

للمرسل
يورثت عمان
السليمي
السيد ياسين

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الإشارة : SHR/60/19

السادة هيئة الأوراق المالية المحترمين
عمان - الأردن

الموضوع: البيانات المالية باللغة الانجليزية للربع الثالث لعام 2019

تحية طيبة وبعد ،

إشارة إلى الموضوع أعلاه، نرفق لكم طيه البيانات المالية الخاصة بالربع الثالث
من العام 2019 باللغة الإنجليزية.

وتفضلوا بقبول فائق الاحترام ،،،

شركة مصانع الكابلات المتحدة



United Cable Industries Company
Public Shareholding Company
Condensed Interim Financial Statements (Unaudited)
30 September 2019

United Cable Industries Company
Public Shareholding Company

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Report on Review of Condensed Interim Financial Statements

**To The Board of Directors
United Cable Industries Company
Public Shareholding Company
Amman - Jordan**

Introduction

We have reviewed the accompanying condensed interim financial statements of **United Cable Industries Company PLC**, comprising the interim statement of financial position as at 30 September 2019 and the related interim statement of comprehensive income, interim statement of changes in equity and interim statement of cash flows for the nine months period then ended and the notes about condensed interim financial statements. Management is responsible for the preparation and presentation of this condensed interim financial statement in accordance with International Accounting Standard number (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements number (2410) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial statement 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 condensed interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard number (34) "Interim Financial Reporting".

20 October 2019
Amman - Jordan



Arab Professionals
Ibrahim Hammoudeh
License No. (606)

United Cable Industries Company
Public Shareholding Company
Interim statement of financial position as at 30 September 2019

(In Jordanian Dinar)

	30 September 2019 (Unaudited)	31 December 2018 (Audited)
Assets		
Non-current assets		
Property, plant and equipment	15,479,281	16,362,762
Notes receivable - long term	1,462,333	1,582,130
Checks under collection - long term	260,351	232,000
Total non-current assets	<u>17,201,965</u>	<u>18,176,892</u>
Current assets		
Inventories	9,115,253	14,666,450
Spare parts	945,366	986,053
Sales tax withholdings	1,478,837	1,902,172
Other current assets	394,114	415,914
Accounts receivable	8,025,365	6,021,058
Notes receivable - short term	665,586	723,180
Checks under collection - short term	4,236,131	4,849,010
Cash and cash equivalents	2,550,815	2,128,109
Total current assets	<u>27,411,467</u>	<u>31,691,946</u>
Total assets	<u>44,613,432</u>	<u>49,868,838</u>
Equity and Liabilities		
Equity		
Paid-in capital	35,000,000	35,000,000
Statutory reserve	684,749	684,749
Voluntary reserve	14,418	14,418
Accumulated losses	(2,595,166)	(1,740,949)
Net equity	<u>33,104,001</u>	<u>33,958,218</u>
Liabilities		
Non-current liabilities		
Bank facilities - long term	1,243,631	1,623,219
Liabilities		
Bank facilities - short term	4,053,754	12,053,930
Accounts payable	5,160,838	1,453,886
Shareholders withholdings	615,944	659,747
Postdated checks	383,320	36,375
Other current liabilities	41,944	83,463
Total current liabilities	<u>10,260,800</u>	<u>14,287,401</u>
Total liabilities	<u>11,504,431</u>	<u>15,910,620</u>
Total equity and liabilities	<u>44,613,432</u>	<u>49,868,838</u>

"The accompanying notes from (1) to (3) are an integral part of these condensed interim financial statements and read with review report"

United Cable Industries Company
Public Shareholding Company
Interim statement of comprehensive income for the nine months ended at 30 September 2019 (Unaudited)

(In Jordanian Dinar)

	For the three months ended		For the nine months ended	
	30 September 2019	30 September 2018	30 September 2019	30 September 2018
Sales	8,590,145	10,031,358	24,636,836	30,066,555
Cost of sales	(7,951,866)	(10,386,099)	(24,550,156)	(29,126,743)
Gross profit (loss)	638,279	(354,741)	86,680	939,812
Selling and distribution expenses	(75,151)	(177,698)	(239,746)	(375,342)
Administrative expenses	(136,712)	(167,057)	(389,716)	(488,032)
Financing expenses	(68,728)	(176,941)	(337,676)	(397,867)
Interest revenues	-	1,731	-	103,855
Other income	-	9,501	26,241	17,426
Profit (loss) for the period before income tax	357,688	(865,205)	(854,217)	(200,148)
Income tax excess for the period	-	30,422	-	-
Total comprehensive income (loss) for the period	357,688	(834,783)	(854,217)	(200,148)
Basic and diluted earnings (losses) per share	0.010	(0.024)	(0.024)	(0.005)

"The accompanying notes from (1) to (3) are an integral part of these condensed interim financial statements and read with review report"

