



نظام الجودة والسلامة للمنتج مطابق
لواصفات الايزو 9001 والهسب العالمية



الشركة العالمية الحديثة لصناعة الزيوت النباتية
المساهمة العامة المحدودة

Date: 30/7/2018

بوريه عانا
السيد
ص

To: Jordan Securities Commission

Amman Stock Exchange

Sub: Semi-Annual Report as of 30/6/2018

Attached the Semi-Annual Report of the Universal Modern Industries Co. for edible oil as of 30 Jun 2018.

Kindly accept our high appreciation and respect.

Universal Modern Industries Co. For Edible Oil

General Manager

Nader Sindaha

Handwritten signature



Universal Modern Industries Co For Edible Oil
P.O.Box 927139 Amman 11190 Jordan

هيئة الأوراق المالية الدائرة الادارية / الدبوان
٣١ شتوز ٢٠١٨
الرقم التسلسل ٦٤
الجهة المختصة ١/١٤

Universal Modern Industries Co. For Edible Oil
(Public Shareholding Company)
Amman - Jordan

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Review Report of Interim Condensed Financial Statements

To The Shareholders Of Universal Modern Industries Co. For Edible Oil Public Shareholding Company

Amman- Jordan

E. 133182494

Introduction

We have reviewed the accompanying interim condensed financial position statements of **Universal Modern Industries Co. For Edible Oil** as of 30 June 2018 and the related interim statements of income, comprehensive income, changes in shareholders equity and cash flows for the six months period then ended and explanatory information. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard IAS 34 (Interim Financial Reporting). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

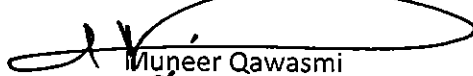
Scope of Review

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 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 financial information does not give a true and fair view of the financial position of **Universal Modern Industries Co. For Edible Oil** as of 30 June 2018, and its financial performance and its cash flows for the six months period then ended in accordance with International Accounting Standard IAS 34 (Interim Financial Reporting).

Arab Auditors
UHY international - Jordan


Muneeb Qawasmi
License No. (761)

Amman-Jordan

18 July 2018

Universal Modern Industries Co. For Edible Oil
(Public Shareholding Company)
Amman - Jordan

The interim condensed statement of financial position
as of 30 June 2018 and 31 December 2017

(In Jordanian Dinar)

	<u>Notes</u>	<u>Unaudited</u> <u>30/06/2018</u>	<u>Audited</u> <u>31/12/2017</u>
Assets			
Current assets			
Cash and cash equivalents	3	5,245,879	5,960,614
Financial assets at fair value through income statement		86,878	77,462
Cheques under collection	3-B	152,000	400,000
Accounts receivables (Net)	4	1,534,457	1,582,336
Inventories		2,882,999	2,230,840
Spare parts and others		305,070	325,156
Other current assets		417,163	52,229
Total current assets		10,624,446	10,628,637
Non-current assets			
Property, plant and equipment (Net)	6	1,257,923	1,148,475
Financial assets at fair value through comprehensive income statement		24,000	24,000
Total non-current assets		1,281,923	1,172,475
Total assets		11,906,369	11,801,112
<u>Liabilities and shareholders' equity</u>			
Current liabilities			
Credit banks		326,105	0
Accounts payable		772,322	423,757
Unpaid dividends liabilities		253,953	213,652
Other current liabilities		304,054	448,764
Income tax provision	5	70,886	132,728
Total current liabilities		1,727,320	1,218,901
<u>Shareholders' equity</u>			
Paid up Capital		6,000,000	6,000,000
Statutory reserve		1,518,451	1,518,451
Voluntary reserve		605,772	605,772
Retained earnings		2,054,826	2,457,988
Total shareholders' equity		10,179,049	10,582,211
Total liabilities and shareholders' equity		11,906,369	11,801,112

The accompanying notes from(1) to (14) are an integral part of these statements

Universal Modern Industries Co. For Edible Oil
(Public Shareholding Company)
Amman - Jordan

Interim condensed statement of comprehensive income
For the six months ended 30 June 2018 and 2017

