



**Jordan Phosphate  
Mines Company  
P.L.C**

[www.jpmmc.com.jo](http://www.jpmmc.com.jo)

# JPMC

**Annual Report 2024**

**For prosperity,  
Processing for sustainability**









His Hashemite Majesty  
**King Abdullah II bin Al-Hussein may God bless and protect him**





His Royal Highness  
**Prince Al Hussein bin Abdullah II Crown Prince**



## **Jirdan Phosphate Mines Company P.L.C**

Headquarters Address: 7 Al-Sharif Al-Radhi Street, Shmeisani Amman

P.O.Box (30) Amman 11118

The Hashemite Kingdom of Jordan

The Seventy-First Annual Report of the Board of Directors

and The Consolidated Financial Financial Statements for the year 2024

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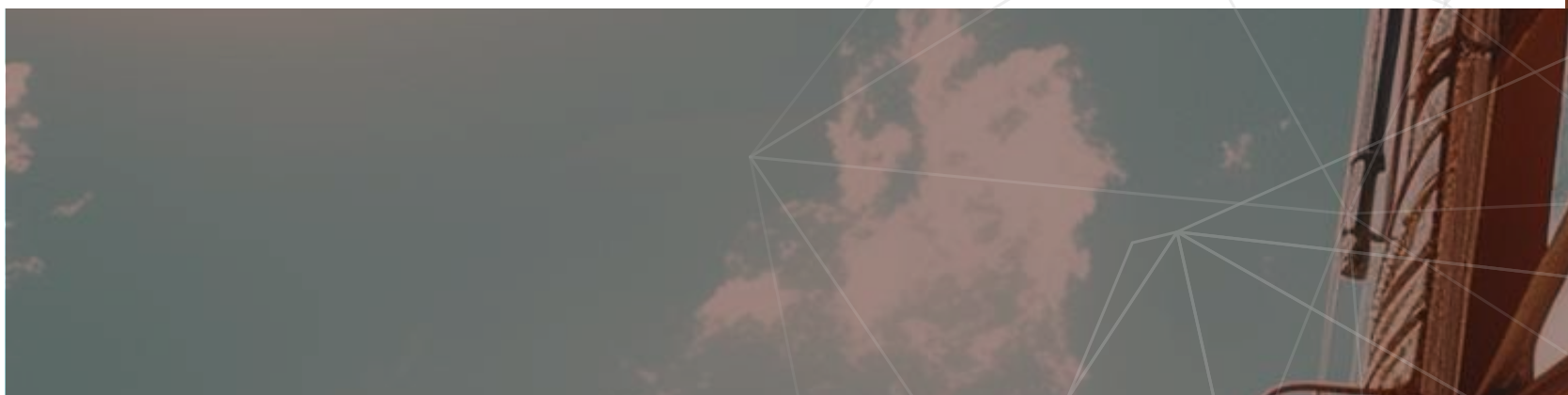


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## **An Overview**

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## Our Vision:

Pioneerism, excellence and sustainability in the sector of mining and phosphate fertilizers including top quality standards and environmental conservation.

## Our Mission:

JPMC implements exploration and mining works of phosphate and develops innovative products with high quality and competitive worldwide by employing modern technology; training and qualifying its human resources with an eye on all aspects of sustainable development of environment and community via its operations.

## Our Purpose:

Transforming Rock Phosphate into Sustainable Plantation and Life.



## Members of the Board of Directors

The term of the previous Board of Directors ended on April 29<sup>th</sup>, 2024,  
and a new Board of Directors was elected on the same date

### Representatives of Private Sector

**H.E Dr. Mohammad Thneibat**

Chairman of the Board of Directors (BOD)

**Dr. Eng. Abdelfattah AbuHassan**

Member

### Representative of Social Security Corporation

**H.E. Eng. Sami Smeirat**

Member until 14/8/2024

**Prof. Dr. Oais Mahafzah, Lawyer**

Member as of 14/8/2024

### Representative of Kisan International Trading FZE

**Mr. Manish Gupta**

Member

### Chief Executive Officer

**Eng. Abdel Wahab Al Rowwad**

### Representatives of Government Investments Management Company

**Mr. Salem Al Qudah**

Vice-Chairman of the Board of Directors until 08/01/2025

**Mr. Fares Al Qatarneh**

Member as of 08/01/2025

**H.E. Mr. Muhammad Krishan**

Member until 08/01/2025

**Mr. Firas Al Qarain**

Member as of 08/01/2025

### Representatives of INDIAN POTASH LIMITED

**Dr. U.S. Awasthi**

Member

**Dr. P.S. Gahlaut**

Member

### Representative of Kuwait Investment Authority

**Eng. Mohammad Al Munaifi**

Member until 14/10/2024

**Mr. Edrees Ahmad**

Member as of 14/10/2024

### Auditors

**Messrs. ERNST & YOUNG**



## Speech to Shareholders

**In the name of God, the Most Gracious, the Most Merciful**  
Ladies and Gentlemen Shareholders of Jordan Phosphate Mines Company

**May the peace, mercy and blessings of God be upon you,**  
The General Assembly of Jordan Phosphate Mines Company (JPMC) PLC convenes its Seventy-First annual ordinary general assembly meeting to present to you the results of the Company works, activities and consolidated financial statements as at 31 December 2024.

**Dear Colleagues- Ladies and Gentlemen,**

The journey of dedication, growth, and achievement continues at JPMC, which, by the grace of God and the efforts of its employees, along with the support of the General Assembly, has successfully overcome past challenges. The company has established a solid institutional framework based on delegation and accountability, following a cumulative reform approach that continuously reviews work procedures through well-planned, executable, and assessable strategies. This progress is rooted in good governance, clear timelines, and an expansion of capital expenditures, particularly in the sustainable maintenance of the Company's plants and production units in their different sites. Additionally, the Company implements an equal job replacement policy and conducts annual training and qualification programs, all of this is in compliance with a well-defined mapped plan based on the clarity of the goal and the implementation mechanisms. As a result, the Company was able to successfully achieve the objectives outlined in its strategic plan for the year 2024 in terms of increasing production capacity, improving its quality and sales quantity and entering new markets. JPMC also obtained a number of local, regional and global awards in its field of work. Among the most prominent of these the King Abdullah II Center for Excellence, making JPMC the first Jordanian company in the mining sector to obtain the (R4E) Certificate

of Recognition of Excellence from the official representative of the European Foundation for Quality Management in the Kingdom with a four-star rating. Additionally, the Company received the Fujairah International Award for Best Company in Sustainable Mining (Transport and Extraction), Award of Business Excellence by the World Confederation of Business in the United States, the Gold Medal for Industrial Excellence from the International Fertilizer Association (IFA) and the Jordan Quality Mark, granted by the Jordanian Standards and Metrology Organization, among other awards.

Despite the challenges posed by global markets, including the decline in the prices of the Company's products in global markets, and the increase in some production inputs; The Company was able to achieve a net profit after tax of JD (463) million in 2024.

In terms of the Company's financial position, equity increased significantly up to JD (133) million in 2024, with an increased percentage of (8%) compared to 2023. The Company's assets increased during the year 2024, exceeding JD (2.148) billion by the end of 2024.

With respect to the overarching changes of the national economy and supporting the economic growth; The Group achieved export sales of nearly USD (1.99) billion as this amount forms a remarkable contribution to narrowing the deficit gap in both the Balance of Trade and the Balance of Payments and strengthening the local currency.

The Company's direct contribution to supporting public revenues amounted to roughly JD (188) million mainly including income tax on the year's profits, mining revenues, customs, sales tax on external purchases, in addition to the Company's indirect contribution to supporting the treasury and the revenues of public institutions amounting to JD (194) million, the main of which is the share of Government-owned companies amounting to JD (118) million, and the share of the profits of the Social Security Corporation for the year 2024 amounting to JD (76) million, bringing direct and indirect support to the treasury to nearly JD (382) million.



**Chairman of the Board of Directors (BOD)**  
H.E Dr. Mohammad Thneibat

### **Dear Shareholders- Ladies and Gentlemen,**

The Company has continued working on establishing and implementing its projects with the aim of developing the Group's revenue power and strengthening its financial and competitive position. In this regard, the Company has conducted feasibility studies for the construction of two Phosphoric Acid Plants projects with as estimated cost of approximately JD one billion and a production capacity of (700) thousand tons. The tenders for these two plants will be launched in the third quarter of this year, and the projects are anticipated to secure approximately 700 new job opportunities.

Work has also begun on establishing a plant to produce phosphate feed activities in Aqaba in partnership with Sinokrot Poultry Farms and Saudi Poultry & Dairy Technology Trading Company. Production is expected to commence within the next two years, providing approximately 100 job opportunities.

Regarding the project of expansion and increasing the production capacity of the Industrial Complex in Aqaba, the necessary studies have been completed, and the expansion is expected to be completed by the beginning of 2027 at an estimated cost of USD (90) million. This expansion is expected to contribute to increasing the production capacity of the complex by (140) thousand tons of Phosphoric Acid per year and increasing the Industrial Complex's sales by USD (100) million annually.

The ammonia tank tender in Aqaba will be awarded during the first half of this year, with a storage capacity of (50) thousand tons, aimed at securing the ammonia required to produce fertilizer.

In regard to the project of expansion the plant of the Indo-Jordanian Chemicals Company, a subsidiary of the Group, the foundation stone for this plant has been laid with a total cost estimated at USD (250) million. The production capacity of the Company will be increased by (160) thousand tons of Phosphoric Acid and (700) thousand tons of Sulfuric Acid per year, reflecting a positive impact in increasing the Company's sales of approximately USD (160) million. His Excellency the Prime Minister has graciously laid the foundation stone for this project, and the tender for it will be opened in the first half of this year. The project will then be immediately implemented, providing 300 direct job opportunities and 500 indirect job opportunities.

By the end of the upcoming month, the Phosphate Washing and Flotation Plant in Eshidiya is expected to begin trial production with a production capacity estimated at a minimum of (1.5) million tons per year of medium and high-quality phosphate. This project will shape a significant increase in the value of phosphate ore sales by at least USD (200) million annually. As for the phosphate wastewater treatment project, its production is expected to start in the fourth quarter of this year, with a production capacity of (3) million cubic meters

of water per year, which will contribute to reduce the cost of water consumption in Eshidiya by (15%).

### **Dear Attendees- Ladies and Gentlemen,**

Furthermore, all of these projects will collectively contribute to a total increase in the Group's sales by approximately USD (1) billion and (350) million and to an increase in its profits compared to the ratio of the actual profit margin for the years 2022-2023.

These projects represent a breakthrough in the Company's performance, maximize returns on shareholders' equity, remarkably increase the direct support to the treasury by increasing income tax and mining fees and expected profits. Not to mention that these projects will contribute in improving the overall indicators of the national economy; and increase employment rate within the Group by providing approximately 1,000 jobs across the Company's different operation sites.

It is worth to highlight that all sales of these projects are export sales, supporting the Balance of Trades and the Balance of Payments by roughly one billion Dollars, increasing the Company's contribution of these projects upon completion by nearly USD (3) billion per year. Moreover, these projects will contribute to supporting the national efforts in eradicating unemployment by providing approximately (1000) new job opportunities. That is, the Company's contribution to addressing structural imbalances in the national economy through the following:-

- First: Increasing direct and indirect support to public revenues, which contributes to narrowing the deficit gap in the state's general budget.
- Second: Reducing the deficit gap in both the Balance of Trade and the Balance of Payments.
- Third: Decreasing unemployment rate in the Company's locations of operation

### **Dear Shareholders- Ladies and Gentlemen**

The Company's corporate social responsibility and serving the local community is a national duty. Therefore, JPMC was keen to continue following its approach. Accordingly, the Company has strengthened its effective presence by providing financial and logistical support to the educational, medical, sports, environmental, agricultural, charitable sectors, infrastructure, and local communities in different areas of the Kingdom with a special focus on the locations in which the Company is operating. In addition to the Company's contribution in supporting small productive enterprises that provide job opportunities to the local community members. In which the volume of this support and the outstanding obligations and commitments paid by the Company reached JD (24) million.

### Dear Ladies and Gentlemen

All of the aforementioned achievements have been realized through the efforts of the Company's employees, which led to these successes. On behalf of the General Assembly, the Board of Directors, and the Executive Management, I would like to extend my sincere thanks and appreciation to the colleagues working within the Company, as well as to the Jordanian General Labor Union of Workers Mines and Mining; for their cooperation with the company and supporting its productive efforts.

I would also like to extend my sincere and heartfelt thanks and appreciation to my colleague members of the Board of Directors and the Executive Management for their continued efforts, working together as one team following up on the implementation of the Company's outlined plans with efficiency and competence, helping us all elevate this economic structure to the advanced position we all aspire to achieve.

May Allah protect Jordan powerful and invincible under the leadership of His Majesty King Abdullah II May Allah protect him and help him and bless his good deeds.

May peace, mercy and blessings of God be upon you

**Chairman of the Board**  
Dr. Mohammad Thneibat



## Chief Executive Officer Speech

**In the name of God, the Most Gracious, the Most Merciful**

Ladies and Gentlemen Shareholders of Jordan Phosphate Mines Company

**May the peace, mercy and blessings of God be upon you**

In accordance with the strategic plans of JPMC aimed strengthening its leading position in the mining industry, the Company continues to implement development projects aimed at enhancing operational efficiency, improving environmental sustainability, increasing competitiveness and maximizing profitability. These efforts are focused on strengthening logistical infrastructure, adopting cutting-edge environmental technologies and upgrading industrial facilities to support production and enhance added value.

In light of the significant efforts carried out by JPMC to diversify its product portfolio, expand into manufacturing industries, expand its partnerships, and strengthen its global market position, the Company has achieved remarkable achievements and sequential success in 2024. These accomplishments are evident in both its financial performance and the efficiency of its operational management compared to 2023, further strengthening its market standing and competitiveness. This progress has also positively impacted the Company's profitability, economic strength and its role in contribution to the national economy. Despite the political and regional challenges, the Company has successfully achieved the highest production and sales rates in 2024 across all aspects, including the production and marketing of rock phosphate, as well as the manufacturing industries of phosphoric acid, phosphate fertilizers and aluminum fluoride.

In 2024, the Company successfully produced (11.517) million tons of rock phosphate, representing an increase of about (63) thousand tons compared to 2023. Additionally, the Company achieved the highest internal and external sales, totaling (11.313) million tons, representing an increase of (100) thousand tons over the prior year.

Through the Industrial Complex in Aqaba and JPMC's subsidiaries and affiliated companies, including the Indo-Jordan Chemicals Company (IJC), Jordanian Indian Fertilizer Company (JIFCO), and Petro Jordan Abadi (PJA), the Company successfully achieved the highest production quantities of phosphoric acid in 2024, reaching (2.591) million tons of solution, compared to (2.470) million tons of solution in 2023, representing an increase of (120) thousand tons of solution, reflecting a growth rate equivalent to (4%).

In terms of sales of phosphoric acid, the Company achieved unprecedented sales in 2024, totaling (2.601) million tons of solution, marking an increase of (170) thousand tons of solution equivalent to (7%), compared to 2023, during which the Company sold (2.422) million tons of this product.

As for the production of phosphate fertilizers at the Industrial Complex in Aqaba, the Company achieved a new record production number of (717) thousand tons, marking an increase of (46) thousand tons equivalent to (6%), compared to the previous year.

The Company also witnessed an increase in sales of fertilizer from the Industrial Complex in 2024, with a growth of (8%) compared to 2023, totaling (730) thousand tons, compared to (672) thousand tons in 2023.

The Nippon Jordan Fertilizer Company (NJFC), a subsidiary of JPMC, achieved record fertilizer production in 2024, totaling (309) thousand tons, representing an increase of (11%) equivalent to (33) thousand tons, compared to 2023, when the production amounted to (276) thousand tons at that time.

During 2024, the Company saw a (7%) increase in sales of fertilizer by NJFC, totaling (308) thousand tons, compared to 2023, during which the Company's sales of fertilizers amounted to (287) thousand tons.

Successfully, the Company was able to sell (9.685) tons of aluminum fluoride produced by the Industrial Complex from phosphoric acid industry waste in 2024, marking an increase of (30%) compared to 2023, with a production volume increase of (2.275) tons.

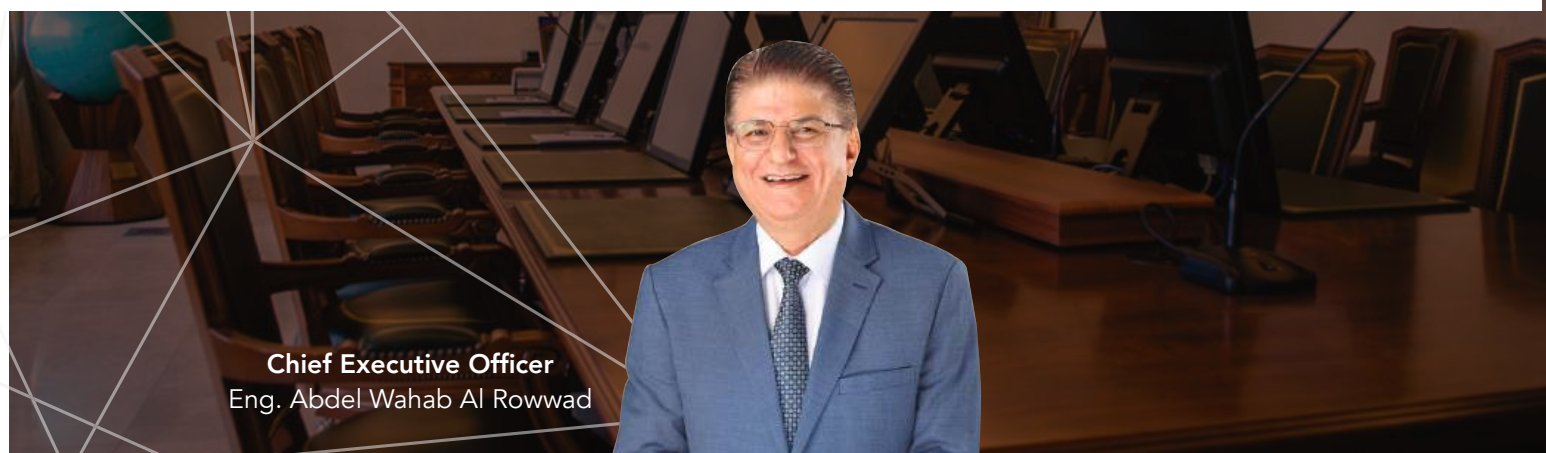
The plans of JPMC to increase the production capacity of the Industrial Complex in Aqaba, as well as IJC, will significantly contribute to enhancing the Company's overall productivity and profitability, while also increasing local consumption of rock phosphate.

In conclusion, we at JPMC reaffirm the Company's commitment to continually developing its operations, enhancing environmental sustainability, focusing on improving production efficiency and infrastructure and supporting community development. Moreover, the Company is dedicated to investing in modern technologies, reflecting its keen focus on keeping pace with the latest global operating systems in its field of work.

May peace, mercy and blessings of God be upon you

**Eng. Abdel Wahab Al Rowwad**

Chief Executive Officer "CEO"



**Chief Executive Officer**  
Eng. Abdel Wahab Al Rowwad



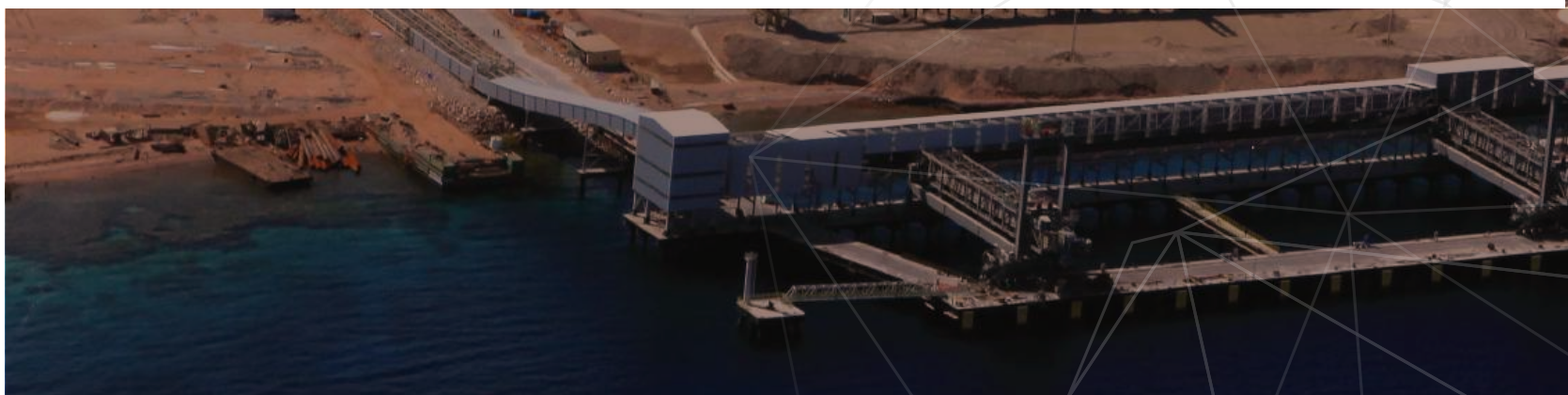


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## Report of the Board of Directors

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Dear Shareholders,

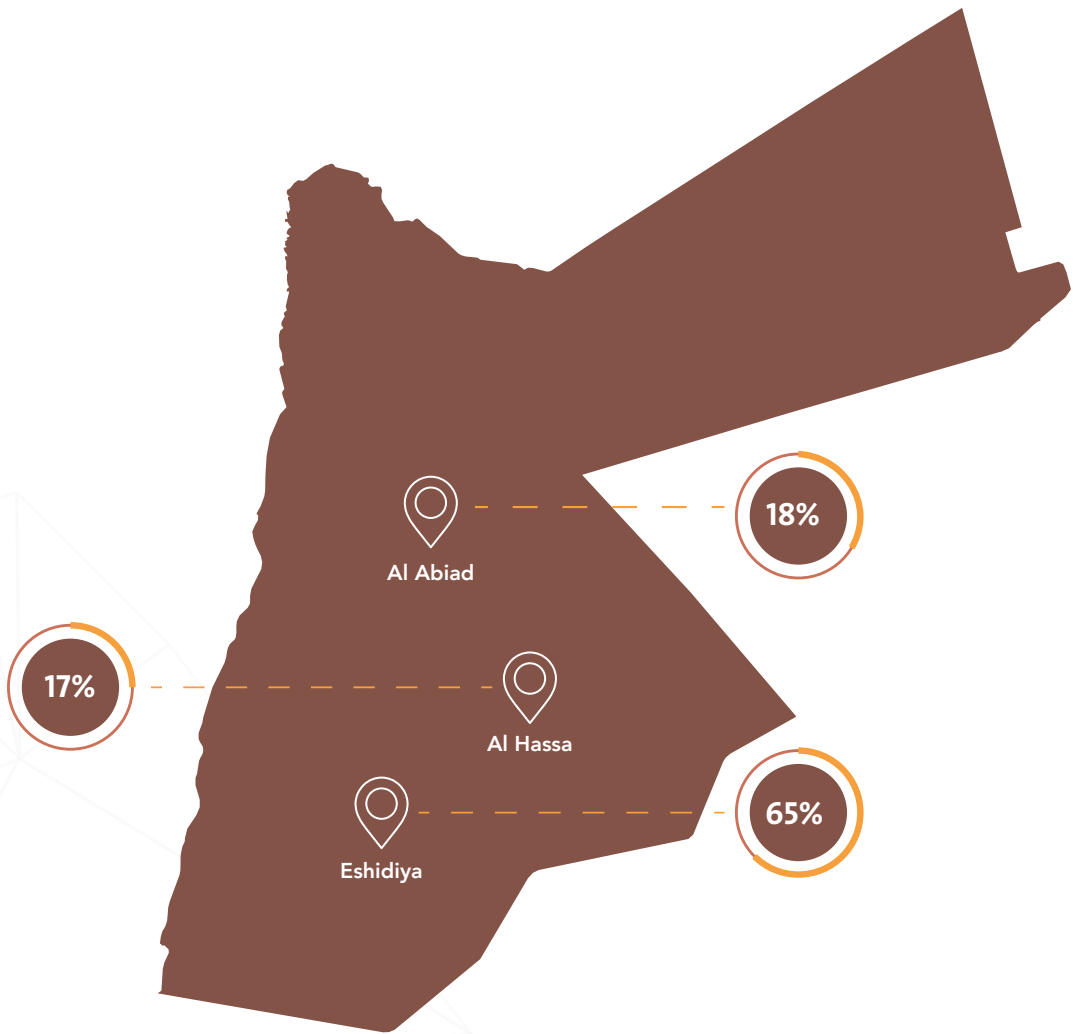
In compliance with the provisions of Article (171) of the Law of Companies No. (22) for 1997 and its amendments, in fulfillment of the disclosure requirement for exporting companies, accounting standards, audit standards for 2004 and their amendments, and in line with the provisions of Article (62) of Articles of Association, the Board of Directors of Jordan Phosphate Mines Company P.L.C. submits to you this Seventy-First annual report including a brief on the Company operations and its deliverables during the fiscal year ending at 31.12.2024. The report reveals the business results of the Company and its financial position statements including consolidated financial statements, consolidated income statement, consolidated comprehensive income statement, consolidated statement of changes in equity and consolidated statement of cash flows as approved by the Board of Directors on 23rd of March 2025.

Following is a presentation of the Company's activities in 2024:

## 1. Production:

### A. Production

Ready dry phosphate produced in 2024 from all the Company's mines of all grades accounted for (11,516,542) tons which represents an increase of (0.55%) compared to 2023.





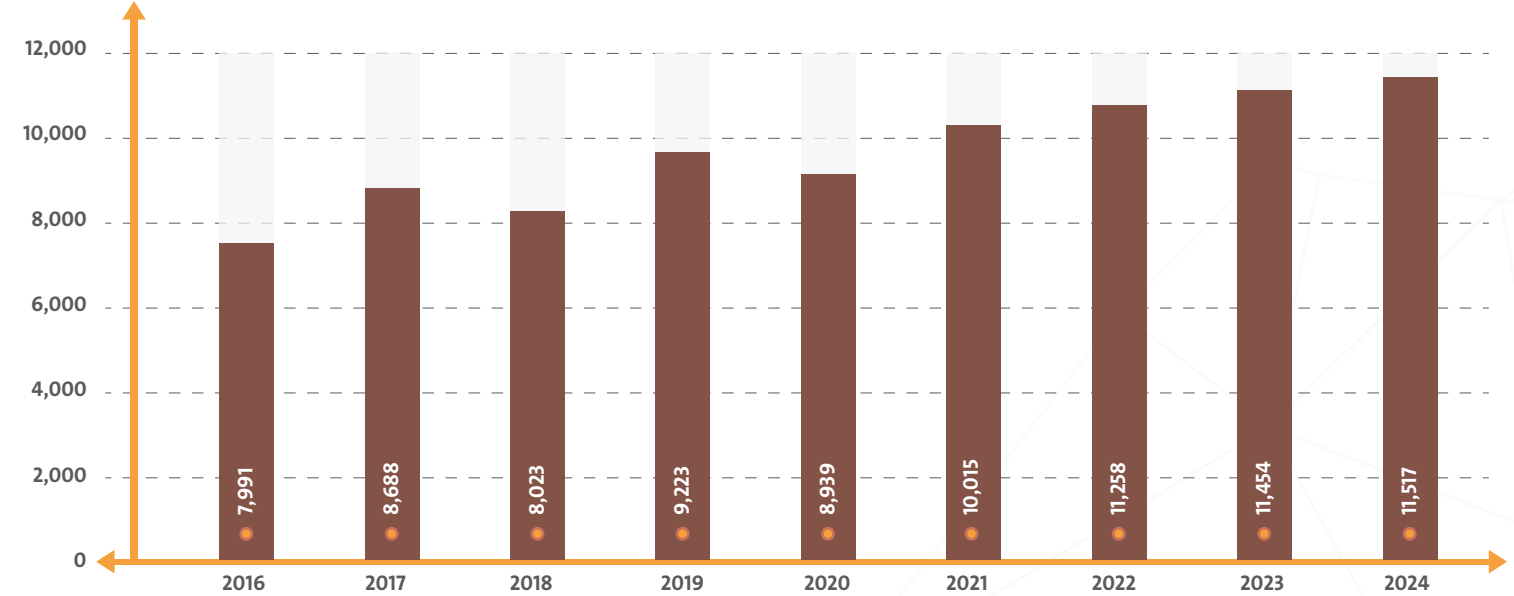
Quantities of Dry Phosphate production in 2024 distributed among mines as follows:

Mine	Quantity (Tons)
Al Hassa	1,939,076
Al Abiad	2,077,133
Eshidiya	7,500,333
Total	11,516,542

Quantities of Dry Phosphate Production Comparison for 2024 with the years (2016-2024):  
(thousand tons)

Mine	2024	2023	2022	2021	2020	2019	2018	2017	2016
Al Hassa	1,939	2,440	1,462	874	1,147	1,008	799	733	621
Al Abiad	2,077	1,857	1,643	1444	1,443	1,604	1,204	1,602	1,501
Eshidiya	7,500	7,132	7,572	7,043	5,934	6,005	5,777	6,353	5,869
Al Ruseifa	0	25	581	654	415	607	243	0	0
Total	11,517	11,454	11,258	10,015	8,939	9,223	8,023	8,688	7,991

Quantities of Dry Phosphate Produced During (2024-2016) - thousand tons



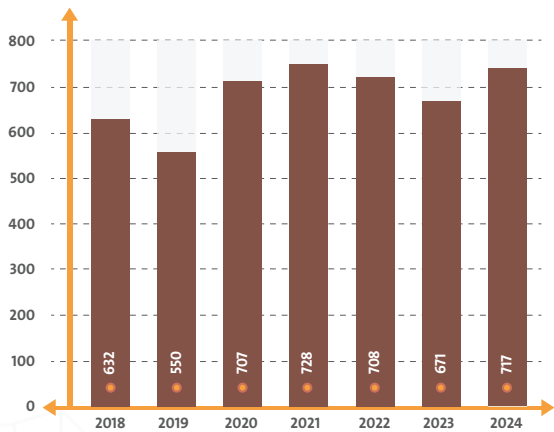
B. Products of Fertilizers at the Industrial Complex:

1. Quantities of Phosphate Fertilizers Produced at the Industrial Complex were as follows in 2024:

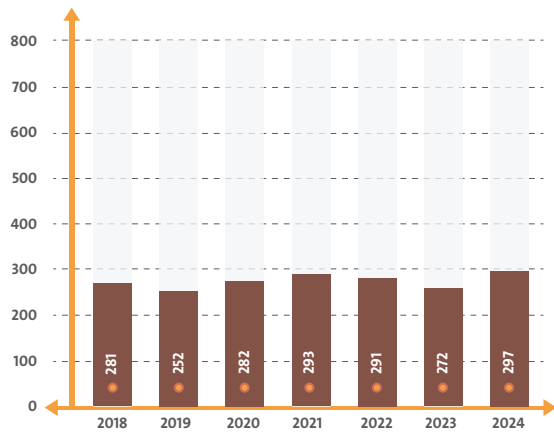
Product	Quantity/Ton
DAP	716,590
Phosphoric Acid	297,000
Sulfuric Acid	1,033,356
Aluminum Fluoride	10,071

2. Quantities Produced at the Industrial Complex for (2018-2024):

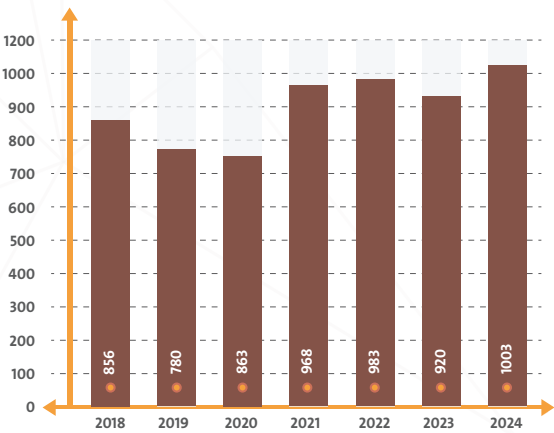
Product	2024	2023	2022	2021	2020	2019	2018
DAP	717	671	708	728	707	550	632
Phosphoric Acid	297	272	291	293	282	252	281
Sulfuric Acid	1003	920	983	968	863	780	856
Aluminum Fluoride	10	11	11	12	10	6	6



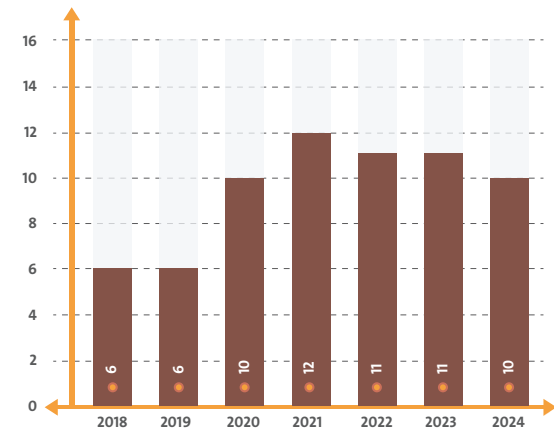
DAP Fertilizer



Phosphoric Acid



Sulfuric Acid



Aluminum Fluoride

## 2. Exploration (Geological Reserve):

The Exploration Department at JPMC continues its relentless efforts in enhancing and expanding geological explorations. The year 2024 witnessed several significant achievements, marking a major step forward in strengthening the Company's resource base and ensuring its long-term sustainability by strengthening the geological reserve. Among the Exploration Department's key accomplishments in 2024 are:

1. Acquisition of new prospecting licenses: As part of efforts to enhance exploration activities and expand into new locations, the Exploration Department successfully obtained three new prospecting licenses in 2024. These licenses include:
  - Two licenses for Eshidiya mine covering an area of (20) square kilometers, reflecting the continued efforts to explore and strengthen phosphate reserves in this strategic region.
  - A license for Al-Abiad mine covering an area of (5) square kilometers, contributing to expanding new prospects of this mine
2. Submission of applications for new prospecting licenses: The Exploration Department submitted five applications for new prospecting licenses across all sites of the Company (noting that it has not obtained prospecting licenses in these areas as of 03/04/2025). The details of these licenses' applications are as follows:
  - A prospecting license in Eshidiya mine, covering an area of (1,175) square kilometers, submitted on 26/11/2024.
  - Another prospecting license in Eshidiya mine, covering an area of (94) square kilometers, submitted on 16/5/2024.
  - Two prospecting licenses in Al-Abiad mine, with a total area estimated at (66) square kilometers, submitted on 16/5/2024.
  - One prospecting license in Al Hassa mine, covering an area of (121) square kilometers, submitted on 16/5/2024
3. The proved geological reserves (within the mining rights granted to the Company) as well as the possible and potential geological reserves.

