

التاريخ : 2019/10/23

الإشارة : 29/ص/هيئة/2019

للمرسل

م. ب. / ص. عمان

السادة /

السادة

هيئة الأوراق المالية المحترمين
دائرة الإفصاح

تحية طيبة وبعد،،،

الموضوع : ميزانية الشركة عن الربع الثالث لعام 2019

استنادا لاحكام وتعليمات الإفصاح والمعايير المحاسبية ، نرفق لكم طيه الميزانية الموحدة لشركة مجمع الشرق الأوسط للصناعات الهندسية والإلكترونية والثقيلة (م.ع.م) كما هي بتاريخ 2019/9/30 (غير مدققة) ، مع القرص الممغنط .

وتفضلوا بقبول فائق الاحترام،،

شركة مجمع الشرق الأوسط للصناعات
الهندسية والإلكترونية والثقيلة م.ع.م
المدير المالي والإداري
ضياء الشيخ




شركة مجمع الشرق الأوسط
للصناعات الهندسية والإلكترونية والثقيلة م.ع.م
Middle East Complex For Eng. Electronics & Heavy Industries PLC

هيئة الأوراق المالية
الدائرة الإدارية / الديوان
٢٣ تشرين الأول ٢٠١٩
الرقم المتسلسل ١٧ ١٦ ١٥
الجهة المختصة ١٤ ١٣ ١٢

**Middle East Complex For Eng.,
Electronics & Heavy Industries PLC
Public Shareholding Co., Ltd.**

Amman - The Hashemite Kingdom of Jordan

**Consolidated Condensed Interim Financial Statements
as of September 30, 2019**

Middle East Complex For Eng.,Electronics & Heavy Industries PLC
Public Shareholding Co., Ltd.
Amman - The Hashemite Kingdom of Jordan

Index

	<u>Page</u>
Independent Auditor's Report	1_3
Statement of Consolidated Condensed Interim of Financial Position	4
Statement of Consolidated Condensed Interim of Comprehensive Income	5
Statement of Consolidated Condensed Interim Of Changes In Owners' Equity	6
Consolidated Condensed Interim Statement of Cash Flows	7
Notes to The Consolidated Condensed Interim Financial Statements	15_8

Report on the review of the condensed interim financial statements

03 19 851

To the Chairman and Board of the director

Middle East Complex for Eng., Electronics & Heavy Industries PLC

Public Shareholding Company

Amman- The Hashemite Kingdom of Jordan

Report on the Review of the condensed interim consolidated financial statements

Introduction:

We have reviewed the accompanying condensed interim consolidated financial statements of **Middle East Complex for Eng., Electronics & Heavy Industries. (P.S.C)** comprising of condensed interim consolidated statement of financial position as at 30 September 2019, and the related condensed interim consolidated statements of comprehensive income, changes in owners' equity and cash flows for nine months ended 30 September 2019 and the related explanatory notes.

The management is responsible for the preparation and presentation of these condensed interim consolidated financial statements in accordance with *IAS 34 –interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of review:

We conducted our review in accordance with International Standard on Review 2410 "Review of interim consolidated Financial Information Performed by the Independent Auditor of the Entity". A review of the condensed interim consolidated 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. Consequently, it 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.

Basis of the Qualified Opinion:

- 1- The financial statement of the Subsidiaries company (Amman General Marketing – LLC) have not been consolidated. Witch owns 95.48% of its capital (50 Million JD/Share) For non-issuance of Audited financial statements for the years 2013 to 2018, due to Given the cumulative loss of capital investment The full value of the investment has been proved to be zero in the Company's records.