<i>(In Jordanian Dinar)</i>	Notes	For the six months ended 30 June		For the three months ended 30 June	
		Unaudited		Unaudited	
		2018	2017	2018	2017
Net sales		6,492,992	6,854,561	3,011,076	3,381,670
Cost of goods sold		(5,677,564)	(5,915,963)	(2,606,938)	(2,973,184)
Gross profit		815,428	938,598	404,138	408,486
Selling and Distribution expenses		(123,366)	(96,641)	(65,166)	(43,513)
General and administrative expenses		(247,954)	(232,696)	(119,265)	(111,090)
Property & Equipment Depreciation		(26,503)	(20,817)	(15,351)	(9,132)
Other revenues (Net)	7	88,753	46,551	48,627	29,140
Profit for the period before income tax		506,358	634,995	252,983	273,891
Income tax provision	5	(69,520)	(88,105)	(35,730)	(38,558)
Profit for the period after tax		436,838	546,890	217,253	235,333
Comprehensive income for the period		436,838	546,890	217,253	235,333
Basic and Diluted EPS (JOD / Stocks)	8	0.073	0.091	0.036	0.039

The accompanying notes from(1) to (14) are an integral part of these statements

Universal Modern Industries Co. For Edible Oil
(Public Shareholding Company)
Amman - Jordan

Interim condensed statement of changes in shareholders' equity
For the six months ended 30 June 2018 and 2017

(In Jordanian Dinar)

	Paid Up Capital	Statutory Reserve	Voluntary Reserve	Retained Earnings	Total
Balance as of Jan. 1, 2018	6,000,000	1,518,451	605,772	2,457,988	10,582,211
Dividends				(840,000)	(840,000)
Comprehensive income for the period				436,838	436,838
Balance as of June 30, 2018 (Unaudited)	6,000,000	1,518,451	605,772	2,054,826	10,179,049
Balance as of Jan. 1, 2017	6,000,000	1,518,451	605,772	2,363,904	10,488,127
Dividends				(960,000)	(960,000)
Comprehensive income for the period				546,890	546,890
Balance as of June 30, 2017 (Unaudited)	6,000,000	1,518,451	605,772	1,950,794	10,075,017

The accompanying notes from (1) to (14) are an integral part of these statements

Universal Modern Industries Co. For Edible Oil
(Public Shareholding Company)
Amman - Jordan

Interim condensed statement of cash flows
For the six months ended 30 June 2018 and 2017

(In Jordanian Dinar)

	Unaudited	
	2018	2017
<u>Cash flows from operating activities</u>		
Profit for the period before income tax	506,358	634,995
Increase in doubtful accounts	2,458	0
Depreciation	139,270	149,320
Losses on valuation of financial assets through income	(9,416)	442
Capital gains	(6,250)	(5,100)
Adjusted profit before changes in working capital	632,420	779,657
Change in Accounts receivables	45,421	(184,735)
Change in Cheques under collection	248,000	1,013,021
Changes in inventories	(652,159)	11,524
Change in Spare parts	20,086	11,131
Change in Other current assets	(364,934)	53,653
Change in Accounts payable	348,565	280,936
Change in Other current liabilities	(144,710)	(225,554)
Paid income tax	(131,362)	(171,450)
Net cash flows from (used in) operating activities	1,327	1,568,183
<u>Cash flows from investing activities</u>		
Proceeds from sale of property and equipment	28,249	5,100
Purchase of property and equipment	(270,717)	(468,559)
Net cash flows used in investing activities	(242,468)	(463,459)
<u>Cash flows from financing activities</u>		
Dividends paid for the period	10-B (799,699)	(831,362)
Credit banks	326,105	0
Net cash flows used in financing activities	(473,594)	(831,362)
Net decrease/ increase in cash and cash equivalents	(714,735)	273,362
Cash and cash equivalents at the beginning of the year	5,960,614	2,413,767
Cash and cash equivalents at the end of the year	5,245,879	2,687,129

The accompanying notes from(1) to (14) are an integral part of these statements

Universal Modern Industries Co. For Edible Oil
(Public Shareholding Company)
Notes to the interim condensed financial statements

1- General

Universal Modern Industries Co. For Edible Oil was established in the register of public shareholding companies under No. 204 on April 10, 1989. The Company's registration center is the Hashemite Kingdom of Jordan. The company's main objectives is to establish a plant for refining, producing and filling vegetable oils for domestic consumption and export.

Company objectives:

- Establishment of a plant for refining, producing and mining vegetable oils for domestic consumption and export.

2- Summary of significant accounting policies

Basis of Preparing Financial Statements:

- The interim condensed financial statements have been prepared in accordance with International Accounting Standard 34 (Interim Financial Reporting).
- The interim condensed financial statements have been prepared under the historical cost except for financial assets (if any) that are presented at fair value in the interim condensed financial
- The Jordanian Dinar is the currency of the presentation of the financial statements, which represents the Company's main currency.
- The condensed interim financial statements do not contain all the information and notes required in the annual financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Company's annual report as at 31 December 2017. In addition, results for the six months ended 30 June 2018 doesn't necessary represent an indicator of the expected results for the year ended 31 December 2018.