The geological reserves (proved, possible, and potential) until 31/12/2024 in all mines reached as follows:

(million cubic meters)

Mine	Proved	Possible	Potential	Total
Al Abiad	2.847	-	10.000	12.847
Al Hassa	11.815	10.000	-	21.815
Eshidiya	229.792	-	50.000	279.792
<b>Total</b>	<b>244.454</b>	<b>10.000</b>	<b>60.000</b>	<b>314.454</b>

- Based on the proved geological reserves (within the mining rights granted to the Company), the quantities of phosphate available for processing and export are expected to be approximately (180) million tons.
- According to available geological studies, the quantities of possible and potential geological reserves in the areas adjacent to the mining right granted to the Company are estimated at around (500) million cubic meters of phosphate ores. While the quantities of phosphate expected to be ready for processing and export are estimated at approximately (300) million tons

### 3. Transport:

In 2024, quantities of phosphate transported from the Company Mines by truck vehicles reached (11,341,612) tons distributed as follows:

(tons)

Mine	Exportation	Industrial Complex	Local Market	Nippon-Jordan Fertilizer Company (NJFC)	Indo-Jordan Chemicals Company (IJC)	Jordanian Indian Fertilizer Company (JIFCO)	Total	Contribution Rate (%)
Eshidiya	3,359,590	1,022,707	-	11,008	1,368,835	1,798,996	7,561,136	%66.67
Al Hassa	1,916,804	45,375	-	-	-	-	1,962,179	%17.30
Al Abiad	1,774,857	43,040	400	-	-	-	1,818,297	%16.03
<b>Total</b>	<b>7,051,251</b>	<b>1,111,122</b>	<b>400</b>	<b>11,008</b>	<b>1,368,835</b>	<b>1,798,996</b>	<b>11,341,612</b>	<b>%100</b>

Quantities of Transported and Unloaded Phosphate from Mines as per of transport vehicles for 2019 - 2024:

(thousand tons)

Transport Means	2024	2023	2022	2021	2020	2019
Trucks	11,341	11,179	10.871	9.864	9.124	8.625





## 4. Marketing and Sales:

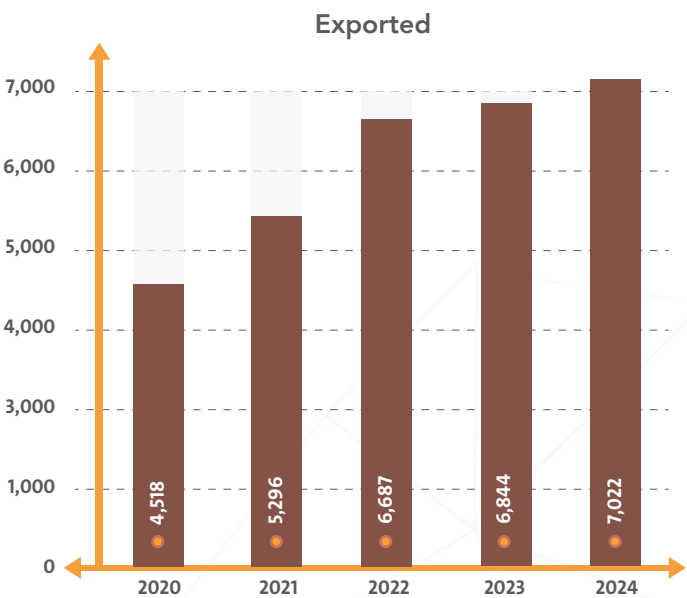
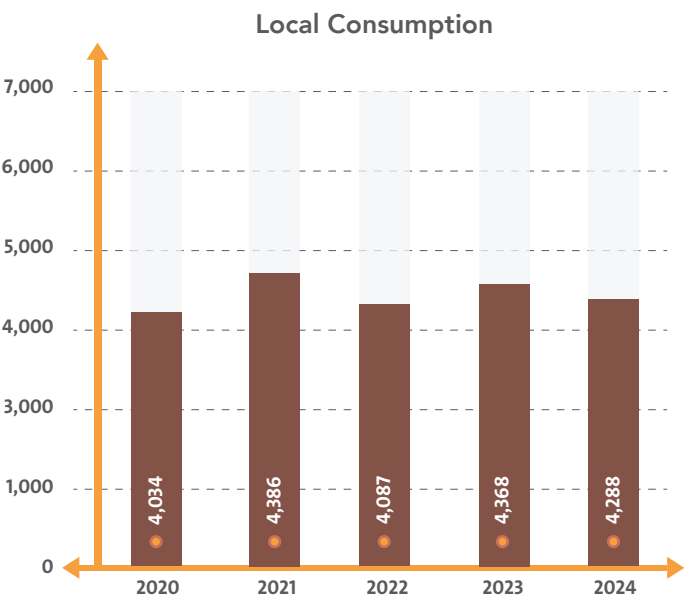
### Marketing:

- The Company was able to achieve (105%) of the marketing plan for 2024 which means achieving a new record number of rock phosphate sales.
- The Company was able to sale a quantity of (11,310) million tons of phosphate compared to (11,212) million tons of phosphate in 2023 with an increase percentage of (0.87%) compared to 2023 including both domestic and international sales.
- Even as the quantities of DAP fertilizers sold during 2024 amounted to (730,074) thousand tons compared to (671,958) thousand tons in 2023 which means achieving (104.3%) of the marketing plan for 2024.
- During 2024, the Company was able to achieve a total sales value of its products amounted to USD (1,515) billion.

### Sales:

#### First: Sales of Phosphate Ores for the period 2020-2024

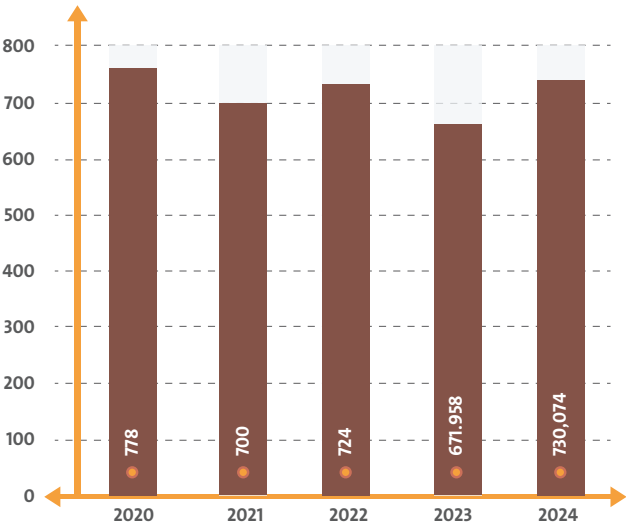
(thousand tons)					
Year	2024	2023	2022	2021	2020
Exported	7,022	6,844	6,687	5,296	4,518
Local Consumption	4,288	4,368	4,087	4,386	4,034
Total	11,310	11,212	10,774	9,682	8,552



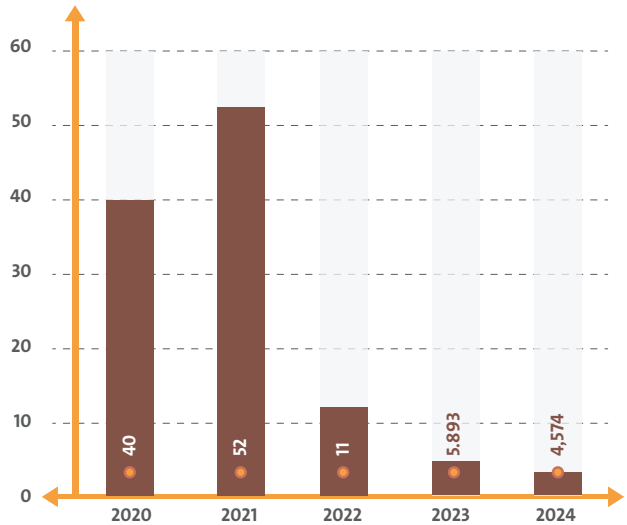
Second: Sales of Chemical Fertilizers from the Industrial Complex Products for 2020-2024

(thousand tons)

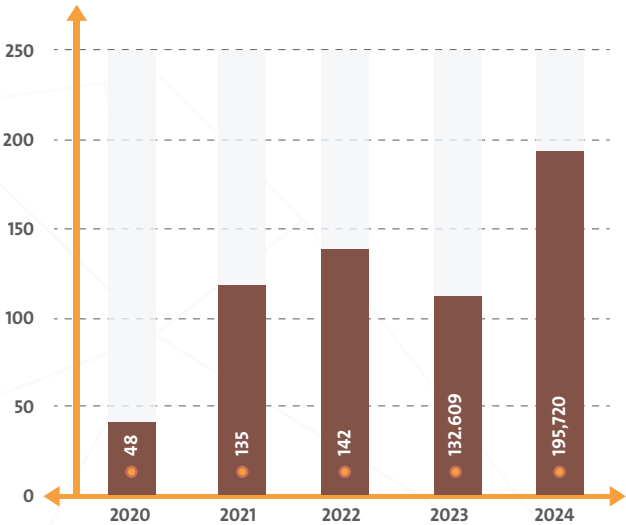
Product	2024	2023	2022	2021	2020
DAP	730	672	724	700	778
Phosphoric Acid	4.6	5.9	11	52	40
Sulfuric Acid	196	133	142	135	48
Aluminum Fluoride	10	7.4	8	9	7



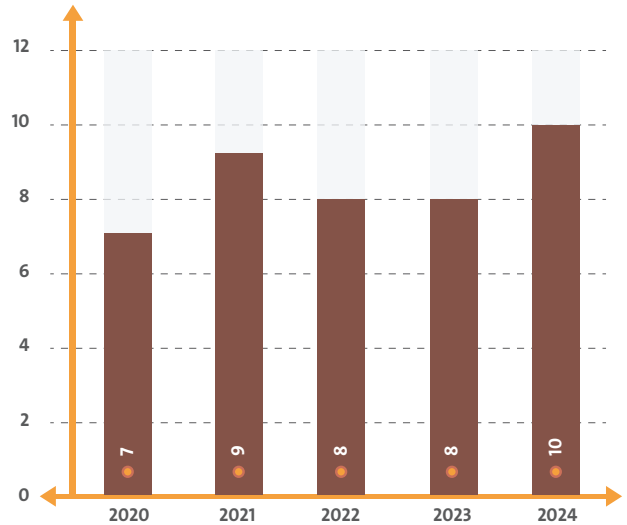
DAP Fertilizer



Phosphoric Acid



Sulfuric Acid



Aluminum Fluoride

Third: Key Global Markets and New Markets Entered in 2024:

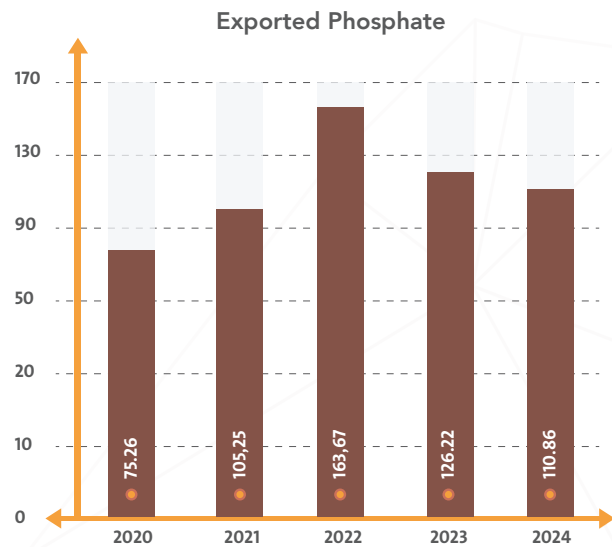
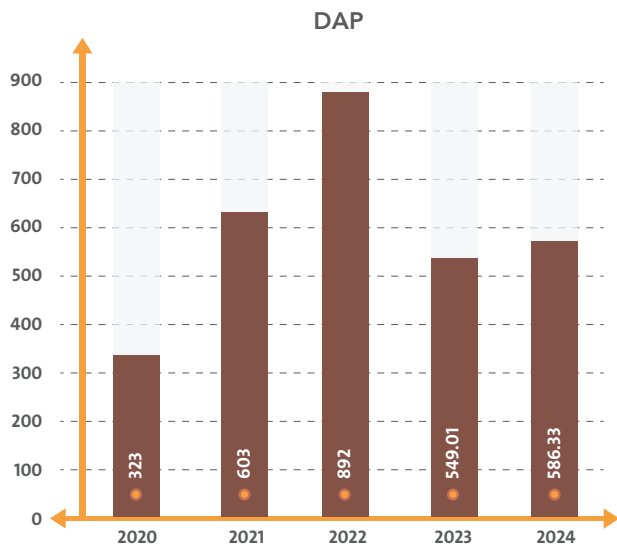
Rock Phosphate	DAP
India	India
Indonesia	Iraq
Malaysia	USA
China	Turkey

New Countries 2024	
Rock Phosphate	DAP
PHILIPPINES	UKRAINE
GREECE	POLAND
BELGIUM	LATVIA
	ETHIOPIA

Rock Phosphate	DAP
SWEDEN	

Fourth: Average Selling Prices (FOB) in Aqaba in USD

(dollar/ton)					
Product	2024	2023	2022	2021	2020
Exported Phosphate	110,86	126,22	163.67	105.25	75.26
DAP	586,33	549.01	892	603	323



## 5. Strategic Plans & Projects for 2024:

In line with its strategic plans and commitment to reinforcing its leadership position in the mining sector, JPMC continues to implement developmental projects aimed at enhancing operational efficiency, improving environmental sustainability, enhancing competitive ability and increasing profitability. These strategic projects fall within the framework of strengthening logistical infrastructure, adopting new, modern and innovative environmental technologies and advancing industrial facilities to support production capacity and increase added value.

### Logistics Projects:

- Railway Loading and Unloading Stations Project which aims to optimize the transportation of phosphate, products, and raw materials between mines, factories, and export hubs, enhancing logistical efficiency and reducing operational costs.
- Construction of phosphate storage warehouses in Aqaba with an additional capacity of (150) thousand tons, meeting the increased demands for phosphate and establishing sufficient stocks in emergency cases, at a cost of approximately USD (40) million.
- Drilling a total of (6) wells in Eshidiya area with a production capacity up to (10) million cubic meters per year. The project is complemented by plans to drill additional (10) new wells in Al-Jafr area with a production capacity estimated at (8) million cubic meters per year. This project aims to secure sustainable water resources to support industrial and mining operations, reduce reliance on external supplies and lower operational costs.

### Environmental Projects:

- Phosphate Wastewater Treatment Project in Eshidiya: This project aims to reduce the consumption of freshwater and recycle used water, contributing to a reduction in environmental impact and enhancing the efficiency of water resource utilization.
- Rejected Stored Phosphate Ratio Enhancement Project at Al Hassa Mine: This project aims to process phosphate industry waste to increase production by establishing a flotation plant with a capacity of approximately half a million tons per year.
- The Greening of the Gypsum Mountain in the Industrial Complex in Aqaba/Phase II: This project aims to dispose the accumulated phosphate industry waste and transform the area into green spaces and recreational sites.

### Industrial Projects:

- A1/A3 Flotation (Grade Enhancement) Project in Eshidiya: This project aims to produce (2) million tons of high-quality phosphate per year using advanced mineral processing technology.

- Phosphoric Acid Plant Modernizing in Aqaba: This project aims to increase production capacity from (900) tons per day to (1,310) tons per day, enhancing overall production and optimizing the use of low-quality phosphate.
- Raising the Production Capacity of the Indo-Jordanian Chemicals (IJC) Company: This project includes the establishment of a new sulfuric acid plant with a production capacity of about (2,300) tons per day in addition to an increase in phosphoric acid production with a production capacity of (1,500) tons per day.
- A Joint Venture with Transpet, Turkish Company: This project involves the establishment of a plant to produce (300,000) tons of phosphoric acid per year in addition to the establishment of a unit to produce (15,000) tons of aluminum fluoride per year.
- A Joint Venture with Arab Potash Company: This project aims to establish a plant to produce (250,000) tons of phosphoric acid and specialized fertilizers per year.
- Phosphate Dryer at the Phosphate Mill – The Industrial Complex in Aqaba: This project aims to reduce the moisture percentage in rock phosphate from (8%) to (1%) which enhances grinding efficiency and increases productivity by (450 tons per hour).
- A Plant for the Production of Monocalcium Phosphate and Dicalcium Phosphate: A specialized plant to produce animal feed additives which enhances the added value of rock phosphate.
- Fourth Concentration Unit in the Industrial Complex in Aqaba: This concentration line is aimed at increasing the concentration of phosphoric acid and boosting production quantities, contributing to increasing line production capacity and reduced waste.
- Completion of the New Water Transmission Line for Al-Jafr Area Well: This completion ensures the sustainability of water sources used in production operations and provides water to surrounding communities, thereby contributing to enhanced water security.
- Construction of the Ammonia Tank (Double Wall and Double Integrity): This tank is designed with a storage capacity of (30,000) metric tons of liquid ammonia in accordance with the latest global standards. This activity enhances storage operations and the highest safety measures to deal with emergencies.



### Developmental Projects:

- **Aqaba Health Center Project:** This project, aimed at supporting the healthcare services provided to workers at the Industrial Complex and the local community, plays a vital role in enhancing the work environment and offering sustainable healthcare.
- **Eshidiya Road Rehabilitation Project:** This project exemplifies a modality of collaboration and partnership between the government and the private sector in terms of the construction of modern and safe roads. This rehabilitation serves as an economic lever driver as it ensures cost saving for the public treasury, guarantees the sustainability of the road networks and safeguards the lives and safety of its users, benefiting both citizens and economic sectors.

The above-mentioned projects mirror the Company's commitment to developing its operations and enhancing environmental sustainability, with a focus on improving production efficiency, infrastructure and supporting community development.

### Some Factors Contributing to the Distinction of JPMC's Performance in Recent Years

1. Employing the efforts of the Research and Development Unit to improve the quality of the produced phosphate, making it suitable for direct use as Soil Fertilizer (Direct Application) to meet market needs in Southeast Asian Countries.
2. Converted production processes in the Industrial Complex in Aqaba into monitoring by automation technology, Digital Control System (DCS), to all production units to monitor production processes, industrial safety and the environment which had a positive impact on the proper control of all inputs and outputs of production processes.
3. Adhering to measurable plans, strategies and performance standards, with regular follow-up on their implementation in alignment with the (Business Management) principles and sustainability concepts.
4. Benefiting from rejected phosphate (production waste) in both Eshidiya and Al Hassa mines, where more than (100) million tons of otherwise valueless materials were processed using the latest global technologies, increasing the percentage of saleable phosphate to approximately (2) million tons per year, meeting the highest global standards.
5. Increasing the production capacity in the manufacturing industries in Eshidiya and Aqaba by up to (50%) of the original production capacity, by expanding plants and adding new industrial units to them, which led to an increase in the consumption of phosphate ore and raising the percentage of local utilization rate of phosphate from (38%) to (49%).

6. Initiating the establishment of new manufacturing industries in Aqaba and Eshidiya, with an estimated production capacity of approximately (600) thousand tons of phosphoric acid (P<sub>2</sub>O<sub>5</sub>), accompanied by the consumption of nearly (3) million tons of phosphate. This is projected to increase the local utilization rate of phosphate rate to (60%) by the beginning of the year 2030.
7. Incorporating into strategic partnerships with local and international investors, valued at approximately USD (1.5) billion over the next five years.

### Role and Importance of the Research and Business Development Unit at JPMC

The Research and Business Development Unit at JPMC is considered as a strategic pillar aimed at strengthening innovation, enhancing operational efficiency and ensuring environmental sustainability. The unit is responsible for the management, evaluation, and adoption of projects and advanced technologies in line with global best practices, ensuring the optimization of production processes, exploration of new growth opportunities and strengthening the Company's competitiveness. Additionally, the Unit plays a vital role in monitoring the implementation of strategic projects, supporting the integration of advanced technologies such as automation and digital transformation, and ensuring compliance with international standards for quality and operational excellence. These efforts further solidify JPMC's position in the global markets.

### Main Objectives of the Research and Business Development Unit at JPMC

- **Strengthening Innovation:** Developing more efficient production processes, exploring value-added products, and utilizing modern technology to enhance quality and minimize waste.
- **Market Analysis and Future Insights:** Conducting analytical market studies, exploring business opportunities, and applying artificial intelligence to understand competition and market trends.
- **Improving Operational Processes:** Adopting clean energy technologies, upgrading equipment and improving production efficiency by replacing raw materials with more cost-effective and efficient alternatives.
- **Achieving Environmental Sustainability:** Reducing resource consumption, recycling waste and utilizing eco-friendly technologies in mining and production processes.
- **Monitoring Strategic Projects:** Overseeing project implementation, tracking performance indicators and providing periodic reports to management to ensure efficient goal achievement.

### **The Research and Business Development Unit's Contribution to Achieving Institutional Excellence**

- The acquisition of quality certifications such as ISO: 9001, ISO: 14001 and ISO: 45001 acknowledging the Company's excellence in environmental, health and operational performance.
- Obtaining the European Foundation for Quality Management (EFQM) excellence standards to enhance the Company's global standing and increase its competitiveness.
- Applying best practices in project management to ensure performance sustainability and achieve the institutional strategy.

### **The Importance of the Research and Business Development Unit to the Company**

- Increasing JPMC's marketing value by developing new products and targeting emerging markets.
- Enhancing the Company's financial efficiency by reducing operational costs and increasing profitability.
- Achieving sustainability through compliance with local and global environmental standards.
- Contributing to economic development by creating new job opportunities and supporting the local supply chain,
- Performance monitoring and achieving excellence by tracking key performance indicators and ensuring the attainment of strategic goals.

### **Works Overseen by the Research and Business Development Unit:**

The Research and Business Development Unit oversees a set of strategic projects spanning from the Unit's establishment in 2020 and until 2030, aimed at improving operational processes, enhancing sustainability and increasing productivity. These projects include the development of production facilities through the introduction of natural gas as an alternative energy source at the Industrial Complex, which has contributed to reducing operational costs and improving environmental efficiency. Moreover, the Unit supervises the expansion projects of phosphoric acid and phosphate fertilizers production lines, such as increasing the production capacity of the Indo-Jordanian Company (IJC) and the Jordanian Indian Fertilizer Company (JIFCO), in addition to the establishment of new plants to produce specialized fertilizers and industrial additives.

While in terms of improving infrastructure and enhancing operations sustainability, the Unit follows up on the implementation of the rehabilitation projects for Eshidiya washing plants to increase production capacity and the development of industrial water treatment stations for reuse. Additionally, the Unit oversees the establishment of new units to enhance flotation and concentration processes at Al Hassa, Al-Abiad and Eshidiya mines. The Unit also supervises the implementation of the phosphate and phosphoric acid train project for transportation between production and export sites, which is expected to achieve high logistical efficiency and reduce operational transportation costs.



The Unit continues its efforts in developing innovative projects, such as using concentrated solar power in phosphate drying processes, utilizing mining waste and gypsum in construction industries, as well as developing studies for producing new materials like bio-additives for animal feed and granulating aluminum fluoride to improve the quality of the final product. Through these projects, the Unit contributes to the Company's vision of enhancing sustainability, improving production efficiency and supporting the transition to a more competitive and value-added economy.

## 6. Production and Marketing Plans for 2025:

- The JPMC plans for 2025 aim at producing (12) million tons of phosphate and (700) thousand tons of (DAP) fertilizer.
- The above plans aim to sell (11,25) million tons of phosphate (6,8 million for exportation and 4,45 million to be supplied to associate and subsidiary companies in Jordan as well as to the Industrial Complex in Aqaba). The plans target (700) thousand tons of (DAP) and (11) thousand tons of aluminum fluoride to be sold in addition to securing the needs of associate and subsidiary companies of phosphoric acid and sulfuric acid.

As per the prevailing prices on the date of budget preparation and the stability of other variables, the Company is expected to realize an estimated net profit of JD (453) million.

## 7. Manpower and Services Delivered to Them:

As at 31.12.2024, there were (1,877) employees at service in the Company classified as follows according to their academic specializations and job sites:

		Engineers	Technical Staff - University Degree	Admin Staff - University Degree	Technical Staff - Intermediate Diploma	Admin Staff - Intermediate Diploma	Technical Staff - High School	Admin Staff - High School	Technical Staff - Lower Grade	Admin Staff - Lower Grade	Unknown	Total
Management	Female	17	4	24	1	2	0	2	1	0	0	51
	Male	16	6	58	1	5	0	8	13	3	5	115
		33	10	82	2	7	0	10	14	3	5	166
Al Hassa Mine	Female	1	3	0	0	1	0	1	0	5	0	11
	Male	16	5	8	11	1	3	12	17	59	1	133
		17	8	8	11	2	3	13	17	64	1	144
Al Abiad Mine	Male	13	8	6	27	2	1	15	54	69	2	197
		13	8	6	27	2	1	15	54	69	2	197
Eshidiya Mine	Male	52	20	50	83	7	7	50	297	16	12	594
		52	20	50	83	7	7	50	297	16	12	594
Industrial Complex	Female	5	2	7	0	2	0	3	3	0	1	23
	Male	97	15	21	195	9	12	44	195	4	27	619
		102	17	28	195	11	12	47	198	4	28	642
Research and Quality Unit	Male	0	0	0	0	0	0	0	0	1	1	2
		0	0	0	0	0	0	0	0	1	1	2
The New Phosphate Port	Female	2	0	1	0	1	0	0	1	0	0	5
	Male	20	9	20	41	6	4	2	12	11	2	127
		22	9	21	41	7	4	2	13	11	2	132
Total		239	72	195	359	36	27	137	593	168	51	1877



### Housing Loans:

The Company grants its employees housing loans within the conditions and ceilings of the housing and fund system to the employees of the Company, for one time only and without interest. Total loans to employees of the Company since the establishment of the fund till the end of 2024 totaled JD (52,791,415) with (2,380) employees on all sites of the Company benefiting from these loans. The loan is (200) times the basic salary with a ceiling of JD (35,000). Beneficiaries of such loans in 2024 were (98) employees with a total cost of about JD (3,000,575).

### Training and Development:

During 2024, the Company enrolled (1,186) of its employees in training programs which consisted of a number of administration, accounting, and technical courses, in addition to conferences and seminars to improve their efficiency and develop their skills and gain knowledge as the details of the courses are shown in the table below:

#### Sessions held in the Company in 2024

	Courses Category	Total of Sessions Held	Training Hours	Number of Participants
1	Administration and Accounting Courses	35	366	315
2	Technical Courses	33	394	327
3	Public Safety Courses	41	313	506
4	Other Conferences and Seminars	16	218	38
	<b>Total</b>	<b>125</b>	<b>1,291</b>	<b>1,186</b>

Additionally, during the same year, the Company trained (59) male and female students from various universities and community colleges for field training for their graduation purposes. It also enrolled (6) trainees from the Vocational Training Corporation and the National Company for Training and Employment in its accredited training programs for the purpose of obtaining a professional license to practice the profession for a year and a half in the Industrial Complex. Moreover, training contracts were signed with (40) trainees holding a bachelor's degree and intermediate diploma and (21) engineers to train them in all Company's sites for the purpose of practical training for them in their field of specialization.





## 8. Medical and Health Services:

The Company provides distinguished yet comprehensive healthcare and medical services in accordance with the best levels and medical standards for Company employees and their families as well. As it includes more than (10) thousand beneficiaries and their families via the clinics of the Medical Services Department on several sites of the Company. Additionally, the Company has accredited a medical network with distinguished specialties in order to add to its list of doctors accredited all over the Kingdom. Noting that all the prices are approved by the concerned medical authorities according to the wages list agreed by the Ministry of Health, Medical Associations, Dental Associations and the Laboratories Association.

Since 2015, the Company computerized the medical services remotely with an (On-Line) access to most medical entities. This has helped build up an information system revealing the medical history of each beneficiary in order to avoid repetitive medical treatments and procedures in the same period of time. The Company has always been keen on providing the best medical services to its employees, retirees and their families.

### Costs of Treatment of Employees of the Company and their families from 2021 - 2024

(thousand dinars)

Item	2024	2023	2022	2021
Costs of Treatment of Employees of the Company	1,265	1,405	1,683	1,543
Costs of Medical Treatment of the Employees' of the Company Families	1,404	1,834	1,910	2,009
Grand Total	2,669	3,239	3,593	3,552

### The post-retirement health insurance costs:

Expenditure of the Post-Retirement Health Insurance from 2021-2024

(thousand dinars)

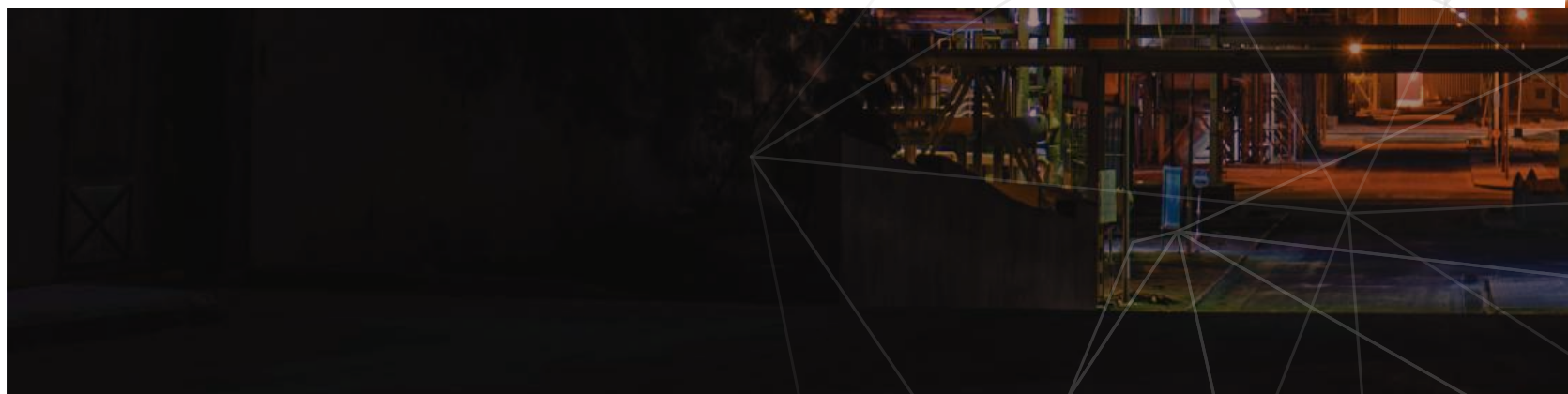
Item	2024	2023	2022	2021
Number of Retirees	8,770	7,853	7,424	7,354
Expenditures of the Post-retirement Health Insurance	7,268	6,734	6,461	7,752

# 03

## Governance

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Implementing the regulations for enlisted public shareholding companies' governance for 2017 and issued in compliance with the provision of Articles (12/n) and (118/b) of the Law of Financial Securities No. (18) for 2017 approved upon a resolution by the Council of Commissioners of the Financial Securities Commission No. (146/2017) on 22.5.2017 as these regulations have become mandatory and applicable as from the date of being approved by the Council of Commissioners of the Financial Securities Commission according to the best practices.



## 1. Introduction

Under the emerging economic development in most of the countries worldwide, the need has risen for good governance in many developed and developing economies during the few past decades especially in the wake of economic collapses and financial crises in a group of countries.

Based on its mission and in recognition of its role in enhancing the national economy of Jordan, JPMC considers good governance as a key to good management that effectively contributes to achieving strategic objectives and enhancing the level of confidence and assurance for shareholders. It connotes the ability of the Company to control and reduce risks that face the Company. Corporate governance is a major issue for all public shareholding companies at present, especially that the financial crises that the international economy has suffered have turned the corporate governance a priority. The laws and regulations of governance worldwide are focused on controlling the use of administrative powers in a manner that abuses the rights of shareholders. Good governance urges the BOD to perform and enhance internal control as well as monitoring the implementation of strategies and identifying the management and powers for shareholders, the BOD, the Executive Management, and stakeholders as transparency and disclosure are imperatives under good governance.

### 1. The BOD Composition:

The Company is managed by a nine-member BOD representing shareholders of the Company in compliance with the Articles of Association of the Company and valid bylaws and regulations. The BOD members are elected via a general assembly vote. The BOD represents all shareholders and practices professional due diligence in managing the Company. The BOD operates in compliance with integrity and transparency requirements in order to achieve the Company's interests, goals and objectives. All members of the BOD are qualified with academic degrees and well experienced with administrative and financial issues and the industry as well as being familiar with the rights and duties of a board of directors.

### 2. Tasks and Responsibilities of the BOD:

The BOD of JPMC is committed to the governance criteria of the public shareholding companies according to the best practices including strategy, policy, plan and procedure making to the best interest of the Company and achievement of its goals as well as maximizing the shareholders' rights and service of the local community. The Company adopts the policy of disclosure and transparency of the Company and monitors its implementation in compliance with the requirements of supervisory agencies and valid legislation.

