

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

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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:

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نسرين جويحان



GENERAL MINING COMPANY
PUBLIC SHAREHOLDING COMPANY

UNAUDITED INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

31 MARCH 2020



Building a better
working world

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**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TO THE BOARD OF DIRECTORS OF GENERAL MINING COMPANY
PUBLIC SHAREHOLDING 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 (together the "Group"), comprising of the interim condensed consolidated statement of financial position as at 31 March 2020 and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the three months period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 "*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 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 737,771, representing 72% of the paid-up capital of the group of JD 1,020,443 as of 31 March 2020, the Group's ability to continue as a going concern entity and the ability to realize its assets and settle its obligations depends on implementing the procedures listed in Note No. (10) 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
12 July 2020

GENERAL MINING COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As At 31 March 2020

	Notes	31 March 2020	31 December 2019
		JD (Unaudited)	JD (Audited)
<u>Assets</u>			
Non-current assets			
Property and equipment		378,846	381,778
Financial assets at fair value through other comprehensive income	3	8,180	4,285
		<u>387,026</u>	<u>386,063</u>
Current assets			
Accounts receivable, Net		207,882	418,055
Financial assets at fair value through profit or loss	4	38,291	41,173
Other current assets		65,981	58,803
Cash and bank balances	8	1,894	2,133
		<u>314,048</u>	<u>520,164</u>
TOTAL ASSETS		<u><u>701,074</u></u>	<u><u>906,227</u></u>
<u>Equity and Liabilities</u>			
Equity			
Paid in capital	1	1,020,443	1,020,443
Statutory reserve		50,000	50,000
Fair value reserve		(10,474)	(14,369)
Accumulated losses		(737,771)	(715,197)
NET EQUITY		<u>322,198</u>	<u>340,877</u>
Liabilities			
Current Liabilities			
Due to banks		110,873	137,001
Accounts payable		118,524	275,793
Other current liabilities		149,479	152,556
TOTAL LIABILITIES		<u>378,876</u>	<u>565,350</u>
TOTAL EQUITY AND LIABILITIES		<u><u>701,074</u></u>	<u><u>906,227</u></u>

The accompanying notes from 1 to 11 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 PERIOD ENDED 31 MARCH 2020 (UNAUDITED)**

	Notes	31 March 2020 JD	31 March 2019 JD
Sales		122,671	106,723
Less: mining fees		(6,851)	(9,208)
Net sales		<u>115,820</u>	<u>97,515</u>
Cost of sales		(71,358)	(75,852)
Gross profit		<u>44,462</u>	<u>21,663</u>
Administrative expenses		(60,527)	(53,250)
Unrealized (loss) gain of financial assets through profit or loss		(2,882)	4,117
Finance cost		(4,322)	-
Other income		695	518
Loss for the period before income tax		<u>(22,574)</u>	<u>(26,952)</u>
Income tax	5	-	-
Loss for the period		<u>(22,574)</u>	<u>(26,952)</u>
		<u>JD/Fils</u>	<u>JD/Fils</u>
Basic and diluted earning per share from loss for the period	9	<u>(0/022)</u>	<u>(0/026)</u>

The accompanying notes from 1 to 11 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 PERIOD ENDED 31 MARCH 2020 (UNAUDITED)**

	<u>31 March 2020</u> JD	<u>31 March 2019</u> JD
Loss for the period	(22,574)	(26,952)
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 after tax	<u>3,895</u>	<u>(1,167)</u>
Total comprehensive income for the period	<u>(18,679)</u>	<u>(28,119)</u>

The accompanying notes from 1 to 11 form an integral part of these interim condensed consolidated financial statements

**GENERAL MINING COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2020 (UNAUDITED)**

	Reserves								
	Paid in capital		Statutory		Fair value		Accumulated		Total
	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	-	-	-	-	3,895	-	(22,574)	(18,679)	
Balance at 31 March 2020	<u>1,020,443</u>	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>(10,474)</u>	<u>-</u>	<u>(737,771)</u>	<u>322,198</u>	
Balance at 1 January 2019	1,020,443	-	275,000	-	(13,202)	-	(887,886)	394,355	
Total comprehensive income for the period	-	-	-	-	(1,167)	-	(26,952)	(28,119)	
Balance at 31 March 2019	<u>1,020,443</u>	<u>-</u>	<u>275,000</u>	<u>-</u>	<u>(14,369)</u>	<u>-</u>	<u>(914,838)</u>	<u>366,236</u>	

The Group cannot use a restricted amount of JD 10,474 and JD 2,882 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 the Securities Commission instructions.