Accounting policies

- The accounting policies adopted during the interim period are similar to the accounting policies adopted for the financial year ended 31 December 2017.
- The preparation of interim progress reports as of 30 June 2018 in accordance with IAS 34 requires management to use significant accounting estimates.
- The accounting policies used in the interim condensed financial statements as at 30 June 2018 have been disclosed in the final financial statements for 2017.

Use of estimates and judgments:

The preparation of the financial statements and the application of accounting policies require management to make estimates and judgments that affect the amounts of property, equipment and liabilities and disclose potential liabilities. These estimates and judgments also affect the income, expenses and provisions and in particular require management to make judgments and judgments to estimate the amounts and timing of future cash flows arising from the circumstances of those estimates in the future. These estimates are necessarily based on assumptions and multiple factors that have varying degrees of estimation and uncertainty and that the actual results may differ from the estimates as a result of future changes in the conditions of those provisions.

3- Cash and cash equivalents		30/06/2018	31/12/2017
Cash on hand		17,466	2,818
Cash at banks - Current		31,051	1,182,400
Cash at banks - Deposits *		2,691,375	2,623,265
Cheques under collection	3-A	2,505,987	2,152,131
Total		5,245,879	5,960,614

* Interest rate on bank deposits reached 5.4% to 6% with different maturities

Cheques under collection		30/06/2018	31/12/2017
3-A Cheques collected during 90 day		2,505,987	2,152,131
3-B Cheques collected after 90 day		152,000	400,000
Total		2,657,987	2,552,131

*Cheques collected during 90 day were classified in cash and cash equivalent and cheques collected after 90 day were classified in cheques under collection .

4- Accounts receivables		30/06/2018	31/12/2017
Military and civil service consumer corporation	4-A	765,405	833,319
Local trade receivables	4-B	805,275	678,529
Other receivables		81,390	185,643
Total		1,652,070	1,697,491
Allowance for doubtful accounts	4-C	(117,613)	(115,155)
Net		1,534,457	1,582,336

According to the management's opinion the balances mentioned above are collectible, and allowance for doubtful debts is sufficient.

4-A-Military and civil service consumer corporation		30/06/2018
Receivables during the collection period (0-90) day		359,084
Receivables not exceed (90) day after the collection period and collectible		283,526
Receivables exceed (180) day after the collection period and collectible		122,795
Total		765,405

4-B-Trade receivables		30/06/2018
Receivables during the collection period (0-90) day		585,385
Receivables not exceed (90) day after the collection period and collectible		33,732
Receivables exceed (90-180) day after the collection period and collectible		28,929
Receivables exceed (180) day after the collection period and collectible		36,944
High risk receivables		120,285
Total		805,275

4-C-Allowance for doubtful accounts

	<u>30/06/2018</u>
Beginning balance	115,155
Increase in doubtful accounts	2,458
Ending balance	<u>117,613</u>

*The management review the doubtful accounts and decided to increased it by JD (2,458) .

5- Income tax provision

	<u>30/06/2018</u>	<u>31/12/2017</u>
Income tax for the current period/ year	69,520	160,680
Prior years income tax	4,725	11,022
Prepayments	(3,359)	(38,974)
Balance at the end of the period/year	<u>70,886</u>	<u>132,728</u>

Tax status

- The Company has calculated a provision for income tax for the periods ended 30 June 2018 and 31 December 2017 in accordance with Income Tax Law No. 34 of 2014
- Income tax has been reviewed by the Income Tax Department and adjusted up to 2015 and the income tax for 2016 and 2017 has been submitted within the specified legal period and has not been reviewed until the date of issuance of the interim condensed financial statements.