- **Governance Liaison Officer:**

The Company's BOD practiced its duties within the scope of work and responsibility by appointing Mrs. Lara Mubydeen/ Secretary of the Board as the Corporate Governance Liaison Officer.

- **Meetings of the BOD:**

The BOD convenes in compliance with the Law of Companies which requires the BOD to hold at least (6) Annual report meetings per year. The BOD issues resolutions by absolute majority of the present members. If the votes are equal, that of the meeting chairman will be preponderant. In 2024, the BOD held (9) meetings.

- **Secretary to the BOD:**

Secretary to the BOD records the minutes of meetings held by the BOD in a special register with serial numbering and lists the present members as well as any reservations they express.

- **Company's Investor Relations Unit:**

The Investor Relations Unit was established in compliance with the Listing Securities Directives and adopting the rules of investors relations management and it was appointed to the Finance Department. Whereas the Company was included in the ASE 20 record number sample, and it is obligated to establish the unit during the first quarter of 2023. The unit is tasked with the following:

1. Representing the Company in front of the investors and representing the investors within the Company (Two-way Communication).
2. Introducing Company activities, financial performance and strategic directions to the shareholders and investors.
3. Building and maintaining positive connections and relations between the Company's BOD and Executive Management on one hand, and current and potential investors, shareholders and all interested parties on the other hand.
4. Maintaining continuous communication with financial analysts, media representatives and investors via different communication tools such as the Company's website, social media sites, press releases and meetings coordination.
5. Following up on the investor relations window on the Company's website and ensuring it is updated on a regular basis.



### 3. Names of the BOD Members and Description (Executive\Non-executive; Independent or not):

A. The following table details the current and resigned members of the BOD in 2024:

Members	Shareholder	Position	Independence	Membership
H.E. Dr. Mohammad Thneibat	Representative of Private Sector	Chairman of the BOD	Independent	Executive
Mr. Salem Al Qudah	Representative of Government Investments Management Company	Vice Chairman of the BOD until 08/01/2025	Not Independent	Non-Executive
Dr. U.S. Awasthi	Representative of INDIAN POTASH LIMITED	Member	Not Independent	Non-Executive
Dr. P.S. Gahlaut	Representative of INDIAN POTASH LIMITED	Member	Not Independent	Non-Executive
Mr. Manish Gupta	Representative of Kisan International Trading FZE	Member	Not Independent	Non-Executive
Dr. Eng. AbdelFattah AbuHassan	Representative of Private Sector	Member	Independent	Non-Executive
H.E. Advocate Mohammad Kreishan	Representative of Government Investments Management Company	Member until 08/01/2025	Not Independent	Non-Executive
H.E. Eng. Sami Smeirat	Representative of Social Security Corporation	Member until 14/08/2024	Not Independent	Non-Executive
Prof. Dr. Qais Mahafzah, Lawyer	Representative of Social Security Corporation	Member as of 14/08/2024	Not Independent	Non-Executive
Eng. Mohammad Al-Munaifi	Representative of Kuwait Investment Authority	Member until 14/10/2024	Not Independent	Non-Executive
Mr. Edrees Ahmad	Representative of Kuwait Investment Authority	<b>Member as of 14/10/2024</b>	Not Independent	Non-Executive

Chairman of the BOD can not occupy any other executive position in the Company and none of his relatives can be the CEO (Director General) of the Company.

B. The below table indicates the number of meetings held by JPMC BOD in 2024 and the members who attended:

Name	Number and Date of Meeting									Grand Total	
	No. (1) 4/1	No. (2) 2/3	No. (3) 8/4	No. (4) 28/4	No. (5) 29/4	No. (6) 29/6	No. (7) 29/8	No. (8) 17/10	No. (9) 18/12	Present	Absent upon Excuse
H.E. Dr. Mohammad Thneibat	P	P	P	P	P	P	P	P	P	9	-
Mr. Salem Al Qudah	P	P	P	P	P	P	P	P	P	9	-
Dr. U.S. Awasthi	P	P	P	P	P	P	P	P	P	9	-
Dr. P.S. Gahlaut	P	P	A	P	P	P	P	P	P	8	1
Mr. Manish Gupta	P	P	P	P	P	P	P	P	P	9	-
Dr. Eng. Abdel Fattah Abu Hassan	P	P	P	P	P	P	P	P	P	9	-
H.E. Advocate Mohammad Kreishan	P	P	P	P	P	P	P	P	P	9	-
H.E. Eng. Sami Smeirat	P	P	P	P	P	P	N	N	N	6	-
Prof. Dr. Qais Mahafzah, Lawyer	N	N	N	N	N	N	P	P	P	3	-
Eng. Mohammad Al-Munaifi	P	P	P	P	P	P	P	N	N	7	-
Mr. Edrees Ahmad	N	N	N	N	N	N	N	P	P	2	-

P= Present      A= Absent      N= Not A Member

C. Percentages of Presence of Members of the BOD Meetings in 2024:

Members of the BOD	Position	Presence at the BOD Meetings during the Membership Period	Percentage of Presence
H.E. Dr. Mohammad Thneibat	Chairman of the BOD	9/9	100%
Mr. Salem Al Qudah	Vice-Chairman of the BOD until 08/01/2025	9/9	100%
Dr. U.S. Awasthi	Member	9/9	100%
Dr. P.S. Gahlaut	Member	8/9	88.8%
Mr. Manish Gupta	Member	9/9	100%
Dr. Eng. Abdel Fattah Abu Hassan	Member	9/9	100%
H.E. Advocate Mohammad Kreishan	Member until 08/01/2025	9/9	100%
H.E. Eng. Sami Smeirat	Member until 14/08/2024	6/6	100%
Prof. Dr. Qais Mahafzah, Lawyer	Member as of 14/08/2024	3/3	100%
Eng. Mohammad Al-Munaifi	Member until 14/10/2024	7/7	100%
Mr. Edrees Ahmad	Member as of 14/10/2024	2/2	100%

#### 4. Memberships of BOD members in BOD of Public Shareholding Companies:

- H.E. Dr. Mohammad Thneibat\ Chairman of the Board and Member in Jordan Petroleum Refinery.
- H.E. Eng. Sami Smeirat\ Member of the BOD until 14/8/2024 and Member in Cairo Amman Bank until 18/9/2024.

Otherwise, none of the current members of the BOD of JPMC is a member of other public shareholding companies or a shareholder in another public Company.

## 5. Executive Positions and Department Directors and Names of those Occupying them:

Name	Job
H.E. Dr. Mohammad Thneibat	Chairman of the Board
Eng. Abdel Wahab Al Rowwad	Chief Executive Officer (CEO)
Geologist Mohammad Abu Hazeem	Director of Mining and Mines
Dr. Fadwa Shabsough	Director of HR/ Account Manager Saving Fund until 07/10/2024
Mr. Ma'moun Al Majali	Director of Financial Planning and Control Directorate from 4/6/2023 to present Charged for Managing Human Resources as of 7/10/2024
Mr. Omar Badran	Director of Finance
Eng. Mowafaq Abu Hawileh	Charged for Managing the Work of the Supply and Procurement Department
Eng. Abdelaziz Al Arakzeh	Manager of Industrial Complex
Eng. Mahmoud Al-Jaradin	Manager of Mines/ Manager of Eshidiya Mine
Dr. Moein Al-Habashneh	Medical Advisor/ Director of Medical Services
Dr. Eng. Mohammad Megdady	Manager of the Research and Business Development Unit





## 6- Committees Under the BOD:

### A. The Audit Committee:

#### A/1. Members of the Audit Committee:

On 08/08/2024, the Audit Committee was recomposed as follows:

**Mr. Salem Al Qudah\ Vice Chairman of the Board of Directors\ Head of the Committee until 08/01/2025**

B.Sc. in Business Administration; Secretary General for Financial Affairs\ Ministry of Finance.

**Dr. Eng. Abdel Fattah Abu Hassan\ Vice-Head of the Committee**

Ph.D. In Mines and Mining Engineering\ Consultant of Mines and Mining Engineering. Used to be a BOD member at JPMC for several years; Advisor to the Executive Committee for Investment\ JPMC, Acting Director General \JPMC.

**H.E Advcoate Mohammad Kreishan\ Member until 08/01/2025**

B.Sc. in Law, Licensed Lawyer. Previously occupied multiple senior public positions including Member of the 25th Senate, General prosecutor and Judge at first and appeal courts/ Amman.

**Mr. Manish Gupta\ Member**

B.Sc. in Technology- Civil Engineering, Post-graduate Diploma in Administration\Development and Marketing; B.A. in Law\ Taxes and Commercial Law, Mr. Gupta is the Director of Strategic Planning and Joint Ventures\IFFCO.

#### **Audit Committee Composition before 08/08/2024:**

**H.E. Eng. Sami Smeirat\ Head of the Committee until 14/08/2024**

MBA, M.Sc. in Communications, B.Sc. in Electrical Engineering.

His Excellency Engineer Sami Smeirat is currently appointed as the Minister of Digital Economy and Entrepreneurship as of 18/9/2024, he held the following positions before his appointment Minister of Digital Economy and Entrepreneurship:

- Vice President and CEO at Jordan Telecom Group – Orange Jordan, in addition to serving as the Executive Director of the Corporate and Enterprise Sector.
- CEO of Jordan Data Transmission Services Company – Orange Internet.
- Chairman of Board of Petra Mobile Payment Services – Orange Money.
- A Member of the BOD of Cairo Amman Bank, the International Data Center Authority, Sotel Internet Company (Lebanon), the EDAMA Association, the Middle East Insurance Company and the Board of Trustees of Princess Sumaya University for Technology.

As well, his Excellency Engineer Sami Smeirat was a Member of the BOD of JPMC, Chairman of the Board of the Nippon-Jordan Fertilizer Company (NFJC) and Vice Chairman of the Board of Jordan Press Foundation – Al Ra'i Newspaper. Additionally, he held membership in the boards of Zara Investment Holding Company and Lightspeed Communications (Bahrain).

Also, his Excellency Engineer Sami Smeirat was the CEO of Wanadoo until its rebranding to Orange where he established an exclusive partnership with Equant to make Global One the exclusive distributor of Equant in Jordan. He also led the rebranding of Global One to Wanadoo at that time. Furthermore, he was a co-founder of Siberia Jordan, where he held the position of Vice President and Commercial Director.

**Mr. Salem Al Qudah\ Vice Chairman of the Board of Directors\ Head of the Committee until 08/01/2025.**

**Dr. Eng. Abdel Fattah Abu Hassan\ Member.**

**Mr. Manish Gupta\ Member.**

**A/2. The following table shows Presence and Absence of the Audit Committee Members in 2024:**

Meeting No.	Date	H.E. Eng. Sami Smeirat/ Head of the Committee until 14/8/2024	Mr. Salem Al Qudah/ Vice Chairman of the BOD/ Vice-Head of Committee until 08/01/2025	Dr. Eng. Abdul Fattah Abu Hassan\ Member	Mr. Manish Gupta\ Member
1/2024	3/1/2024	P	P	P	P
2/2024	13/2/2024	P	P	P	A
3/2024	21/3/2024	P	P	P	P
4/2024	30/4/2024	P	P	P	P
5/2024	28/7/2024	P	P	P	A

P= Present

A= Absent

**On 08/08/2024, the Audit Committee was recomposed**

Meeting No.	Date	Mr. Salem Al Qudah\ Vice Chairman of the BOD\ Head of Committee until 08/01/2025	Dr. Eng. Abdul Fattah Abu Hassan\ Vice-Head of Committee	H.E. Advocate Mohammad Kreishan\ Member until 08/01/2025	Mr. Manish Gupta\ Member
6/2024	28/10/2024	P	P	P	P
7/2024	17/12/2024	P	P	P	P

P= Present

A= Absent

**A/3. The Audit Committee Held Five Meetings with the External Auditor during 2024.**

#### **A/4. Tasks of the Audit Committee:**

The Audit Committee Supervises the accounting, control, and audit operations in the Company including:

- Discuss issues related to nominating the external auditor and ensure his fulfillment of terms and conditions provided for and that there is nothing to affect his independence.
- Discussing all issues related to the external auditor work including his notes, suggestions, and reservations; and follow up the extent to which the Management of the Company response thereto and submit recommendations as relevant to the BOD.
- Follow up compliance of the Company with the application of provisions and valid legislation as well as requirements of supervisory agencies.
- Consider periodical reports prior to submitting them to the BOD and provide recommendations as relevant.
- Consider the audit plan of the external auditor and ensure that the Company provides all facilities necessary for the auditor in order to perform his work.
- Considering and evaluating internal control and audit procedures.
- Reviewing evaluation by the external auditor of the internal control and audit procedures.
- Review reports of internal control and audit and recommend to the BOD with regard to this function and set policies and strategies including enhancement of internal control of the Company.
- Devising mechanisms needed to ensure that the Company provides an adequate (sufficient) number of human resources qualified to assume the function of internal control so that they can be trained and rewarded as relevant.
- Considering and evaluating any additional tasks beyond the audit scope that the external auditor does including provision of administrative and technical advice. It must be ensured that such tasks do not jeopardize his independence. Then, recommendations must be submitted to the BOD for decision.

The authorities of the Audit Committee include the following:

1. Request the presence of the external auditor if the Committee considers that certain issues related to the Company's business need to be discussed with him.
2. Recommend to the BOD to nominate the external auditor to be elected by the General Assembly.
3. Recommend to the BOD to appoint the internal auditor of the Company.

#### **B. The Nominations and Compensations Committee:**

##### **B/1. Members of the Nominations and Compensations Committee:**

**On 17/10/2024, the Nominations and Compensations Committee was recomposed as follows:**

- H.E. Dr. Mohammad Thneibat\ Head of the Committee\ Chairman of the Board.
- Mr. Salem Al Qudah\ Vice-chairman of the Board\ Vice-head of the Committee until 08/01/2025.
- Dr. P.S. Gahlaut\ Member.
- Dr. Eng. Abdel Fattah Abu Hassan\ Member.
- Mr. Edrees Ahmad\ Member as of 14/10/2024.

**The Nominations and Compensations Committee composition before 17/10/2024:**

- H.E. Dr. Mohammad Thneibat\ Head of the Committee\ Chairman of the Board.
- Mr. Salem Al Qudah\ Vice-chairman of the Board\ Vice-head of the Committee until 08/01/2025.
- Dr. P.S. Gahlaut\ Member.
- Dr. Eng. Abdel Fattah Abu Hassan\ Member.
- Eng. Mohammad Al-Munaifi\ Member until 14/10/2024.

**B/2. The following table shows Presence and Absence of the Nominations and Compensations Committee Members in 2024:**

Meeting No.	Date	H.E. Dr. Mohammad Thneibat\ Chairman of the Board\ Head of the Committee	Mr. Salem Al Qudah\ Vicechairman of the Board\ Vice-head of the Committee until 08/01/2025	Dr. P.S. Gahlaut\ Member	Dr. Eng. Abdel Fattah Abu Hassan\ Member	Eng. Mohammad Al-Munaifi\ Member until 14/10/2024
1/2024	17/10/2024	P	P	P	P	N

P= Present    A= Absent    N= Not A Member

**On 17/10/2024, the Nominations and Compensations Committee was recomposed**

Meeting No.	Date	H.E. Dr. Mohammad Thneibat\ Chairman of the Board\ Head of the Committee	Mr. Salem Al Qudah\ Vicechairman of the Board\ Vice-head of the Committee until 08/01/2025	Dr. P.S. Gahlaut\ Member	Dr. Eng. Abdel Fattah Abu Hassan\ Member	Mr. Edrees Ahmad\ Member as of 14/10/2024
2/2024	18/12/2024	P	P	P	P	P

P= Present    A= Absent    N= Not A Member

### **B/3. Tasks of the Nominations and Compensations Committee:**

The Nominations and Compensations Committee undertakes the following tasks:

- The Committee drafts and reviews policies related to compensations (bonuses), benefits, incentives and salaries in the Company.
- The Committee identifies the Company needs for competencies at the level of senior executive management and employees and their selection criteria.
- Devising the policy of succession plan (staff replacement) and policies related to human resources in the Company and reviewing the same on a regular basis





### C. The Risk Management Committee:

#### C/1. Members of the Risk Management Committee:

##### Composed of the BOD Members:

- H.E. Dr. Mohammad Thneibat\ Chairman of the Board\ Head of the Committee
- Mr. Salem Al Qudah\ Vice-chairman of the BOD until 08/01/2025
- Dr. U.S. Awasthi
- Dr. P.S. Gahlaut
- Mr. Manish Gupta
- Dr. Eng. Abdel Fattah Abu Hassan
- H.E. Advocate Mohammad Kreishan until 08/01/2025
- Prof. Dr. Qais Mahafzah, Lawyer as of 14/08/2024
- Mr. Edrees Ahmad as of 14/10/2024

##### BOD Members whose membership has ended, as shown below:

- H.E. Eng. Sami Smeirat until 14/08/2024
- Eng. Mohammad Al-Munaifi until 14/10/2024.

#### C/2. The following table shows Presence and Absence of Risks Management Committee Members in 2024:

Meeting No.	1/2024	2/2024
Meeting Date	3/1/2024	30/8/2024
H.E. Dr. Mohammad Thneibat\ Chairman of the Board\ Head of the Committee	P	P
Mr. Salem Al Qudah\ Vice-chairman of the Board until 08/01/2025	P	P
Dr. U.S. Awasthi/ Member	P	P
Dr. P.S. Gahlaut/ Member	P	P
Mr. Manish Gupta/ Member	P	P
Dr. Eng. Abdel Fattah Abu Hassan/ Member	P	P
H.E. Advocate Mohammad Kreishan/ Member until 08/01/2025	P	P
H.E. Eng. Sami Smeirat/ Member until 14/8/2024	P	N
Prof. Dr. Qais Mahafzah, Lawyer/ Member as of 14/8/2024	N	P
Eng. Mohammad Al-Munaifi/ Member until 14/10/2024	P	P
Mr. Edrees Ahmad/ Member as of 14/10/2024	N	N

P= Present    A= Absent    N= Not A Member

#### C/3. Tasks of the Risk Management Committee:

Responsibilities of the Risk Management Committee comprise of monitoring and assessing all types of risks that the Company might be exposed to; These risks have been evaluated, identified and reviewed with all departments in the Company. The Committee drafts, as well, the risk management policy at the Company and regularly reviews it. Written operational procedures are drafted to regulate operations of the Committee and identify its commitments. The Committee submits its recommendations to the BOD.

**D. The Governance Committee:**

**D/1. Members of the Governance Committee:**

**On 17/10/2024, the Governance Committee was recomposed as follows:**

- H.E. Dr. Mohammad Thneibat\ Chairman of the Board\ Head of the Committee.
- Dr. Eng. Abdel Fattah Abu Hassan\ Vice Head of the Committee.
- Dr. P.S. Gahlaut\ Member.
- Prof. Dr. Qais Mahafzah, Lawyer\ Member as of 14/08/2024.
- Mr. Edrees Ahmad\ Member as of 14/10/2024.

**On 29/8/2024, the Governance Committee was recomposed as follows:**

- H.E. Dr. Mohammad Thneibat\ Chairman of the Board\ Head of the Committee.
- Dr. P.S. Gahlaut\ Member.
- Dr. Eng. Abdel Fattah Abu Hassan\ Member.
- Prof. Dr. Qais Mahafzah, Lawyer\ Member as of 14/08/2024.
- Eng. Mohammad Al-Munaifi\ Member until 14/10/2024.

**The Governance Committee composition before 29/08/2024:**

- H.E. Dr. Mohammad Thneibat\ Chairman of the Board\ Head of the Committee.
- H.E. Eng. Sami Smeirat\ Vice Head of the Committee until 14/08/2024.
- Dr. P.S. Gahlaut\ Member.
- Dr. Eng. Abdel Fattah Abu Hassan\ Member.
- Eng. Mohammad Al-Munaifi\ Member until 14/10/2024.

**D/2. The following table shows Presence and Absence of the Members in 2024:**

Meeting No.	Date	H.E. Dr. Mohammad Thneibat\ Chairman of the Board\ Head of the Committee	H.E. Eng. Sami Smeirat\ Vice Head of the Committee until 14/08/2024	Dr. P.S. Gahlaut\ Member	Dr. Eng. Abdel Fattah Abu Hassan\ Member	Eng. Mohammad Al-Munaifi\ Member until 14/10/2024
1/2024	25/2/2024	P	A	P	P	P

P= Present      A= Absent      N= Not A Member

Meeting No.	Date	H.E. Dr. Mohammad Thneibat\ Chairman of the Board\ Head of the Committee	Dr. Eng. Abdel Fattah Abu Hassan\ Vice Head of the Committee	Dr. P.S. Gahlaut\ Member	Prof. Dr. Qais Mahafzah, Lawyer\ Member as of 14/08/2024	Eng. Mohammad Al-Munaifi\ Member until 14/10/2024	Mr. Edrees Ahmad\ Member as of 14/10/2024
2/2024	29/8/2024	P	P	P	P	P	P

P= Present      A= Absent      N= Not A Member

### D/3. Tasks of the Governance Committee:

The Governance Committee is tasked with the following:

1. Draft written procedures of operation to implement the provisions of Corporate Governance Regulations and review them regularly as well as annually evaluating compliance therewith in the Company.
2. Ensure compliance of the Company with the Corporate Governance Regulations.
3. Draft the Governance Report of the Company and incorporate it in the annual report.
4. Monitor operations of the BOD and committees under it and their fulfillment of governance regulations.
5. Consider any feedback from the Securities Commission with regard to implementation of governance principles in the Company.
6. Consider proposals from shareholders who hold at least (5%) of the Company capital and submit the same to the BOD.

### 7. Based on JPMC BOD decisions, other committees were formed to resolve on the Company's affairs and according to the powers granted to it, and these Committees are:

- The Tender Committee.
- The Committee of Raw Materials Procurement.
- The Production and Marketing Committee.
- The Investment Committee.
- The donation and local community support Committee.

### 8. The External Auditor:

In its meeting held on 29.4.2024, the General Assembly of Shareholders agreed to reassign Messrs Ernst & Young as the Company's auditors for 2024. Mr. Ali Samara, License No. (503), and agreed to authorize the BOD to determine their fees.

### The Company took the appropriate measures into consideration to ensure the following:

- The Company's external auditors, Messrs Ernst & Young, are accredited auditors and are registered with Financial Securities Commission in the auditor's register approved for their registration in the register of auditors qualified to audit the accounts of entities subject to the Financial Securities Commission's control and supervision with License No. (592).
- The auditor is not a shareholder, founder or member in the BOD of the Company and doesn't have any partnership with any member of the BOD or any of his employees.
- The external auditor doesn't perform any additional task for the benefit of the Company, such as providing administrative or technical advice, unless prior approval of the BOD based on the recommendations of the Audit Committee of the Company.
- The auditor enjoys complete independence in compliance with International Standards on Auditing.
- The auditor performs his work in complete objectivity and impartiality and without the intervention of the BOD or the Executive Management.
- The external auditor performs tasks assigned to him under the valid legislation, including:
  1. Performing the tasks assigned to him in complete independence, objectivity, and impartiality.
  2. Monitoring the Company's works and auditing its accounts in compliance with the international standards.
  3. Assessing the Company's administrative and financial systems and internal control systems and forming an opinion regarding their effectiveness, in addition to ensuring their appropriateness for the smooth running of the Company's works and the preservation of their funds.
  4. Attending the ordinary and extraordinary meetings of the General Assembly and addressing the questions of the Company's shareholders and their inquiries in terms of the financial statements and final accounts during the meeting.
  5. Verifying the Company's ownership, assets, and legal obligations accrued by the Company.
  6. Forming their opinion on the fairness of the Company's financial statements and requests for amendments if there are any factors affecting their fairness.
  7. Ensures that the Company organizes its account and financial statements in compliance with International Financial Reporting Standards (IFRS).
  8. Reporting any violation of the valid legislation or any administrative concerns that shape a negative impact on the Company's situation to the competent authorities.

## 9. Stakeholders' Rights and Shareholders' General Rights:

Shareholders of Jordan Phosphate Mines Company enjoy distinguished services provided by the Shareholders Department in the Company as the department maintains records' of shareholders' ownership in additions to changes and restrictions occur to them which allows shareholders to, for any reason, view their recording regarding their contribution, view all information and documents related to the Company according to the valid legislation. The shareholder gets the disclosed information and the Company's shareholders participate in voting on the decisions of the Company's General Assembly in person or by proxy. The Company shows shareholders the minutes of meetings held by the General Assembly of the Company according to the law, which are published on the Company's website and the Financial Securities Commission website as well. Shareholders of Jordan Phosphate Mines Company shall receive their annual profits within forty-five days from the issuance date of the General Assembly's decision to distribute them in cash via a local bank and by a bank transfer or cash from the bank.

Through its official website, the Company provides a special window for shareholders to view the announcements concerning them in addition to the financial and non-financial disclosures. The Company also welcomes any suggestions or complaints from shareholders via its website in order to be studied, considered and make the appropriate decision in this regard.

## 10. Related Party Transactions:

Jordan Phosphate Mines Company P.L.C is committed to provisions of the relevant valid legislation applied in the Company and relevant to related party transactions. The Audit Committee under the BOD reviews related party transactions and ensures that there is no conflict of interest that may arise from the Company concluding deals, concluding contracts or entering into projects with related parties. Related party transactions are disclosed in compliance with the International Financial Reporting Standards (IFRS) and included in the Company's financial statements.

### Chairman of the Board

Dr. Mohammad Thneibat





## 2. Associate Companies

### A. Jordan-India Fertilizer Company (JIFCO):

In 2008, the Jordan-India Fertilizer Company (JIFCO) was established in Jordan in order to produce phosphoric acid in Eshidiya in partnership with the Indian Farmers Fertilizer Cooperative Limited (IFFCO). JPMC owns (48%) of JIFCO capital which is USD (524,5) million..

### B. Jordan Abyad Fertilizers and Chemicals Company (JAFCCO):

In 2007, JAFCCO was established in Al Abiad for the purpose of producing fertilizers and chemicals. It was established in partnership with JAFCCO-Bahrain, the Arab Mining Company, and Venture Capital Bank. The contribution of JPMC is (51,1) JOD million representing (27.4%) of JAFCCO capital which is JD (51,1) million. JAFCCO has been discontinued since 2020.

### C. PT Petro Jordan Abadi:

In 2010, PT Petro Jordan Abadi was established in Indonesia in partnership with Petrokimia Gresik for the purpose of producing phosphoric acid consuming about (800) thousand tons of phosphate from JPMC per year. The contribution of JPMC accounts for (50%) of its capital.

### D. Manajim Mining Development Company:

In 2007, Manajim Mining Development Company was established in Jordan in a partnership with the Jordan Economic Development and Trading Co. (COMEDAT) with a capital of one million Jordanian Dinars with JPMC contributing by (46%) to it.

### E. Jordan Industrial Ports Company (JIPC):

JIPC was established in 2009 for the purpose of managing Aqaba Industrial Port and operating it with 50/50 contributions by JPMC and Arab Potash Company. The company's capital amounted to a total of JOD (140) million on 31/12/2022, in which JPMC contributed (50%) of the capital value of the company.

## 3. Subsidiaries Companies

### A. Indo-Jordan Chemicals Company (IJC):

In 1992, this Limited Liability Company was established with a capital of USD (62,7) million and it is totally owned by JPMC. It produces phosphoric acid at a production capacity of (224) thousand tons of (P<sub>2</sub>O<sub>5</sub>) per year. The company upgraded the production capacity to reach (300) thousand tons of (P<sub>2</sub>O<sub>5</sub>) per year, starting in 2021.

In 2024, the Indo-Jordan Chemicals Company produced (348,030) tons of phosphoric acid (P<sub>2</sub>O<sub>5</sub>), the highest production volume in the company's history, compared to (326,008) tons in 2023 with an increased percentage of (6.57%). In 2024, it sold (346,987) tons of (P<sub>2</sub>O<sub>5</sub>), marking the highest rate of sales in the company's history, compared to (322,174) tons in 2023 with an increased percentage of (7.70%).

In 2024, the company issued the following expansion tenders to increase its production:

A tender for the construction of a sulfuric acid plant with a production capacity of (2,300) tons per day.

A tender for the expansion of the existing sulfuric acid plant to increase the daily production capacity to (1,300) tons of (P<sub>2</sub>O<sub>5</sub>) per day.

### Manpower:

As the end of 2024, the Indo-Jordan Chemicals Company had (304) employees classified as following according to their specializations:

Title	Post Graduate	Diploma	High School/ Lower Grade	Total
Engineer	43	-	-	43
Technician	45	104	47	196
Admin Staff	22	6	12	40
Accountant	12	0	0	12
Intermediate Technician	0	2	3	5
Driver	0	2	6	8
<b>Total</b>	<b>122</b>	<b>114</b>	<b>68</b>	<b>304</b>

Address: AlSharif AlRadi Street, Building (7), Shmeisani-Amman, P.O.Box (17028) Amman 11195 Jordan

### B. AL-Ro'ya Transportation Company:

Al-Ro'ya Transportation Company is a limited liability company that was established in 2010 with a paid capital of JD (100,000) and it is totally owned by JPMC.

During 2024, AL-Ro'ya Transportation Company transported approximately (40) thousand tons of phosphate and sulfur in its vehicles. By this, it achieved a net profit after tax in 2024 of JD (976,913) thousand compared to JD (1,174) million in 2023, representing an decrease of JD (260) thousand.

### Manpower:

As at the end of 2024, AL-Ro'ya Transportation Company had (15) employees classified as following according to their specializations:

Title	Post Graduate	Diploma	High School/ Lower Grade	Total
Admin Staff	1	-	-	1
Intermediate Technician	-	2	2	4
Driver	-	-	10	10
<b>Total</b>	<b>1</b>	<b>2</b>	<b>12</b>	<b>15</b>

Address: Amman – Telephone 5686293, Fax: 5686294.

### C. Nippon Jordan Fertilizer Company (NJFC):

It is a Limited Liability Company established in 1992 with a capital of USD (24) million. It produces compound fertilizers and Diammonium Phosphate (DAP) with a production capacity of (300) thousand tons per year. The share of JPMC in the capital of (NJFC) is (80%).

The quantities of chemical fertilizers (NPK & DAP) produced in 2024 reached (309,276) tons, compared to (275,700) tons in 2023. However, the company sold off (NPK & DAP) in 2024 (308,024) tons, compared to (287,170) tons in 2023.

#### Production and Sales Quantities for the period 2020 – 2024:

Year	Production Quantity (metric tons)	Sales Quantity (metric tons)	Sales Value (USD)
2020	224,678	207,667	65,360,331
2021	327,080	348,732	186,642,916
2022	244,400	231,493	210,663,940
2023	275,700	287,170	180,265,147
2024	309,276	308,024	186,753,893

#### Key Achievements and Activities of the company during 2024:

- The quantities of chemical fertilizers (NPK & DAP) produced in 2024 reached (309,276) tons, representing a (10.5%) increase over the production plan.
- The company's sales of chemical fertilizers (NPK & DAP) produced in 2024 totaled (308,024) tons, representing a (10%) increase over the sales plan.
- The acid tank yard has been completely rehabilitated, ensuring the continuity of the manufacturing process for the upcoming years.
- A new ammonia pipeline has been initiated, connecting the ammonia tanks located in JPMC's Industrial Complex to the site of the Nippon-Jordan Fertilizer Company (NJFC). This project ensures the highest quality and public safety standards, with operations expected to commence in the first quarter of 2025.
- The gas scrubber system in the plant has been upgraded to ensure compliance with the highest environmental standards.
- The upgrading of the plant's control systems to the latest global standards has commenced, with completion expected in the second quarter of 2025.

**Manpower:**

As at the end of 2024, (NJFC) had (95) employees classified as follows according to their specializations:

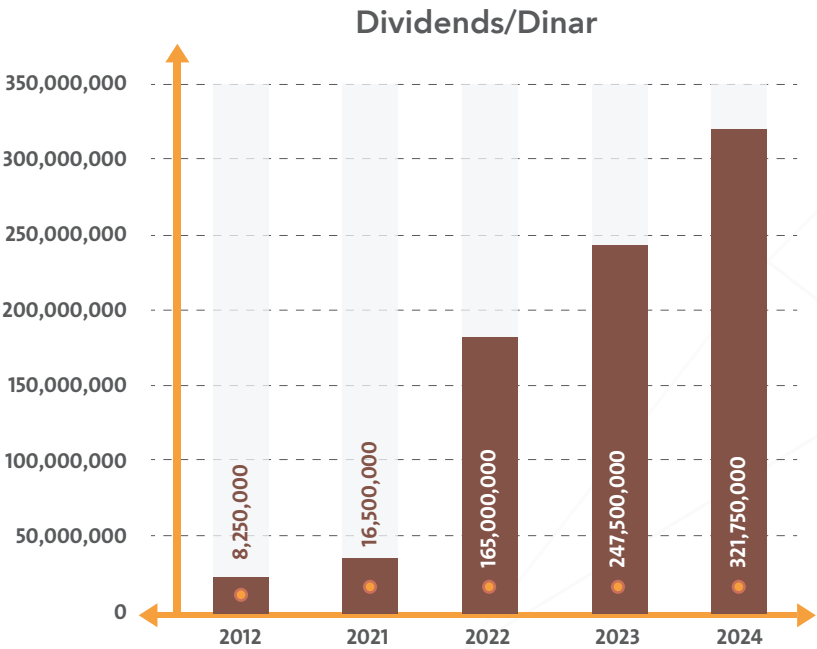
Title	Post Graduate	Diploma	High School/ Lower Grade	Total
Engineer	16	0	0	16
Technician	12	21	13	46
Admin Staff	6	1	4	11
Accountant	5	0	0	5
Intermediate Technician	0	0	13	13
Driver	0	0	4	4
Total	39	22	34	95

Address: Issam Al-Ajlouni St., Building No. 59, Shmeisani, Amman, Next to Marriot Hotel, ZIP Code: 926861 Amman 11190 Jordan

**4. Dividend Distribution Policy**

Year	2023	*2022	2021	2020	2019
Distribution Ratio of Nominal Capital	130%	300%	200%	20%	10%
Cash Amounts Distributed in Jordanian Dinars	321,750,000	247,500,000	165,000,000	16,500,000	8,250,000

\* Distribution of free shares amounted to 200%.





