

disclosure

From:
Sent:
To:
Subject:
Attachments:

<maan Ezzat <maan10578@yahoo.com
06 آب، 2020 02:47 م

disclosure; Nisreen Jweihan

Re: ميزانية الشركة العامة للتعددين

ميزانية 2020-3-30 انجليزي.pdf؛ ميزانية 2020-6-30 الانجليزي.pdf.

السادة هیئة الأوراق المالية
السادة هیئة الأوراق المالية المحترمين

السادة هیئة الأوراق المالية المحترمين

تحية طيبة وبعد،،،

مرفق بطيه ميزانيات الشركة العامة للتعددين باللغة الانجليزية كما في (2020/3/31) و (2020/6/30).

وتفضلوا بقبول فائق الاحترام،،،،

المدير الإداري/ أمين سر مجلس الإدارة
نسرين جويحان

On Tuesday, August 4, 2020, 02:06:57 PM GMT+3, Nisreen Jweihan <nisreenjweihan@gmail.com> wrote:

السادة هیئة الأوراق المالية المحترمين

تحية طيبة وبعد،،،

مرفق بطيه ميزانيات الشركة العامة للتعددين كما في (2020/3/31) و (2020/6/30).

وتفضلوا بقبول فائق الاحترام،،،،

المدير الإداري/ أمين سر مجلس الإدارة
نسرين جويحان



GENERAL MINING COMPANY
PUBLIC SHAREHOLDING COMPANY

UNAUDITED INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

30 JUNE 2020

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TO THE BOARD OF DIRECTORS OF GENERAL MINING COMPANY
AMMAN - JORDAN**

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of General Mining Company (Public Shareholding Company) (the "Company") and its subsidiary ("the Group"), comprising of the interim condensed consolidated statement of financial position as at 30 June 2020 and the related interim condensed consolidated statements of profit or loss, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in shareholders' equity and interim condensed consolidated statement of cash flows for the six months period then ended and explanatory notes. The board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 "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 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 the 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 IAS 34.

Material uncertainty related to going concern

Without qualifying our conclusion, as the accumulated losses amounted to JD 779,214 representing 76% of the paid-up capital of the group of JD 1,020,443 as of 30 June 2020, According to Article No. (266) of the Jordanian Companies Law No. (22) for the year 1997 and its amendments "if the losses of the Public Shareholding Company exceeds 75% of it's capital the Company shall be liquidated unless the General Assembly decides in an extraordinary meeting to increase the Group's capital to adjust the accumulated losses or to write-off accumulated losses." The interim condensed consolidated financial statements are prepared based on a going concern basis, these conditions and events indicate a material uncertainty related to the Company's ability to continue as a going concern. The Group's ability to continue as a going concern entity depends on applying and committing to the future plans and procedures as mentioned in note (11). in addition to the ability of providing the required financing to discharge its obligations when they fall due and continue its operating activities and achieving operating profit.

Amman – Jordan

29 July 2020

Ernst + Young

**GENERAL MINING COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020**

	Notes	30 June 2020 JD (Unaudited)	31 December 2019 JD (Audited)
<u>Assets</u>			
Non-Current Assets			
Property and equipment, net		374,578	381,778
Financial assets at fair value through other comprehensive income	3	6,622	4,285
		<u>381,200</u>	<u>386,063</u>
Current Assets			
Accounts receivable, Net		242,531	418,055
Financial assets at fair value through profit or loss	4	34,174	41,173
Other current assets		60,848	58,803
Cash and bank balances	9	1,684	2,133
		<u>339,237</u>	<u>520,164</u>
Total Assets		<u><u>720,437</u></u>	<u><u>906,227</u></u>
<u>Shareholders' Equity and Liabilities</u>			
Shareholders' Equity			
Paid in capital	1	1,020,443	1,020,443
Statutory reserve		50,000	50,000
Fair value reserve		(12,032)	(14,369)
Accumulated losses		(779,214)	(715,197)
Net Shareholders' Equity		<u>279,197</u>	<u>340,877</u>
Liabilities			
Current Liabilities -			
Due to bank	5	113,194	137,001
Accounts payable		189,652	275,793
Other current liabilities		138,394	152,556
Total Liabilities		<u>441,240</u>	<u>565,350</u>
Total Shareholders' Equity and Liabilities		<u><u>720,437</u></u>	<u><u>906,227</u></u>

