD	JD
(Loss) profit for the period	(112,322)	418,498	132,460	713,385
<b>Add: other comprehensive income not to be reclassified to profit and loss in subsequent periods:</b>				
Change in fair value of financial assets at fair value through other comprehensive income	<u>1,765</u>	<u>(10,357)</u>	<u>6,172</u>	<u>(20,283)</u>
<b>Total comprehensive income for the period</b>	<u>(110,557)</u>	<u>408,141</u>	<u>138,632</u>	<u>693,102</u>
<b>Attributable to:</b>				
Shareholders of the company	(103,734)	416,924	153,449	716,647
Non-controlling interests	<u>(6,823)</u>	<u>(8,783)</u>	<u>(14,817)</u>	<u>(23,545)</u>
	<u>(110,557)</u>	<u>408,141</u>	<u>138,632</u>	<u>693,102</u>

The accompanying notes from 1 to 14 form part of these interim condensed consolidated financial statements and to be read with the review report

**JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)**  
**INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2017 (UNAUDITED)**

**Reserves**

	Share			Reserves			Non-controlling interest			Total equity
	Paid in capital	premium	Statutory	Voluntary	Fair value reserve	Accumulated losses	Total	JD	JD	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b>For the six months period ended 30 June 2017-</b>										
Balance as at 1 January 2017	25,783,125	746,349	2,578,727	755,202	(132,210)	(762,259)	28,968,934	2,235,475		31,204,409
Share dividends (note 12)	600,600	-	-	(600,600)	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	6,172	147,277	153,449	(14,817)		138,632
<b>Balance as of 30 June 2017</b>	<b>26,383,725</b>	<b>746,349</b>	<b>2,578,727</b>	<b>154,602</b>	<b>(126,038)</b>	<b>(614,982)</b>	<b>29,122,383</b>	<b>2,220,658</b>		<b>31,343,041</b>

**For the six months period ended 30 June 2016 -**

Balance as at 1 January 2016	25,783,125	746,349	2,427,893	755,202	(92,736)	(1,673,981)	27,945,852	2,367,442		30,313,294
Acquisition of non-controlling interests (note 6)	-	-	-	-	-	95,069	95,069	(95,069)		-
Total comprehensive income for the period	-	-	-	-	(20,283)	736,930	716,647	(23,545)		693,102
<b>Balance as of 30 June 2016</b>	<b>25,783,125</b>	<b>746,349</b>	<b>2,427,893</b>	<b>755,202</b>	<b>(113,019)</b>	<b>(841,982)</b>	<b>28,757,568</b>	<b>2,248,828</b>		<b>31,006,396</b>

The accompanying notes from 1 to 14 form part of these interim condensed consolidated financial statements and to be read with the review report

JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)  
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2017 (UNAUDITED)

	Note	30 June 2017 JD	30 June 2016 JD
<b><u>OPERATING ACTIVITIES</u></b>			
Profit for the year before tax		154,360	722,872
Adjustments for -			
Depreciation and amortization		120,987	125,490
Change in fair value of financial assets at fair value through profit and loss		75,340	(309,738)
Share of profit from associates		(468,309)	(730,795)
(Gain) loss from disposal of property and equipment		(15,500)	1,100
Changes in working capital -			
Financial assets at fair value through profit or loss		(82,136)	(21,969)
Account receivables and other debit balances		(30,304)	(167,490)
Account payables and other credit balances		(139,765)	(217,299)
Income tax paid		(44,999)	(4,726)
<b>Net cash flows used in operating activities</b>		<b>(430,326)</b>	<b>(602,555)</b>
<b><u>INVESTING ACTIVITIES</u></b>			
Proceeds from selling property and equipment		15,500	6,000
Purchase of property and equipment		(14,261)	(26,865)
Purchase of investment properties		(27,224)	(126,557)
Dividends received from associate		1,345,158	1,084,795
<b>Net cash flows from investing activities</b>		<b>1,319,173</b>	<b>937,373</b>
<b><u>FINANCING ACTIVITY</u></b>			
Loans		(229,034)	(2,418)
<b>Net cash flows used in financing activity</b>		<b>(229,034)</b>	<b>(2,418)</b>
<b>Net increase in cash and cash equivalents</b>		<b>659,813</b>	<b>332,400</b>
Cash and cash equivalents at beginning of the period		430,481	689,634
<b>Cash and cash equivalents at end of the period</b>	11	<b>1,090,294</b>	<b>1,022,034</b>

The accompanying notes from 1 to 14 form part of these interim condensed consolidated financial statements and to be read with the review report

(1) GENERAL

Jordan Investment Trust was incorporated in Jordan as a public shareholding company and registered on April 23, 1998 with an authorized capital of JD 20,000,000 divided into 20,000,000 shares, at a per value of JD each. The authorized and paid up capital was increased several time during previous years to reach JD 29,513,889.