# 04

## Data Related to the Disclosure Regulations

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# Data Related to the Disclosure Regulations Issued by the Board of Commissioners of the Jordan Securities Commission

Following are some information related to the disclosure regulations:

## 1. An Outlook:

- Jordan Phosphate Mines Company was founded in 1949 and transformed into a public shareholding company in 1953. It is registered under No. (16) at the Companies' Controller. Its purposes include phosphate prospecting, mining and marketing as well as manufacturing fertilizers and participation in establishing industries as relevant.
- The chemical fertilizers are produced at the Industrial Complex in Aqaba. Phosphate is mainly extracted from Eshidiya, Al Abiad and Al Hassa mines.
- JPMC obtained the right to mine phosphate on the several sites of production all over the Kingdom including the mines of Al Hassa, Al Abiad, Al Russeifa, and Eshidiya. These rights are issued upon official resolutions issued by the Authority of Natural Resources according to the Law of the Natural Resource Affairs Regulation No. (12) for 1968 (Mining Rights 1 & 2 in Al Hassa and Eshidiya); The mining leasehold contract for Al Russeifa Mine signed with the Government of the Hashemite Kingdom of Jordan/the Ministry of National Economy at that date. The Council Ministers resolved on 13.11.2001 to renew the contract of the mining right in Al Hassa and Al Abiad Mines for another twenty years.
- Upon a resolution by the Council of Ministers in its meeting of 1.7.2019, JPMC obtained new prospecting licenses in compliance with the Law of Natural Resources No. (19) for the year 2018.
- On 17.4.2013, the Council of Ministers endorsed a bylaw amending the Bylaw of Phosphate Mining Proceeds for 2013 and that would enter into force starting 7.3.2013. This amended bylaw imposes mining fees (proceeds) of 5% on phosphate out of the total sales of JPMC or an amount of JD (1,420) per ton (which is higher) whether exported from the Kingdom or sold inside it or even consumed by JPMC. These proceeds must be paid on a monthly basis during the month following the date they were incurred on.
- On 12.7.2012, the Council of Ministers endorsed an amended bylaw of the Bylaw of Quarries and Mining Fees for 2012. Accordingly, the annual fees for the mining right granted would become JD 500 Km2 or any part thereof. The regulation was published in the official Gazette.

- The Industrial Complex in Aqaba obtained the ISO Certificate in the Environmental Management System No. ISO:14001 2015; the Accreditation Certificate of Occupation Health and Safety Management System No. ISO: 45001 2018; and the ISO of Quality Management System ISO:9001 2015 issued by (Lloyd's Register Quality Assurance).
- JPMC obtained the award from the European Society for Quality Research (ESQR) for the best practices in 2022 in Brussels/Belgium. As well, JPMC was bagged the first place in the Fujairah International Award for Best Sustainable Mining Practices in 2024.
- Jordan Phosphate Mines Company was registered as a registered company licensed to practice economic/ industrial activities at Aqaba Special Economic Zone (ASEZA) in 2001 under No. (1101031410). As such, the Industrial Complex enjoys the benefits and exemptions provided for in ASEZA Law.
- Jordan Phosphate Mines Company was registered again at the Income and Sales Tax Department under No. 49918 as from 1.1.2001.
- Neither JPMC nor any of its associates or subsidiary companies enjoy governmental protection or prerogatives for any of its products.
- Jordan Phosphate Mines Company secured the R4E Certificate of Recognition of Excellence from the King Abdullah II Center for Excellence, the official representative of the European Foundation for Quality Management in the Kingdom with a four-star rating.
- Jordan Phosphate Mines Company was granted by the World Confederation of Business (WORLDCOB) the Award for Business Excellence, among 3,500 entities representing 130 countries across the world which is considered as a definitive evidence of Jordan Phosphate Mines Company keenness in adopting and enhancing its position and competitive ability locally, regionally and globally.
- Jordan Phosphate Mines Company obtained the ISO: 31000 2018 certificate in Risk Management.

## 2. Auditors' Fees:

The fees of the External Auditor of the Group Messrs Ernst & Young for 2024 reached JD (147,482):

Company/Item	Annual Fees	Sales Tax 16%	Total
Jordan Phosphate Mines Company	103,000	16,480	119,480
Indo-Jordanian Chemicals Company	17,000		17,000
Nippon-Jordan Fertilizer Company	7,000		7,000
Al - Ro'ya Transportation Company	3,450	552	4,002

### 3. Statement of Major Customers of the Company Sales for 2024:

Country	Phosphate Sales		Fertilizers Sales		Ratio of Raw Material Trading (%)
	Ratio of Total Exports (%)	Ratio of Total Sales (%)	Ratio of Total Exports (%)	Ratio of Total Sales (%)	
India	72.60	56.24	33.69	31.31	-
Ethiopia	0.00	0.00	8.03	7.47	-
China	5.63	4.36	-	-	-
Iraq	-	-	18.89	17.56	-
United States of America	-	-	27.33	25.40	-
Indonesia	15.77	12.22	-	-	-
Bangladesh	0.76	0.59	-	-	-
Netherlands	0.34	0.26	-	-	-
Taiwan	1.53	1.18	-	-	-
Associate Companies, Subsidiaries and the Local Market	-	22.54	-	7.05	100.00

### 4. Statement of the Company's Activities As Per the Geographical Locations and Capital Investment Volume in each for 2024:

(Thousand JD)

Site	Activity / Process	Capital Investment Volume
Al Russeifa Mine	Re-screening of Stock	4,546,956
Al Hassa Mine	Production of Regular Washed Phosphate	55,803,405
Al Abiad Mine	Production of Regular Washed Phosphate	31,146,017
Eshidiya Mine	Production of Regular Washed and Floated Phosphate	299,553,140
Industrial Complex / Aqaba	Production of Sulfuric Acid	365,277,917
	Phosphoric Acid, DAP Fertilizers, and Aluminum Fluoride	
Other Sites		15,716,383
<b>Total</b>		<b>772,043,818</b>

### 5. Statement of the Major Contractors and Suppliers of Local Purchases of the Company for 2024:

(Thousand JD)

Item	Amount	Ratio of Total Purchases
Contractors of Phosphate Excavations	182,850	44%
Contractors of Transport	106,655	25%
Electricity Companies	19,410	5%
The Water Authority, Aqaba Water Company and Miyahuna Company	8,482	2%
Jordan Petroleum Refinery	3,262	1%



**6. Shareholdings of Members of the Board of Directors, Senior Management Staff or their Relatives in Capital of the Company and the Companies it controls in 2024 and 2023:**

Name of the Member	Nationality	Shares	
		2023	2022
Members of the Board of the Directors:			
H.E. Dr. Mohammad Thneibat\ Chairman of the Board	Jordanian	210,000	210,000
H.E. Dr. Eng. AbdelFattah Abu Hassan\ Member of the BOD	Jordanian	16,884	16,884

Other than the above, Chairman and Members of the BOD, the Senior Management Staff, and their Relatives do not hold shares in the Company capital and the controlled companies in 2023 - 2024.

**7. Contracts, Projects, and Obligations, Concluded by the Company with Subsidiary, Sister, and Associate Companies or with the Chairman of the BOD, Members of the BOD, the CEO, or Any Other Employee, and their Relatives:**

Jordan Phosphate Mines Company does not have any contracts, projects or obligations with the Chairman of the BOD, members of the BOD, the CEO or any other employee in the Company or their relatives.

As for subsidiaries and associate companies, the contracts and commitments with them are as follows:

- A contract to supply phosphate to the Indo-Jordan Chemicals Company (IJC) L.L.C, - a subsidiary company.
- A contract to supply phosphate to Jordanian Indian Fertilizer Company (JIFCO) L.L.C, - an associate company.
- A contract to supply phosphate to PT Petro Jordan Abadi - a joint venture company.
- A contract to supply phosphoric and sulfuric acid and ammonia to the Nippon-Jordan Fertilizer Company (NJFC) L.L.C, a subsidiary company.
- A contract to transport phosphate through Al-Ro'ya Transportation Company L.L.C, - a subsidiary company.
- The use of handling services at the industrial port in Aqaba through the Jordan industrial ports Company (JIPC) - an affiliate company.

**8. The Company Contribution to the Local Community Development and Service:**

Proceeding from Jordan Phosphate Mines Company's realization of the social responsibility entrusted to it in the development of local communities geographically located in its productive areas, the Company moved towards applying and embodying the principles of Sustainable Development, where a solid strategy and action plan based on a participatory methodology was developed to eradicate poverty and unemployment by leveraging the utilization of available resources and especially the non-renewable ones. In addition to innovating techniques aimed mainly at achieving the highest productivity rate, stimulating the role of local communities, developing the social and local reality through implementing a package of projects at all levels including social, cultural, economic and environmental. By this, the Company has succeeded in conveying the concept of social responsibility to the phase of national duty.

The Company has rehabilitated and developed past mining areas in Al Russeifa City for the purposes of improving the surrounding environment and utilizing it in a way that serves the community and the people of Al Russeifa City as well. The project cost amounted to nearly JD (35) million. The project was delivered after its completion and Jordan Phosphate Mines Company has fulfilled all rehabilitation requirements and delivered it to the concerned authorities duly in November 2023.

The Company has been able, through its joint ventures and other activities, to create direct and indirect job opportunities. Within the framework of the Company's contribution to development projects and community service, the Board of Directors agreed to contribute to the Specialized Emergency Center in Aqaba and conduct other projects at the expense of the Company, such as establishing emergency centers and civil ambulances in Eshidiya and Al Aqaba City to serve the existing companies and the local community as well.

9. Donations:

The donations and commitments made by Jordan Phosphate Mines Company in 2024 amounted to JD (24,363,972) as a contribution to the development of the local community and support for various activities. The following table shows the donations details and for whom paid.

(Jordanian Dinar)	
Item	Amount
Official and Public Institutions Sector	3,625,892
Education and Scholarships Sector	1,038,084
Health Sector	175,070
Municipalities and Governorates Sector at the National Level	328,042
Youth, Sports and Culture Sector	324,135
Social Development and Volunteer Work Sector	1,698,092
Infrastructure and Development Projects	17,174,657
Total	24,363,972

10. Members of the Board of Directors:

Representatives of Private Sector:

H.E Dr. Mohammad Thneibat/Chairman of the Board:

He Previously held several official positions, most recently as Deputy Prime Minister for Services, Minister of Education, the Chairman of the Board of Trustees of the University of Science & Technology and the Chairman of the Board of Trustees of Al-Hussein Bin Talal University.

Dr. Thneibat is a Professor possessing the following academic degrees:

- Ph.D. in Administrative Sciences
- Master of Political Science
- Master of Administrative Sciences
- Bachelor’s degree in Economics & Political Science

Date of Election: April 29th, 2024

Date of Birth: January 1st, 1950

Dr. Eng. Abdelfattah AbuHassan:

- Ph.D. in Science of Mining Engineering
- Consultant in Mining Engineering

Previously he held the post of: Board of Directors member at the Jordan Phosphate Mines Company for several terms, Advisor to the Executive Investment Committee at Jordan Phosphate Mines Company and Acting General Manager at Jordan Phosphate Mines Company.

Date of Election: April 29th, 2024

Date of Birth: January 1s, 1942

Representatives of Government Investments Management Company P.S.C:

Mr. Salem Al Qudah / Vice-Chairman of the BOD until January 8th, 2025:

- B.A. in Business Administration

Current position: The Secretary General/ Ministry of Finance

Date of Appointment: April 29th, 2024

Date of Birth: September 7th, 1961

Date of Membership Expiry: January 8th, 2025

**H.E. Advocate Mohammad Kreishan until January 8th, 2025:**

- B.Sc. in Law
- Licensed Lawyer

Previously: Occupied multiple senior public positions including: Member of the 25th Senate, General prosecutor and Judge at first and appeal courts Amman.

**Date of Appointment: April 29th, 2024**

**Date of Birth: December 12th, 1951**

**Date of Membership Expiry: January 8th, 2025**

**Representative of Social Security Corporation:\***  
**H.E. Eng. Sami Smeirat until August 14th, 2024:**

- MBA, MSc Communications
- BSc Electrical Engineering

His Excellency Engineer Sami Smeirat is currently appointed as the Minister of Digital Economy and Entrepreneurship as of 18/9/2024

He held the following positions before his appointment Minister of Digital Economy and Entrepreneurship:

- Vice President and CEO at Jordan Telecom Group – Orange Jordan, in addition to serving as the Executive Director of the Corporate and Enterprise Sector.
- CEO of Jordan Data Transmission Services Company – Orange Internet.
- Chairman of Board of Petra Mobile Payment Services – Orange Money.
- A Member of the BOD of Cairo Amman Bank, the International Data Center Authority, Sodetel Internet Company (Lebanon), the EDAMA Association, the Middle East Insurance Company, and the Board of Trustees of Princess Sumaya University for Technology.

As well, his Excellency Engineer Sami Smeirat was a Member of the BOD of JPMC, Chairman of the Board of the Nippon-Jordan Fertilizer Company (NFJC) and Vice Chairman of the Board of Jordan Press Foundation – Al Ra'i Newspaper. Additionally, he held membership in the boards of Zara Investment Holding Company and Lightspeed Communications (Bahrain).

Also, his Excellency Engineer Sami Smeirat was the CEO of Wanadoo until its rebranding to Orange where he established an exclusive partnership with Equant to make Global One the exclusive distributor of Equant in Jordan. He also led the rebranding of Global One to Wanadoo at that time. Furthermore, he was a co-founder of Siberia Jordan, where he held the position of Vice President and Commercial Director.

**Date of Appointment: April 29th, 2024**

**Date of Birth: April 13th, 1971**

**Date of Membership Expiry: August 14th, 2024**

**Prof. Dr. Qais Mahafzah, Lawyer as of August 14th, 2024:**

- Ph.D. in Maritime Commercial Law, Master's in Commercial Law, Bachelor's in Law.
- Current Position: Lawyer and Legal Consultant / Co-Founder at Gedara for Legal Services & Arbitration (GLSA) and a Professor of Commercial Law at the Faculty of Law / The University of Jordan

**Date of Appointment: August 14th, 2024**

**Date of Birth: September 24th, 1973**

**Representatives of INDIAN POTASH LIMITED:**

**Dr. U.S. Awasthi:**

- Ph.D. in Science (Honors), Ph.D. in Science, Bachelor of Technology (B.Tech), in Chemical Engineering.

Current Position: Managing Director of Indian Farmers Fertilizer Cooperative limited (IFFCO).

**Date of Appointment: April 29th, 2024**

**Date of Birth: July 12th, 1945**

**Dr. P.S. Gahlaut:**

- Ph.D. in Business Management, B.Sc. in Chemistry
- Current Position: Managing Director of Indian Potash Limited (IPL).

He is also a BOD member in the following companies:

Vizag Multipurpose Terminal Private Ltd., the Network for the Development of Agricultural Cooperatives in Asia and the Pacific, PetroJordan Abadi/Indonesia, the Jordanian Indian Fertilizer Company (JIFCO), Wisekii India Private Limited, Indian Potash Limited/Sugar & Biofuels Ltd., the Fertilizer Association of India, and Indian Potash Limited.

**Date of Appointment: April 29th, 2024**

**Date of Birth: July 27th, 1947**

**Representative of Kisan International Trading FZE:  
Mr. Manish Gupta:**

- Bachelor of Technology - Civil Engineering,
- Diploma in Management - Development, Marketing, Bachelor of Laws (LLB) - Taxation, Commercial Laws.

Current Position: Director, Strategy and Joint Ventures, Indian Farmers' Fertilizer Cooperative Ltd (IFFCO).

**Date of Appointment: April 29th, 2024**

**Date of Birth: April 20th, 1967**

**Representative of Kuwait Investment Authority:**

**Eng. Mohammad Al-Munaifi until October 14th, 2024:**

- B.Sc. in Industrial Engineering

Current position: Director of the Department of development and institutions\ Kuwait Investment Authority

**Date of Appointment: April 29th, 2024**

**Date of Birth: July 17th, 1959**

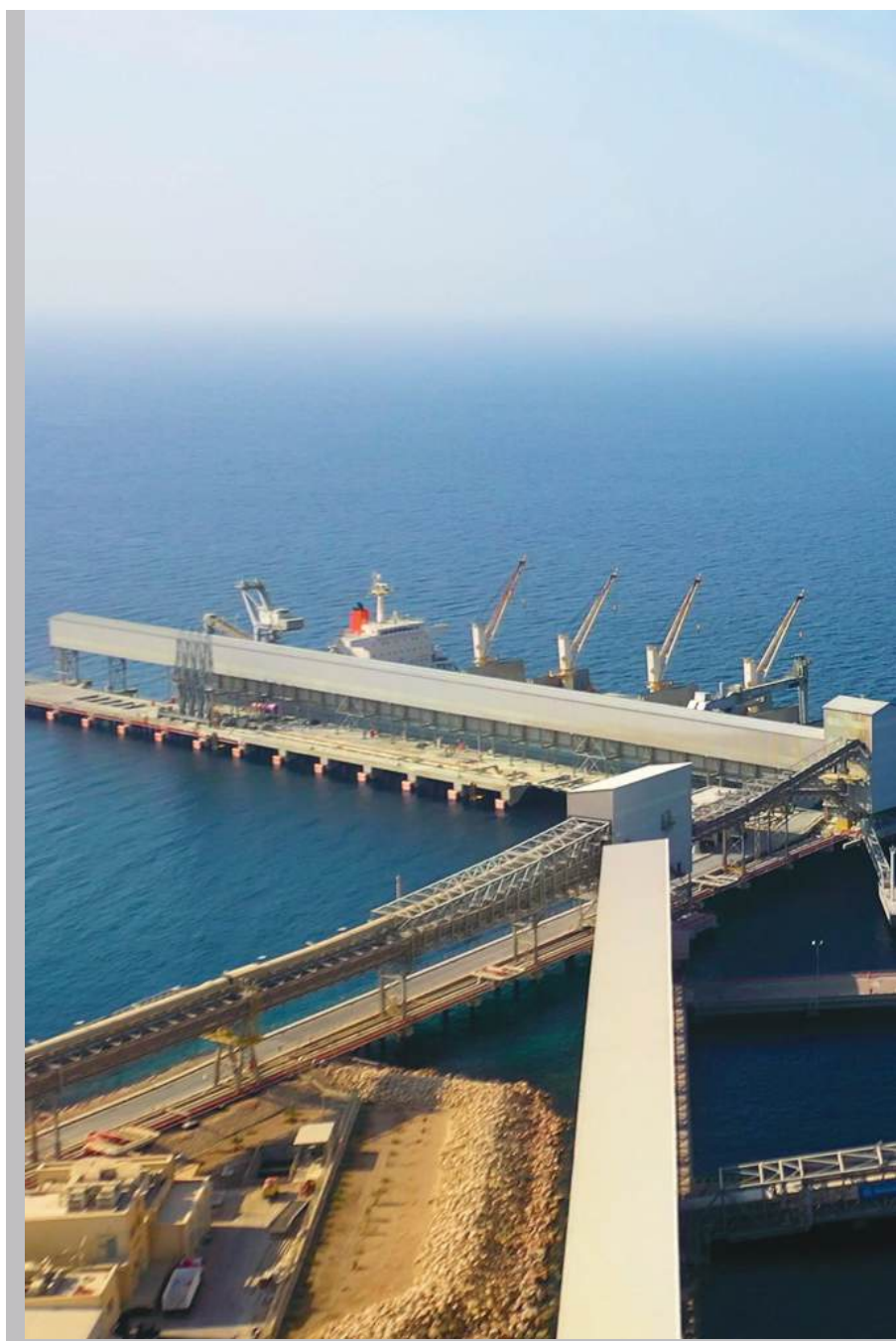
**Date of Membership Expiry: October 14th, 2024**

**Mr. Edrees Ahmad as of October 14th, 2024:**

- Master's in Economic Business Administration
- Current position: Director of the European Equities Department – Equities Management – Securities Sector – Kuwait Investment Authority

**Date of Appointment: October 14th, 2024**

**Date of Birth: April 27th, 1982**





## 11. Remuneration Amount Paid to the Chairman and Members of the Board of Directors in 2024:

(Jordanian Dinar)

Board of Director Member	Position	Salaries (*)	Annual Bonuses for the Year 2023	Travel Per Diems	Services Allowance
H.E. Dr. Mohammad Thneibat	Chairman of the BOD	283,500	5000	21,825	
Dr. Eng. Abdelfattah AbuHassan	Member		5000	3000	
<b>Representatives of Government Investments Management Company (1):</b>			10000		
Mr. Salem Al Qudah	Vice Chairman of the BOD until 08/01/2025	-		3000	18000
H.E. Advocate Mohammad Kreishan	Member until 08/01/2025	-		3000	18000
<b>Representatives of Social Security Corporation (2):</b>			5000		
H.E. Eng. Sami Smeirat	Member until 14/08/2024	-	-	-	-
Dr. Eng. Qais Mahafzah	Member as of 14/08/2024				
<b>Representatives of INDIAN POTASH LIMITED</b>					
Dr. U.S. Awasthi	Member		5000	13200	-
Dr. P.S. Gahlaut	Member		5000	13200	-
<b>Representatives of Kisan International Trading FZE</b>					
Mr. Manish Gupta	Member	-	5000	21000	-
<b>Representatives of Kuwait Investment Authority (3):</b>			5000		
Dr. U.S. Awasthi	Member until 14/10/2024	-	-	11400	-
Dr. P.S. Gahlaut	Member as of 14/10/2024			1800	

(\*) Based on BOD decision No. 91/2024 on 27/5/2024

1. All amounts paid to the Ministry of Finance at the Central Bank of Jordan
2. All amounts paid to the Social Security Corporation
3. All amounts paid to the Kuwait Investment Authority
4. Except the daily allowance, which is paid in the name the board member.

### 12/1. Senior Management Staff Information:

Name	Job	Nationality	Date of Appointment	Date of Job	Specialization	Academic Degree
Eng. Abdel Wahab Al Rowwad	(CEO)	Jordanian	18/11/2019	18/11/2019	Chemical Engineering	B.Sc.

### 12/2. Department Directors Information:

Name	Job	Nationality	Date of Appointment	Date of Job	Academic	Specialization
Geologist Mohammad Abulrahman Abu Hazeem	Director of Mining and Mines	Jordanian	5/6/1993	5/8/2022	B.Sc.	Geology
Dr. Fadwa Shabsough	Director of HR Account Manager of Saving Fund until 7/10/2024	Jordanian	19/3/1997	14/12/2020 6/10/2008	Ph.D.	Business Administration
Mr. Mamoun Issa Al Majali	Director of Financial Planning and Control Directorate from 4/6/2023 to present Charged for Managing Human Resources as of 7/10/2024	Jordanian	1/7/1997	4/6/2023 7/10/2024	B.Sc.	Accounting
Mr. Omar Badran	Director of Finance as of 12/1/2023 Financial Consultant until 11/1/2023	Jordanian	17/7/2022	12/1/2023 17/7/2022	B.Sc./CPA	Accounting
Eng. Mowafaq Abu Hawleh	Charged for Managing the work of the Supply and Procurement Department	Jordanian	13/7/1998	1/12/2023	B.Sc.	Mechanical Engineering
Eng. Abdelaziz Al Arakzeh	Director of Industrial Complex Administration	Jordanian	1/9/2019	1/9/2019	B.Sc.	Chemical Engineering
Eng. Mahmoud Al-Jaradin	Manager of Mines/ Manager of Eshisiya Mine	Jordanian	22/6/1998	15/4/2020 14/1/2020	B.Sc.	Mining Engineering
Dr. Moein Al-Habashneh	Medical Consultant	Jordanian	1/12/2021	1/12/2021	B.Sc. M.Sc.	Medicine and Surgery Pediatrics
Dr. Eng. Mohammad Megdady	Manager of the Research and Business Development Unit	Jordanian	Seconded from the IJC-Indo-Jordan Chemicals Co. Ltd	20/9/2022	B.Sc. M.Sc. Ph.D.	Chemical Engineering Chemical Engineering & Business Administration Business Administration

### 12/3. Our Executive Management:

**Eng. Abdel Wahab Al Rowwad**

**Position:** Eng. Abdel Wahab Al Rowwad assumed the role of Chief Executive Officer (CEO)/General Manager of Jordan Phosphate Mines Company on November 18th. 2019.

**Date of Birth:** He was born in Ma'an, Jordan, on September 1st, 1963

Academic Degree	<ul style="list-style-type: none"><li>• B.Sc. in Chemical Engineering, graduated from the University of Jordan in 1986.</li></ul>
Past Experiences	<ul style="list-style-type: none"><li>• In 1989, he started his professional experience at the Industrial Complex, one of JPMC's production sites.</li><li>• In 1995, he was seconded to work at Indo-Jordan Chemicals Company (IJC) LLC, a subsidiary totally owned by JPMC.</li><li>• In 2017, he got promoted to the position of CEO at (IJC) LLC where he played a key role in advancing the company to higher levels, achieving the highest profits in the company's history compared to previous years. Under his leadership, (IJC) LLC achieved several international accomplishments, particularly in production, industrial safety and occupational health, with significant improvements in performance levels.</li><li>• Awarded the Best Scientific Research Award in the Arab World by the Arab Fertilizer Association.</li><li>• Recognized as one of the strongest CEOs in the Middle East for the years 2023 and 2024, according to Forbes Middle East rankings.</li></ul>
Positions/Memberships	<ul style="list-style-type: none"><li>• Chairman of the BOD of Jordan Industrial Ports Company (JIPC), Ltd.</li><li>• Member of the BOD of Nippon-Jordan Fertilizer Company (NJFC) and appointed as General Manager of the company.</li><li>• Member of the Supervision Committee of the works of Indo-Jordan Chemicals Company (IJC), LLC.</li></ul>
Board Committees	<ul style="list-style-type: none"><li>• Member of the Tender Committee.</li><li>• Member of the Committee of Raw Material Procurement.</li><li>• Member of the Production and Marketing Committee.</li><li>• Member of the Investment Committee.</li></ul>
Executive Committees	<ul style="list-style-type: none"><li>• Chairman of the Sub-Tender Committee.</li><li>• Member of the Company's Products Marketing Committee.</li></ul>
Past Positions/ Memberships Outside the Company	<ul style="list-style-type: none"><li>• Vice Chairman of the BOD of the Arab Fertilizer Association.</li><li>• Member of the Board of Directors of Jordan Chamber of Industry, Representative of Mining Sector in Jordan Chamber of Industry.</li><li>• Member of the Board of Trustees of Al Hussein bin Talal University/ Ma'an.</li><li>• Advisory Board Member at the Faculty of Engineering, University of Jordan for the years 2024/2025.</li></ul>

**Geologist Mohammad Abul Rahman Abu Hazeem**

**Position: Director of Mining and Mines**

**Date of Birth: 29/10/1970**

**Date of Appointment: 6/5/1993**

<b>Academic Degree</b>	<ul style="list-style-type: none"><li>• B.Sc. in Geology and Mining from the University of Jordan, 1992.</li></ul>
<b>Past Experiences</b>	<ul style="list-style-type: none"><li>• A trained geologist in Eshidiya Mine in JPMC from June 1993 to June 1995.</li><li>• A shift engineer in the Department of Mining and Electric Dredgers at Eshidiya Mine in JPMC from June 1995 to September 1999.</li><li>• Geologist in the Department of Exploration and Mining at Eshidiya Mine in JPMC from September 1999 to March 2001.</li><li>• Head of the Geological Studies Department in the Exploration Department of the General Management in JPMC from March 2001 to May 2007.</li><li>• Assistant Director of the Exploration Department for Studies in the General Management of JPMC from May 2007 to January 2015.</li><li>• Director of the Exploration Department in the General Management of JPMC from January 2015 to May 2017.</li><li>• Assistant Chief Operating Officer in the General Management of JPMC - Jordanian Geologists Association Contract from May 2017 to April 2018.</li></ul>
<b>Positions/Memberships</b>	<ul style="list-style-type: none"><li>• General Manager of Al Roy'a for Transportation limited from 4/10/2023.</li><li>• Member of the Supervisory Committee of the Indo-Jordan Chemicals (IJC) Company Limited.</li></ul>
<b>Board Committees</b>	<ul style="list-style-type: none"><li>• Member of the Committee of Raw Material Procurement.</li><li>• Member of the Production and Marketing Committee.</li></ul>
<b>Executive Committees</b>	<ul style="list-style-type: none"><li>• Member of the Sub-Tenders Committee.</li><li>• Chairman of the Central Human Resources Committee as of 4/10/2023</li></ul>
<b>Past Positions/ Memberships Outside the Company</b>	<ul style="list-style-type: none"><li>• Member of the BOD of Travertine Company PLC (TravCo Group) from 2015 to 2021.</li><li>• Assistant of Secretary General of the BOD of the Jordan Industrial Ports Company (JIPC).</li></ul>



**Dr. Fadwa Shabsough**

**Position: Director of Human Resources/ Account Manager of Saving Fund**

**Date of Birth: 16/9/1970**

**Date of Appointment: 19/3/1997**

Academic Degree	<ul style="list-style-type: none"><li>• Ph.D. in Business Administration.</li><li>• B.Sc. in Banking and Financial Sciences.</li></ul>
Past Experiences	<ul style="list-style-type: none"><li>• King Hussein Medical Center in 1993.</li><li>• Arab Jordan Investment Bank (AJIB) from 1994 to 1995.</li><li>• Head of Account Saving Fund at JPMC since 2007.</li><li>• Account Manager of Saving Fund since 2008.</li><li>• Financial Audit Manager for AL-Ro'ya Transportation Company.</li></ul>
Positions/Memberships	-
Board Committees	<ul style="list-style-type: none"><li>• Secretary of the Nominations and Compensations Committee as of 07/10/2024.</li><li>• Secretary of the Central Human Resources Committee until 07/10/2024.</li><li>• Secretary of the Administrative Board of the JPMC Saving Fund until 07/10/2024.</li></ul>
Executive Committees	<ul style="list-style-type: none"><li>• Member of the Central Human Resources Committee until 07/10/2024.</li><li>• Member of the Central Health Insurance Committee of JPMC employees until 07/10/2024.</li></ul>
Past Positions/ Memberships Outside the Company	<ul style="list-style-type: none"><li>• Member of the BOD of AL-Ro'ya Transportation Company until 07/10/2024.</li><li>• Secretary of the BOD of AL-Ro'ya Transportation Company until 07/10/2024.</li><li>• Member of the BOD of Jordan Investment &amp; Southern Development Co until 07/10/2024.</li></ul>

**Mr. Ma'moun Issa Al Majali**

**Position: Director of Financial Planning and Control/ Charged for Managing the Human Resources Department**

**Date of Birth: 17/6/1975**

**Date of Appointment: 01/07/1997**

Academic Degree	<ul style="list-style-type: none"><li>• B.Sc. in Accounting.</li></ul>
Past Experiences	<ul style="list-style-type: none"><li>• Assigned as Acting Head of Department (2003).</li><li>• Senior Auditor (2006).</li><li>• Head Internal Audit and Control Department (2007).</li><li>• Acting Director of Internal Audit and Control (2017).</li><li>• Director of Audit and Control Unit (2019).</li><li>• Director of Financial Planning and Control (2023 – Present).</li><li>• Charged for Managing the Human Resources Department in addition to his current role as of 07/10/2024.</li></ul>
Positions/Memberships	-
Board Committees	<ul style="list-style-type: none"><li>• Secretary of the Nominations and Remuneration Committee effective 07/10/2024.</li></ul>
Executive Committees	<ul style="list-style-type: none"><li>• Member of the Central Human Resources Committee.</li></ul>
Past Positions/ Memberships Outside the Company	<ul style="list-style-type: none"><li>• Member of the BOD of Jordan Investment &amp; Southern Development Co.</li></ul>

**Omar Farouq Badran**

**Position: Director of Finance**

**Date of Birth: 23/02/1967**

**Date of Appointment: 17/7/2022**

<b>Academic Degree</b>	<ul style="list-style-type: none"><li>• B.Sc. in Accounting, the University of Jordan, 1989.</li></ul>
<b>Past Experiences</b>	<ul style="list-style-type: none"><li>• Chief Financial Officer for a number of public, private and holding companies in Saudi Arabia, the United Arab Emirates and Jordan.</li><li>• More than (27) years of experience in several fields including financial services and investments, partnership between the public and private sectors, financing large projects, strategic planning and business development, increasing the added value of companies, asset management, financial consulting, restructuring and evaluation, real estate development, and mining and industrial companies.</li><li>• CPA Chartered Accountant from the United States.</li></ul>
<b>Positions/Memberships</b>	-
<b>Board Committees</b>	<ul style="list-style-type: none"><li>• Member of the Production and Marketing Committee.</li><li>• Member of the Committee of Raw Material Procurement.</li></ul>
<b>Executive Committees</b>	<ul style="list-style-type: none"><li>• Member of the Sub-Tenders Committee.</li></ul>
<b>Past Positions/ Memberships Outside the Company</b>	-