**The accompanying notes from 1 to 12 form an integral part of these
interim condensed consolidated financial statements**

GENERAL MINING COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2020 (UNAUDITED)

	Notes	For the three months		For the six months	
		ended 30 June		ended 30 June	
		2020	2019	2020	2019
		JD	JD	JD	JD
Sales		97,491	144,928	220,162	251,651
Less: Mining fees		(7,144)	(11,917)	(13,995)	(21,125)
Net sales		90,347	133,011	206,167	230,526
Cost of sales		(81,549)	(100,468)	(152,907)	(176,320)
Gross profit		8,798	32,543	53,260	54,206
Administrative expenses		(42,677)	(44,611)	(103,204)	(97,861)
(Loss) gain of financial assets through profit or loss		(4,117)	2,059	(6,999)	6,176
Finance cost		(3,878)	(2,309)	(8,200)	(2,309)
Other income		431	86	1,126	604
Loss for the period before income tax		(41,443)	(12,232)	(64,017)	(39,184)
Income tax	6	-	-	-	-
Loss for the period		(41,443)	(12,232)	(64,017)	(39,184)
		JD/Fils	JD/Fils	JD/Fils	JD/Fils
Basic and diluted loss per share for the period	10	(0/041)	(0/012)	(0/063)	(0/039)

The accompanying notes from 1 to 12 form an integral part of these interim condensed consolidated financial statements

**GENERAL MINING COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2020 (UNAUDITED)**

	For the three months ended 30 June		For the six months ended 30 June	
	2020	2019	2020	2019
	JD	JD	JD	JD
Loss for the period	(41,443)	(12,232)	(64,017)	(39,184)
Add: other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Change in fair value of financial assets at fair value through other comprehensive income, net of tax	(1,558)	(1,750)	2,337	(583)
Total comprehensive income for the period	(43,001)	(13,982)	(61,680)	(39,767)

**The accompanying notes from 1 to 12 form an integral part of these
interim condensed consolidated financial statements**

**GENERAL MINING COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020 (UNAUDITED)**

	Reserves					Total JD
	Paid in capital JD	Statutory		Fair value JD	Accumulated losses JD	
		JD	JD	JD	JD	
Balance at 1 January 2020	1,020,443	50,000	(14,369)	(715,197)	340,877	
Total comprehensive income for the period	-	-	2,337	(64,017)	(61,680)	
Balance at 30 June 2020	<u>1,020,443</u>	<u>50,000</u>	<u>(12,032)</u>	<u>(779,214)</u>	<u>279,197</u>	
Balance at 1 January 2019	1,020,443	275,000	(13,202)	(887,886)	394,355	
Total comprehensive income for the period	-	-	(583)	(39,184)	(39,767)	
Accumulated losses write-off (note 1)	-	(225,000)	-	225,000	-	
Balance at 30 June 2019	<u>1,020,443</u>	<u>50,000</u>	<u>(13,785)</u>	<u>(702,070)</u>	<u>354,588</u>	

The Company cannot use a restricted amount of JD 12,032 and an amount of JD 1,754 representing the negative change in fair value of the financial assets at fair value through other comprehensive income and the negative change in fair value of the financial assets at fair value through profit or loss, respectively, in accordance with Securities Commission instructions.