- 2- We have not been provided with the audited financial statements of the Company's wholly owned subsidiary for 30 September 2019, Al Manzar International Trading & Investment LLC .The Company's financial statements were approved by the Company's management
- 3- The company did not make a test to determine if there any impairment related to the balance of financial assets at fair value through comprehensive income which include the Group's investment in National Integrated Complex - Private Shareholding Company amounting to JD 1,159,692 representing 9.6% of its capital. We have not been able to determine the impact on the consolidated financial statements (Note 5).
- 4- Accounts receivable and indebtedness of subsidiaries, associates and related parties are very high, where its net value after provision was amounted at JD 50,041,345, And due to the failure of these companies The provision for impairment should be increased In an appropriate amount to show the balances of these receivables with the recoverable amounts In accordance with International Financial Reporting Standard (IFRS – 9) (Note 7)
- 5- We have not been provided with bank certificates and balances from the Group's banks as at 30 September 2019, so we were not able to confirm the authenticity of these balances and its effect on the interim consolidated financial statement.
- 6- We have not been provided with the lawyers of the company about the legal position of the company, that the management confirmed that there are no changes on the legal position through the first quarter for 2019.

Emphasis of matters

1. The company incurred losses during the period ended 30 September 2019 amounting to JD 517,713 the accumulated losses at that date amounted to JD 22,465,787 representing 50% of the company's paid-up capital without taking into concern the above reservations. The company suffers from a lack of liquidity Note that the management of the company provides financial resources when needed to pay the company's obligations to carry out its natural activities, this affects the company's ability to continue as a going concern taking into concern. The effect of the reservations mentioned in the paragraph of the basis of qualified opinion.

The Company's ability to continue depends on the implementation of the future plan (Note 14).

2. As stated in note (13) there is a lawsuit filed by the Industrial and Real Estate Investors Company to claim the amount JD 9,065,260 The case is pending in front of the Court of Appeal, According to the company's lawyer, the evidence has been submitted and is able to respond.

Conclusion:

Based on our review and except as noted in the paragraph based on the conservative conclusion, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard (34).

Other matter:

Condensed interim consolidated financial statements were prepared for Instructions for listing the securities in the Amman Stock Exchange & for management's purposes.

Al Abbasi & Partners Co.



Ahmed Moh'd Abbasi

License No. 710



Amman in
22 October 2019

Middle East Complex For Eng.,Electronics & Heavy Industries PLC
Public Shareholding Co., Ltd.
Amman - The Hashemite Kingdom of Jordan

Statement of Consolidated Condensed Interim of Financial Position
as of September 30, 2019 (Reviewed not Audited)

	<u>Note</u>	<u>30-Sep-2019</u> JD (Reviewed)	<u>31-Dec-2018</u> JD (Audited)
<u>Assets</u>			
<u>Non-current assets</u>			
Properties , plant & equipment - Net		3,348	2,998
Financial assets at fair value through comprehensive income	5	1,159,692	6,461,533
Total Non-current assets		1,163,040	6,464,531
<u>Current Assets</u>			
Associate receivable - Net	6	17,799,853	17,799,853
Due from related parties	7	32,241,492	32,194,780
Other debit accounts		764,348	755,583
Cash at the banks		1,379	694
Total Current Assets		50,807,072	50,750,910
Total Assets		51,970,112	57,215,441
<u>Owner's Equity</u>			
Authorized Capital		70,000,000	70,000,000
Paid up Capital	8	44,923,120	39,972,503
Accumulated (Loss) at the end of the year	12	(21,948,074)	(21,911,148)
(Loss) for the period		(517,714)	-
Net Owners' equity		22,457,332	18,061,355
<u>Current Liabilities</u>			
Credit banks		558,806	558,806
Accounts payable		2,229,464	7,241,822
Due to related Parties - Privatization Company		7,658,582	6,242,891
Posted Dated cheque		2,966,590	2,966,590
Bonds payable		4,822,392	4,822,392
Due loans	12	1,373,211	7,336,823
sales tax withholding		7,158,718	7,159,518
Other credit accounts		2,745,017	2,825,244
Total current liabilities		29,512,780	39,154,086
Total Owner's Equity and liabilities		51,970,112	57,215,441

Accompanying notes form integral part of this statement

Middle East Complex For Eng., Electronics & Heavy Industries PLC

Public Shareholding Co., Ltd.