**Eng. Mowafaq Abu Hawileh**

**Position: Charged for Overseeing Supply & Procurement Management as of 1/12/2023**

**Date of Birth: 15/11/1976**

**Date of Appointment: 13/7/1998**

<b>Academic Degree</b>	<ul style="list-style-type: none"><li>• B.Sc. in Chemical Engineering, University of Jordan.</li><li>• B.Sc. in Industrial Management.</li><li>• Certified Supply Chain Professional (CSCP), APICS, USA.</li><li>• Course in Engineering Design from the United States of America from 2009 until 2011.</li></ul>
<b>Past Experiences</b>	<ul style="list-style-type: none"><li>• Engineer at JPMC.</li><li>• Local Purchases Manager at JPMC (2018 – 2023).</li><li>• Working experience in American companies (2009 – 2010).</li></ul>
<b>Positions/Memberships</b>	<ul style="list-style-type: none"><li>• Member of the BOD of Travertine Company PLC (TravCo Group).</li></ul>
<b>Board Committees</b>	<ul style="list-style-type: none"><li>• Secretary of the Tender Committee.</li><li>• Secretary of the Committee of Raw Material Procurement.</li></ul>
<b>Executive Committees</b>	<ul style="list-style-type: none"><li>• Member of the Sub-Tenders Committee.</li><li>• Chairman of the Coding Committee.</li></ul>
<b>Past Positions/ Memberships Outside the Company</b>	<ul style="list-style-type: none"><li>• Former Member of the BOD of Jordan Investment &amp; Southern Development Co.</li><li>• Member of the Association for Supply Chain Management (ASCM)/USA.</li></ul>

**Eng. Abdelaziz Al Arakzeh**

**Position: Manager of Industrial Complex**

**Date of Birth: 08/01/1961**

**Date of Appointment: 01/09/2019**

<b>Academic Degree</b>	<ul style="list-style-type: none"><li>• B.Sc. in Chemical Engineering from the University of Split/Yugoslavia, 1987.</li></ul>
<b>Past Experiences</b>	<ul style="list-style-type: none"><li>• Armed Forces Officer from 1987 to 1989.</li><li>• Engineer at Jordan Petroleum Refinery from 1989 to 1990.</li><li>• Worked at the Industrial Complex of JPMC from 1990 to 1996.</li><li>• Worked at Indo-Jordan Chemicals Company (IJC), LLC. from 1996 to 2009.</li><li>• Worked at Litwin Italian Company from 2009 to 2010.</li><li>• Worked at Saudi Ma'aden Phosphate Company – Phase 1 in Ras Al-Khair/Jubail from 2011 to 2015 as the Phosphoric Acid Plant Manager with a production capacity of (1.5) million tons per year.</li><li>• Worked at Saudi Ma'aden Phosphate Company, Ma'aden Wa'ad Al Shamal – Phase II in Turaif from 2015 to 2019, with a production capacity of (1.5) million tons per year.</li><li>• Worked as the Sulfuric Acid Plant Manager with a production capacity of (5) million tons per year.</li></ul>
<b>Positions/Memberships</b>	<ul style="list-style-type: none"><li>• Member of the Jordan Engineers Association</li><li>• Member of the BOD of Jordan Industrial Ports Company (JIPC) as of 31/10/2019.</li></ul>
<b>Board Committees</b>	-
<b>Executive Committees</b>	-
<b>Past Positions/ Memberships Outside the Company</b>	-

**Eng. Mahmoud AlJaradin**

**Position: Manager of Mines**

**Date of Birth: 1/6/1977**

**Date of Appointment: 22/6/1998**

<b>Academic Degree</b>	<ul style="list-style-type: none"><li>• B.Sc. in Mining Engineering from Al-Balqa Applied University, 2003.</li></ul>
<b>Past Experiences</b>	<ul style="list-style-type: none"><li>• Mining Engineer at JPMC in 2004.</li><li>• Assistant Director of Surveying at JPMC in 2008.</li><li>• Acting Director of Mining at JPMC in 2014.</li><li>• Acting Director of Al Abiad Mine at JPMC in 2017.</li><li>• Director of Al Hassa and Al Abiad Mines at JPMC as of 1/1/2020.</li></ul>
<b>Positions/Memberships</b>	<ul style="list-style-type: none"><li>• Member of the Supervision Committee of the works of Indo-Jordan Chemicals Company (IJC), LLC and its issues as of 8/1/2020.</li></ul>
<b>Board Committees</b>	-
<b>Executive Committees</b>	<ul style="list-style-type: none"><li>• Member of the Human Resources Committee.</li><li>• Member of the Sub-Tender Committee.</li></ul>
<b>Past Positions/ Memberships Outside the Company</b>	-

**Dr. Moein Al-Habashneh**

**Position: Medical Consultant/ Manager of Medical Services**

**Date of Birth: 30/7/1955**

**Date of Appointment: 1/12/2021**

Academic Degree	<ul style="list-style-type: none"><li>• B.Sc. in Medicine and Surgery.</li><li>• General Diploma from the Royal College of Physicians (UK).</li><li>• M.Sc. in Pediatrics - University of Dublin/ Ireland.</li><li>• Certificate of Specialization (Jordanian Board).</li></ul>
Past Experiences	<ul style="list-style-type: none"><li>• Medical Advisor/Director of Medical Services.</li><li>• Former General Manager of Jordanian Royal Medical Services.</li><li>• Head of the Arab Regional Group for Military Medicine.</li><li>• Chairman of the Committee of Royal Medical Services Computerization.</li><li>• Deputy Director General of the Royal Medical Services.</li><li>• Assistant Director General of the Royal Medical Services for Medical Affairs.</li><li>• Director of Queen Rania Al Abdullah Hospital for Children.</li><li>• Head of Children's Department - Royal Medical Services Directorate.</li><li>• Director of Medicine, Southern Region.</li><li>• Director of Prince Ali Bin Al-Hussein Military Hospital.</li></ul>
Positions/ Memberships	<ul style="list-style-type: none"><li>• Jordan Medical Association.</li><li>• Jordan Pediatric Society.</li><li>• American Academy of Family Physicians Association.</li><li>• Health Care Accreditation Council (HCAC).</li></ul>
Board Committees	-
Executive Committees	<ul style="list-style-type: none"><li>• Chairman of the Committee of Post-Retirement Health Insurance Fund Management.</li></ul>
Past Positions/ Memberships Outside the Company	-



**Dr. Eng. Mohammad Megdady**

**Position: Manager of the Research and Business Development Unit**

**Date of Birth: 28/3/1979**

**Date of Appointment: 20/9/2022**

<b>Academic Degree</b>	<ul style="list-style-type: none"><li>• Ph.D. in Business Administration/ Charisma University/ USA (2019-2022).</li><li>• MBA from Western International University/ Arizona/ USA (2008-2011).</li><li>• M.Sc. in Chemical Engineering from Jordan University of Science and Technology (2002-2005).</li><li>• B.Sc. in Chemical Engineering from Jordan. University of Science and Technology (1997-2002).</li></ul>
<b>Past Experiences</b>	<ul style="list-style-type: none"><li>• Operations Production Engineer (Shifts Engineer) at Jordan Petroleum Refinery (2002-2004).</li><li>• Assistant Lecturer in the Department of Chemical Engineering at Jordan University of Science and Technology (2002-2005).</li><li>• Operations and Production Engineer at Indo-Jordan Chemicals Company (IJC), LLC/ Ma'an (2005-2007).</li><li>• Operations and Production Engineer (Senior Plant Engineer) at Indo-Jordan Chemicals Company (IJC), LLC/ Ma'an (2012-2017).</li><li>• Director of (Engineering and Technical Services in Indo-Jordanian Chemicals Company): Plants Designing and Improvement Department, Process Engineering Group, Quality Control Laboratory, Inspection Department, Safety Department, Training Department (2017-2022)</li><li>• Representative of Management: ISO:9001, ISO:14001, ISO:45001.</li></ul>
<b>Positions/ Memberships</b>	<ul style="list-style-type: none"><li>• Member of Jordan Engineers Association.</li><li>• Member of the Committee of Professional Evaluation and Certification Board (PECB)</li><li>• Lead Auditor, ISO:9001.</li></ul>
<b>Board Committees</b>	-
<b>Executive Committees</b>	-
<b>Past Positions/ Memberships Outside the Company</b>	<ul style="list-style-type: none"><li>• Member of the Preparatory Body of Second Jordanian International Chemical Process Safety Conference.</li><li>• Member of the Preparatory Committee of Second Jordanian International Chemical Process Safety Conference.</li></ul>

### 13/1. Salaries, Bonuses and Other Benefits and Travel Assignments Paid to the Senior Management in 2024

(Jordanian Dinar)

Name	Job	Salaries and Benefits	Per Diems of Official Assignments
Eng. Abdel Wahab Al Rowwad	CEO	184,820	21,488

### 13/2. Salaries, Bonuses and Other Benefits and Travel Assignments Paid to the Departments Directors in 2024

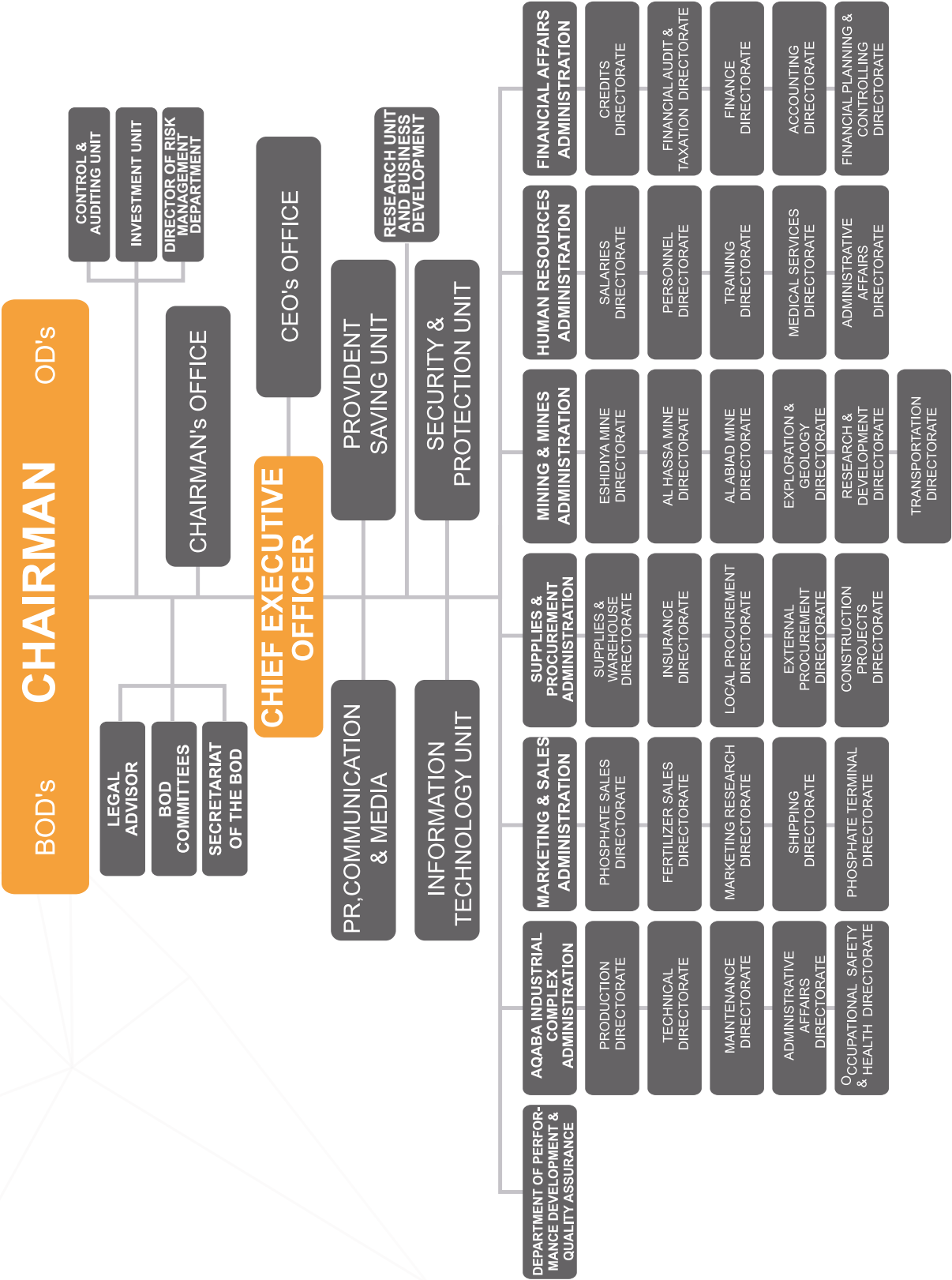
(Jordanian Dinar)

Name	Job	Salaries, Bonuses and Other Benefits	Per Diems of Official Assignments
Geologist Mohammad Abu Hazeem	Director of Mining and Mines	66,035	2,430
Dr. Fadwa Shabsough	Director of HR	64,188	-
	Account Manager of Saving Fund until 07/10/2024		
Mr. Ma'moun Issa Al Majali	Director of Financial Planning and Control Charged for Managing the Human Resources Department	40,436	-
Mr. Omar Badran	Director of Finance	91,433	-
Eng. Mowafaq Abu Hawileh	Charged for Managing the work of the Supply and Procurement Department	49,262	-
Eng. Abdelaziz Al Arakzeh	Manager of Industrial Complex	61,719	-
Eng. Mahmoud AlJaradin	Manager of Mines/ Manager of Eshidiya Mine	64,795	-
Dr. Moein Al-Habashneh	Medical Consultant/ Director of Medical Services	56,299	-
Dr. Eng. Mohammad Megdady	Manager of the Research and Business Development Unit	46,481	2,599

### 13/3. Other Financial and In-kind Benefits Paid to the Members of the Board of Directors, Senior Management and Departments Directors in 2024

- A bonus of JD (450) thousand was disbursed to the Chairman of the Board based on BOD Decision No. 72/2024 dated 8/4/2024.
- An amount of JD (72) thousand was disbursed to the Chairman of the Board as committee attendance and transport remunerations, based on BOD decision.
- An amount of JD (72) thousand was disbursed to the representative of Kuwait Investment Authority, in the name of the Kuwait Investment Authority, as committee attendance and transport remunerations, based on BOD decision.
- An amount of JD (72) thousand was disbursed to the representatives of the Ministry of Finance, in the name of the Ministry of Finance's accounts at the Central Bank of Jordan, as committee attendance transport remunerations, based on BOD decision.
- An amount of JD (72) thousand was disbursed to the representative of the Social Security Corporation, in the name of the Social Security Corporation, as committee attendance and transport remunerations, based on BOD decision.
- An amount of JD (72) thousand was disbursed to each of the representatives of INDIAN POTASH LIMITED, Dr. U.S. Awasthi and Dr. P.S. Gahlaut, as committee attendance and transport remunerations, based on BOD decision.
- An amount of JD (72) thousand was disbursed to the representative of Kisan International Trading FZE, Mr. Manish Gupta, as committee attendance and transport remunerations, based on BOD decision.
- His Excellency the CEO, Eng. Abdel Wahab Al Rowwad uses the Company's car and was granted a bonus of JD (150) thousand based on BOD Decision No. 86/2024 dated 28/4/2024.
- Eng. Mahmoud Al-Jaradin, Manager of Mines/ Manager of Eshidiya Mine uses the Company's car

14. The Organizational Structure of the Company





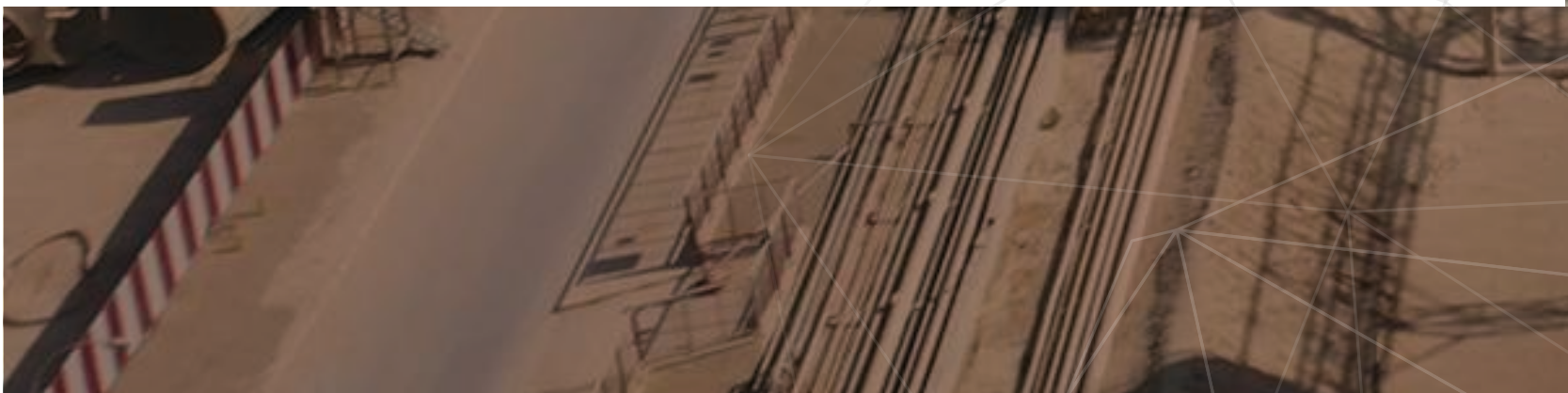


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## Financial Position As At 31.12.2024

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## Capital of the Company

### (247,500 million shares/Dinar):

The authorized subscribed and paid up capital of the Company is (247,500) million shares with a nominal value of one Dinar per share distributed as per the following table:

### Shareholders and their Shareholding Percentage

Shareholder	2024		2023	
	No. of Shares	Shareholding Percentage%	No. of Shares	Shareholding Percentage%
INDIAN POTASH LIMITED	67,765,500	27.380	67,765,500	27.380
Government Investments Management Company	63,496,707	25.655	63,496,707	25.655
Social Security Corporation	41,132,529	16.619	41,132,529	16.619
Government of Kuwait	23,100,000	9.333	23,100,000	9.333
Kisan International Trading FZE	23,809,500	9.620	23,809,500	9.620
Other Shareholders	28,195,764	11.393	28,195,764	11.392
TOTAL	247,500,000	100.000	247,500,000	100.000

## Assets and Equipment

### (JD 895,399 million at cost value and JD 243,135 million after subtracting accumulated depreciation):

The value of assets and equipment accounted for JD 895,399 million (against JD 881,717 million in 2023) marking an increase of JD 13,682 million compared to 2023. Machines and equipment, buildings and constructions, water and electric power networks, vehicles and spare parts have been added for JD 16,104 million. These newly possessed assets were via (purchasing fixed assets for JD 10,523 million and capitalizing projects in progress into fixed assets for JD 5,581 million). However, machines and equipment, spare parts, vehicles, buildings and constructions, furniture and office equipment for JD 2,422 million were excluded.

## Receivable Accounts before Subtracting Provision for Doubtful Debts

### (JD 155,588 million):

The balance of receivable accounts reached JD 155,588 million and the balance of such accounts reached JD 132,033 million after subtracting JD 23,555 million, being the provision for doubtful debts. The accounts resulting from the phosphate industry activity reached JD 92,066 million and accounts resulting from the fertilizer industry activity reached JD 26,625 million whereas the accounts resulting from subsidiaries' activities reached JD 13,342 million:

Item	As at 31 December	
	2024	2023
	Amount/ Dinar	Amount/ Dinar
Trading Accounts	80,573,956	65.828.016
Accounts of Associate Companies	48,673,586	54.181.747
Other Receivable Accounts	26,340,378	29.338.451
Total	155,587,920	149.348.214
Minus: Provision for expected credit losses	(23,554,455)	(23.554.455)
Receivable accounts after the provision	132,033,465	125.793.759

### Receivable Accounts of Sales of Finished Products (JD 80,574 million):

Sales of finished products receivables amounted to JD 80,574 million (against JD 65,828 million in 2023) out of which JD 43,881 million are receivable accounts of phosphate sales; JD 24,070 million are receivable accounts of manufactured fertilizers and JD 12,623 million are receivable accounts of subsidiary companies, which will be collected on maturity dates during 2025.

### Receivable Accounts of Associate Companies (JD 48,674 million):

The Receivable Accounts of Associate Companies reached JD 48,674 million, out of which JD 30,469 million are the receivable accounts of JIFCO; JD 0.036 million of Jordan industrial ports; JD 5.078 million of Jordan Abyad Fertilizer and Chemicals Company (JAFCCO); JD 13,087 million of PT Petro Jordan Abadi\ Indonesia; and JD 0,001 million of the Jordan Renewable Aluminum Fluoride Manufacturing Company and JD 0.003 million of the Turkish Transpet Company. The Company accounted for expected credit losses for associate companies of JD 9,717 million in compliance with the International Accounting Standard No. (9).



## Stock

**(93,186 million JOD):**

As at 31 December 2024, the stock totaled JD (93,186) million (JD 96,050 million as at 31 December 2023) detailed as follows:

Details	As at 31 December Amount/Dinar	
	2024	2023
<b>A. Stock of Finished Products</b>		
Stock of Finished Phosphate Products	5,202,019	7,515,684
Stock of Finished Fertilizer Products	24,130,926	36,422,561
Stock of Finished Products of Subsidiaries	12,784,147	14,126,644
Total Stock of Finished Products	42,117,092	58,064,889
<b>B. Stock of work in progress</b>		
Stock of work in progress Phosphate Products	11,793,946	9,041,121
Stock of work in progress Fertilizer Products	4,552,979	2,922,988
Stock of work in progress Subsidiaries Products	896,305	839,297
Total Stock of work in progress Products	17,243,230	12,803,406
<b>C. Raw Materials</b>	<b>33,825,946</b>	<b>25,182,019</b>
Grand Total (A+B+C)	93,186,268	96,050,314

## Credit Loans

**(JD 29,807 million):**

The balance of credit loans totaled JD (29,807) million and they were shown in the balance sheet on the basis of long-term loans for JD (24,639) million and short-term loans maturing in 2025 for JD (5,168) million. Herewith, it is worth mentioning that the Group repaid JD (7,931) million for the loans given to the Company during 2024 where JD (5,168) million are installments of loans and JD (2,763) million are interests due for those installments.

## Salaries\ Wages\ and their Benefits for the Company Employees

**(JD 77,344 million):**

Salaries, wages and benefits given to the employees of the Company in 2024 reached JD 77,344 million (against JD 93,079 million in 2023). Details are shown in the below table:

### A. Salaries\ Bonuses\ Wages\ given to Employees of the Company During 2024 - 2023:

Statement	Amount/Dinar	
	2024	2023
Salaries and Allowances	33,722,193	41,521,804
Year's Production Bonuses	6,041,486	6,297,589
Other Bonuses	1,181,719	1,195,457
Total of (A)	40,945,397	49,014,850

**B. Benefits Provided to Employees of the Company for 2024 - 2023:**

Item	Amount/Dinar	
	2024	2023
Provident Fund	1,242,202	1,647,754
Social Security	4,540,766	5,631,626
Expenses of Employees' Medical Treatment	1,265,019	1,404,938
Coverage of health insurance Expenses for the Families of Employees	1,404,087	1,834,267
Subsidy of Food Males	515,730	544,947
Expenses of Paid End of Service Compensation	4,281,903	3,499,129
Death and Compensation Fund for 2015	7,721,673	13,978,757
The Current Amount of End of Service Compensation	200,000	200,000
Total of (B)	21,171,380	28,741,418
Total of (A+B)	62,116,777	77,756,268

**C. Salaries\ Wages\ and Benefits (15,227,310) Paid to Employees of Subsidiary Companies for 2024-2023:**

Item	Amount/Dinar	
	2024	2023
Salaries and Allowances	15,227,310	15,321,627

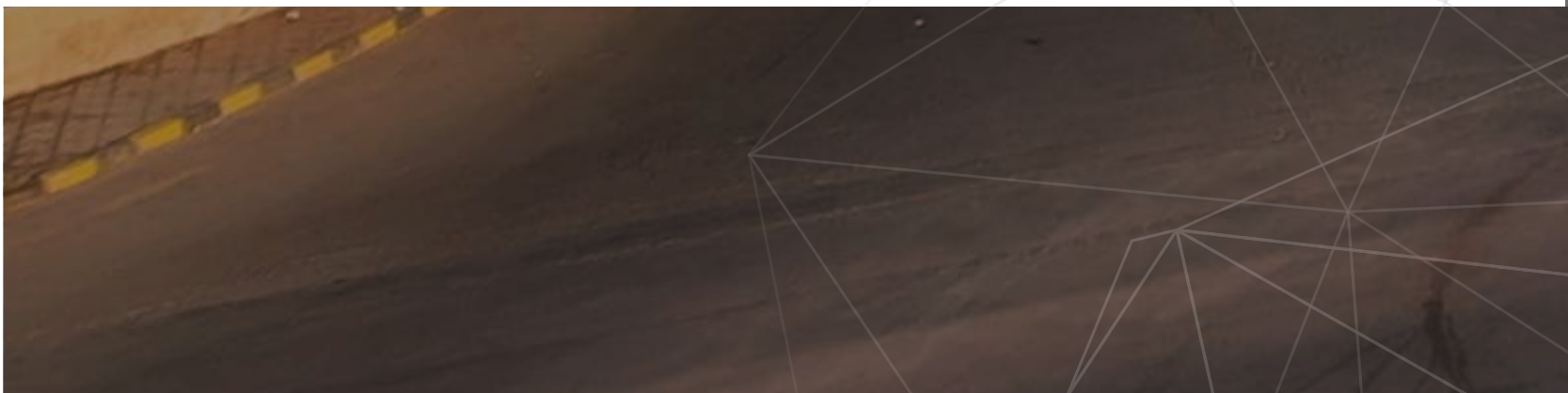
**Financial Situation for 2024 Compared to 2023:**

- Net Consolidated Sales reached JD 1,213,273 million (JD 628,450 million sales of phosphate and JD 305,263 million sales of fertilizers in addition to JD 266,124 million sales of subsidiary companies and JD 13,436 million trading with raw materials) in 2024 compared to JD 1,229,234 million in 2023 (JD 698,094 million sales of phosphate and JD 261,757 million sales of fertilizers in addition to JD 256,400 million sales of subsidiary companies and JD 12,983 million trading with raw materials).
- Consolidated Expenses reached JD 610,253 million (JD 208,910 million for the phosphate unit; JD 230,889 million for the fertilizers' unit; JD 163,099 million for subsidiary companies; and JD 7,355 million for cost of trading with raw materials) in 2024 vis-à-vis JD 615,586 million (JD 196,336 million for the phosphate unit; JD 234,023 million for the fertilizers unit; JD 174,636 million for subsidiary companies; and JD 10,591 million for cost of trading with raw materials) in 2023.
- The Income Tax Expense reached JD 145,140 million in 2024 against JD 166,820 million in 2023.
- Net Accumulated profits reached JD 457,880 million in 2024 against JD 446,828 million in 2023.
- Total Equity reached JD 1,816,070 million in 2024 against JD 1,683,920 million in 2023 with an increase of about 7.85% compared to 2023.

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## Some Financial Information and Indicators

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## 1. Details of the most significant Financial Indicators for 2017-2024:

(Thousand Dinars)

Details	2024	2023	2022	2021	2020	2019	2018	2017
Net Revenues of Sales	1,213,273	1,229,234	1.748.265	1,077.779	607.385	640.793	674,439	586,666
Total Expenses	(755,393)	(782,406)	(1.031.120)	(741.416)	(579.312)	(620.203)	(713.390)	(633,319)
Net Accumulated Profits (Losses)	457,880	446,828	717.145	336.363	28.073	20.590	(38.951)	(46,653)
Interests of Loans	2,561	3,114	2.318	2.296	3.802	6.143	6.947	4,755
Net Fixed Assets	243,135	239,700	231.823	225.626	218.984	222.921	234.843	228,979
Current Assets	1,324,693	1,348,269	1.222.763	652.747	331.606	330.194	379.313	336,933
Total Assets	2,148,192	2,145,117	2.071.836	1.496.247	1.144.196	1.173.205	1.146.786	1077,663
Net Equity	1,816,070	1,683,920	1.484.482	928.598	609.576	595.270	596.164	678,152
Long Term Credit Loans	24,639	29,807	34.975	42.539	52.959	63.776	83.046	72,971
Current Liabilities	164,264	295,139	391.736	335.872	291.636	320.937	336.651	309,783
Debt Ratio	98:2	98:2	97:3	93:7	89:11	86:14	84:16	85:15
Debt Service Ratio\ Once	81,34	40.37	46.20	27.46	1.63	2.6	2.15	0.70
Current Ratio\ Once	8,06	4.568	3.026	1.921	1.12	1.029	1.12	1.09
Net Profit (Loss) per Share\ Dinar	1,84	1,800	2,891	4.060	0.352	265	(0.475)	(0,576)
Closing Price per Share\ Dinar	14,43	10,69	35.7	17.94	3.51	2.77	2.84	2.55

## 2. Profits (Losses) Realized, Distributed Dividends, Net Shareholders' Equity, and Prices of Financial Securities Issued for 2017-2024:

(Thousand Dinar)

Year	Net Accumulated Profits (Losses)	Net Equity	Profits (Dividend)	Prices of Issued Securities	
				Year	Shares (Dinar/ Share)
2024	457,880	1,816,070	-	2024	14,43
2023	446,828	1,683,920	321,750	2023	10.69
2022	717.145	1.484.482	247,500	2022	35.7
2021	336.363	928.598	165.000	2021	17.94
2020	28.073	609.576	16.5	2020	3.51
2019	20.590	595.270	8.250	2019	2.77
2018	(38,951)	596,164	16.500	2018	2,84
2017	(46,653)	678,152	-	2017	2,55

### 3. Dealings with the Treasury and Public Institutions in 2024 and 2023:

#### Company Payments

(Thousand Dinars)

Item	Year	
	2024	2023
Ministry of Finance:		
Mining Revenues	35,000	22,079
Customs Duties	588	466
Revenue Stamp Fees	53	91
Dividends Distributed by the government and Social Security Corporation	136,018	104,438
Department of Land and Survey	4,042	4,152
Tax on Income and Overseas Payments & Sales	221,738	197,576
Income Tax on Employees' Salaries	2,477	2,823
The Company's and Employees' Contribution to Social Security	6,952	8,671
Aqaba Development Company	3,146	3,123
Public Security Directorate/In lieu of Security Guards for the Production Sites	589	520
Economic and Social Corporation of Military Retirees/ Security Guards	2,090	1,992
General Directorate of Gendarmerie	1,586	1,686
Water Authority	10,581	10,464
Electricity Companies	18,975	17,463
Aqaba Special Economic Zone (Port Operation Services)	136	113
Regulatory Commission of Energy and Minerals Sector	82	78
Total	444,053	375,762

#### Subsidiary Companies Payments:

(Thousand Dinars)

Year	
2024	2023
10.306	16.589

## Brief Data on the Position of the Company for 2017-2024:

Year	Total Assets (thousand Dinar)	Nominal Capital (thousand Dinars)	Total Equity (thousand Dinars)	Net Profits (Losses) (Thousand Dinars)	Production (thousand tons)			Sales (thousand tons)			Distributed Dividends (%)	Staff as at 31 December
					Phosphate	DAP	Phosphoric Acid	Phosphate	DAP	Phosphoric Acid		
2024	2,148,192	247,500	1,816,070	457,880	11,516	717	645	11,145	730	352	-	1,877
2023	2,145,117	247,500	1,683,920	446,828	11,454	671	598	11,054	672	328		2,155
2022	2,071.837	82.500	1,484.482	717.145	10.947	708	599	10.700	724	313	300*	2,290
2021	1,496.247	82.500	928.598	363.363	9.785	728	594	9.682	700	356	200	2,153
2020	1,144.196	82.500	609.576	28.073	8.733	707	532	8.552	778	306	20	2,302
2019	1,173.205	82.500	595.270	20.590	9.144	550	511	9.031	561	308	10	2,411
2018	1,146.786	82,500	596.164	(38.951)	8,023	632	519	8,063	582	295	20	2,570
2017	1,077.663	82,500	678,152	(46,653)	8,688	379	469	8.793	401	319	-	2,871

\* Bonus shares of 200% of the Company's nominal capital, amounting to JD (82,500) million.

## The Risks to Which the Company is Exposed to:


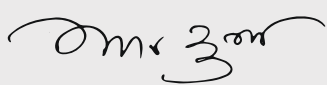

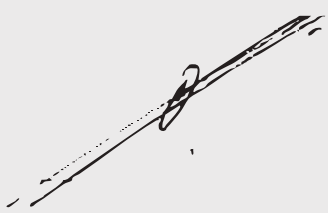

In 2024, the Company suffered from a deep fluctuation in the global prices of chemical fertilizers, while the cost of producing chemical fertilizers in the Industrial Complex in Aqaba still restricts the Company's competitiveness in this industry. In addition to the limited storage of finished products.

## Governmental Protection or Prerogatives that the Company or any of its Products Enjoy and Patents Description:



The Jordan Phosphate Mines Company, its associate and subsidiary companies don't enjoy any governmental safeguard; It is not covered by any prerogatives, but it has licenses of mining rights that are renewed upon approval of the Ministry of Energy and Mineral Resources. The Company doesn't possess any patents that were not disclosed in the past.

## Acknowledgment by the Board of Directors:

- 1- The BOD of JPMC acknowledges their full responsibility for the preparation of the consolidated financial statements enclosed herein and approved by the BOD on 23rd March 2025, and the availability of an effective control system at the Company.
- 2- The BOD of JPMC acknowledges, to the best of their knowledge and belief, that there are no other substantial issues that can affect the continuity of the Company in the fiscal year 2025.
- 3- Chairman of the BOD of JPMC, the CEO and Director of Finance all acknowledge that the information and data in this annual report for 2024 are real, precise and complete.

Dr. U.S. Awasthi Member	Mr. Fares Eid Mufleh Al Qatarnah Vice-chairman of the BOD	Dr. Mohammad Thneibat Chairman of the BOD
		
Dr. Eng. AbdelFattah AbuHassan Member	Mr. Manish Gupta Member	Dr. P.S. Gahlaut Member
		
Mr. Edrees Ahmad Member	Prof. Dr. Qais Mahafzah, Lawyer Member	Mr. Firas Monther Al Qarain Member
		

Chairman of the BOD of JPMC, the CEO, the Assistant CEO and Director of Finance all acknowledge that the information and data in this annual report for 2024 are real, precise and complete.