The main objectives of the Company are to invest in all available fields of investment in industrial, agricultural, financial, real estate, tourism and services sectors, and in particular to purchase and hold shares, allotments, real estate, bonds and manage investment portfolios. Other activities include, providing consulting services and capital market operations services which support and foster investment, acting as a broker in organizing the capital financing operations required for establishment, expansion and development of the companies including the undertakings of issuance of shares and bond or participate with the gatherings that aim to such undertakings.

The Company's registered office is located in Jabal Amman, Amman – The Hashemite Kingdom of Jordan.

The main objectives of the subsidiaries are to invest in all available fields of investment.

(2) BASIS OF PREPARATION

BASIS OF PREPARATION

The accompanying interim condensed consolidated financial statements for the Group as of 30 June 2017 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

The interim condensed consolidated financial statements have been presented in Jordanian Dinars, which is the functional currency of the Group.

The financial statements are prepared under the historical cost convention except for financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income which have been measured at fair value at the financial statements date.

The interim condensed consolidated financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards, and should be read in conjunction with the Group's annual financial statements as at 31 December 2016. In addition, the results for the six months ended 30 June 2017 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2017.

#### BASIS OF CONSOLIDATION

The interim condensed consolidated financial statements comprise the financial statements of Jordan Investment Trust Company and its wholly owned subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

Group controls an investee only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses, profits and losses relating to transactions between members of the Group are eliminated.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the translation reserve of the foreign currencies
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained in the subsidiary;
- Recognises profit or loss resulting from controlling loss ; and
- Reclassifies the company's share of components previously recognised in other comprehensive income to profit or loss.

#### CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended 31 December 2016, except for the adoption of new standards effective as of 1 January 2017.

##### **Amendments to IAS 7 Statement of Cash Flows: Disclosure Initiative**

Limited amendments which require entities to provide disclosures about changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). However, the adoption of these amendments have no impact on the Group's interim condensed consolidated financial statements.

##### **Amendments to IAS 12 Income Taxes: Recognition of Deferred Tax Assets for Unrecognised Losses**

Limited amendments to clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference and some other limited amendments, the adoption of these amendments have no impact on the Group's interim condensed consolidated financial statements.

(3) SEGMENT INFORMATION

Segment information for the basic sectors :

For management purposes, the Group is organized into three major business segments:

Financial investments - Principally trading in equities and bonds, in addition to investment in associates and deposits at banks and act as a custodian.

Investment properties - Principally trading and renting properties and land owned by the Group.

Food and Beverage - Principally providing food and beverage services.

These segments are the basis on which the Group reports its primary segment information.

Below are the segment information:

	Financial Investments	Investment properties	Food and Beverage	Others	Total
	JD'000	JD'000	JD'000	JD'000	JD'000
					(Unaudited)
For the six months ended 30 June 2017 -					
Segment revenues	620	49	345	26	1,040
Distributed expenses	(332)	(38)	(440)	(76)	(886)
Profit (loss) before income tax	288	11	(95)	(50)	154
Income tax expense					(22)
Profit for the period					132
For the six months ended 30 June 2016 -					
Segment revenues	1,212	41	333	5	1,591
Distributed expenses	(283)	(55)	(439)	(91)	(868)
Profit (loss) before income tax	929	(14)	(106)	(86)	723
Income tax expense					(10)
Profit for the period					713

JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)  
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
30 JUNE 2017 (UNAUDITED)

	Financial Investments	Investment properties	Food and Beverage	Others	Total
	JD'000	JD'000	JD'000	JD'000	JD'000 (Unaudited)
30 June 2017 -					
Assets and Liabilities					
Segment assets	22,664	9,204	732	431	<u>33,031</u>
Segment liabilities	1,204	61	242	181	<u>1,688</u>
Other segment information for the six months ended 30 June 2017 -					(Unaudited)
Depreciation and amortization					<u>121</u>

	Financial Investments	Investment properties	Food and Beverage	Others	Total
	JD'000	JD'000	JD'000	JD'000	JD'000 (Audited)
31 December 2016 -					
Assets and Liabilities					
Segment assets	22,938	9,207	690	449	<u>33,284</u>
Segment liabilities	1,599	59	237	185	<u>2,080</u>
Other segment information for the six months ended 30 June 2016 -					(Unaudited)
Depreciation and amortization					<u>125</u>

**(4) INVESTMENT IN ASSOCIATES**

This item represents the following:

	Ownership percentage %	Country of incorporation	Nature of activity	30 June 2017 JD (Unaudited)	31 December 2016 JD (Audited)
Education Capital (EDCAP)	20	Bahrain	Education	1,602	1,602
First Education Holding (FEH)	31.6	Bahrain	Education	12,097,984	12,974,833
				<u>12,099,586</u>	<u>12,976,435</u>