Amman - The Hashemite Kingdom of Jordan

Statement of Consolidated Interim of Comprehensive Income

For the NineMonths Ended September 30, 2019

Reviewed not audited

	<u>Note</u>	<u>For the Nine months ended at</u>		<u>For the three months ended at</u>	
		<u>30-Sep-2019</u>	<u>30-Sep-2018</u>	<u>30-Sep-2019</u>	<u>30-Sep-2018</u>
		JD	JD	JD	
Rental income		-	88,650	-	79,150
Profit on sale of property and equipment		-	20,000	-	20,000
Earned discount		-	48,656	-	9,620
Total Revenue		-	157,306	-	108,770
General & administrative expenses	9	(273,071)	(342,995)	(87,319)	(211,475)
Financing expenses		(244,643)	-	(54,213)	-
(Loss) for the period		(517,714)	(185,689)	(141,532)	(102,705)
Total comprehensive income for the period		(517,714)	(185,689)	(141,532)	(102,705)
		<u>Fils/Dinar</u>	<u>Fils/Dinar</u>	<u>Fils/Dinar</u>	<u>Fils/Dinar</u>
Basic and diluted earning per share	10	(0.0115)	(0.0046)	(0.0013)	(0.0026)

The accompanying notes form is an integral part of these statements

Middle East Complex For Eng.,Electronics & Heavy Industries PLC
Public Shareholding Co., Ltd.
Amman - The Hashemite Kingdom of Jordan

Statement of Consolidated Condensed Interim Of Changes In Owners' Equity
For the NineMonths Ended at September 30, 2019 (Reviewed not Audited)

	Capital	Issue premium	Statutory reserve	Voluntary reserve	Accumulated (Loss)	(Loss) for the period	Total
	JD	JD	JD	JD	JD	JD	JD
Balance as of December 31, 2018 (Audited)	39,972,503	-	-	-	(21,911,148)	-	18,061,355
Revenues of previous years (save from bank settlements) Note 12	-	-	-	-	5,222,982	-	5,222,982
Amortization of financial assets losses (Note 12)	-	-	-	-	(5,259,908)	-	(5,259,908)
Adjusted opening balance	39,972,503	-	-	-	(21,948,074)	-	18,024,429
(Loss) for the period	-	-	-	-	-	(517,714)	(517,714)
Increase of capitl (note 8)	4,950,617	-	-	-	-	-	4,950,617
Balance as of September30, 2019 (Reviewd)	44,923,120	-	-	-	(21,948,074)	(517,714)	22,457,332
Balance as of December 31, 2017 (Audited)	25,000,000	18,201,872	6,967,993	6,451,913	(52,312,774)	-	4,309,004
Profits on sale of property and equipment from previous years	-	-	-	-	495,256	-	495,256
Interest and bank commissions of previous years	-	-	-	-	(677,083)	-	(677,083)
Adjusted opening balance	25,000,000	18,201,872	6,967,993	6,451,913	(52,494,601)	-	4,127,177
(Loss) for the period	-	-	-	-	-	(185,689)	(185,689)
Increase of capitl	14,972,503	-	-	-	-	-	14,972,503
Amortization of the issue premium in accumulated losses	-	(18,201,872)	-	-	18,201,872	-	-
Amortization the Statutory reserve in accumulated losses	-	-	(6,967,993)	-	6,967,993	-	-
Extinguish voluntary reserves in accumulated losses	-	-	-	(6,451,913)	6,451,913	-	-
Balance as of September30,2018 (Reviewd)	39,972,503	-	-	-	(20,872,823)	(185,689)	18,913,991

Accompanying notes form integral part of this statement

Middle East Complex For Eng.,Electronics & Heavy Industries PLC
Public Shareholding Co., Ltd.
Amman - The Hashemite Kingdom of Jordan

Consolidated Condensed Interim Statement of Cash Flows
For the NineMonths Ended September 30, 2019 (Reviewed not Audited)