Omar Badran Director of Finance	Eng. Abdel Wahab Al Rowwad CEO	Dr. Mohammad Thneibat Chairman of the BOD
		

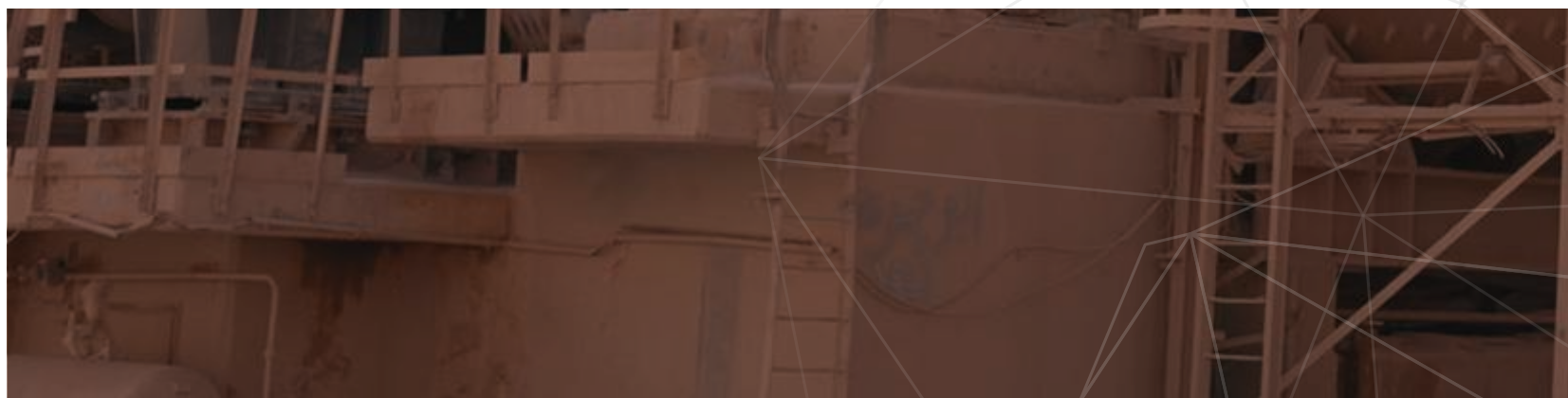


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## Financial Statements

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## **INDEPENDENT AUDITOR'S REPORT**

**To the Shareholders of Jordan Phosphate Mines Company – Public Shareholding Company**  
**Amman – Jordan**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

We have audited the consolidated financial statements of **Jordan Phosphate Mines Company – Public Shareholding Company** (the “Company”), and its subsidiaries (together the “Group”) which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards, are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Jordan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter provided in that context .

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

1. Revenue recognition	
Revenues related disclosures are presented in note 22 on the consolidated financial statements	
Key audit matter	How the key audit matter was addressed in the audit
<p>The Group focuses on revenue as one of its main performance measures, and given the importance of the amounts and the geographical diversity of the Group's operations and the ease with which these revenues are exposed to the risks of overstatement in value and fraud, we consider the revenue recognition as a key audit matter.</p> <p>Revenues are recognized when the Group meets the performance obligations in accordance with the contracts signed with customers when the goods are transferred to customers and the invoice is issued, which usually occurred at a specific point in time.</p>	<p>The audit procedures included an assessment of the Group's accounting policies for revenue recognition in accordance with the International Financial Reporting Standards. We also tested the Group's controls around revenue recognition and key controls within the revenue cycle.</p> <p>We have tested the accuracy of revenue recognition by selecting a sample of sales invoices and match them with contracts and selling prices agreed upon.</p> <p>We have tested a representative sample of revenues journal entries recorded during the year based on predetermined standards.</p> <p>In addition to that, we have selected a sample of revenues before and after year-end to ensure proper recording in the proper period.</p> <p>We have also performed detailed revenue analysis using financial and non-financial information.</p>



## 2. Provisions for employees' benefits

Provision for employees' benefit disclosure is presented in note 16 on the consolidated financial statements

### Key audit matter

The Group has different employee benefit plans such as defined contribution plans whereas the Group's financial obligations are limited to the Company's share of contribution or defined benefit plans "Death and Compensation fund".

The measurement of the Death and Compensation fund provision is considered a key audit matter because the balance as of 31 December 2024 amounting to JD 60,422 thousand is material to the consolidated financial statements.

Furthermore, measuring the defined benefit obligations plans liability using the projected unit credit method requires using certain assumptions related to the present value of future expected payments and the actuarial assumptions related to the resignation rates, salary increase rates and discount rates. Whereas the calculation of the defined benefit obligations plans liability is performed in accordance with actuarial studies as required by International Accounting Standards (IAS 19) "Employees benefits".

### How the key audit matter was addressed in the audit

The audit procedures included an assessment of the accounting policies followed by the Group to recognize liabilities. Moreover, we involved our valuation experts to assist us in evaluating the assumptions and methodologies used by the actuarial expert, specifically those related to discount rates, resignation rates, salary increase rates and mortality rates. Nevertheless, we have assessed the extent of the independence and the qualification of the actuarial expert.

We tested the accuracy of the assumptions and information used in the calculation of the employees' benefits liabilities by taking a sample of employees' contracts and payroll slips.

We evaluated the sufficiency of disclosures made by the Group regarding assumptions used in the measurement of these liabilities in accordance with International Accounting Standards (IAS 19).

## Other information included in the Group's 2024 annual report

Other information consists of the information included in the Group's 2024 Annual Report other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group's or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exist, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period, and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonable be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

The Group maintains proper books of accounts which are in agreement with the consolidated financial statements.

The partner in charge of the audit resulting in this auditor's report was Ali Hasan Samara; license number 503.

**ERNST & YOUNG**  
Amman - Jordan

Amman – Jordan  
24 March 2025



**JORDAN PHOSPHATE MINES COMPANY PLC**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2024**  
**(In Thousands of Jordanian Dinars)**

	Notes	2024	2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3A	243,135	239,700
Projects in progress	4	30,598	14,785
Investments in associates and joint ventures	5	359,490	335,579
Intangible assets	6	115,218	122,015
Deferred tax assets	21	23,219	30,059
Employees' housing loans	7	4,827	5,100
Financial assets at fair value through other comprehensive income	8	304	304
Long term loans receivable	9	6,442	6,442
Long term accounts receivable	11	2,521	2,521
Long term other current assets	12	4,660	4,660
Production and development stripping cost		1,033	-
Right-of-use assets	3B	32,051	35,683
		<u>823,498</u>	<u>796,848</u>
<b>Current assets</b>			
Inventories, spare parts and supplies	10	158,384	166,362
Short term accounts receivable	11	129,512	123,272
Other short term current assets	12	77,996	79,907
Financial assets at fair value through profit or loss		355	374
Cash on hand and at banks	13	958,447	978,354
		<u>1,324,694</u>	<u>1,348,269</u>
<b>TOTAL ASSETS</b>		<u><u>2,148,192</u></u>	<u><u>2,145,117</u></u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Paid-in-capital	14	247,500	247,500
Statutory reserve	14	75,000	75,000
Voluntary reserve	14	75,000	75,000
Special reserve	14	75,000	75,000
Fair value reserve	8	(357)	(357)
Acquisition of non – controlling interest reserve	38	924	924
Retained earnings attributable to Company's shareholders		1,333,404	1,203,800
<b>Equity attributable to Company's shareholders</b>		<u>1,806,471</u>	<u>1,676,867</u>
Non – controlling interests	37	9,599	7,053
<b>Total Equity</b>		<u><u>1,816,070</u></u>	<u><u>1,683,920</u></u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long-term loan	15	24,639	29,807
Provisions for employees' benefits	16	57,728	48,786
Assets retirement provision	6	19,420	18,785
Other provisions	35	32,500	32,500
Long-term lease liabilities	3B	33,571	36,180
		<u>167,858</u>	<u>166,058</u>
<b>Current liabilities</b>			
Accounts payable	17	56,090	62,465
Accrued expenses	18	37,294	32,368
Other current liabilities	19	30,297	39,434
Due to banks	20	582	1,204
Current portion of long-term loan	15	5,168	5,168
Income tax provision	21	18,828	109,678
Short-term lease liabilities	3B	7,289	7,301
Provisions for employees' benefits	16	8,716	37,521
		<u>164,264</u>	<u>295,139</u>
<b>Total Liabilities</b>		<u><u>332,122</u></u>	<u><u>461,197</u></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>2,148,192</u></u>	<u><u>2,145,117</u></u>

The attached notes from 1 to 43 form an integral part of these consolidated financial statements

**JORDAN PHOSPHATE MINES COMPANY PLC**  
**CONSOLIDATED STATEMENT OF INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**(In Thousands of Jordanian Dinars)**

	<u>Notes</u>	<u>2024</u>	<u>2023</u>
Net sales	22	1,213,273	1,229,234
Cost of sales	22	(513,844)	(516,830)
<b>Gross profit</b>	22	699,429	712,404
Selling and marketing expenses	23	(7,217)	(6,257)
New phosphate port terminal expenses	34	(14,822)	(13,702)
Aqaba port fees		(5,218)	(5,035)
Transportation expenses		(95,908)	(92,442)
Administrative expenses	24	(38,400)	(29,368)
Russiefah mine expenses	25	(279)	(1,364)
Mining fees costs	26	(34,745)	(37,859)
(Provision for) recovered from provision of slow-moving spare parts	10	(3,834)	169
Other provisions	16	(358)	(370)
Recovered from expected credit losses	11	-	4,605
Other income, net	27	2,866	18,338
Foreign currency exchange differences		1,040	2,658
<b>Operating profit</b>		502,554	551,777
Finance costs	28	(6,411)	(8,873)
Finance income	29	59,157	41,180
Group's share of profit from associates and joint ventures	5	47,784	29,669
Board of directors bonus		(45)	(45)
Loss from revaluation of financial assets at fair value through profit or loss		(19)	(60)
<b>Profit before income tax</b>		603,020	613,648
Income tax expense	21	(145,140)	(166,820)
<b>Profit for the year</b>		457,880	446,828
<b>Profit attributable to:</b>			
Company's shareholders		455,304	445,533
Non - controlling interests		2,576	1,295
		457,880	446,828
		<u>JD/ Fils</u>	<u>JD/ Fils</u>
<b>Basic and diluted profit per share attributable to the Company's shareholders</b>	30	1/840	1/800

The attached notes from 1 to 43 form an integral part of these consolidated financial statements

**JORDAN PHOSPHATE MINES COMPANY PLC**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**(In Thousands of Jordanian Dinars)**

	Notes	2024	2023
Profit for the year		457,880	446,828
<b>Add: Other comprehensive income items not to be reclassified to profit or loss in subsequent periods (net of tax)</b>			
Changes in fair value of financial assets at fair value through other comprehensive income	8	-	(81)
Actuarial (loss) gain resulted from revaluation of defined benefit obligation plan	16	(3,980)	191
<b>Total comprehensive income for the year</b>		<b>453,900</b>	<b>446,938</b>
Total comprehensive income attributable to:			
Company's shareholders		451,354	445,677
Non-controlling interests	37	2,546	1,261
<b>Total comprehensive income for the year</b>		<b>453,900</b>	<b>446,938</b>

The attached notes from 1 to 43 form an integral part of these consolidated financial statements

**JORDAN PHOSPHATE MINES COMPANY PLC**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**(In Thousands of Jordanian Dinars)**

	Reserves				Retained earnings					Equity attributable to Company's shareholders	Non - controlling interest	Total equity
	Paid-in capital	Statutory	Voluntary	Special	Fair value reserve	Acquisition of non -controlling interest reserve	Unrealized*	Realized**	Total			
<b>For the year ended 31 December 2024</b>												
Balance at 1 January 2024	247,500	75,000	75,000	75,000	(357)	924	26,145	1,177,655	1,203,800	1,676,867	7,053	1,683,920
Profit for the year	-	-	-	-	-	-	(19)	455,323	455,304	455,304	2,576	457,880
Other comprehensive income items	-	-	-	-	-	-	-	(3,950)	(3,950)	(3,950)	(30)	(3,980)
Total comprehensive income	-	-	-	-	-	-	(19)	451,373	451,354	451,354	2,546	453,900
Cash dividends distribution (Note 42)	-	-	-	-	-	-	-	(321,750)	(321,750)	(321,750)	-	(321,750)
<b>Balance at 31 December 2024</b>	<b>247,500</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>(357)</b>	<b>924</b>	<b>26,126</b>	<b>1,307,278</b>	<b>1,333,404</b>	<b>1,806,471</b>	<b>9,589</b>	<b>1,816,070</b>

<b>For the year ended 31 December 2023</b>												
Balance at 1 January 2023	82,500	75,000	75,000	75,000	(276)	924	26,205	1,144,337	1,170,542	1,478,690	5,792	1,484,482
Profit for the year	-	-	-	-	-	-	(60)	445,593	445,533	445,533	1,295	446,828
Other comprehensive income items	-	-	-	-	(81)	-	-	225	225	144	(34)	110
Total comprehensive income	-	-	-	-	(81)	-	(60)	445,818	445,758	445,677	1,261	446,938
Capital increase (Note 42)	165,000	-	-	-	-	-	-	(165,000)	(165,000)	-	-	-
Cash dividends distribution (Note 42)	-	-	-	-	-	-	-	(247,500)	(247,500)	(247,500)	-	(247,500)
<b>Balance at 31 December 2023</b>	<b>247,500</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>(357)</b>	<b>924</b>	<b>26,145</b>	<b>1,177,655</b>	<b>1,203,800</b>	<b>1,676,867</b>	<b>7,053</b>	<b>1,683,920</b>

\* An amount of JD 26,126 thousand is restricted and represents the unrealized gain from the revaluation of investment and acquisition of Indo-Jordan Chemical Co. and Nippon Jordan Fertilizer Co. during 2010 and 2011.

\*\* Included in retained earnings an amount of JD 23,576 thousands which are restricted, it includes JD 23,219 thousands which represents deferred tax assets, an amount of JD 357 thousands restricted against the negative balance of fair value reserve for financial assets at fair value through other comprehensive income as of 31 December 2024.

**The attached notes from 1 to 43 form an integral part of these consolidated financial statements**



**JORDAN PHOSPHATE MINES COMPANY PLC**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**(IN THOUSANDS OF JORDANIAN DINARS)**

	Notes	2024	2023
<b><u>OPERATING ACTIVITIES</u></b>			
Profit for the year before income tax		603,020	613,648
<b>Adjustments -</b>			
Depreciation	3A	12,669	12,586
Depreciation of right of use assets	3B	3,632	4,906
Amortization of new phosphate port terminal	6	6,361	6,361
Amortization of natural gas station and pipeline	6	436	436
Provisions for employees' benefits	16	9,559	16,114
Finance costs	28	6,411	8,873
Finance income	29	(59,157)	(41,180)
Mining fees costs	26	37,325	40,228
Group's share of profit from associates and joint ventures	5	(47,784)	(29,669)
Provision for (recovered from) slow-moving spare parts and supplies	10	3,834	(169)
Recovered from expected credit losses provision	11	-	(4,605)
Other non-cash items		3,807	(8,705)
<b>Working capital changes:</b>			
Accounts receivable		(5,625)	2,985
Employees' housing loans		332	271
Other current assets		7,655	13,164
Inventories, spare parts and supplies		4,144	31,461
Production and development stripping cost		(1,033)	-
Accounts payable		(6,375)	(17,471)
Accrued expenses		5,129	(14,709)
Other current liabilities		(13,769)	(1,180)
Provisions for employees' benefits paid	16	(34,952)	(30,109)
Mining fees paid		(35,000)	(22,079)
Income tax paid	21	(227,618)	(205,982)
<b>Net cash flows from operating activities</b>		<b>273,001</b>	<b>375,175</b>
<b><u>INVESTING ACTIVITIES</u></b>			
Property, plant and equipment and projects in progress		(31,917)	(25,511)
Short term deposits mature between within 3 months and 1 year		11,790	(466,412)
Investment in associates and joint ventures	5	(602)	(66)
Dividends received		23,690	64,886
Interest received		51,029	30,031
<b>Net cash flows from (used in) investing activities</b>		<b>53,990</b>	<b>(397,072)</b>
<b><u>FINANCING ACTIVITIES</u></b>			
Repayments of loans		(5,168)	(12,474)
Dividends paid		(320,718)	(247,611)
Lease liabilities payments	3B	(5,508)	(5,547)
Finance costs paid		(3,092)	(4,138)
<b>Net cash flows used in financing activities</b>		<b>(334,486)</b>	<b>(269,770)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(7,495)</b>	<b>(291,667)</b>
Cash and cash equivalents at 1 January		176,935	468,602
<b>Cash and cash equivalents at 31 December</b>	13	<b>169,440</b>	<b>176,935</b>

The attached notes from 1 to 43 form an integral part of these consolidated financial statements

**JORDAN PHOSPHATE MINES COMPANY PLC**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

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**(1) GENERAL**

Jordan Phosphate Mines Company was established in 1949 and became a Public Shareholding Company in 1953. The Company's objectives are to mine and market phosphate rock, produce fertilizers and invest in the establishment of related industries. The fertilizers production unit is located in the Industrial Complex in Aqaba. The phosphate rock is extracted, to a large extent, from the mines of Shidiya, Al-Abiad and Al-Hasa. In respect of the mining rights granted to the Company, it is subject to annual mining rights fees of JD 500 / squared Kilo meter or any part of squared Kilo meter per mined area payable to the Natural Resources Authorities. The Company produces chemical fertilizers and related by-products through its subsidiaries that are listed in (Note 2-2).

The head office of the Company is located in Shmeisani, Amman - Jordan.

The consolidated financial statements were authorized for issuance by the Board of Directors in their meeting held on 23 March 2025 and they are subject to the approval of the Company's General Assembly.

**Investors with significant influence on the Group:**

Indian Potash Limited, Government Investments Management Company (Jordan), Jordanian Social Security Corporation, Kisan International Trading and Government of Kuwait own 27.4%, 25.7%, 16.6% 9.6%, and 9.3% of the Company's capital, respectively.

**(2) BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION**

**(2-1) BASIS OF PREPARATION**

The consolidated financial statements have been prepared on a historical cost basis, except for the financial assets at fair value through profit and loss and financial assets at fair value through other comprehensive income which have been measured at fair value as of the date of the consolidated financial statements.

The consolidated financial statements have been prepared in accordance with IFRS accounting standards as issued by the international accounting standards board (IASB).

The consolidated financial statements are presented in Jordanian Dinars and all values are rounded to the nearest thousand except when otherwise indicated.

**JORDAN PHOSPHATE MINES COMPANY PLC**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**(2-2) BASIS OF CONSOLIDATION**

The consolidated financial statements comprise the financial statements of Jordan Phosphate Mines Company ("The Company") and the following subsidiaries as of 31 December 2024 and 2023:

Company name	Nature of activity	Ownership	Country of incorporation
		%	
Indo-Jordan Chemicals Company Limited	Phosphoric Acid and other chemicals production	100%	Jordan
Ro'ya for Transportation Company Limited	Transportation services	100%	Jordan
Nippon Jordan Fertilizers Company Limited	Fertilizers and chemicals production	80%	Jordan

The control exists when the Group has the rights to variable returns from its involvement with the subsidiaries, and has the ability to affect those returns. Control over the subsidiaries is exercised when the following factors exist:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

When the Group owns less than a majority of the voting rights in an investee, in this case, the Group considers all factors and circumstances to determine whether it has control over the investee, which include the following:

- Contractual agreements with shareholders that have voting rights in the investee.
- Rights resulting from other contractual arrangements.
- The Group's current and future voting rights in the investee.

The Group reassesses its control over the investee when circumstances and factors exist that lead to the change in one or more of the three factors listed above.

Subsidiaries are fully consolidated from the date on which the Group gains control and continues to do so until the date when such control ceases. The subsidiaries revenues and expenses are consolidated in the consolidated statement of comprehensive income from the date the Group gains control over the subsidiaries until that control ceases.

Profits, losses, and all other comprehensive income items are attributed to the shareholders' equity of the parent company, and to non-controlling interest, even if this leads to a deficit balance. If need arises, the subsidiaries' financial statements are adjusted accordingly to comply with the Group's accounting policies. All intra-group assets, liabilities, equity, revenues, expenses, gains and losses resulting from intra-group transactions and dividends are eliminated in full.

**JORDAN PHOSPHATE MINES COMPANY PLC**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

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A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interest
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in the statement of profit or loss and other comprehensive income
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate.

**(2-3) NEW IFRS AND AMENDMENTS APPLIED FOR FIRST TIME DURING THE YEAR**

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024:

**Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback**

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no material impact on the Group's consolidated financial statements.

**Amendments to IAS 1 - Classification of Liabilities as Current or Non-current**

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no material impact on the Group's consolidated financial statements.



**Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7**

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments had no material impact on the Group's consolidated financial statements.

**(2-4) USE OF ESTIMATES**

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses. In particular, considerable judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provisions required. 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.

**Useful life of properties, plant and equipment**

The Group's management estimates the useful life for property, plant and equipment for the purpose of calculating depreciation by depending on the expected useful life of these assets. Management reviews the remaining book value and useful life annually. Future depreciation expense is adjusted if management believes that the remaining useful life of the assets differs from previous estimations.

**Impairment of goodwill**

The Group's management performs an annual impairment test for the goodwill resulted from the purchase of the fertilizers unit at the date of the consolidated financial statements. Goodwill is impaired if there are indications of impairment, i.e. if the estimated recoverable amount for the fertilizers unit is less than the book value. Impairment is recorded in the consolidated statement of income.

The fair value of recoverable amounts for the fertilizers unit is valued using the discounted value of future cash flows. All assumptions used in the goodwill impairment calculation are indicated in (Note 6).

**Provision for slow moving spare parts**

The Group's management performs an annual study which categorizes all spare parts by age groups. Based on the results of the study, a provision is taken against spare parts which have surpassed, at the date of the Group's financial statements, a certain age from the date of purchase.

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**Expected credit losses**

For all debt instruments, the Group has applied the standard's simplified approach and has calculated ECL based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

**Income tax provision**

The Group calculates tax expense for the year based on reasonable estimates, for possible consequences of audit by the Income and Sales tax department. The amount of tax provision is based on various factors, such as experience of previous tax audits. Additionally, the Group engages an independent tax specialist to review the tax provision calculations.

Deferred tax assets are recognized for all deductible temporary differences such as unused tax expenses and losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits. Details of income tax provision and deferred tax are disclosed in (Note 21).

**Significant judgement in determining the lease term of contracts with renewal options**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases to lease the assets for additional terms. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew.

That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

The Group included the renewal period as part of the lease term for leases of plant and machinery due to the significance of these assets to its operations. These leases have a short non-cancellable period and there will be a significant negative effect on production if a replacement is not readily available.

**Death and compensation fund provision**

Death and compensation fund provision is measured using the Projected Unit Credit Method that is calculated by an actuarial. All actuarial assumptions are disclosed in (Note 16).

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**(2-5) SUMMARY OF MATERIAL ACCOUNTING POLICIES**

**Property, plant and equipment**

A) Property plant and equipment recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis using the following depreciation rates, (land is not depreciated):

<u>Type of property, plant and equipment</u>	<u>Depreciation rate</u>
	%
Buildings and constructions	2
Roads and yards	4
Machinery and equipment	3
Water and electricity networks	2-3
Furniture and office equipment	9
Medical and lab equipment	10
Communication equipment	12
Computers	12
Vehicles	7
Spare parts reserves	3
Software and programs	20

The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment.

Book value of property and equipment's are being reviewed regarding the decreasing the value when the events or changing in circumstances indicate that the book value cannot be recovered. When the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amount, and the impairment is recorded in the consolidated statement of income.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the consolidated statement of income when the asset is derecognised.

B) Major maintenance and repairs

Expenditure on major maintenance refits or repairs comprises the cost of replacement assets or parts of assets and overhaul costs. Where an asset, or part of an asset, that was separately depreciated and is now written off is replaced, and it is probable that future economic benefits associated with the item will flow to the Group through an extended life, the expenditure is capitalised. Where part of the asset was not separately considered as a component and therefore not depreciated separately, the replacement value is used to estimate the carrying amount of the replaced asset(s) which is immediately written off. All other day-to-day maintenance and repairs costs are expensed as incurred.

### **Projects in progress**

Projects in progress are stated at cost, and include the cost of construction, equipment and other direct costs and it is not depreciated until it is available for use.

### **Right-of-use assets**

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

### **Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

### **Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to some of its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (USD 5,000 annually). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

### **Investments in associates and joint ventures**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

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The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The consolidated statement of income reflects the Group's share of the results of operations of the associate or joint venture. Any change in other comprehensive income of those investees is presented as part of the Group's consolidated statement of other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the consolidated statement of income and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the consolidated statement of income.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in the consolidated statement of income.



### **Intangible assets**

#### **- New phosphate port terminal**

This item represents the license to use and operate the new phosphate port terminal until 2040, after that the port will be handed over to Aqaba Development Corporation.

#### **- Natural gas station and pipeline**

This item represents the license to use and operate the new gas station and pipeline until 2033, after that the station will be handed over to the Government of the Hashemite Kingdom of Jordan.

Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Intangible assets are amortized over the period in which they are expected to be available for use by the Group using straight line method and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization expense on intangible assets is recognized in the consolidation statement of income.

#### **- Goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquire. For each business combination, the Group elects whether to measure the non-controlling interests in the acquire at fair value or at the proportionate share of the acquirer's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in the consolidated statement of income.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IAS 39 Financial Instruments: Recognition and Measurement, is measured at fair value with changes in fair value recognised in consolidated statement of income.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in consolidated income statement .

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After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

**Asset retirement cost**

The Group recognizes and measures asset deferral provision for movable assets as a consequence of the use of the new phosphate port terminal during the operating period in accordance with IAS 37, using the best estimate of the expenditures required to settle the present obligation at the consolidated statement of financial position date.

**Financial assets at fair value through other comprehensive income**

These are financial assets limited to equity instruments and the management intends to retain those assets in the long term.

These financial assets are initially recognized at fair value plus attributable transaction costs and subsequently measured at fair value. The change in fair value of those assets is presented in the consolidated statement of comprehensive income within owners' equity, including the change in fair value resulting from the foreign exchange differences of non-monetary assets. In case those assets - or part of them - were sold, the resultant gain or loss is recorded in the consolidated comprehensive income statement within owners' equity and the fair value reserve for the sold assets is directly transferred to the retained profit or loss and not through the consolidated statement of income.

- Those financial assets are not subject to impairment testing.
- Dividend's income is recorded in the consolidated income statement.
- It is not permitted to reclassify assets to or from this category except in certain circumstances determined in the IFRS 9.

**Debit financial assets**

Debit financial assets are initially recognized at fair value, debit financial assets are subsequently measured at amortized cost using the effective interest method.

**Inventories and spare parts**

Inventories are valued at the lower of cost or net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The costs incurred to bring each inventory item to its current condition are accounted for as follows:

Raw materials	Purchase cost using the weighted average cost method.
Finished goods and work in process	Cost of direct materials, labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs, using the weighted average cost method.
Spare parts and supplies	Cost using the weighted average cost method.

**Stripping Cost in the Production Phase of Surface Mine**

The Group incurs waste removal costs (stripping costs) during the development and production phases of its surface mining operations. During the production phase, stripping costs (production stripping costs) can be incurred both in relation to the production of phosphate in that period or the creation of improved access and mining flexibility in relation to phosphate to be mined in the future.

Production stripping costs are included as part of the costs of inventory, while the stripping costs incurred in the creation of improved access and mining flexibility in relation to phosphate to be mined in future periods are capitalized as a stripping activity non-current asset that is amortized using units of production method. When the following conditions are met:

- It is probable that the future economic benefit improved access to the phosphate associated with the stripping activity will flow to the entity; and
- The entity can identify the amount and type of phosphate for which has been improved; and
- The cost relating to the stripping activity associated with the component can be measured reliably.

Significant judgment is required to distinguish between development stripping and production stripping and to distinguish between the production stripping that relates to the extraction of phosphate and what relates to the creation of a stripping activity asset. The Group's management calculates the stripped quantities of overburden for any of the locations based on geological and specialized technical studies conducted on a quarterly basis. Stripping costs are capitalized as a stripping activity asset when the actual stripping ratio is higher than the contracted stripping ratio estimated by geologists and specialized professionals.

The capitalized stripping costs are amortized using the units of production method estimated based on the updated geological studies for the period for each location when the actual stripping ratio is lower than or equal to the contracted stripping ratio.

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**Accounts receivable**

Accounts receivable are stated at original invoice amount less any provision for any uncollectible amounts or expected credit loss. The Group applies a simplified approach in calculating ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment in accordance with IFRS (9).

**Financial assets at fair value through profit or loss**

Financial assets which are purchased with the aim of resale in the near future in order to generate profit from the short-term market prices fluctuation or the trading profit margins.

Financial instruments at fair value through profit or loss are initially measured at fair value, transaction costs are recorded in the income statement at the date of transaction. Subsequently, these assets are revalued at fair value. Gains or losses arising on subsequent measurement of these financial assets including the change in fair value arising from non-monetary assets in foreign currencies are recognized in the income statement. When these assets or portion of these assets are sold, the gain or loss arising is recorded in the consolidated statement of income.

Dividend and interest income are recorded in the consolidated statement of income.

It is not permitted to reclassify assets to or from this category except in certain circumstances determined in the IFRS accounting standards as issued by the International Accounting Standards board (IASB).

**Cash and cash equivalents**

Cash and cash equivalent in the consolidated statement of financial position comprise cash at banks and at hand and short term deposits with an original maturity of three months or less. If original maturity of deposits exceeds three months, they are classified as short-term investments. For the purpose of the consolidated statement of cash flow, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts and deposits with maturity of deposits exceeds three months and less than one year.

**Long term loans**

All loans and borrowings are initially recognized at fair value less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method.

Loans interests are expensed in the period they occur including the grace period (if any). However, interest on loans granted for the purpose of financing projects in progress, is capitalized as a part of the project cost.

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**Employees' benefits**

The Group grants its employees schemes for early retirement and end of service compensations according to the following plans:

**1. Defined benefits plans**

The Group has the following defined benefits plans:

- End of service bonus compensation.
- Death and compensation fund.

The plans liability is determined actuarial expert. The obligation provision and pension costs are determined using the projected unit credit method. The projected unit credit method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Past service costs are recognized in profit or loss on the earlier of the date of plan amendment or the date that the company recognizes related costs. Actuarial gains or losses are recognized in accumulated losses through OCI in the period in which they occur. Gain or loss is realized from amendment or payment of the benefits when it occurs. The end of service obligation is measured at the present value of estimated future cash flows using a discount rate that is similar to the interest rate on government bonds.

**2. Defined contribution plans**

The Group computes its share from contributions to the defined contribution plans that is being provided to the plan's fund, which is financially and managerially independent from the Group, bank account in form of cash payments. Once the Group pays its share of contributions it will have no further liability toward the plan. Contributions are recognized as expense in the consolidated statement of income.

**Accounts payable and accruals**

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

**Provisions**

Provisions are recognized when the Group has a present obligation (legal or constructive) arising from a past event and the costs to settle the obligation are both probable and able to be reliably measured.



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**Revenue and expense recognition**

Revenues are recorded in accordance with the five-steps model of the IFRS accounting standard (15), which includes identifying the contract and the price and determining the performance obligation in the contract and recognizing revenue based on the performance of the obligation, where revenue is recognized when the goods are sold to customers and the invoice is issued, which usually takes place at a specific point in time.

Interest revenues are recognized on an accrual basis using effective interest method.

Other revenues are recognized on an accrual basis.

Expenses are recognized on an accrual basis.

**Mining Fees**

Mining fees paid in respect of phosphate rock used by the Fertilizers Unit are charged to cost of sales. Other mining fees on exported and locally sold phosphate are shown as a separate item in the consolidated statement of income.

**Leases**

Leases are classified as operating leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessor. Operating lease payments are recognized as an expense on a straight-line basis.

**Income tax**

Income tax expense represents current year income tax and deferred income tax.

Accrued tax expenses are calculated based on taxable income, which may be different from accounting income as it may include tax-exempt income, non-deductible expenses in the current year that are deductible in subsequent years, tax-accepted accumulated losses or tax-deductible items.

Current income tax is calculated based on the tax rates and laws that are applicable at the consolidated statement of financial position date and according to IAS 12.

Deferred income taxation is provided using the liability method on all temporary differences at the consolidated financial statement date. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on laws that have been enacted at the financial position date.

The carrying values of deferred income tax assets are reviewed at each consolidated statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

**Impairment of non-financial assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

**Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the consolidated statement of financial position date, based on the rates declared by the Central Bank of Jordan.

**Fair value**

The Group evaluates its financial instruments at fair value at the date of the financial statements.

The fair value of the financial instruments is included at the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group measures the fair value of financial assets and liabilities using the pricing assumptions used by market participants to price financial assets and liabilities, assuming that market participants behave according to their economic interests.

The Group uses valuation techniques that are appropriate and commensurate with the circumstances, and provides sufficient information for fair value measurement. Also, it illustrates clearly the use of inputs that are directly observable, and minimizes the use of inputs that are not directly observed.

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The Group uses the following valuation methods and alternatives in measuring and recording the fair value of financial instruments:

All assets and liabilities for which fair value is measured or disclosed in the financial statements or have been written off are categories within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have accrued between levels in the hierarchy by reassessing categorization (based on the lowest level input that significant to the fair value measurement as a whole) at the end of each reporting period.

For the disclosure of fair value, the Group classifies assets and liabilities based on their nature, their risk, and the level of fair value measurement.

**Segment reporting**

For the purpose of reporting to management and the decision makers in the Group, a business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments.

A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and return that are different from those of segments operating in other economic environments.