The following table illustrates the movement on the investments in associates:

	30 June 2017 JD (Unaudited)	31 December 2016 JD (Audited)
Balance at the beginning of the period/ year	12,976,435	12,559,105
Group share from associates profit	468,309	1,502,124
Dividends received from associates	<u>(1,345,158)</u>	<u>(1,084,794)</u>
Balance at the end of the period/ year	<u>12,099,586</u>	<u>12,976,435</u>

**(5) PROFIT FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS**

	30 June 2017 JD (Unaudited)	30 June 2016 JD (Unaudited)
Realized Gain	1,620	-
Change in fair value of financial assets at fair value through profit or loss	<u>(75,340)</u>	<u>309,738</u>
Dividends income	203,853	144,252
	<u>130,133</u>	<u>453,990</u>

**(6) ACQUISITION OF ADDITIONAL SHARE IN AL-IHDATHIAT REAL ESTATE COMPANY**

On April 2016, the Group has increased its share in Al-Ihdathiat Real Estate Company after the acquisition date from 54% to 58% through the subscription in 416,000 share at a price of 612 fils per share, which increased the non-controlling interests by JD 95,069.

**(7) CONTINGENT LIABILITIES**

As of the date of the financial statements, the Group is contingently liable in respect of a bank guarantee amounting to JD 1,840,000 as of 30 June 2017 (31 December 2016: JD 1,840,000) for the benefit of the Jordan Securities Commission in accordance with the Jordan Securities Commission Law No. 76 of 2007, in addition to other bank letters of guarantee for the benefit of the Securities Depository Center amounted to JD 500,000.

**(8) LOANS**

	Loan installments		30 June 2017 JD (Unaudited)	31 December 2016 JD (Audited)
	Short term JD	Long term JD		
The Bank of Jordan (1)	240,847	130,462	371,309	666,530
The Bank of Jordan (2)	12,396	55,806	68,202	-
Capital Bank of Jordan (3)	4,836	6,005	10,841	12,856
			<u>450,352</u>	<u>679,386</u>

**The Bank of Jordan Loan (1)**

On 2 September 2010, loan agreement was signed with the Bank of Jordan where the Group received an amount of JD 1,650,000 at annual interest rate of 8%. The loan is due after a grace period of 2 years over 60 equal monthly installment by JD 32,616 for each, the first installment became due on 19 September 2012, and the loan is secured by the mortgage of the property owned by Al Tawon Real Estate Management Company (Subsidiary) by JD 900,000. During 2017 an amount of JD 300,000 was paid with no penalty for early settlement and loan was rescheduled so that the first installment will be on 14 November 2017 and the final installment on 14 October 2018.

**The Bank of Jordan Loan (2)**

On 11 January 2017, loan agreement was signed with the Bank of Jordan where the Group received an amount of JD 74,400 at annual interest rate of 7.25%. The loan was used to finance the purchase of a new vehicle. The loan is payable over 60 equal monthly installment of JD 1,033 for each, starting 31 January 2017 until the final settlement.

**Capital Bank of Jordan Loan (3)**

On 26 August 2014 Al-Mota'dedeh Company for restaurant management (subsidiary) signed a loan agreement with Capital Bank of Jordan for an amount of JD 24,140 with an annual interest of 10.5 % calculated on a daily basis, the loan is used to finance 100% of the purchase price of a vehicle. The loan is repayable in 60 equal monthly installments of JD 403 for each starting 30 September 2014 until the final settlement.

(9) OFF-BALANCE SHEET ITEMS

The Group holds investments for others amounting to JD 596,279 as at 30 June 2017 (31 December 2016: JD 544,940).

(10) INCOME TAX

Income tax provision -

Movement on income tax provision is as follows:

	30 June 2017 JD (Unaudited)	31 December 2016 JD (Audited)
Balance as at the beginning of the period/ year	45,381	5,108
Provision for income tax for the period/ year	21,900	44,999
Paid income tax	(44,999)	(4,726)
Balance at the end of the period/ year	<u>22,282</u>	<u>45,381</u>

The income tax expense in the interim condensed consolidated income statement represents the following:

	30 June 2017 JD (Unaudited)	30 June 2016 JD (Unaudited)
Income tax expense for the period	<u>21,900</u>	<u>9,487</u>

Jordan Investment Trust Company has reached a final settlement with the Income tax department until the end of the year 2013.

The Income tax department reviewed Jordan Investment Trust Company's accounting records for the year 2014 and reached a decision as not to accept the accumulated losses for the year 2009 which is still pending in the court for review and no decision was reached until now. In addition, the Department assessed income tax amounting to JD 52,125 and legal compensation amounting to JD 40,900. The company raised an objection in the court of law and no decision was reached to the date of preparing these financial statements.