The accompanying notes from 1 to 11 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 THREE MONTHS PERIOD ENDED 31 MARCH 2020 (UNAUDITED)**

	Note	For three months period ended 31 March	
		2020	2019
		JD	JD
<u>OPERATING ACTIVITIES</u>			
Loss for the period before tax		(22,574)	(26,952)
Adjustments: -			
Depreciation		2,932	4,698
unrealized gain (Loss) of financial assets through profit and loss, net		2,882	(4,117)
Finance cost		4,322	-
Changes in working capital:			
Accounts receivable		210,173	136,106
Other current assets		(7,178)	24,319
Accounts payable		(157,269)	(159,497)
Other current liabilities		(3,873)	4,942
Net cash flows from (used in) operating activities		<u>29,415</u>	<u>(20,501)</u>
<u>INVESTMENT ACTIVITIES</u>			
Purchasing property and equipment		-	(10,049)
Net cash flows used in investing activities		<u>-</u>	<u>(10,049)</u>
<u>FINANCIAL ACTIVITIES</u>			
Finance cost paid		(3,526)	-
Net cash flows used in financial activities		<u>(3,526)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalent		25,889	(30,550)
Cash and cash equivalents at the beginning of the period		(134,868)	57,506
Cash and cash equivalents at the end of the period	8	<u>(108,979)</u>	<u>26,956</u>

The accompanying notes from 1 to 11 form an integral part of these interim condensed consolidated financial statements

(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 reduction of the Company's capital to become 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 increasing the capital by 600,000. Moreover, The General Assembly approved to write off the voluntary reserve balance and part of statutory reserve balance to write off 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 amounting to 1,020,443.

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 12 July 2020 authorized and approved the interim condensed consolidated financial statements.

(2-1) Basis of preparation

The interim condensed consolidated financial statements for the three-month period ended 31 March 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 which is the functional currency of the Group.

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

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 three-month period ended 31 March 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 31 March 2020:

<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 affect 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 used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2019 except for the adoption of new standards effective as of 1 January 2020 shown below:

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
31 MARCH 2020 (UNAUDITED)

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

This item consists of the following:

	31 March 2020	31 December 2019
	JD	JD
	(Unaudited)	(Audited)
Quoted financial assets		
Quoted shares	8,180	4,285

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

	31 March 2020	31 December 2019
	JD	JD
	(Unaudited)	(Audited)
Quoted financial assets		
Quoted shares	38,291	41,173

(5) Income tax

No provision for income tax was calculated for the periods ended 31 March 2020 and 2019 for the Group and its subsidiary due to the excess of deductible expenses over taxable income in accordance with the Income Tax Law No. (38) of 2018 and No. (34) of 2014.

The Group filed its tax returns for the years 2018, 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 2014.

(6) Contingent liabilities

The Group has contingent liabilities as presented below:

	31 March 2020	31 December 2019
	JD	JD
	(Unaudited)	(Audited)
Letter of guarantees related to Natural Resources Authorization	55,000	50,000

Legal cases held against the Company

As of 31 March 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 Company related to these claims.

(7) 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 statement of financial position is as follow:

	31 March 2020	31 December 2019
	JD	JD
	(Unaudited)	(Audited)
Financial assets at fair value through profit or loss (Jordan Capital Bank – major shareholder).	38,291	41,173
Cash at Jordan Capital Bank	616	599

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

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

	For three months period ended 31 March	
	2020	2019
	JD (Unaudited)	JD (Unaudited)
Finance cost- Jordan Capital Bank	3,526	-

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

	For three months period ended 31 March	
	2020	2019
	JD (Unaudited)	JD (Unaudited)
Salaries and other benefits	13,497	12,437
Chairman compensation for management activities	6,450	6,450

(8) Cash and cash equivalent

	31 March 2020	31 December 2019
	JD (Unaudited)	JD (Audited)
	Cash on hand	997
Current Bank accounts	897	913
	1,894	2,133

Cash and cash equivalents shown in the statement of cash flows include the following:

	31 March 2020	31 December 2019
	JD (Unaudited)	JD (Audited)
	Cash and Cash at Banks	1,894
Less: Due Banks	(110,873)	(137,001)
	(108,979)	(134,868)

(9) Basic and diluted earnings per share from the loss for the period

This item consists of the following:

	For three months period ended 31 March	
	2020	2019
	JD	JD
	(Unaudited)	(Unaudited)
Loss for the period (JD)	(22,574)	(26,952)
Weighted average number of shares (shares)	1,020,443	1,020,443
	Fils/JD	Fils/JD
Basic and diluted earnings per share from loss for the period	(0/022)	(0/026)

(10) 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.

(11) Capital Management

The main objective of the Group's capital management is to ensure that appropriate capital ratios are maintained in a manner that support the Group's activity and maximizes equity.

The items included in the capital structure consist of paid in capital, statutory reserves, fair value reserve and accumulated losses amounting to JD 322,198 as at 31 March 2020. (31 December 2019: JD 340,877).