**Current Versus non-current Classification**

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

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All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**Offsetting**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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**(3A) PROPERTY, PLANT AND EQUIPMENT**

	Land	Buildings and constructions	Roads & yards	Machinery & equipment	Water & electricity networks	Furniture & office equipment	Medical equipment	Communication equipment	Computers	Vehicles	Spare parts reserves	Software and programs	Total
	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)
<b>2024</b>													
<b>Cost -</b>													
Balance at 1 January 2024	3,503	138,931	25,538	503,915	94,290	9,880	1,157	1,358	3,964	14,789	82,479	1,913	881,717
Additions	-	662	17	2,759	42	177	1	7	68	283	6,507	-	10,523
Transfers from projects in progress (Note 4)	-	2,984	239	1,562	796	-	-	-	-	-	-	-	5,581
Disposals	-	(1)	-	(434)	-	(43)	(4)	(1)	(20)	(93)	(1,826)	-	(2,422)
<b>Balance at 31 December 2024</b>	<b>3,503</b>	<b>142,576</b>	<b>25,794</b>	<b>507,802</b>	<b>95,128</b>	<b>10,014</b>	<b>1,154</b>	<b>1,364</b>	<b>4,012</b>	<b>14,979</b>	<b>87,160</b>	<b>1,913</b>	<b>895,399</b>
<b>Accumulated Depreciation -</b>													
Balance at 1 January 2024	-	102,914	23,982	401,041	46,643	5,642	980	1,326	3,617	13,743	40,217	1,912	642,017
Depreciation for the year	-	2,055	369	6,124	1,461	407	30	8	98	231	1,886	-	12,669
Disposals	-	(1)	-	(434)	-	(43)	(4)	(1)	(20)	(93)	(1,826)	-	(2,422)
<b>Balance at 31 December 2024</b>	<b>-</b>	<b>104,968</b>	<b>24,351</b>	<b>406,731</b>	<b>48,104</b>	<b>6,006</b>	<b>1,006</b>	<b>1,333</b>	<b>3,695</b>	<b>13,881</b>	<b>40,277</b>	<b>1,912</b>	<b>652,264</b>
<b>Net book value -</b>													
<b>At 31 December 2024</b>	<b>3,503</b>	<b>37,608</b>	<b>1,443</b>	<b>101,071</b>	<b>47,024</b>	<b>4,008</b>	<b>148</b>	<b>31</b>	<b>317</b>	<b>1,098</b>	<b>46,883</b>	<b>1</b>	<b>243,135</b>

The value of fully depreciated property, plant and equipment is JD 592,506 thousand as at 31 December 2024 (31 December 2023: JD 591,306 thousand).



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	Land	Buildings and constructions	Roads & yards	Machinery & equipment	Water & electricity networks	Furniture & office equipment	Medical equipment	Communication equipment	Computers	Vehicles	Spare parts reserves	Software and programs	Total
2023	JD (000)	JD (000)	JD (000)	JD (000)	JD (000)	JD (000)	JD (000)	JD (000)	JD (000)	JD (000)	JD (000)	JD (000)	JD (000)
<b>Cost -</b>													
Balance at 1 January 2023	3,503	138,161	25,417	503,337	94,179	8,077	1,139	1,355	3,966	14,475	75,267	1,913	870,789
Additions	-	702	-	3,378	165	1,853	18	5	60	467	7,549	-	14,197
Transfers from projects in progress (Note 4)	-	915	249	5,485	-	-	-	-	-	-	-	-	6,649
Disposals	-	(847)	(128)	(8,285)	(54)	(50)	-	(2)	(62)	(153)	(337)	-	(9,918)
<b>Balance at 31 December 2023</b>	<b>3,503</b>	<b>138,931</b>	<b>25,538</b>	<b>503,915</b>	<b>94,290</b>	<b>9,880</b>	<b>1,157</b>	<b>1,358</b>	<b>3,964</b>	<b>14,789</b>	<b>82,479</b>	<b>1,913</b>	<b>881,717</b>
<b>Accumulated Depreciation -</b>													
Balance at 1 January 2023	-	101,851	23,837	402,724	45,248	5,344	952	1,319	3,573	13,596	38,610	1,912	638,966
Depreciation for the year	-	1,910	273	6,402	1,449	338	28	9	99	243	1,835	-	12,586
Disposals	-	(847)	(128)	(8,085)	(54)	(40)	-	(2)	(55)	(96)	(228)	-	(9,535)
<b>Balance at 31 December 2023</b>	<b>-</b>	<b>102,914</b>	<b>23,982</b>	<b>401,041</b>	<b>46,643</b>	<b>5,642</b>	<b>980</b>	<b>1,326</b>	<b>3,617</b>	<b>13,743</b>	<b>40,217</b>	<b>1,912</b>	<b>642,017</b>
<b>Net book value -</b>													
At 31 December 2023	3,503	36,017	1,556	102,874	47,647	4,238	177	32	347	1,046	42,262	1	238,700

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Depreciation included in the consolidated statement of income is allocated as follows:

	2024	2023
	JD ('000)	JD ('000)
Cost of sales	12,278	12,348
Administrative expenses (Note 24)	295	168
Selling and marketing expenses	87	61
Russiefah mine expenses (Note 25)	7	7
Others	2	2
	<u>12,669</u>	<u>12,586</u>

**(3B) RIGHT OF USE ASSETS AND LEASE LIABILITIES**

The Group has lease contracts for various lands owned by the Government of Jordan, used in its operations. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

The Group also has some short term leases. The Group applies the 'short-term lease' recognition exemptions for this lease.

The lease obligation was computed based on average discount rate of 6.5%.

Set out below are the carrying amounts of right-of-use assets and lease liabilities recognised as of 31 December:

	Right-of-use assets	Lease liabilities*
	JD ('000)	JD ('000)
<b>2024 -</b>		
<b>Balance at 1 January</b>	35,683	43,481
Depreciation	(3,632)	-
Finance costs (Note 28)	-	2,887
Payments	-	(5,508)
<b>Balance at 31 December</b>	<u>32,051</u>	<u>40,860</u>

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	Right-of-use assets JD ('000)	Lease liabilities* JD ('000)
<b>2023 -</b>		
<b>Balance at 1 January</b>	53,023	61,371
Depreciation	(4,906)	-
Finance costs (Note 28)	-	3,802
Payments	-	(5,547)
Disposals**	(12,000)	(16,457)
Adjustments	(434)	312
<b>Balance at 31 December</b>	<b>35,683</b>	<b>43,481</b>

\* Lease liabilities details as at 31 December 2024 and 2023 are as follows:

2024			2023		
Short-term JD ('000)	Long-term JD ('000)	Total JD ('000)	Short-term JD ('000)	Long-term JD ('000)	Total JD ('000)
7,289	33,571	40,860	7,301	36,180	43,481

\*\* During the year 2023, the Group has terminated several lease contracts for land at Shidiya mine. The termination resulted in income of JD 4,457 thousand (Note 27).

**(4) PROJECTS IN PROGRESS**

Movement on the projects in progress is as follows:

	Balance at 1 January JD ('000)	Additions JD ('000)	Transferred to property plant & equipment Note (3A) JD ('000)	Disposals JD ('000)	Balance at 31 December JD ('000)
<b>2024 -</b>					
Industrial Complex Projects - Aqaba	4,062	15,296	(2,614)	-	16,744
Shidiya Mine Projects	1,286	1,152	(1,177)	-	1,261
Indo-Jordan Chemicals Company Projects	8,032	4,044	(540)	-	11,536
Head Office, Hasa & Abyad mines	1,101	318	(1,221)	-	198
Nippon Jordan Fertilizers Company Projects	304	584	(29)	-	859
<b>Total</b>	<b>14,785</b>	<b>21,394</b>	<b>(5,581)</b>	<b>-</b>	<b>30,598</b>
<b>2023 -</b>	<b>10,144</b>	<b>11,314</b>	<b>(6,649)</b>	<b>(24)</b>	<b>14,785</b>

The estimated cost to complete the projects in progress as of 31 December 2024 amounted to JD 30,881 thousand for Jordan Phosphate Mines Company and the expected completion of these projects is by the end of 2025. The estimated cost to complete the projects in progress amounted to JD 89,643 thousand for Indo-Jordan Chemicals related projects as of 31 December 2024 and the expected completion of these projects is during 2026. The estimated cost to complete the projects in progress amounted to JD 3,586 thousand for Nippon Jordan Fertilizers related projects as of 31 December 2024 and the expected completion of these projects is during 2025.

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**(5) INVESTMENTS IN ASSOCIATES AND JOINT VENTURES**

The below schedule summarizes the Group's investment in associates and joint ventures:

	2024 JD ('000)	2023 JD ('000)
Investment in associates (A)	243,818	230,676
Joint ventures (B)	115,672	104,903
	<u>359,490</u>	<u>335,579</u>

**A. INVESTMENTS IN ASSOCIATES:**

The below schedule summarizes financial information for the Group's investment in associates:

	Country of incorporation	Nature of activity	Ownership 2024 %	Ownership 2023 %	2024 JD ('000)	2023 JD ('000)
Jordan India Fertilizer Company "JIFCO"	Jordan	Phosphoric acid production	48	48	243,117	230,577
		Fertilizers and chemicals				
The Jordanian Turkish Fertilizers Company *	Jordan	production	40	40	577	-
Jordan Renewable Aluminum Fluoride Manufacturing Company**	Jordan	Aluminum fluoride production	33	33	99	99
The Phosphate Company for Feed Additives***	Jordan	Feed additives production	25	25	25	-
Manajim for Mining Development Company "Manajim"	Jordan	Mining services	46	46	-	-
		Fertilizers and chemicals				
Jordan Abyad Fertilizers and Chemicals Company	Jordan	production	27.38	27.38	-	-
					<u>243,818</u>	<u>230,676</u>

\* During the year 2024, the Group invested in 40% of the share capital of the Jordanian Turkish Fertilizers Company for an amount of JD 577 thousand. The registration procedures for the Jordanian Turkish Fertilizers Company with the Companies Control Department in the Hashemite Kingdom of Jordan were completed during January 2024. As of the date of preparing the consolidated financial statements, the Company has not yet commenced its operations.

\*\* During the year 2022, the Group invested in 33% of Jordanian Renewable Aluminum Fluoride Manufacturing Company's capital for an amount of JD 33 thousand. The registration procedures for the Jordanian Renewable Aluminum Fluoride Manufacturing Company were completed with the Companies Control Department in the Hashemite Kingdom of Jordan during December 2023. The Group increased its investment by JD 66 thousand during the year 2023 to reach to JD 99 thousand as of 31 December 2024 and 2023. As of the date of preparing the consolidated financial statements, the Company has not yet commenced its operations.

\*\*\* During the year 2024, the Group invested in 25% of the share capital of the Phosphate Company for Feed Additives for an amount of JD 25 thousand. The registration procedures for the Phosphate Company for Feed Additives with the Companies Control Department in the Hashemite Kingdom of Jordan were completed during May 2024. As of the date of preparing the consolidated financial statements, the Company has not yet commenced its operations.

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Movements on the investment in associates were as follows:

	2024 JD ('000)	2023 JD ('000)
Balance at 1 January	230,676	262,871
The Group's share of current year profit	35,874	27,498
Additions of Group's share of JIFCO income related to transactions between the Group and associate	356	2,627
Dividends from Jordan Indian Fertilizers Company	(21,390)	(62,386)
Provision for Impairment of investment in Manajim for Mining Development	(2,300)	-
Investment in the Jordanian Turkish Fertilizer Company	577	-
Investment in the Phosphate Company for Feed Additives	25	-
Investment in Jordan Renewable Company for Aluminum Fluoride	-	66
Balance at 31 December	<u>243,818</u>	<u>230,676</u>

The following table represents a summary of the financial information of associates:

	2024					
	Jordan					
	Jordan India Fertilizer Company	Jordanian Turkish Fertilizers Company	Renewable Company for Aluminum Fluoride	Phosphate Company for Feed Additives	Manajim for Mining Development Company **	Total
	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)
<b><u>Group's share in net equity:</u></b>						
Current assets	141,158	-	-	-	-	141,158
Non-current assets	416,023	-	-	-	-	416,023
Current liabilities	(45,743)	-	-	-	-	(45,743)
Non-current liabilities	(3,721)	-	-	-	-	(3,721)
Net equity	<u>507,717</u>	<u>1,443</u>	<u>300</u>	<u>100</u>	<u>-</u>	<u>509,560</u>
Percentage of ownership	<u>48%</u>	<u>40%</u>	<u>33%</u>	<u>25%</u>	<u>46%</u>	
Group's share in net equity	243,704	577	99	25	-	244,405
Elimination of Group's share of association related to transaction between the Group and associate	(587)	-	-	-	-	(587)
Adjustments	-	-	-	-	-	-
Provision for impairment of investment	-	-	-	-	-	-
<b>Net investment as at 31 December</b>	<u>243,117</u>	<u>577</u>	<u>99</u>	<u>25</u>	<u>-</u>	<u>243,818</u>
<b><u>Group's share from associate's</u></b>						
<b><u>revenues and profits:</u></b>						
Revenues	304,234	-	-	-	-	304,234
Cost of sales	(157,255)	-	-	-	-	(157,255)
Administrative, selling and distribution expenses	(76,338)	-	-	-	-	(76,338)
Differences of prior year results*	(38)	-	-	-	5,000	4,962
<b>Profit for the year before income tax</b>	<u>70,603</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>75,603</u>
Income tax expense	(657)	-	-	-	-	(657)
<b>Profit for the year</b>	<u>69,946</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>74,946</u>
Percentage of ownership	<u>48%</u>	<u>40%</u>	<u>33%</u>	<u>25%</u>	<u>46%</u>	
Group's share of associates' profit	<u>33,574</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,300</u>	<u>35,874</u>



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	2023		Total JD ('000)
	Jordan India Fertilizers Company	Jordan Renewable Company for Aluminum Fluoride	
	JD ('000)	JD ('000)	
<b><u>Group's share in net equity:</u></b>			
Current assets	126,316	-	126,316
Non-current assets	433,509	-	433,509
Current liabilities	(52,851)	-	(52,851)
Non-current liabilities	(24,642)	-	(24,642)
Net equity	482,332	300	482,632
Percentage of ownership	48%	33%	
Group's share in net equity	231,519	99	231,618
Elimination of Group's share of association related to transaction between the Group and associate	(942)	-	(942)
Adjustments	-	-	-
Provision for impairment of investment	-	-	-
<b>Net investment as at 31 December</b>	<b>230,577</b>	<b>99</b>	<b>230,676</b>
<b><u>Group's share from associate's revenues and profits:</u></b>			
Revenues	309,433	-	309,433
Cost of sales	(164,209)	-	(164,209)
Administrative, selling and distribution expenses	(87,686)	-	(87,686)
Differences of prior year results*	(250)	-	(250)
<b>Profit for the year before income tax</b>	<b>57,288</b>	<b>-</b>	<b>57,288</b>
Income tax expense	-	-	-
<b>Profit for the year</b>	<b>57,288</b>	<b>-</b>	<b>57,288</b>
Percentage of ownership	48%	33%	
Group's share of associates' profit	27,498	-	27,498

\* Differences of prior year results represent loss or profit differences between draft financial statements and issued audited financial statements of the affiliate companies.

\*\* Management of Manajim for Mining Development Company has not provided the group with the Company's financial statements for the year 2024, and in the opinion of the group's management, there is no material impact of the results of the Company's business on the value of the investment as of 31 December 2024 and 2023.

**B. JOINT VENTURES:**

The below schedule represents the Group's investment in joint ventures:

	Country of incorporation	Nature of activity	Ownership		Ownership	
			2024	2023	2024	2023
			%	%	JD ('000)	JD ('000)
Indonesian project – Petro Jordan Abadi Company	Indonesia	Phosphoric acid production	50	50	40,296	30,691
Jordan Industrial Ports Company	Jordan	Shipping services	50	50	75,376	74,212
					<b>115,672</b>	<b>104,903</b>

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The movement on the investment in joint ventures is as follows:

	2024 JD ('000)	2023 JD ('000)
Balance at 1 January	104,903	102,256
Group's share of profit for the year	11,910	2,171
Dividends from Jordan Industrial Ports Company	-	(2,500)
(Disposal) additions of the Group's share of Petro Jordan Abadi income related to transactions between the Group and joint venture	(526)	2,976
Transfers to Petro Jordan Abadi receivable	(615)	-
Balance at 31 December	115,672	104,903

The below schedules summarize financial information for the Group's joint ventures:

	2024		
	Indonesian project – Petro Jordan Abadi Company JD ('000)	Jordan Industrial Ports Company JD ('000)	Total JD ('000)
Current assets	49,135	33,111	82,246
Non-current assets	98,014	126,983	224,997
Current liabilities	(44,450)	(3,907)	(48,357)
Non-current liabilities	(19,334)	(5,435)	(24,769)
Net equity	83,365	150,752	234,117
Percentage of ownership	50%	50%	
Group's share in net equity	41,683	75,376	117,059
Elimination of the Group's share of the income related to transactions between the Group and joint ventures	(1,387)	-	(1,387)
<b>Group's share in net equity</b>	<b>40,296</b>	<b>75,376</b>	<b>115,672</b>
<b>Group's share from joint ventures income and profits</b>			
Revenues	152,850	23,466	176,316
Cost of sales	(130,004)	(21,391)	(151,395)
Administration, selling and distribution expenses	(2,215)	(1,025)	(3,240)
Interest income	-	1,409	1,409
Finance expense	(3,157)	-	(3,157)
Other revenues, net	578	50	628
Differences of prior year results*	7,804	(22)	7,782
Profit for the year before tax	25,856	2,487	28,343
Income tax expense for the year	(4,365)	(159)	(4,524)
Profit for the year	21,491	2,328	23,819
Percentage of ownership	50%	50%	
Group's share of profit from joint ventures	10,746	1,164	11,910

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	2023		
	Indonesian project – Petro Jordan Abadi Company JD ('000)	Jordan Industrial Ports Company JD ('000)	Total JD ('000)
Current assets	40,374	26,894	67,268
Non-current assets	106,236	131,163	237,399
Current liabilities	(51,043)	(4,094)	(55,137)
Non-current liabilities	(32,463)	(5,540)	(38,003)
Net equity	63,104	148,423	211,527
Percentage of ownership	50%	50%	
Group's share in net equity	31,552	74,212	105,764
Elimination of the Group's share of the income related to transactions between the Group and joint ventures	(861)	-	(861)
<b>Group's share in net equity</b>	<b>30,691</b>	<b>74,212</b>	<b>104,903</b>
<b><u>Group's share from joint ventures income and profits</u></b>			
Revenues	131,861	23,042	154,903
Cost of sales	(116,211)	(21,346)	(137,557)
Administration, selling and distribution expenses	(1,958)	(1,011)	(2,969)
Interest income	-	1,101	1,101
Finance expense	(5,373)	(4)	(5,377)
Other (expenses) revenues, net	(3,254)	135	(3,119)
Differences of prior year results*	(2,635)	(6)	(2,641)
Profit for the year	2,430	1,911	4,341
Percentage of ownership	50%	50%	-
Group's share of profit from joint ventures	1,215	956	2,171

\* Differences of prior year results represent loss or profit differences between draft financial statements and issued audited financial statements of the joint ventures' companies.

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**(6) INTANGIBLE ASSETS**

The details of this item are as follows:

	2024	2023
	JD ('000)	JD ('000)
Fertilizers unit goodwill*	15,680	15,680
New phosphate port**	95,385	101,746
Natural gas station and pipeline***	4,153	4,589
	<u>115,218</u>	<u>122,015</u>

**\* FERTILIZERS UNIT GOODWILL:**

During 1986 the Group acquired Jordan Fertilizers Industry Company ("JFIC" or "the Fertilizers Unit") as agreed by the Economic Security Committee decision no. 16/86 dated 15 June 1986, whereby all assets and certain liabilities have been transferred to the Group.

Goodwill represents the excess of the cost of purchase over the Group's interest in the net fair value of the JFIC identifiable assets and liabilities that have been recorded 1986.

**Impairment test of goodwill**

The recoverable amount of the Fertilizers Unit has been determined using the projected cash flows based on financial budgets and projections prepared by the Group. The pre-tax discount rate applied is 16.3% the projections were prepared based on the production capacity and the expected prices of raw material and finished goods as published by specialized international organization. The test did not result any impairment in goodwill.

**Key assumptions used:**

The key assumptions to calculate the value in use for the Fertilizers Unit and which were used by management to prepare the projected cash flows for the impairment test of goodwill were as follows:

**Projected sales:** The quantities sold during 2024 were used to build up the projected 5 years future sales.

**Projected costs:** The costs incurred during 2024 except for raw material prices, were used to build up the projected 5 years cost.

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**Discount rate:** The discount rate used reflects the management's estimate of the risks specific to the industry to determine the weighted average cost of capital which represent the discount rate used of 16.3% (2023: 16.8%).

**Raw materials and selling prices:** Estimated selling prices and prices of raw materials are based on management expectations. Fertilizers chemical products prices are obtained from published information issued from international specialized organization and it has been adjusted on historical cost to reflect the purchase prices including Cost and Freight (CFR) Aqaba / Jordan.

**Sensitivity to changes in assumptions:** With regard to the assessment of value in use of the fertilizer unit, management believes that no reasonably possible changes in any other above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

**\*\* NEW PHOSPHATE PORT**

During 2014, the Group capitalized the new Phosphate Port Project as intangible assets in accordance with IFRIC 12 (Service Concession Arrangements), where the total cost of the project represents the license to use and operate the new port for a period of 26 years, after that the port will be handed over to Aqaba Development Corporation / Aqaba Special Economic Zone Authority. The Group started to amortize the intangible assets related to the new phosphate port terminal from the first of January 2014. The amortization expense for the year ended 31 December 2024 amounted to JD 6,361 thousand (2023: JD 6,361 thousand) was recorded within new phosphate port terminal expenses (Note 34).

Movement on new phosphate port is as follows:

	2024	2023
	JD ('000)	JD ('000)
Balance at 1 January	101,746	108,107
Amortization for the year	(6,361)	(6,361)
Balance at 31 December	95,385	101,746

The asset retirement provision when the license to use and operate the new port expires is JD 19,420 thousand as 31 December 2024 (31 December 2023: JD 18,785 thousand). The obligation is measured at the present value of estimated future cash flows using an average interest rate of 8.3%.

The movement on the asset deferred provision is as follows:

	2024	2023
	JD ('000)	JD ('000)
Balance at 1 January	18,785	18,128
Present value discount (Note 28)	635	657
Balance at 31 December	19,420	18,785



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**\*\*\* NATURAL GAS STATION AND PIPELINE**

During 2022, the Group capitalized the natural gas station and pipeline project in Aqaba as intangible assets in accordance with IFRIC 12 (Service Concession Arrangements), where the total cost of the project represents the license to use and operate the station until the end of 2033. The Group started to amortize the intangible assets related to the natural gas station and pipeline from 2023. The amortization expense amounted to JD 436 thousand was recorded within cost of sales for the year ended 31 December 2024 (2023: JD 436 thousand).

The movement on the natural gas station and pipeline is as follows:

	2024 JD ('000)	2023 JD ('000)
Balance at 1 January	4,589	5,025
Amortization for the year	(436)	(436)
Balance at 31 December	4,153	4,589

**(7) EMPLOYEES' HOUSING LOANS**

Movement on the employee's housing loans is as follows:

	2024 JD ('000)	2023 JD ('000)
Balance at 1 January	5,100	5,346
Net movement during the year	(332)	(271)
Present value discount (Note 29)	59	25
Balance at 31 December	4,827	5,100

The Group grants its classified employees, who have been in service with the Group for a minimum of seven years, interest-free housing loans at a maximum amount of JD 40 thousand per employee. The loans are repaid in monthly installments, deducted from the employees' monthly salaries over a period of maximum 15 years. These loans are guaranteed by a mortgage over the real estate.

Housing loans are initially recorded at fair value which is calculated by discounting the monthly installments to their present value using an interest rate which approximates the interest rate for similar commercial loans and is subsequently measured at amortized cost using the effective interest rate method.

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**(8) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

	2024 JD ('000)	2023 JD ('000)
Quoted shares	38	38
Unquoted shares	266	266
	<u>304</u>	<u>304</u>

The movement on the fair value reserve during the year is as follows:

	2024 JD ('000)	2023 JD ('000)
Balance at 1 January	(357)	(276)
Net changes in financial assets valuation reserve	-	(81)
Balance at 31 December	<u>(357)</u>	<u>(357)</u>

**(9) LOANS RECEIVABLE**

The balance represents loans granted to associated company of the Group (Jordan Abyad Fertilizers and Chemicals Company). Long-term loans receivable is subject to annual interest rates between 3.5% and 8.25%.

		2024 Long-term loan payments JD ('000)	2023 Long-term loan payments JD ('000)
Jordan Abyad Fertilizers and Chemicals Company – net *	USD	3,564	3,564
Jordan Abyad Fertilizers and Chemicals Company – net*	JD	9,896	9,896
		13,460	13,460
Provision for expected credit loss		<u>(7,018)</u>	<u>(7,018)</u>
		<u>6,442</u>	<u>6,442</u>

\* The balance represents the net present value of the loans receivable of Jordan Abyad Fertilizers and Chemicals Company after deducting an amount of JD 2,498 thousand, which represents the net present value of the expected future cash inflows using the market weighted average interest rate.

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**(10) INVENTORIES, SPARE PARTS AND SUPPLIES**

	2024	2023
	JD ('000)	JD ('000)
Finished goods	42,117	58,066
Work in progress (Note 32)	17,243	12,803
Raw materials	33,826	25,182
Inventory held by contractors (Note 18)	2,189	2,338
Spare parts and supplies	84,801	97,202
	180,176	195,591
Provision for slow moving spare parts*	(21,792)	(29,229)
	158,384	166,362

\* Movement in the provision for slow-moving spare parts was as follows:

	2024	2023
	JD ('000)	JD ('000)
Balance at 1 January	29,229	29,398
Provision (recovered from provision) for the year	3,834	(169)
Provision written off	(11,271)	-
Balance at 31 December	21,792	29,229

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**(11) ACCOUNTS RECEIVABLE**

	2024	2023
	JD ('000)	JD ('000)
Trade receivables	80,574	65,828
Due from associates and joint ventures	48,674	54,182
Others	26,340	29,338
	155,588	149,348
Provision for expected credit losses*	(23,555)	(23,555)
	132,033	125,793
Current portion	129,512	123,272
Non-current portion	2,521	2,521
	132,033	125,793

\*The following is the movement for the provision of expected credit losses:

	2024	2023
	JD ('000)	JD ('000)
Balance at 1 January	23,555	28,160
Recovered from the provision	-	(4,605)
Balance at 31 December	23,555	23,555

The Group's policy with regard to trade receivables and related parties' receivables is a collection period that does not exceed 90 days.

As at 31 December, the aging analysis of unimpaired trade receivables is as follows:

	Neither past due nor impaired			
	Less than 90 days	90 – 180 days	More than 180 days	Total
	JD ('000)	JD ('000)	JD ('000)	JD ('000)
2024	129,512	-	2,521	132,033
2023	120,607	2,665	2,521	125,793

The management of the Group expects unimpaired receivables to be fully recoverable. The majority of the Group's sales are made through letter of credits.

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**(12) OTHER CURRENT ASSETS**

	2024 JD ('000)	2023 JD ('000)
Prepaid expenses	45,074	48,143
Payments on letters of credit	15,369	13,143
Accrued bank interest income	8,069	11,124
Advance payments on sales tax	6,882	6,005
Accrued debit loan and late payment interest income	4,922	4,660
Others	2,340	1,492
	<u>82,656</u>	<u>84,567</u>
Current portion	77,996	79,907
Non-current portion*	<u>4,660</u>	<u>4,660</u>
	<u>82,656</u>	<u>84,567</u>

\* This item represents the net present value of the accrued interest of loans receivable related to Jordan Abyad Fertilizers and Chemicals Company and non-current portion of late payment of receivable interest from Jordan India Fertilizers Company.

**(13) CASH ON HAND AND AT BANKS**

	2024 JD ('000)	2023 JD ('000)
Cash at banks*	958,403	978,168
Cash on hand	44	186
	<u>958,447</u>	<u>978,354</u>

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of the following:

	2024 JD ('000)	2023 JD ('000)
Cash on hand and at banks	958,447	978,354
Short-term deposits mature within 3 months and 1 year**	(788,425)	(800,215)
Due to banks (Note 20)	(582)	(1,204)
	<u>169,440</u>	<u>176,935</u>

\* Cash at banks includes current accounts in US dollars with an annual interest rate not exceeding 4% for the year ended 31 December 2024 (2023: not exceeding 4%).

\*\* Short-term deposits include deposits mature within three months and one year in Jordanian dinars with an annual interest rate ranging from 5.6% to 7% for the year ended 31 December 2024 (31 December 2023: between 4.25% and 7%), and deposits in US dollars with an annual interest rate ranging from 3.65% to 4.75% for the year ended 31 December 2024 (31 December 2023: between 3.5% and 5.8%).



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**(14) EQUITY ATTRIBUTABLE TO EQUITY HOLDERS**

**Paid-in capital**

The Company's authorized, subscribed and issued capital amounted to JD 82,500 thousand divided into 82,500 thousand shares at par value of JD 1 per share as of 31 December 2022. The Company's General Assembly approved in its extra ordinary meeting held on 4 April 2023 the increase of Company's capital by capitalizing an amount of JD 165,000 thousand from retained earnings balance which represents 200% of authorized, subscribed and issued capital and to distribute it as stock dividends to the shareholders. the authorized, subscribed and issued capital balance become JD 247,500 thousand as of 31 December 2024 and 2023.

**Statutory reserve**

As required by the Jordanian Companies Law, 10% of the annual net income for the year before income tax is to be transferred to the statutory reserve until it reaches 25% of the Group capital. However, the Group may continue transferring to the statutory reserve up to 100% of the Group capital if general assembly approval is obtained. This reserve is not available for distribution to the shareholders.

**Voluntary reserve**

The amount accumulated in this reserve represents the transfers from net income before income tax at a maximum of 20%. This reserve is available for distribution to the shareholders.

**Special reserve**

The amount accumulated in this reserve represents the transfers from net income before income tax at a maximum of 20%. This reserve is available for distribution to the shareholders.

**(15) LOANS**

	Currency	2024		2023	
		Due within	Long-term	Due within	Long-term
		one year	Long-term	one year	Long-term
		JD ('000)	JD ('000)	JD ('000)	JD ('000)
Arab Bank loan	USD	5,168	24,639	5,168	29,807
		5,168	24,639	5,168	29,807

***Arab Bank Loan -***

Jordan Phosphate Mining Company signed a USD 96 Million loan agreement with Arab Bank. On 5 January 2016, the first part of the loan agreement with the amount of USD 50 Million was signed between the Group and Arab Bank. On 21 July 2016, the second part of the loan agreement with the amount of USD 46 Million was signed between the Group and the Arab Bank to finance 100% of Jordan Phosphate Mining Company's share in Jordan Industrial Ports Company to develop and update the industrial port in Aqaba. The loan holds an interest rate of 6 months LIBOR + 2.75% for the first 7 years of the loan period and interest rate of SOFR +2.8% from the 8<sup>th</sup> year until the end of loan period, the loan has a 15 years period including 2 years grace period. The loan is payable through equal semiannual installments amounted to USD 3.65 Million. The first installment was due on 15 January 2018, and the last installment is due on 15 July 2030.

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Arab Bank Loan Agreement requires that Jordan Phosphate Mining Company shall not borrow from any other entity without the Bank's prior approval for amounts above USD 50 million. As well as maintaining a specific rate of debt service not less than one and a quarter times for any financial year, and the ratio of current assets to current liabilities to not less than 1.2 times for any financial year, as well as maintaining the ratio of liabilities to net equity not more than one and a half for any year. The agreement also requires that the Group does not mortgage its share in the capital of the Industrial Ports Company to any other party without obtaining an approval of the bank, in addition to not distributing dividends in the event of any accrued installments on the loan and that the dividend distribution does not exceed 75% of the Company's capital. The Group has committed to the ratio as of 31 December 2024.

**Loans repayments schedule:**

The aggregate amounts of annual principal maturities of long-term loan are as follows:

Year	Thousand JD's
2025	5,168
2026	5,168
2027	5,168
2028	5,168
2029 and there after	9,135
	<u>29,807</u>

Subsequent to the consolidated financial statement date, the Group has fully settled the remaining loan balance in full.

**(16) PROVISIONS FOR EMPLOYEES' BENEFITS**

The table below illustrates the details of provisions for employees' benefits as of 31 December:

	2024 JD ('000)	2023 JD ('000)
Defined benefit plans (A)	64,806	84,723
Employees' compensations (B)	903	849
Employees incentives and retirees' grants (C)	735	735
	<u>66,444</u>	<u>86,307</u>
Current portion	8,716	37,521
Non-current portion	<u>57,728</u>	<u>48,786</u>
	<u>66,444</u>	<u>86,307</u>

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**A- Defined benefit plans**

The following is the movement on the provision of defined benefit plans:

	2024			
	End of service bonus compensation*	Death and compensation fund**	Compensation bonus of six months	Total
	JD ('000)	JD ('000)	JD ('000)	JD ('000)
Balance as of 1 January	2,384	80,578	1,761	84,723
Service cost	100	4,903	158	5,161
Interest cost	100	4,258	-	4,358
Employees contributions	-	381	-	381
Paid benefits during the year	(35)	(34,751)	(162)	(34,948)
Employee share of payments during the year	-	(381)	-	(381)
Actuarial changes due to experience	-	4,371	16	4,387
Actuarial changes due to change in financial assumptions	-	1,063	62	1,125
Balance as of 31 December	<u>2,549</u>	<u>60,422</u>	<u>1,835</u>	<u>64,806</u>

	2023			
	End of service bonus compensation*	Death and compensation fund**	Compensation bonus of six months	Total
	JD ('000)	JD ('000)	JD ('000)	JD ('000)
Balance as of 1 January	2,302	95,165	1,760	99,227
Service cost	100	10,761	170	11,031
Interest cost	100	4,915	-	5,015
Employees contributions	-	460	-	460
Paid benefits during the year	(118)	(29,752)	(222)	(30,092)
Employee share of payments during the year	-	(460)	-	(460)
Actuarial changes due to experience	-	(821)	(18)	(839)
Actuarial changes due to change in financial assumptions	-	310	71	381
Balance as of 31 December	<u>2,384</u>	<u>80,578</u>	<u>1,761</u>	<u>84,723</u>

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- \* During 2011, the Company calculated the provision for employees' end-of-service bonus based on JD 1,000 per each service year for each employee in accordance with the signed agreement with the Jordanian Mines Employees Labor Union on 9 June 2011 and according to the Board of Directors decisions made on the 2 July 2011 and 28 July 2011 which set the end of service bonus basis. The Board of Directors decided in 2018 to grant employees who are included in this program and are still on their jobs, if they wish to terminate their services before 31 December 2018, an incentive by increasing the compensation to become JD 2,000 for each year of service.