Jordan Investment Trust Company submitted its annual declaration for the years 2015 and 2016, however the income tax department did not review it to the date of preparing these financial statements.

The Income Tax Department reviewed the subsidiary Imcan for financial services (Subsidiary) accounting records for the years from 2007 to 2009 and decided to impose income tax differences of JD 210,850 and JD 57,889, and to rollover losses with an amount of JD 368,508. In the management and the group tax consultant opinion the company will not be subject to any obligations toward these claims.

Al-Ihdathiat Company submitted its annual declaration for the years 2015 and 2016, however the income tax department did not review it to the date of these financial statements.

Medical Clinics Company submitted its annual declaration for the years from 2013 to 2016, however the income tax department did not review it to the date of these financial statements.

#### (11) CASH AND CASH EQUIVALENT

Cash and cash equivalents for the purpose of preparing the interim consolidated cash flow is as follows:

	30 June 2017	30 June 2016
	JD	JD
	(Unaudited)	(Unaudited)
Cash on hand	554	646
Call deposits	56,573	84,353
Time deposits *	793,601	704,115
Current accounts	239,566	232,920
	<u>1,090,294</u>	<u>1,022,034</u>

\* Time deposits represent monthly deposits in Jordanian Dinar with an annual interest rate between 3.25 – 4.5%.

(12) EQUITY

Share capital -

The authorized share capital amounted to JD 29,513,889 at a par value JD 1 per share.

The details of the capital are as follows:

	30 June 2017 JD (Unaudited)	31 December 2016 JD (Audited)
Subscribed and paid in capital	29,513,889	29,513,889
Treasury shares owned by the parent company**	(292,609)	(893,209)
Treasury shares *	(2,837,555)	(2,837,555)
	<u>26,383,725</u>	<u>25,783,125</u>

\* The treasury shares represent 2,026,491 share owned by Trust and Dubai Investment (a subsidiary) which became a subsidiary on 1 January 2010. On acquisition date, total shares cost amounted to JD 2,837,555, noting that the Company has purchased these shares before the acquisition date.

\*\* The general assembly of the shareholders decided in its extraordinary meeting held on 25 April 2017 to distribute 390,000 shares from the treasury stocks owned by the Company at a cost of JD 600,600 to the shareholders as share dividends.

(13) RELATED PARTIES TRANSACTIONS

Related parties Transactions represent the transactions made with associated companies, major shareholders, directors, and key management personnel of the Group, and entities which have main controlling shareholders.

Pricing policies and terms of the transactions with related parties are approved by the Group's management.

JORDAN INVESTMENT TRUST COMPANY (PUBLIC SHAREHOLDING COMPANY)  
 NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
 30 JUNE 2017 (UNAUDITED)

**Subsidiaries**

The consolidated financial statements include the financial statements of Jordan Investment Trust Company and the subsidiaries listed in the following table:

Company's name	Country of incorporation	Ownership percentage %	Company's capital	
			30 June 2017	31 December 2016
			JD	JD
Medical Clinics	Jordan	76.64	1,958,843	1,958,843
Imcan for Financial Services	Jordan	68.35	1,300,000	1,300,000
Akar Limited Company	British Virgin Islands	100	300,000	300,000
Amwaj Financial Investments	Jordan	100	60,000	60,000
Mazaya Financial Investments	Jordan	100	60,000	60,000
Burhan Al-Thiqa Financial Investments	Jordan	100	60,000	60,000
Nebras Financial Investments	Jordan	100	60,000	60,000
O'sos Al Ma'refa Financial Investments	Jordan	100	60,000	60,000
Al Rafah Financial Investments	Jordan	100	60,000	60,000
Trust and Sham Financial Investments	Jordan	100	81,000	81,000
Trust and Hospitality Financial Investments	Jordan	100	2,000,000	2,000,000
Al Sahel Financial Investments	Jordan	100	60,000	60,000
The Arabian Coffee	Jordan	100	60,000	60,000
Zohoor Al-Thiqa for Real Estate	Jordan	100	50,000	50,000
Al Olbah Real Estate	Jordan	100	50,000	50,000
Al Tawon for Real Estate Management	Jordan	100	10,000	10,000
Al-Mota'dedeh for Restaurants Management	Jordan	100	600,000	600,000
Al-Indathiat Real Estate Company	Jordan	58	4,486,627	4,486,627
Trust and Dubai Investment	Jordan	100	2,334,842	2,334,842

**Executive management's Compensations and remunerations**

The remuneration of executive management was as follows:

	30 June 2017 JD (Unaudited)	30 June 2016 JD (Unaudited)
Salaries and compensations	100,530	95,730

**(14) STATUTORY RESERVE**

The Company has not deducted any statutory reserve according to the Companies law since these are interim financial statement.