	30-Sep-2019 JD (Reviewed)	30-Sep-2018 JD (Reviewed)
<u>Cash Flows From Operating Activities</u>		
(Loss) for the period	(517,714)	(185,689)
Depreciation	-	1,193
Profit on sale of property and equipment	-	(515,256)
Previous Year Adjustments	5,222,982	(181,827)
Net operating profit before changes in working capital	4,705,268	(881,579)
<u>(Increase) decrease in current assets</u>		
Account receivable - Net	-	(246,951)
Due from related parties	(46,712)	363,708
Other debit accounts	(8,765)	2,963
<u>Increase (decrease) in current liabilities</u>		
Accounts payable	(5,012,358)	(86,410)
Due to related parties	1,415,691	692,687
Posted Dated cheque	-	(22,123)
sales tax withholding	(800)	(16,686)
Other credit accounts	(80,227)	(1,002,314)
Net Cash from Operating Activities	972,097	(1,196,705)
<u>Cash flows from investing activities</u>		
Proceeds from sale of property and equipment	-	1,420,000
purchase of property, plant and equipment	(350)	(2,980)
Net cash flows from investing activities	(350)	1,417,020
<u>Cash Flows from Financing Activities</u>		
Changes at Financial assets at fair value	41,933	30,564
Due loans	(5,963,612)	(250,000)
Increase of capitl	4,950,617	-
Cash flows from Financing activities	(971,062)	(219,436)
Net Changes in cash balances	685	879
Cash balances at beginning of Period	694	532
Cash balances at end of Period	1,379	1,411

Accompanying notes form integral part of this statement

Middle East Complex For Eng.,Electronics & Heavy Industries PLC
Public Shareholding Co., Ltd.
Amman - The Hashemite Kingdom of Jordan

Notes to The Consolidated Condensed Interim Financial Statements - Reviewed Not Audited

1- Incorporation

Middle East Complex for Engineering, Electronic and Heavy Industries - Public Shareholding Limited was established as a Public Shareholding Company and registered in the Register of Public Shareholding Companies at the Ministry of Industry and Trade under No. 255 dated 12 September 1994, Its authorized, subscribed and paid-up capital is 150 million JD divided into 150 million shares with a nominal value of JD per share The company's main location is located in Amman, Jordan, in the Wadi Sir area

The company's goals include retailing of tools, electric motors, patent agencies, registration of fees and trademarks.

The accompanying financial statements have been approved by the Board of Directors at its meeting held on October 22, 2019 and are not subject to the approval of the General Assembly of Shareholders

2- General

- These Consolidated condensed interim financial statement have been prepared in accordance with international accounting standards ((IFRS) IAS 34)(Interim Financial Reporting).
- The Jordanian Dinar is the currency of the presentation of the financial statements, which represents the Company's principal currency
- These condensed interim financial statements do not include all the information required for a complete set of IFRS financial statements, However , selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the company's financial position and performance since the last annual report of financial statements as of **December 31,2018** , in addition, The results for the nine months period ended **September 30,2019** are not necessarily indicative of the results that may be expected for the financial year ending **December 31,2019** .

Consolidation

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

The results of operations of subsidiaries are consolidated in the consolidated statement of comprehensive income as of the date of their acquisition, the date on which the control of the subsidiary is effectively transferred.

The consolidated financial statements for the year 2018 include the financial statements of the parent company and its subsidiary: Al Manar International Trading and Investment Limited Liability Company The financial statements of the subsidiary "Oman General Industrial and Marketing Limited Liability Company", for which the financial statements have not been issued, do not include the preparation of these consolidated financial statements.

As of September30, 2019, the Company has the following subsidiaries :

<u>The Company's name</u>	<u>Company entity</u>	<u>Capital</u>	<u>Ownership</u>
Amman General Company for Industry and Marketing	Limited Liability	50,000,000	95%
Al Manzar International Trading & Investment Co.	Limited Liability	10,000	100%

Middle East Complex For Eng., Electronics & Heavy Industries PLC
Public Shareholding Co., Ltd.
Amman - The Hashemite Kingdom of Jordan

Notes to The Consolidated Condensed Interim Financial Statements - Reviewed Not Audited

3- Significant accounting estimates and assumptions

There are no material changes to the nature and amount of the changes in the estimate of amounts recognized in the interim financial statements as compared to the financial statements for 2018

4- Significant accounting policies

The preparation of interim condensed financial information requires to use of significant and specific accounting estimates. It also requires management to use its own judgment in the process of applying accounting policies. The significant estimates and assumptions used in the preparation of the financial statements have been disclosed in note No. (3)

Accounting policies followed in condensed interim financial statements' preparation for this period are consistent with the policies followed the last year 2018 .

