



نظام الجودة والسلامة للمنتج مطابق
لواصفات الايزو ٩٠٠١ والنسب العالمية



الشركة العالمية الحديثة لصناعة الزيوت النباتية المساهمة العامة المحدودة

Date: 14/5/2018

To: Jordan Securities Commission

Amman Stock Exchange

Sub: Quarterly Report as of 31/3/2018

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Attached the quarterly report of the Universal Modern Industries Co. for edible oil as of 31 Mar 2018.

Kindly accept our high appreciation and respect.

Universal Modern Industries Co. For Edible Oil

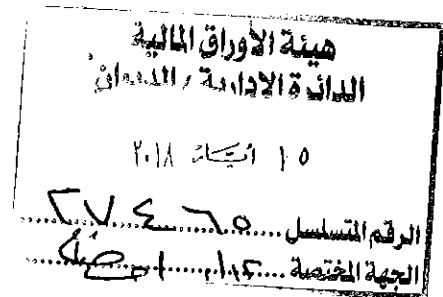
General Manager

Nader Sindaha



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

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

Interim Condensed Financial Statements and
Review Report as of 31 March 2018
(Reviewed and Unaudited)

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

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8 - Al- Qayrawan St.
Al - Rabieh
P.O.Box 17906
Amman, 11195 Jordan
Phone +962 - 6 - 55 11 77 9
Fax +962 - 6 - 55 17 54 1
Email info@arabauditors.jo

Review Report of Interim Condensed Financial Statements

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

Amman- Jordan

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Introduction

We have reviewed the accompanying interim condensed financial position statements of **Universal Modern Industries Co. For Edible Oil** as of 31 March 2018 and the related interim statements of income, comprehensive income, changes in shareholders equity and cash flows for the three 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 31 March 2018, and its financial performance and its cash flows for the three 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
10 April 2018

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

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

(In Jordanian Dinar)

	<u>Notes</u>	<u>Unaudited</u> <u>31/03/2018</u>	<u>Audited</u> <u>31/12/2017</u>
Assets			
Current assets			
Cash and cash equivalents	3	3,373,378	3,808,483
Financial assets at fair value through income statement		89,880	77,462
Cheques under collection		2,666,322	2,552,131
Accounts receivables (Net)	4	1,411,748	1,611,284
Inventories		2,889,927	2,230,840
Spare parts and others (Net)		303,632	325,156
Other current assets		41,270	52,229
Total current assets		10,776,157	10,657,585
Non-current assets			
Property, plant and equipment (Net)	6	1,199,665	1,120,992
Financial assets at fair value through comprehensive income statement		24,000	24,000
Total non-current assets		1,223,665	1,144,992
Total assets		11,999,822	11,802,577
<u>Liabilities and shareholders' equity</u>			
Current liabilities			
Accounts payable		551,145	424,041
Unpaid dividends liabilities		1,043,272	214,833
Other current liabilities		307,305	448,764
Income tax provision	5	136,304	132,728
Total current liabilities		2,038,026	1,220,366
<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		1,837,573	2,457,988
Total shareholders' equity		9,961,796	10,582,211
Total liabilities and shareholders' equity		11,999,822	11,802,577

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 three months ended 31 March 2018 and 2017

(In Jordanian Dinar)

	<u>Notes</u>	<u>Unaudited</u>	
		<u>2018</u>	<u>2017</u>
Net sales		3,481,916	3,472,891
Cost of goods sold		(3,070,626)	(2,942,779)
Gross profit		411,290	530,112
Selling and Distribution expenses		(58,200)	(53,128)
General and administrative expenses		(128,689)	(121,606)
Property & Equipment Depreciation		(11,152)	(11,685)
Other revenues (Net)	7	40,126	17,411
Profit for the period before income tax		253,375	361,104
Income tax provision	5	(33,790)	(49,547)
Profit for the period after tax		219,585	311,557
Comprehensive income for the period		219,585	311,557
Basic and Diluted EPS (JOD / Stocks)		0.037	0.052

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 three months ended 31 March 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				219,585	219,585
Balance as of March. 31, 2018 (Unaudited)	6,000,000	1,518,451	605,772	1,837,573	9,961,796
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				311,557	311,557
Balance as of March. 31, 2017 (Unaudited)	6,000,000	1,518,451	605,772	1,715,461	9,839,684

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 three months ended 31 March 2018 and 2017

(In Jordanian Dinar)