6- Property, plant and equipment

For the period ended 30 June 2018

Asset	Lands	Buildings and constructions	Oil tanks	Machinery	Solar energy system	Cars	Computer hardware and software	Project under construction	Total
Cost as of 01 Jan. 2018	151,173	2,028,445	887,178	6,320,055	464,718	558,405	362,667	27,483	10,800,124
Additions		85,805	4,400	14,913		114,438	4,415	46,746	270,717
Disposals						(90,779)			(90,779)
Cost as of 30 June 2018	151,173	2,114,250	891,578	6,334,968	464,718	582,064	367,082	74,229	10,980,062
Accumulated Depreciation 01 Jan. 2018	0	1,909,074	837,170	6,166,425	46,472	340,121	352,387		9,651,649
Depreciation		8,513	4,895	63,360	23,236	35,512	3,754		139,270
Disposals						(68,780)			(68,780)
Accumulated depreciation 30 June. 2018	0	1,917,587	842,065	6,229,785	69,708	306,853	356,141	0	9,722,139
Book value 30 June 2018	151,173	196,663	49,513	105,183	395,010	275,211	10,941	74,229	1,257,923

For the year ended 31 December 2017

Asset	Lands	Buildings and constructions	Oil tanks	Machinery	solar energy system	Cars	Computer hardware and software	Project under construction	Total
Cost as of 01 Jan. 2017	151,173	1,919,162	887,178	6,342,092	0	584,498	357,954	0	10,242,057
Additions 2017		109,283		4,240	464,718		4,713	27,483	610,437
Disposals 2017				(26,277)		(26,093)			(52,370)
Cost as of 31 Dec 2017	151,173	2,028,445	887,178	6,320,055	464,718	558,405	362,667	27,483	10,800,124
Accumulated Depreciation 01 Jan. 2017	0	1,899,300	805,089	6,057,989	0	304,106	343,685		9,410,169
Depreciation		9,774	32,081	134,713	46,472	62,108	8,702		293,850
Disposals 2017				(26,277)		(26,093)			(52,370)
Accumulated depreciation 31 Dec. 2017	0	1,909,074	837,170	6,166,425	46,472	340,121	352,387	0	9,651,649
Book value 31 Dec. 2017	151,173	119,371	50,008	153,630	418,246	218,284	10,280	27,483	1,148,475

7- Other revenues (Net)

	<u>30/06/2018</u>	<u>30/06/2017</u>
Interest revenue	65,331	35,772
Gains of financial assets revaluation	9,416	(442)
Dividends from financial investments	6,905	6,121
Capital gains	851	0
Currency exchange	6,250	5,100
Balance at the end of the period	88,753	46,551

8- Earnings per share

- The calculation of EPS is based on distributable earnings attributable to ordinary shareholders divided by the weighted number of shares listed and issued during the year.
- The diluted EPS is based on basic EPS adjusted to allow for the issuance of shares and the effect of distributions after income tax on assumed transfers for all reduced options and diluted ordinary shares.

The following are the earnings and number of weighted shares used in calculating EPS:

	<u>30/06/2018</u>	<u>30/06/2017</u>
Profit for the period after tax	436,838	546,890
Number of shares weighted	6,000,000	6,000,000
Earnings per share (JD/Share)	0.037	0.091

9- Transactions with related parties

Transactions with related parties are as follows:

		<u>30/06/2018</u>	<u>30/06/2017</u>
Commercial operations (Purchasing and selling) and services			
Packing factories Co.	Purchase	24,125	24,678
Delta insurance company	Services	46,478	23,015
Total		70,603	47,693

Top management rewards

The main employees of the company are the General Manager and the Company's senior managers

	<u>30/06/2018</u>	<u>30/06/2017</u>
Salaries, wages and bonuses	216,775	214,357

10- Dividends

A- The General Assembly decided at their meeting held on 15/2/2018 to distribute JD (840,000) as dividends to the shareholders which represent 14% of the authorized capital.

B- Details of dividends distributed and paid during the period is as follows:

<u>Dividends paid</u>	<u>30/06/2018</u>	<u>30/06/2017</u>
Dividends for the reported period	(840,000)	(960,000)
Unpaid dividends	55,534	137,436
Dividends paid for prior years	(15,233)	(8,798)
Dividends paid during the period	(799,699)	(831,362)

11-Contingent liabilities

The contingent liabilities of the Company as at 30 June 2018 are as follows:

- Bank guarantees with Jordan Kuwait Bank for JD (563,239).
- Insurance cheques issued to shipping companies worth JD (39,900) .
- Goods for others (Zamzam company) amounted JD (116,730) .

12-Subsequent events

There are no subsequent events on the date of the interim condensed financial statements or after the preparation of the interim condensed financial statements.

13-Comparision numbers

Certain comparative year figures have been reclassified to conform with the presentation of the interim condensed financial statements for the current period and have not had any impact on the statement of comprehensive income or equity.

14-Approval for the interim condensed financial statements

The interim condensed financial statements have been approved by the Board of Directors' meeting held on 17/07/2018.