Change in accounting policies

During the period , the company applied the followinf adjusted standard and improvements on the (IFRS) Which takes effect for the periods start at January 1,2019

- (IFRS 16 - Rents)
- Interpretations No (23) from Interpretations Committee for IFRS On uncertainties about tax treatment
- Adjustments on (IFRS 9) Financial instruments , Advantages of prepayments with negative compensation
- Adjustments on (IFRS 28) Investments in associats and Joint ventures , Long-term quotas in Sister companies and Joint ventures
- Adjustment on (IFRS 19) Staff benefits , Modification or settlement of the plan
- Adjustment on differnet standards on the basis of the annual imprvements on the IFRS 2015-2017

The adoption of new and revised IFRSs and improvements to IFRSs have no significant impact on the interim condensed financial statements

Middle East Complex For Eng., Electronics & Heavy Industries PLC
Public Shareholding Co., Ltd.
Amman - The Hashemite Kingdom of Jordan

Notes to The Consolidated Condensed Interim Financial Statements - Reviewed Not Audited

5- Investments in financial assets at fair value through Comprehensive income statement

This item consists of the following:

	<u>30-Sep-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
Shares in the National Integrated Complex Company	1,159,692	12,453,833
Impairment of financial assets	-	(5,992,300)
Total	<u>1,159,692</u>	<u>6,461,533</u>

- The parent company "Middle East Complex" owns 6,653,833 shares in the "National Integrated Complex - Private Shareholding Company" , with share of % 5,141 , the impairment was closed at the investment with amount of 6,034,233 JD against capital reduction of " National Integrated Complex - Private Shareholding Company" from 50,199,064 JD to be 12,052,094 JD at May 24,2017
- The subsidiary, Al Manzar International LLC, has 5,800,000 shares in the National Integrated Complex Private Shareholding Company, the ownership ratio has fluctuated to 4.481 % . The loss was amortized at the investment with amount of 5,259,908 JD against capital reduction of " National Integrated Complex - Private Shareholding Company" from 50,199,064 JD to be 12,052,094 JD at May 24,2017

6- Account receivable And Note Receivable - Net

This item consists of :

	<u>30-Sep-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
Account receivable	28,152,916	28,152,916
Less : Provision for doubtful debts	(10,353,063)	(10,353,063)
Total	<u>17,799,853</u>	<u>17,799,853</u>

Middle East Complex For Eng., Electronics & Heavy Industries PLC
Public Shareholding Co., Ltd.
Amman - The Hashemite Kingdom of Jordan

Notes to The Consolidated Condensed Interim Financial Statements - Reviewed Not Audited

7- Due from related parties

The balances of the related parties are as follows

		30-Sep-2019	31-Dec-2018
		JD	JD
		(Reviewed)	(Audited)
Amman General Company for Industry and Marketing	Subsidiary	132,793,281	132,793,281
Darwish Al Khalili & Sons Co	Sister company	8,340,724	8,340,724
National Integrated Complex Company	Sister company	1,303,238	1,303,238
Rum Alaa Eddin Engineering Industries Co	Sister company	5,914,380	5,914,380
HAIR MIDDLE EAST EQUIPMENT	Sister company	12,561,679	12,561,679
National Star Company for Electronic Industries*	Sister company	6,527,052	6,527,052
Al Diyar Electronics & Electronics Trading Co. *	Sister company	190,790	190,790
International Electronics Company*	Sister company	4,994,918	4,994,918
International Electronics Company*	Sister company	3,555	3,555
Middle East Financial Investments Co.*	Sister company	5,564,918	5,564,918
Al Deera Company *	Sister company	525,828	525,828
Future Company for Industry and Electronics *	Sister company	691,629	691,629
International Investment & Trading Co.*	Sister company	14,200,000	14,200,000
Total		193,611,992	193,611,992
Provision for impairment in accounts receivable		(161,370,500)	(161,417,212)
Net		32,241,492	32,194,780