The accompanying notes from 1 to 12 form an integral part of these interim condensed consolidated financial statements

**GENERAL MINING COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020 (UNAUDITED)**

	Note	For the six months ended 30 June	
		2020 JD	2019 JD
<u>OPERATING ACTIVITIES</u>			
Loss for the period before tax		(64,017)	(39,184)
Adjustments:			
Depreciation		7,200	8,326
Finance cost		8,200	2,309
Unrealized loss (gain) of financial assets at fair value through profit or loss		6,999	(2,059)
Dividends income from financial assets at fair value through profit or loss		-	(4,117)
Changes in working capital:			
Accounts receivable		175,524	123,458
Other current assets		(2,045)	(19,125)
Accounts payable		(86,141)	(196,604)
Other current liabilities		(15,972)	64,331
Net cash flow from (used in) operating activities		29,748	(62,665)
<u>INVESTING ACTIVITIES</u>			
Dividends income received		-	4,117
Purchases of property and equipment		-	(7,797)
Net cash flow used in investing activities		-	(3,680)
<u>FINANCING ACTIVITIES</u>			
Finance cost paid		(6,390)	(2,309)
Net cash flows used in financing activities		(6,390)	(2,309)
Net increase (decrease) in cash and cash equivalents		23,358	(68,654)
Cash and cash equivalents at the beginning of the period		(134,868)	57,506
Cash and cash equivalents at 30 June	9	(111,510)	(11,148)

The accompanying notes from 1 to 12 form an integral part of these interim condensed consolidated financial statements

**GENERAL MINING COMPANY
PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 JUNE 2020 (UNAUDITED)**

(1) General

General Mining Public Shareholding Company was established on 5 December 1973, with paid in capital of JD 1,500,000 divided into 1,500,000 shares at a par value of JD 1 per share. The General Assembly approved in its extraordinary meeting held on 30 April 2017 to write off the accumulated losses amounted to JD 1,000,000 through the reducing of the Company's capital JD 500,000 and then, increase the Company's capital to be JD 1,100,000 through a private placement to the Company's shareholders. Moreover, The General Assembly approved to write off the voluntary reserve balance and part of statutory reserve balance aging the accumulated losses with a total amount of JD 256,733. Accordingly, the authorized capital become JD 1,100,000 and paid in capital amounting to JD 500,000. The Company has completed the legal procedures to amend the Company's capital during 2017 and started increasing the Capital through the private placement from 24 December 2017 until 15 January 2018. Additional shares issued amounted to JD 520,443 as at 15 January 2018. At its extraordinary meeting held on 13 May 2019, the General Assembly approved the reduction of the remaining unsubscribed shares through the public placement to equal 79,557 shares out of the authorized capital of 1,100,000 shares. The Company's authorized capital after the decrease is 1,020,443 shares as of 30 June 2019. The general assembly of the company, at its extraordinary meeting held on April 27, 2019, agreed to write off part of the statutory reserve in the calculation of accumulated losses by JD 225,000 , so that the balance of the statutory reserve becomes JD 50,000.

The Company's objectives are mining, processing of ores and industrial rocks and to extract raw materials and to participate or contribute in any projects or other actions. The General Assembly resolved in its extraordinary meeting held on 13 October 2016 to amend the articles of association of the Company by adding the following activities to the Company's objectives:

- 1- Purchasing and selling lands after developing, organizing, improving and dividing them and supplying them with all services in accordance with adopted laws.
- 2- Owning and renting movable and immovable property to achieve the Company's objectives.
- 3- Owning and developing land and properties. (except real estate office).
- 4- Providing real estate management services (except real estate office).

The board of directors in their meeting held on 27 July 2020 authorized and approved the interim condensed consolidated financial statements.

**GENERAL MINING COMPANY
PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 JUNE 2020 (UNAUDITED)**

(2-1) Basis of preparation

The interim condensed consolidated financial statements for the six months period ended 30 June 2020 have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting.

The interim condensed consolidated financial statement is presented in Jordanian Dinars that represents the Company's financial currencies.

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 consolidated financial statements as of 31 December 2019. In addition, results for the six months period ended 30 June 2020 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2020.

(2-2) Basis of consolidation

The interim condensed consolidated financial statements comprise of the financial statements of General Mining Company a Public Shareholding Company "the Company" and the below subsidiary together are referred to "the Group" as of 30 June 2019:

<u>Company name</u>	<u>Legal status</u>	<u>Country of incorporation</u>	<u>Ownership %</u>
Aliat for Real Estate Development and Housing Company	Limited liability	Jordan	100%

- * Aliat for Real Estate Development and Housing Company was established as a limited liability Company with an authorized capital of JD 10,000 and paid in capital of JD 5,000, it was registered at Ministry of Industry and Trade on 10 March 2014 and it's fully owned by General Mining Company. The Company did not commence its activities until the date of the interim condensed consolidated financial statements.