	Unaudited	
	2018	2017
<u>Cash flows from operating activities</u>		
Profit for the period before income tax	253,375	361,104
Depreciation	46,132	64,432
Losses on valuation of financial assets through income	(12,418)	(7,195)
Capital losses	5,000	0
Adjusted profit before changes in working capital	292,089	418,341
Change in Accounts receivables	199,536	(206,546)
Change in Cheques under collection	(114,191)	822,892
Changes in inventories	(659,087)	175,065
Change in Spare parts	21,524	15,615
Change in Other current assets	10,959	148,221
Change in Accounts payable	127,104	53,162
Change in Other current liabilities	(141,459)	80,537
Income tax paid	(30,214)	(29,538)
Net cash flows from (used in)operating activities	(293,739)	1,477,749
<u>Cash flows from investing activities</u>		
Proceeds from sale of property and equipment	17,000	0
Purchase of property and equipment	(146,805)	(2,540)
Net cash flows used in investing activities	(129,805)	(2,540)
<u>Cash flows from financing activities</u>		
Dividends paid for the period	(11,561)	(922,166)
Net cash flows used in financing activities	(11,561)	(922,166)
Net decrease/ increase in cash and cash equivalents	(435,105)	553,043
Cash and cash equivalents at the beginning of the year	3,808,483	2,413,767
Cash and cash equivalents at the end of the year	3,373,378	2,966,810

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 statements.
- 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 three months ended 31 March 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 31 March 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 31 March 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

	31/03/2018	31/12/2017
Cash on hand	6,859	2,818
Cash at banks - Current	716,459	1,182,400
Cash at banks - Deposits *	2,650,060	2,623,265
Total	3,373,378	3,808,483

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

4- Accounts receivables

	31/03/2018	31/12/2017
Military and civil service consumer corporation	743,528	833,319
Local trade receivables	783,375	893,120
Total	1,526,903	1,726,439
Allowance for doubtful accounts	(115,155)	(115,155)
Net	1,411,748	1,611,284

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

5- Income tax provision

	31/03/2018	31/12/2017
Income tax for the current period/ year	33,790	160,680
Prior years income tax	132,728	11,022
Prepayments	(30,214)	(38,974)
Balance at the end of the period/year	136,304	132,728

Tax status

- The Company has calculated a provision for income tax for the periods ended 31 March 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 has been submitted within the specified legal period and has not been reviewed until the date of issuance of the interim condensed financial statements.
- Prepayments were made for 2017 at a value of JD (64,272) and the income tax for 2017 was not submitted until the date of issuance of this interim condensed financial statements.

6- Property , plant and equipment

For the period ended 31 March 2018

Asset	Lands	Buildings and constructions	Oil tanks	Machinery	solar energy system	Cars	Computer hardware and software	Total
Cost as of 01 Jan. 2018	151,173	2,028,445	887,178	6,320,055	464,718	558,405	362,667	10,772,641
Additions		85,805				61,000		146,805
Disposals						(55,000)		(55,000)
Cost as of 31 March 2018	151,173	2,114,250	887,178	6,320,055	464,718	564,405	362,667	10,864,446
Accumulated Depreciation 01 Jan. 2018	0	1,909,074	837,170	6,166,425	46,472	340,121	352,387	9,651,649
Depreciation		4,257	2,329	10,467	11,618	15,785	1,676	46,132
Disposals						(33,000)		(33,000)
Accumulated depreciation 31 March. 2018	0	1,913,331	839,499	6,176,892	58,090	322,906	354,063	9,664,781
Book value 31 March 2018	151,173	200,919	47,679	143,163	406,628	241,499	8,604	1,199,665

For the year ended 31 December 2017

Asset	Lands	Buildings and constructions	Oil tanks	Machinery	solar energy system	Cars	Computer hardware and software	Total
Cost as of 01 Jan. 2017	151,173	1,919,162	887,178	6,342,092	0	584,498	357,954	10,242,057
Additions 2017		109,283		4,240	464,718		4,713	582,954
Reclassification 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	10,772,641
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				(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	9,651,649
Book value 31 Dec. 2017	151,173	119,371	50,008	153,630	418,246	218,284	10,280	1,120,992

Chairman of the Audit Committee Financial manager Stamp

Chairman

7- Other revenues (Net)

	31/03/2018	31/03/2017
Interest revenue	28,478	7,216
Gains of financial assets revaluation	12,418	7,195
Dividends from financial investments	3,600	3,000
Currency exchange	630	0
Capital losses	(5,000)	0
Balance at the end of the period	40,126	17,411

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:

	31/03/2018	31/03/2017
Profit for the period after tax	219,585	311,557
Number of shares weighted	6,000,000	6,000,000
Earnings per share (JD/Share)	0.037	0.052

9- Transactions with related parties

Transactions with related parties are as follows:		31/03/2018	31/03/2017
Commercial operations (Purchasing and selling) and services			
Packing factories Co.	Purchase	20629	7283
Delta insurance company	Services	7228	6970
Total		27,857	14,253

Top management rewards

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

	31/03/2018	31/03/2017
Salaries, wages and bonuses	58,986	61,687

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:

Dividends paid	31/03/2018	31/03/2017
Dividends for the reported period	(840,000)	(960,000)
Unpaid dividends	840,000	46,381
Dividends paid for prior years	(11,561)	(8,547)
Dividends paid during the period	(11,561)	(922,166)

11-Contingent liabilities

The contingent liabilities of the Company as at 31 March 2018 are as follows:

- Bank guarantees with Jordan Kuwait Bank for JD (743,354).
- Insurance checks issued to shipping companies worth JD (29,900) .

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 10/04/2018.