* The above companies are owned by the subsidiary Amman General Company for Industry and Marketing

The movement in provision for doubtful debts is as follows

	30-Sep-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Balance at the beginning of the year	161,417,212	163,586,992
Transfer from Provision of Impairment for Related Parties	-	251,741
Reclassification with receivables	-	(8,027)
Reduction of provision - Settlement of related party receivables	(46,712)	(670,088)
Transferred from provision for impairment of related party receivables to retained earnings	-	(1,743,406)
Balance at the End of the year	161,370,500	161,417,212

Middle East Complex For Eng., Electronics & Heavy Industries PLC
Public Shareholding Co., Ltd.
Amman - The Hashemite Kingdom of Jordan

Notes to The Consolidated Condensed Interim Financial Statements - Reviewed Not Audited

8- Capital

the general assembly decided at its meeting held at September 27, 2018 to approve to capitalizing the account payable For those who wish from the company's creditors as at September 27, 2018 And authorize the Board of Directors to determined the The price of the share issue Either in nominal Vlaue or in a issuance discount or a premium Or as determined by the General Assembly But not less The issue price of the book value

At april 22, 2019 , The legal proceedings have been completed at the ministry of industrial and trading / Companies Controle department to capitalizing JD 4,950,617 To become paid up capital JD 44,923,120

9- Administrative and general expenses

This item consists of the following:

	30-Sep-2019	30-Sep-2018
	JD	JD
	(Reviewed)	(Reviewed)
Salaries and wages	47,050	33,600
Transportation of members of the Board of Directors	33,750	31,650
Expenses of the General Authority	3,645	11,022
Expenses of the shareholders department	350	6,450
Computer expenses	2,800	9,500
Rent	4,615	4,020
membershipe fees and registrations	24,908	57,639
Professional fees	97,430	137,690
Other	35,315	18,762
Depreciation	-	1,193
Capitalization Commision Expenses	19,750	-
Legal and judicial expenses	3,458	31,469
Total	273,071	342,995

10- (loss) Per Share

This item consists of the following:

	30-Sep-2019	30-Sep-2018
	JD	JD
	(Reviewed)	(Reviewed)
(Loss) for the period	(517,714)	(185,689)
Weighted average number of shares	44,923,120	39,972,503
Basic and diluted, earnings per share	(0.0115)	(0.0046)

Middle East Complex For Eng.,Electronics & Heavy Industries PLC
Public Shareholding Co., Ltd.
Amman - The Hashemite Kingdom of Jordan

Notes to The Consolidated Condensed Interim Financial Statements - Reviewed Not Audited

11- Tax Position

- The company was terminated with the Income Tax Department until 2012
- The annual estimate of 2013 ,2014,2016,2017 and 2018 was presented within the legal period and has not yet been reviewed and 2015 was not presented
- According to the company's tax advisor, there is no need to monitor any provisions to meet the income tax liability for business results as of September 30,2019.

12- Accumulated (Loss) at the end of the year

	<u>30-Sep-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
Balance at the Beginning of the Period / year	(21,911,148)	(52,312,774)
Revenues of previous years (save from bank settlements)	5,222,982	-
Amortization of financial assets losses	(5,259,908)	-
Amortization of the issue premium and provisions	-	31,621,777
Financing expenses from previous years	-	(870,160)
Transfer from provision for impairment of related parties	-	1,743,406
Consulting expenses of previous years	-	(1,747,171)
Amendments of previous years - AL_Munzaar Company	-	10,706
(Loss) for the period / year	-	(356,933)
Balance at the ending of the period / year	(21,948,074)	(21,911,149)

* in accordance to the court decision The debt of the Egyptian Land Bank was settled with amount of JD 5,963,613 (13% of the debt was paid, resulting in a saving of JD 5,222,982)

Middle East Complex For Eng., Electronics & Heavy Industries PLC
Public Shareholding Co., Ltd.
Amman - The Hashemite Kingdom of Jordan

Notes to The Consolidated Condensed Interim Financial Statements - Reviewed Not Audited