Consolidation of a subsidiary begins on the date that the group obtains control over the subsidiary and ceases when the group loses control over the subsidiary. Control exists when the group controls the subsidiaries significant and relevant activities and is exposed, or has the rights on the variable returns from its involvement with the subsidiaries and has the right to effect those return.

The financial statements of the Company and subsidiaries are prepared for the same reporting period and using the same accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

(2-3) Change in accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2019, except for the adoption of new standards effective as of 1 January 2020:

Amendments to IFRS 3: Definition of a Business

The IASB issued amendments to the definition of a business in IFRS 3 Business Combinations to help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test.

Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the Group was not be affected by these amendments on the date of transition.

Interest Rate Benchmark Reform Amendments to IFRS 9 and IFRS 7

Interest Rate Benchmark Reform Amendments to IFRS 9 and IFRS 7 includes a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument. As a result of interest rate benchmark reform, there may be uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument during the period before the replacement of an existing interest rate benchmark with an alternative risk-free interest rate (an RFR). This may lead to uncertainty whether a forecast transaction is highly probable and whether prospectively the hedging relationship is expected to be highly effective.

The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark with an alternative risk-free interest rate (an "RFR").

The Group was not be affected by these amendments on the date of transition and concluded that the uncertainty arising from IBOR reform is did not affect its hedge relationships to the extent that the hedge relationships need to be discontinued.

GENERAL MINING COMPANY
PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 JUNE 2020 (UNAUDITED)

(3) Financial assets at fair value through other comprehensive income

This item consists of the following:

	30 June 2020	31 December 2019
	JD (Unaudited)	JD (Audited)
Quoted shares	6,622	4,285

(4) Financial assets at fair value through profit or loss

	30 June 2020	31 December 2019
	JD (Unaudited)	JD (Audited)
Quoted shares	34,174	41,173

(5) Due to bank

This item represents the utilized balance of the credit facilities granted to the Company, which represents an overdraft account granted to the Company by Jordan Capital Bank during 2019 with a ceiling of JD 150,000 bearing an annual average interest rate of 9%.

(6) Income tax

No provision for income tax was calculated for the periods ended 30 June 2020 and 2019 for the Company and its subsidiary due to the excess of deductible expenses over taxable income in accordance with the Income Tax Law No. (38) of 2018.

The Group filed its tax returns for the years 2019, which have not been reviewed by the Income and Sales Tax Department up to the date of the interim condensed consolidated financial statements.

The Group has reached a final settlement with Income and Sales Tax Department till the end of year 2016.

GENERAL MINING COMPANY
PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 JUNE 2020 (UNAUDITED)

(7) Contingent liabilities

The Company has contingent liabilities at the date of the interim condensed financial statements as presented below:

	30 June 2020	31 December 2019
	JD	JD
	(Unaudited)	(Audited)
Letter of guarantees related to Natural Resources Authorization	55,000	55,000

Legal cases held against the Company

As of 30 June 2020, outstanding lawsuits against the Company amounted to JD 237,841 (31 December 2019: JD 237,841), these lawsuits were within the normal course of the Group's business. The lawsuits against the Company include a compensation claim for the decrease in the value of land plots surrounding Al-Subahi Mine. The Court of First Instance and the Court of Appeal issued a decision in favor of plaintiffs with a compensation amounting to JD 27,486 for which the Company requested for cassation; the cassation court sent the claim back to the court of appeal. The management and the Group's lawyer believe that the Company has a strong position based on a similar precedent litigation which was ruled in the favor of the Company at Cassation Court. Management and the Company's lawyer believe that no future obligations may arise on the Group related to these claims.

(8) Related Parties Transactions

Related parties represent major shareholders, directors and key management personnel of the Group within the normal course of business. Pricing policies and terms of the transactions with related parties are approved by the Group's management.