United Cable Industries Company
Public Shareholding Company
Interim statement of changes in equity for the nine months ended at 30 September 2019 (Unaudited)

(In Jordanian Dinar)

	Paid - in capital	Reserves		Accumulated losses	Total
		Statutory	Voluntary		
Balance at 1 January 2019	35,000,000	684,749	14,418	(1,740,949)	33,958,218
Total comprehensive loss for the period	-	-	-	(854,217)	(854,217)
Balance at 30 September 2019	35,000,000	684,749	14,418	(2,595,166)	33,104,001
Balance at 1 January 2018	40,000,000	684,749	14,418	1,211,845	41,911,012
Capital decrease	(5,000,000)	-	-	-	(5,000,000)
Paid dividends	-	-	-	(1,200,000)	(1,200,000)
Total comprehensive loss for the period	-	-	-	(200,148)	(200,148)
Balance at 30 September 2018	35,000,000	684,749	14,418	(188,303)	35,510,864

“The accompanying notes from (1) to (3) are an integral part of these condensed interim financial statements and read with review report”

United Cable Industries Company
Public Shareholding Company
Interim statement of cash flows for the nine months ended at 30 September 2019 (Unaudited)

(In Jordanian Dinar)

	30 September 2019	30 September 2018
Operating activities		
Loss for the period	(854,217)	(200,148)
Depreciation	967,240	869,608
Changes in working capital		
Checks under collection	584,528	644,672
Inventories	5,551,197	54,213
Spare parts	40,687	(233,336)
Notes receivable	177,391	1,145,128
Accounts receivable	(2,004,307)	(4,421,365)
Other current assets	21,800	(3,175,508)
Accounts payable	3,706,952	(2,270,111)
Postdated checks	351,945	-
Other current liabilities	(41,519)	128,853
Sales tax withholdings	423,335	-
Net cash flows from (used in) operating activities	<u>8,925,032</u>	<u>(7,457,994)</u>
Investing activities		
Property, plant and equipment	(83,759)	(301,594)
Projects under construction	-	(1,347,831)
Net cash flows used in investing activities	<u>(83,759)</u>	<u>(1,649,425)</u>
Financing activities		
Bank facilities	(8,374,764)	9,229,310
Shareholders withholdings	(43,803)	
Paid dividends	-	(1,200,000)
Capital decrease	-	(4,408,132)
Net cash flows (used in) from financing activities	<u>(8,418,567)</u>	<u>3,621,178</u>
Net change in cash and cash equivalents	422,706	(5,486,241)
Cash and cash equivalents, beginning of the year	<u>2,128,109</u>	<u>7,841,768</u>
Cash and cash equivalents, end of the period	<u>2,550,815</u>	<u>2,355,527</u>

"The accompanying notes from (1) to (3) are an integral part of these condensed interim financial statements and read with review report"

United Cable Industries Company
Public Shareholding Company
Notes to the Condensed Interim Financial Statements (Unaudited)
30 September 2019
(In Jordanian Dinar)

1 . General

United Cable Industries Company was established on 5 July 2007 in accordance with Jordanian Companies Law No. (441) as a Public Shareholding Company. The Company head office is in the Hashemite Kingdom of Jordan. Company's main objective is manufacturing cables and related products.

Company's shares are listed in Amman Stock Exchange.

The accompanying condensed interim financial statements were authorized for issue by the Company's Board of Directors in its meeting held on 20 October 2019.

2 . Summary of Significant Accounting Policies

Basis of Preparation

The condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standard number (34) "Interim Financial Reporting". They do not include all of the information required in annual financial statements in accordance with IFRSs, and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2018.

The condensed interim financial statements have been prepared on a historical cost basis.

The condensed interim financial statements are presented in Jordanian Dinar which is the functional currency of the Company.

The accounting policies are consistent with those used in the previous period, except for the adoption of new and amended standards effective as at the beginning of the period.

Use of Estimates

The preparation of the interim financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues, expenses and the provisions. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future changes in such provisions.

The main estimates used in the preparation of the condensed interim financial statements are as follow:

- Management reviews periodically the tangible assets in order to assess the depreciation for the period based on the useful life and future economic benefits. Any impairment is taken to the interim statement of profit or loss.
- Inventories are held at the lower of cost or net realizable value. When inventories become old or obsolete, an estimate is made of their net realizable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on historical selling prices.
- The measurement of impairment losses under IFRS 9 requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. Elements of the expected credit loss model that are considered accounting judgments and estimates include Probability of default (PD), Loss given default (LGD) and Exposure at default (EAD).

3 . Tax Status

- The Company has settled its tax liabilities with the Income Tax Department up to the year ended 2016.
- The income tax returns for the years 2017 and 2018 have been filed with the Income Tax Department but the Department has not reviewed the Company's records till the date of this report.
- No income tax provision has been taken on the Company's results of operations for the nine months ended at 30 September 2019 as the Company's expenses exceeded its taxable revenues.