13- Legal Cases

Issues raised by the company to other

- * There is a case of criminal suit No. 3811/2013 set up by the company on "United Arab Investors - Public Joint Stock Company", Abdul Rahman Talal Abdul Rahman Daghmush and Haytham Khalid Abdul Karim Al Dahla for the claim of JD 11,307,320 against of returned check and the case is still pending in front of the Court

On 10 March 2016, the Amman Court of Cassation issued its decision to convict the defendants

- * There is a preliminary issue of rights No. 765/2016, which was issued by the company to the members of the National Complex for Integrated Industries, which is located at the Court of First Instance Rights of Southern Amman to demand a wage allowance of JD 1,233,000 , in addition to demanding the value of fees and expenses and fees. A court of first instance ordered a refund of the equivalent of one million dinars for the passage of time. The appeal court appealed the appeal And support the ruling of the First Court of First Instance, the company has distinguished the decision, and the case is still in front of the Court of Cassation
- * There is a lawsuit against Osama Darwish al-Khalili, the subject of which is the re-price of the waiver bonds and the sale of the compensation shares. The case was referred to the case management under No. 83/2018

Issues arising from the subsidiary to others

- * There is a case of a criminal suit No. 3808/2013 Filed by the subsidiary company - Al-Munzaar Company on Al-Mutnasakah Investment Company and Haytham Khalid Abdul-Karim Al-Dahleh to claim JD 1,825,000 instead of a check and the case is still pending before the court.

On 19 November 2015, the Amman Court of Cassation issued its decision to convict the defenders

Issues raised by others on the company

- * Law No. 565/2015 at the Court of First Instance Rights of South Amman, in the presence of Messrs. Middle East Complex for Engineering, Electronic and Heavy Industries and other Plaintiffs, Hair Middle East, for devices that are subject to revocation of mortgage and execution procedures, recovery of property and prevention of opposition in its utility, The pledge of the mortgage and the entitlement and / or redemption of the equipment and the claim for a malfunction and damage allowance estimated at the higher limit for the purposes of the fees.
The court of first instance issued a ruling to dismiss the case and the appellant appealed the decision. The case is still pending before the Amman Court of Appeal
The appeal court appealed the appeal And support the ruling of the First Court of First Instance, the company has distinguished the decision, and the case is still in front of the Court of Cassation
- * Primitive Lawsuit No. 448/2018, which was set up by the National Integrated Complex Company, in the presence of the Middle East Complex for Engineering, Electronic and Heavy Industries and others. And the issue of preventing the claim value of Jd 1,414,180 in addition to the claim for compensation and damage of JD 300 ,000 , and the case is still in front of the Court of the beginning rights of West Amman.
- * There are cases filed by the General Prosecutor of Amman Customs and the general right to claim the double of the sales tax of JD 1,039,070 cases are still subject to appeal and discrimination.
- * There is a lawsuit no. 52455/2017 filed by the Egyptian Arab Land Bank for a claim of JD 6,843,250 and the case is pending at the Amman Court of Appeal
- * There is a claim No. 2018/341 filed by the Industrial and Real Estate Investors Company for a claim of 9,065,260 dinars in front of the Court of First Instance of West Amman and a decision was issued by the esteemed court to impose the precautionary detention on the debtor until the dismissal of the case and the Middle East Complex Company appealed the decision and took number 37151 / 2018 in the Court of Appeal and the case is still pending before the courts. According to the lawyer, the evidence has been submitted and is able to respond.

14- Future plan

- Completing the capital restructuring program with the relevant authorities
- Complete the work of financial settlements with banks and creditors for the benefit of the company
- Completing the work of financial settlements between companies related parties through the program of settlement of debts and for the benefit of the company
- Work on the implementation of the decision of the General Assembly held on 28/1/2018, which includes (approval of the work plan to operate factories and the current operation and ownership of the factories in the name of privatization holding company - Jordan, which is only a transitional phase and that the operation and ownership will return fully to the Middle East Complex as soon as the completion of Full settlement of legal matters

15- Subsequent events

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

16- Comparative figures

Certain comparative year figures have been reclassified to conform to current year figures.