Related parties' balances included in interim condensed consolidated financial position is as follow:

	30 June 2020	31 December 2019
	JD	JD
	(Unaudited)	(Audited)
Financial assets at fair value through profit or loss (Jordan Capital Bank – major shareholder).	34,174	41,173
Cash at Jordan Capital Bank	583	599
Due to bank (Jordan Capital Bank – major shareholder)	113,194	137,001

GENERAL MINING COMPANY
PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 JUNE 2020 (UNAUDITED)

Summary of related party transactions included in the interim condensed consolidated statement of profit or loss:

	For six months period ended 30	
	June	
	2020	2019
	JD	JD
	(Unaudited)	(Unaudited)
Finance cost- Jordan Capital Bank	6,389	2,358

Compensation of key management personnel of the Group is as follows:

	For six months period ended 30	
	June	
	2020	2019
	JD	JD
	(Unaudited)	(Unaudited)
Salaries and other benefits	29,112	24,873
Chairman compensation for management activities	12,900	12,900

(9) Cash and cash equivalent

	30 June	30 June
	2020	2019
	JD	JD
	(Unaudited)	(Unaudited)
Cash on hand	889	1,375
Current Bank accounts	795	2,619
Total	1,684	3,994
Due to Bank (note 5)	(113,194)	(15,142)
Cash and cash equivalent	(111,510)	(11,148)

GENERAL MINING COMPANY
PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 JUNE 2020 (UNAUDITED)

(10) Basic and diluted loss per share from the year's losses

This item consists of the following:

	For three months period ended 30 June		For six months period ended 30 June	
	2020	2019	2020	2019
	JD	JD	JD	JD
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Loss for the year (JD)	(41,443)	(12,232)	(64,017)	(39,184)
Weighted average number of shares (shares)	1,020,443	1,020,443	1,020,443	1,020,443
	Fils/JD	Fils/JD	Fils/JD	Fils/JD
Basic and diluted loss per share from the period	(0/041)	(0/012)	(0/063)	(0/039)

(11) Going Concern Assessment

On June 2, 2013, the group disclosed to the Securities Commission regarding the cessation of work in the main mine located in Al Balqa Governorate / Al Subaihi area, which supplies gypsum materials from it to multiple cement factories, due to the repeated attacks by the people of the region on the employees of the company, which led to The company incurs financial losses. The company started to re-work at the Subaihi mine during 2017, but it was unable to conclude any sales contracts during 2017 and the work was limited to extracting samples of gypsum material. During 2019 and 2018, the company signed sales contracts with contractors for the supply of gypsum material present in the mine.

The interim financial statements have been prepared on the basis that the group is a continuous establishment, the ability of the group to continue as a continuous establishment and the ability to realize its assets and pay its liabilities depends on the commitment and implementation of the following procedures:

- 1- Utilize the Group's lands through developing and organizing these lands for investment and selling them through marketing plans.
- 2- Prevent compulsory liquidation of the Group according to the Company's law.
- 3- To outsource the mining operations through third parties in order to avoid the conflicts with the mines surrounding local society.
- 4- Commitment of management to cutting cost policy.

(12) Fair Value of Financial Instruments

Financial instruments comprise of financial assets and financial liabilities.

Financial assets consist of cash on hand and at banks, and financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss, accounts receivable and some other current assets. Financial liabilities consist of accounts payable, due to banks and some other current liabilities.

The fair value of the financial instruments does not materially differ from the carrying value of these instruments.

The Company uses the following methods and alternatives of valuating and presenting the fair value of financial instruments by valuation technique:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Other techniques for which all inputs that have significant effect on the recorded fair value observable, either directly or indirectly.
- Level 3 - Techniques that uses input that have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows the analysis of financial instruments, and hierarchy:

	<u>Level 1</u>	<u>Total</u>
	JD	JD
For the period ended 30 June 2020		
Financial assets at fair value through other comprehensive income	<u>6,622</u>	<u>6,622</u>
Financial assets at fair value through profit or loss	<u>34,174</u>	<u>34,174</u>
For the year ended 31 December 2019		
Financial assets at fair value through other comprehensive income	<u>4,285</u>	<u>4,285</u>
Financial assets at fair value through profit or loss	<u>41,173</u>	<u>41,173</u>