End-of-service bonus compensation is earned based on years of service and the liability is determined based on the present value of the gross liability at the date of the consolidated financial statements. The end-of-service bonus compensation using the projected unit credit method.

- \*\* During March 2015, the Group established the Death and Compensation Fund in accordance with the Board of Directors resolution. The Fund grants the employees included in the Fund plan upon their retirement, an average of two months' salary as a bonus for each year of service with a maximum of 23 years of service and the bonus amount is determined based on the last salary subject to social security and capped at JD 4,000. The fund objectives are as follow:

- 1- Reducing the cost of employees' salaries.
- 2- Reducing the number of employees in the Company as a technical study showed that Company's operations can be handled with no more than 2,000 employees.
- 3- Multiplicity of compensation schemes for the years (2000-2011) failing to reduce number of employees or cost of salaries.

According to the defined benefit obligation, the Death and Compensation fund's liability is calculated based on year of service and the present value of the defined obligation is determined by discounting estimated future cash flows using the interest rate on high quality governmental bonds.

Significant actuarial assumptions used to determine death and compensation fund liability as of 31 December are as follow:

	2024	2023
Discount rate	6.47%-6.77%	6.95% - 7.09%
Salary increase rate	3.5% - 6%	3.5% - 6%
Resignation rate:		
Up to the age of 34 years	3% - 5%	3% - 5%
From the age of 35 to 49 years	2% - 5%	2% - 5%
Age of 50 years and over	0% - 5%	0% - 5%

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The following table represents sensitivity analysis of changes in significant actuarial assumptions used to determine the present value of death and compensation fund liability as of 31 December:

	Discount rate		Salary increase rate		Resignation rate	
	Percentage	Increase (Decrease)	Percentage	Increase (Decrease)	Percentage	Increase (Decrease)
	%	JD ('000)	%	JD ('000)	%	JD ('000)
2024 -	+1	(4,224)	+1	4,435	+1	435
	-1	4,691	-1	(4,289)	-1	(463)
2023 -						
	+1	(3,945)	+1	4,168	+1	486
	-1	4,402	-1	(4,018)	-1	(519)

**B- Employees' compensations**

The table below illustrates the provisions for the defined contribution plans:

	2024		
	Compensation fund*	Engineers specialty allowances**	Total
	JD ('000)	JD ('000)	JD ('000)
Balance as of 1 January	831	18	849
Provision during the year (company's contribution)	40	-	40
Employees contributions	18	-	18
Payments during the year	(4)	-	(4)
Balance as of 31 December	885	18	903
	2023		
	Compensation fund*	Engineers specialty allowances **	Total
	JD ('000)	JD ('000)	JD ('000)
Balance as of 1 January	749	18	767
Provision during the year (company's contribution)	68	-	68
Employees contributions	31	-	31
Payments during the year	(17)	-	(17)
Balance as of 31 December	831	18	849



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\* Starting on 1 January 1981, all employees became entitled to be included in the Compensation Fund. Amended starting 1 August 1999, to become JD 450 per year. The employer's share was amended to become JD 310 and the employee share JD 140. The Fund's balance as of 31 December 2024 represents the accumulated funds that have vested to the employees; the Company's contributions are recognized as an administrative expense on monthly basis.

\*\* During 1999 the Company calculated the engineers specialty allowances provision, per a value form count of cassation that includes a final verdict to previous Company's employee that makes the Company pay a premium for spatality for employees as part of end of service indemnity.

**C- Employees incentives and retirees' grants**

The details of employees' incentives and retirees' grants provision are as follows:

	2024 JD ('000)	2023 JD ('000)
Employees' incentives provision*	275	275
Retirees' grants provision**	460	460
	<u>735</u>	<u>735</u>

**\* Employees incentives provision**

The employees' incentives provision for the year 2011 was calculated based on the Company's Board of Directors decision on 2 July 2011 approved an Early Retirement Incentive Plan for the year 2011 and its associated by-laws (the "Plan"). The Plan is applicable only to those employees who meet its conditions, whereby the Plan may not be combined with either the early retirement incentive plan for the year 2000 or with the end of service bonus. The Plan provides the following benefits to those employees who meet the conditions of the plan:

- 1- Granting a JD 1,000 bonus for each year of service as of the hiring date and until the termination date.
- 2- Granting a JD 1,000 bonus for each year of service as of the termination date until attaining the age of seniority (60 years of age for males and 55 years of age for females).
- 3- Granting a bonus equivalent to four salaries for each year in respect of the first five years of service, a bonus equivalent to three salaries for each year in respect of the second five years of service, a bonus equivalent to two salaries for each year in respect of the third five years of service. For purposes of computing the incentive provided for under the Plan, the remaining years of service must not, in all cases, exceed 10 years for females and 15 years for males.
- 4- Benefiting from the medical insurance coverage after retirement. Additionally, the employee who does not meet the conditions of the Plan, or the employee who chooses to leave the company and not take advantage of the early retirement program, still has the right to subscribe to the medical insurance coverage after retirement provided that the subscription must be paid in advance.

Whereby eligibility to the plan and its entitlements shall not affect the eligible employee's rights to receive his/her end-of-service benefits including the six-month bonus, the compensation and death fund entitlements, or the savings fund entitlements.

There was no movement on employees' incentives provision during the years 2024 and 2023.

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**\*\* Retirees' grants provision**

1- On 29 February 2012, the Company's Board of Directors approved the decision to grant the Company's early retirees who retired on early retirement plan for the year 2000 an amount of JD 5,000 for each retiree.

2- On 20 February 2012, the Company's Board of Directors approved the decision to grant the Company's retirees who retired between the period from 1 January 2002 and 4 June 2011. The amount is calculated based on the following formula and the minimum amount is JD 8,000 for each retiree:

$((50\% \times \text{salary subject to social security} \times \text{years of service}) + (25\% \times \text{salary subject to social security} \times \text{remaining years from the termination date until the age of seniority}))$ .

There was no movement on retirees' grants provision during the year 2024 and 2023.

Details of employees' benefit provision in the consolidated statement of income are as follow:

	2024	2023
	JD ('000)	JD ('000)
Cost of Sale	7,668	12,811
Administrative expenses	1,116	1,879
Selling and marketing expenses	345	555
Russiefah mine expenses	72	499
Other provisions*	358	370
	<u>9,559</u>	<u>16,114</u>

\*The details of other provisions included in the consolidated statement of income are as follows:

	2024	2023
	JD ('000)	JD ('000)
End-of-service bonus compensation provision	200	200
Bonus compensation – six months	158	170
	<u>358</u>	<u>370</u>

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**(17) ACCOUNTS PAYABLE**

	2024	2023
	JD ('000)	JD ('000)
Due to projects' and contractors	21,022	21,712
Due to foreign suppliers	20,080	29,950
Due to associate companies (Note 36)	5,849	1,916
Electricity Company	2,413	1,749
Due to local suppliers	1,098	964
Others	5,628	6,174
	<u>56,090</u>	<u>62,465</u>

**(18) ACCRUED EXPENSES**

	2024	2023
	JD ('000)	JD ('000)
Accrued production bonus	7,351	7,491
Accrued medical insurance for retired employees	6,896	4,996
Freight and transportation fees	4,168	6,084
Accrued agriculture service fees	4,064	3,708
Fuel, electricity and water expenses	2,955	287
Inventory in transit in custody of contractor (Note 10)	2,189	2,338
Demurrage and unloading expense	1,390	1,426
Loan interest expense	1,011	1,214
Sales rebates	837	473
Sales agents' commissions	790	790
Accrued medical insurance	331	313
Port fees	266	783
Others	5,046	2,465
	<u>37,294</u>	<u>32,368</u>

**(19) OTHER CURRENT LIABILITIES**

	2024	2023
	JD ('000)	JD ('000)
Deposits and other provisions	15,907	12,380
Provisions for associate companies	10,867	7,267
Others	3,523	4,787
Provision for settlements with contractors	-	15,000
	<u>30,297</u>	<u>39,434</u>

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**(20) DUE TO BANKS**

This balance represents the utilized amount of overdraft facilities granted by local banks. The ceiling amounted to JD 34,500 thousand as of 31 December 2024 (2023: JD 34,500 thousand) for the JD accounts, and USD 71,500 thousand which amounted to JD 50,622 thousand as of 31 December 2024 (2023: USD 71,500 thousand which amounted to JD 50,622 thousand) for the USD accounts. Average interest rates on those overdrafts facilities ranged between 7.5% to 18% in 2024 (2023: between 6.5% and 10.9%) for the JD accounts, and SOFR from 5% to 7.75% plus 2% for the USD accounts.

**(21) INCOME TAX**

Income tax expense presented in the consolidated income statement represents the following:

	2024 JD ('000)	2023 JD ('000)
Current year income tax	136,768	158,256
Amount released from deferred tax asset	11,173	12,024
Deferred tax assets additions	(2,801)	(3,460)
	<u>145,140</u>	<u>166,820</u>

**(A) Income tax provision**

Movement on the provision for income tax is as follows:

	2024 JD ('000)	2023 JD ('000)
Balance at 1 January	109,678	157,404
Income tax expense for the year	133,383	158,256
Prior years income tax	3,385	-
Income tax paid	(227,618)	(205,982)
Balance at 31 December	<u>18,828</u>	<u>109,678</u>

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**(B) Reconciliation of the accounting profit to taxable profit**

The details of computed income tax are as follows:

	Phosphate unit	Fertilizer unit	Indo Jordan for chemicals	Nippon Jordan for fertilizers	Al Ro'ya	Reconciliations between subsidiaries	Total
<b>2024 -</b>	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)
Accounting profit	421,057	80,737	87,956	12,880	1,051	(661)	603,020
Non-taxable profits	(87,213)	(60,702)	(38,580)	(12,880)	-	-	(199,375)
Non-deductible expenses	55,931	10,512	-	-	-	-	66,443
Taxable income	389,775	30,547	49,376	-	1,051	(661)	470,088
Provision for income tax	117,508	5,255	10,369	-	251	-	133,383
Effective income tax rate	28%	7%	12%	-	24%	-	22%
Enacted income tax rate and national contribution	31%	6%	21%	-	21%	-	6%- 31%
<b>2023-</b>							
Accounting profit	493,554	30,592	71,043	6,477	1,769	10,213	613,648
Non-taxable profits	(80,218)	(9,462)	(26,860)	(6,477)	-	-	(123,017)
Non-deductible expenses	93,892	8,427	-	-	-	-	102,319
Taxable income	507,228	29,557	44,183	-	1,769	10,213	592,950
Provision for income tax	148,725	1,756	7,420	-	355	-	158,256
Effective income tax rate	30%	6%	10%	-	20%	-	26%
Enacted income tax rate and national contribution	31%	6%	20%	-	21%	-	6%-31%

**(C) Deferred tax assets**

Movement on the deferred tax assets is as follows:

	2024 JD ('000)	2023 JD ('000)
Balance at 1 January	30,059	38,890
Additions during the year	2,801	3,460
Released from other comprehensive income items	1,532	(267)
Released during the year	(11,173)	(12,024)
Balance at 31 December	23,219	30,059



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**(D) Tax Status**

**Phosphate Unit**

The income tax provision for the years ended 31 December 2024 and 2023 was calculated in accordance with income tax law No. (34) for 2014 and its amendments. Noting that under the amended law the tax rate was adjusted starting from January 2020 to become 24% income tax + 7% national contribution. The Company submitted its' tax declarations for the Phosphate Unit up to 2023. The Income and Sales Tax Department has not reviewed the records of the Phosphate Unit for the years 2023, 2022, 2021 and 2020 up to the date of the preparation of consolidated financial statements. A final settlement was reached up to the year 2018.

**Fertilizer Unit**

The income tax provision for the years ended 31 December 2024 and 2023 was calculated in accordance with the Aqaba Special Economic Zone Law No. (32) for 2000 and its amendments. The Company submitted its' tax declarations for the Fertilizers Unit up to 2023. A final settlement was reached up to the year 2020. The Income and Sales Tax Department / Aqaba Special Economic Zone authority has not reviewed the records of the Fertilizers Unit for the years 2023, 2022 and 2021 up to the date of the preparation of consolidated financial statements.

**Indo Jordan Chemicals-**

The income tax provision for the years ended 31 December 2024 and 2023 has been calculated in accordance with income tax law number (34) for 2014 and its amendments. The Company submitted its' tax declarations for the year 2023 and the company reached a final settlement with the Income Tax Department up to the year 2018. The Income and Sales Tax Department has reviewed the accounting records for the year 2019. The Company has submitted an appeal to the results of 2019 review, which is still under consideration by income and sales tax department as of the date of the preparation of consolidated financial statements.

**Nippon Jordan Fertilizers Company**

No income tax provision was calculated for the years ended 31 December 2024 and 2023 since the Company is exempted from income tax in accordance with Aqaba Special Economic Zone Authority law. The Company has submitted its tax declarations for the year 2023. On 22 July 2024, the Company filed a lawsuit with the First Instance Tax Court / Aqaba Special Economic Zone, challenging the tax decision issued against the Company related to the years 2021 and 2022. The decision includes a tax claim of JD 84 thousand for income tax and national contribution for the year 2021 and JD 651 thousand for the year 2022. The Company has recorded a provision of JD 735 thousand against this case. The lawsuit is still pending at the court as of date of the preparation of consolidated financial statements.

**Ro'ya for transportation**

The income tax provision for the years ended 31 December 2024 and 2023 has been calculated in accordance with the income tax law number (34) for the year 2014 and its amendments. The Company has submitted its' tax declarations for the year 2023 and has reached a final settlement with income tax department up to the year 2022.

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**(22) NET SALES/ COST OF SALES**

	2024		
	Net sales	Cost of sales	Gross profit
	JD ('000)	JD ('000)	JD ('000)
Phosphate unit	628,450	115,197	513,253
Fertilizers unit	305,263	219,458	85,805
Indo Jordan Chemicals Company	133,713	55,353	78,360
Nippon Jordan Fertilizers Company	132,411	116,481	15,930
Trading in raw materials	13,436	7,355	6,081
	<u>1,213,273</u>	<u>513,844</u>	<u>699,429</u>
	2023		
	Net sales	Cost of sales	Gross profit
	JD ('000)	JD ('000)	JD ('000)
Phosphate unit	698,094	101,656	596,438
Fertilizers unit	261,757	227,045	34,712
Indo Jordan Chemicals Company	128,590	59,363	69,227
Nippon Jordan Fertilizers Company	127,810	118,175	9,635
Trading in raw materials	12,983	10,591	2,392
	<u>1,229,234</u>	<u>516,830</u>	<u>712,404</u>
	2024	2023	
	JD ('000)	JD ('000)	
Finished goods as at 1 January (Note 10)	58,066	72,431	
Production cost (Note 32)	497,895	502,465	
Finished goods as at 31 December (Note 10)	(42,117)	(58,066)	
Cost of sales for the year ended 31 December	<u>513,844</u>	<u>516,830</u>	

Fertilizer unit's production costs include the amounts of JD 2,580 thousand and JD 2,369 thousand for 2024 and 2023 respectively, which represent mining fees on rock phosphate used in the fertilizer unit production (Note 26).

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**(23) SELLING AND MARKETING EXPENSES**

	2024	2023
	JD ('000)	JD ('000)
Export department expenses	2,106	1,006
Loading and unloading expenses	793	760
Bank charges on letters of credit	403	597
Income tax on marine freight	482	486
Packaging materials	406	481
Demurrage marine late expenses	320	474
Governmental fees on agriculture services	356	292
Other selling and marketing expenses	2,351	2,161
	<u>7,217</u>	<u>6,257</u>

**(24) ADMINISTRATIVE EXPENSES**

	2024	2023
	JD ('000)	JD ('000)
Salaries and wages	6,980	7,706
Post-retirement health insurance contribution	5,423	7,180
The Company's contribution to the six-month compensation bonus	4,242	3,431
The Company's contribution to employees' benefits provisions	1,116	1,879
Social security contribution	604	736
Employees saving fund contributions	147	221
Medical expenses	357	312
Employees' health insurance fund contributions	127	144
Donations	8,663	1,552
Legal expenses and lawyer fees	1,409	704
Fees, taxes and stamps	1,278	325
Scientific research and development	806	633
Maintenance and administrative expenses	366	378
Travel and per-diems	318	319
Depreciation (Note 3A)	295	168
Subscriptions and exhibitions	230	246
Hospitality	144	121
Utilities	114	127
Advertising	70	74
Stationery and printings	69	131
Insurance fees	50	50
Rent	46	38
Post and telephone	42	48
Others	5,504	2,845
	<u>38,400</u>	<u>29,368</u>

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**(25) RUSSIEFAH MINE EXPENSES**

	2024	2023
	JD ('000)	JD ('000)
Security and protection	84	-
Scientific research and development	76	1,156
Salaries and wages	74	74
Depreciation (Note 3A)	7	7
Company's contribution in saving fund	1	3
Social security contribution	1	9
Others	36	115
	<u>279</u>	<u>1,364</u>

**(26) MINING FEES**

The Group is subject to mining fees to the Jordanian Government on each ton of phosphate rocks exported, sold locally or used in the Group's projects. Mining fees are calculated as 5% of gross revenue or JD 1.42 per ton of phosphate, whichever is higher.

Mining fees incurred for the years 2024 and 2023 are as follows:

	2024	2023
	JD ('000)	JD ('000)
Mining fees on sold phosphate	34,745	37,859
Mining fees on phosphate used by the Fertilizers unit (Note 22)	2,580	2,369
	<u>37,325</u>	<u>40,228</u>

**(27) OTHER INCOME, NET**

	2024	2023
	JD ('000)	JD ('000)
Marine loading speed bonus	1,618	1,289
Income from settlement of insurance claims	397	1,611
Dividends income	192	127
Income from settlement with contractors	-	5,544
Income from termination of lease contracts (Note 3B)	-	4,457
Recovered from accruals and provisions	-	3,899
Income from sale of production waste	-	294
Others	659	1,117
	<u>2,866</u>	<u>18,338</u>

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**(28) FINANCE COSTS**

	2024 JD ('000)	2023 JD ('000)
Interest on lease obligations (Note 3B)	2,887	3,802
Interest on loans	2,561	3,114
Bank interest and charges – due to banks	328	1,300
Present value discount for asset retirement obligation (Note 6)	635	657
	<u>6,411</u>	<u>8,873</u>

**(29) FINANCE INCOME**

	2024 JD ('000)	2023 JD ('000)
Interest income on banks' current accounts and deposits	59,098	39,396
Interest on loans and accounts receivable	-	1,759
Present value discount on employees housing loan (Note 7)	59	25
	<u>59,157</u>	<u>41,180</u>

**(30) EARNINGS PER SHARE**

	2024	2023
Profit for the year attributable to Company's shareholders (thousand JD's)	455,304	445,533
Weighted average number of shares during the year (thousand shares)	<u>247,500</u>	<u>247,500</u>
	<u>JD/Fils</u>	<u>JD/Fils</u>
Basic earnings per share*	<u>1/840</u>	<u>1/800</u>

\* The diluted earnings per share attributable to Company's shareholders is equal to the basic earnings per share.



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**(31) SEGMENT INFORMATION**

The operating segments are organized and managed separately assuming that risks and rewards are affected by the nature of the products and services provided. Each segment represents a separate unit which is measured according to the reports used by the chief operating decision maker of the Group.

The Phosphate Unit extracts mines and sells phosphate to local and international markets and to associate companies.

The Fertilizer Unit purchases the phosphate from the Phosphate Unit and uses it in the production of Fertilizers, Phosphoric Acid and Aluminum Fluoride to be sold to international and local markets and to associate companies.

Indo-Jordan (Subsidiary) produces phosphoric acid and other chemical by-products and sells them to international markets and associate companies.

Nippon (Subsidiary) produces fertilizers and other chemical by-products and sells to international and associate companies.

The raw material trading unit purchases raw materials and explosives and uses them in mining and fertilizers production as well as sell them in local and international markets and to associate companies.

	Phosphate unit	Fertilizers unit	Indo- Jordan Chemicals	Nippon Jordan Fertilizers	Others	Trading in raw materials	Eliminations	Total
	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD (('000)	JD ('000)	JD ('000)	JD ('000)
<b>2024 -</b>								
<b>Revenues</b>								
External sales	628,450	305,263	133,713	132,411	-	13,436	-	1,213,273
Inter-segment sales	118,048	20,656	83,779	-	-	21,661	(244,144)	-
<b>Total Sales</b>	<b>746,498</b>	<b>325,919</b>	<b>217,492</b>	<b>132,411</b>	<b>-</b>	<b>35,097</b>	<b>(244,144)</b>	<b>1,213,273</b>
Gross profit	513,253	85,805	78,360	15,930	-	6,081	-	699,429
<b>Segment results</b>								
Profit before income tax	421,048	74,665	87,956	12,880	1,051	6,081	(661)	603,020
Profit for the year	291,902	69,291	77,587	12,880	800	6,081	(661)	457,880
Group share of profit from associates and joint ventures	47,784	-	-	-	-	-	-	47,784
Non-controlling interest	2,576	-	-	-	-	-	-	2,576
Capital expenditures	5,519	21,390	4,083	901	24	-	-	31,917
Depreciation	3,169	5,924	3,356	217	3	-	-	12,669
Depreciation of right of use assets	3,101	255	186	90	-	-	-	3,632

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	Phosphate	Fertilizers	Indo- Jordan	Nippon Jordan		Trading in raw		
	unit	unit	Chemicals	Fertilizers	Others	materials	Eliminations	Total
	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)
<b>2023 -</b>								
<b>Revenues</b>								
External sales	698,094	261,757	128,590	127,810	-	12,983	-	1,229,234
Inter-segment sales	106,472	18,250	76,775	-	-	19,555	(221,052)	-
<b>Total Sales</b>	<b>804,566</b>	<b>280,007</b>	<b>205,365</b>	<b>127,810</b>	<b>-</b>	<b>32,538</b>	<b>(221,052)</b>	<b>1,229,234</b>
Gross profit	596,438	34,712	69,227	9,635	-	2,392	-	712,404
<b>Segment results</b>								
Non-recurring profit	18,507	-	-	-	-	-	-	18,507
Profit before income tax	493,547	28,206	71,044	6,477	1,769	2,392	10,213	613,648
Profit for the year	336,458	26,250	63,624	6,477	1,414	2,392	10,213	446,828
Group share of profit from associates and joint ventures	29,669	-	-	-	-	-	-	29,669
Non-controlling interest	1,295	-	-	-	-	-	-	1,295
Capital expenditures	2,797	15,839	5,914	961	-	-	-	25,511
Depreciation	3,116	6,024	3,250	194	2	-	-	12,586
Depreciation of right of use assets	4,447	254	116	89	-	-	-	4,906

	Phosphate unit	Fertilizers unit	Indo-Jordan	Nippon	Other	Total
	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)
<b>Assets and liabilities as at 31 December 2024</b>						
Operating assets		966,336	281,854	464,687	65,727	1,788,043
Investment in associates and joint ventures		359,421	-	69	-	359,490
Financial assets at fair value through profit or loss and through other comprehensive income		659	-	-	-	659
Liabilities		229,714	67,910	26,310	7,443	332,122
	Phosphate unit	Fertilizers unit	Indo-Jordan	Nippon	Other	Total
	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)
<b>Assets and liabilities as at 31 December 2023</b>						
Operating assets		1,135,824	249,504	369,000	45,591	1,808,860
Investment in associates and joint ventures		335,510	-	69	-	335,579
Financial assets at fair value through profit or loss and through other comprehensive income		678	-	-	-	678
Liabilities		359,737	73,542	23,062	3,960	461,197

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**Geographical segments**

Following is a summary of sales by geographical areas:

	Phosphate unit	Fertilizers unit	Indo-Jordan	Nippon	Raw materials	Total
2024 -	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)
Asia	464,323	179,451	122,431	79,530	-	845,735
Australia	6,133	-	-	10,509	-	16,642
Europe	9,467	14,920	-	29,048	-	53,435
Africa	-	25,774	73	-	-	25,847
South America	-	-	-	12,191	-	12,191
North America	-	82,791	-	-	-	82,791
Associate and joint ventures companies	148,509	-	-	-	-	148,509
Others	18	2,327	11,209	1,133	13,436	28,123
	<u>628,450</u>	<u>305,263</u>	<u>133,713</u>	<u>132,411</u>	<u>13,436</u>	<u>1,213,273</u>
2023 -						
Asia	492,068	159,846	117,168	77,139	-	846,221
Australia	5,257	-	-	25,465	-	30,722
Europe	25,577	13,175	-	20,819	-	59,571
Africa	-	2,464	40	3,231	-	5,735
South America	24,801	-	-	-	-	24,801
North America	-	83,893	-	-	-	83,893
Associate and joint ventures companies	150,374	-	-	-	-	150,374
Others	17	2,379	11,382	1,156	12,983	27,917
	<u>698,094</u>	<u>261,757</u>	<u>128,590</u>	<u>127,810</u>	<u>12,983</u>	<u>1,229,234</u>

The Group operates in the Hashemite Kingdom of Jordan; accordingly, all of its assets and liabilities are within the territory of Jordan, except for the Indonesian project – Petro Jordan Abadi Company and which is located in Indonesia.

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**(32) PRODUCTION COSTS**

	2024	2023
	JD ('000)	JD ('000)
Work in progress beginning balance	12,803	10,877
Add:		
Raw materials	185,778	193,327
Mining contractors	156,009	133,648
Salaries and other benefits	59,090	71,118
Utilities	24,490	24,952
Fuel and oil	12,247	22,136
Spare parts and consumables	25,629	13,741
Depreciation	12,278	12,348
Raw materials purchases	7,355	10,591
Others	19,459	22,530
Less: Work in progress ending balance (Note 10)	(17,243)	(12,803)
	<u>497,895</u>	<u>502,465</u>

**(33) SALARIES AND EMPLOYEES BENEFITS**

	2024	2023
	JD ('000)	JD ('000)
Salaries and allowances	44,330	51,980
Production bonus*	7,351	7,491
End of service bonus and death and compensation fund benefits	9,201	15,744
Social security contribution	5,769	6,839
Compensation bonus of six months	4,400	3,601
Employees medical expenses	2,036	2,353
Saving fund	1,621	2,028
Employees family's health insurance	1,580	1,968
Employees meals subsidy	856	875
End-of-service bonus compensation provision	200	200
	<u>77,344</u>	<u>93,079</u>

\* Production bonus was calculated at a percentage of 2% of adjusted net income for Jordan Phosphate Mines Company, Indo Jordan Chemicals Company and Nippon Jordan Fertilizers Company separately. Production bonus expense for the year 2024 amounted to JD 6,042 for Jordan Phosphate Mines Company (2023: JD 6,298 thousand), JD 1,078 thousand for Indo Jordan Chemicals Company (2023: JD 1,066 thousand) and JD 231 thousand for Nippon Jordan Fertilizers Company (2023: JD 127 thousand).

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**(34) NEW PHOSPHATE PORT TERMINAL EXPENSES**

	2024	2023
	JD ('000)	JD ('000)
Amortizations (Note 6)	6,361	6,361
Salaries, wages and other benefits	2,687	2,786
Utilities	2,625	1,755
Property and equipment insurance	1,390	1,351
Rent and workers' wages	39	77
Others	1,720	1,372
	<u>14,822</u>	<u>13,702</u>

**(35) COMMITMENTS AND CONTINGENCIES**

**Guarantees and letters of credit**

On the date of the consolidated financial statements, the Group has potential contingencies in the form of letters of credit and issued guarantees as at 31 December 2024 with an amount of JD 41,432 thousand and JD 17,906 thousand respectively (31 December 2023: JD 38,195 thousand and JD 15,445 thousand respectively).

The Group has guaranteed the syndicated bank loan and credit facilities granted to the Jordan Abyad Fertilizers and chemicals Company (Associate Company) managed by Jordan Ahli Bank with a percentage of 130% of its share of the Company's capital amounting to 27.38%, as the Group's share until the date of 31 December 2024 amounted to JD 13,688. On 16 November 2016, Jordan Ahli Bank recorded an amount of JD 7,639 thousand to the Company's account, which represents the syndicated bank loan installment and credit facilities granted and interest due on the Company, except that the company does not have active balances with Jordan Ahli Bank as at 31 December 2024 and 2023. Accordingly, an agreement between Jordan Abyad Fertilizers and Chemicals Company, and Jordan Ahli Bank has been reached to reschedule loans granted to the Company, also an agreement between the partners and the bank has been reached to consider the payment that the bank recorded on 16 November 2016 on the Jordan Phosphate company account as part of the debt that was rescheduled and due on the Jordan Abyad Fertilizers and Chemicals Company.

In addition, the Group has booked a provision against its share of the company's capital according to the requirements of IFRS (9) due to the substantial uncertainty about the ability of the Jordan Abyad Fertilizers and Chemicals Company to continue its operation as a going concern entity. Knowing that by the end of year 2019, the Jordan Abyad Fertilizers and Chemicals Company was unable to pay the interest due on loans.

Jordan Ahli bank has filed a lawsuit against Abyad Company and its guarantor shareholders to claim due payments on the syndicated loan (Finance lease, credit facilities and interest).

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During 2011, the Group guaranteed the loan granted to the Petro Jordan Abadi – The Indonesian Project with its percentage share in the company capital which amounts to 50%. As of 31 December 2024, the value of the Groups shares amounted to JD 12,225 thousand (2023: JD 20,721 thousand).

The Group recorded a provision against probable contingent liabilities that may arise from letters of credit and issued guarantees amounted to JD 32,500 thousand as of 31 December 2024 (31 December 2023: JD 32,500 thousand). In management and legal advisor opinion, the provision recorded is sufficient to settle the contingent liabilities. There was no movement on the provision for the year ended 31 December 2024 and 2023.

**Litigation against the Group**

The Group is a defendant in a number of lawsuits and claims in the ordinary course of business amounting to JD 10,291 thousand as of 31 December 2024 (2023: JD 665 thousand). The Group's management believes that it will not bear any material liabilities as a result of these lawsuits.

Moreover, the Group has litigations related to transactions with main contractors and suppliers of the Group, the summary of these litigations are as follows:

**Manajem for Mining Development (Associate)**

**The Group is plaintiff:**

**Lawsuit (1)**

In August 2017, the Company filed a lawsuit against Manajem for Mining Development in the amount of JD 99,046 thousand as a result of breaching the execution of Phosphate Mining Contract (removal of overburden, Mining and crushing Phosphate A1, A2, A3) in area number (1) which located in Mine number (2) North of Shidya Mine) in addition to compensation of damages resulted from contract breach by Manajem as estimated based on technical experience. The case is pending at the appellate court.

**Lawsuit (2)**

In December 2022, the Company filed a lawsuit against Manajem for Mining Development (Associate Company) as a claim on Company's share from dividends distributed in general assembly meeting dated 28 October 2020 in addition to the consequent delay benefits. The first instance court decided on 31 October 2023 to obligate Manajem for Mining Development with the accrued amounts in addition to the legal interest. The defendant paid an amount of JD 6,440 thousand which represents the Company's accrued dividends. The case is still pending at the appellate court.



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*The Group is defendant:*

Lawsuit (1)

During November of 2019, Manajem filed a lawsuit against Jordan Phosphate Mines Company on the subject of a financial claim of JD 3,558 thousand. The court decided to dismiss the case. The plaintiff has submitted a request to appeal the decision. The case is still pending at the appellate court.

Lawsuit (2)

During February 2020, Manajem for Mining Development Company filed a lawsuit against the Jordan Phosphate Mines Company on the subject of a financial claim worth JD 82,500 thousand regarding value of works completed, constructions, buildings, machinery and equipment, maintenance, spare parts, maintenance, decrease in value, costs incurred, loss of benefits and compensation for material and moral damages on 23 October 2023, the court decided to dismiss the plaintiffs' lawsuit. The plaintiffs appealed the decision to the appellate court. The court issued its final decision on this case on 27 June 2024, which included rejecting the appeal submitted by the plaintiffs and upholding the original decision. the plaintiff appealed the decision at the cassation court and the cassation court decided to dismiss the appeal and affirmation of the appellate court decision.

Lawsuit (3)

Manajem for Mining Development Company and Jordan Economic Development and Trading Company (Comedat) filed a lawsuit against Jordan Phosphate Mines Company on the subject of financial claim worth JD 50,000 thousand in compensation for breach of its obligation under the partners' agreement concluded between the Company and the plaintiffs. The case is pending at the court. Subsequent to date of the consolidated financial statements, the court of first instance dismissed the case.

**Jordan Ahli bank**

Lawsuit (1)

Jordan Ahli bank filed lawsuits against Abyad Company (Associate Company) and its guarantor shareholders to claim due payments on the syndicated loan (Finance lease) worth JD 26,727 thousand, US dollars 23,554 thousand. During May 2022, the court decided to obligate the Company jointly and solidarity with Abyad Company (Associate Company) to pay JD 20,739 thousand and US dollars 23,177 thousand to Jordan Ahli bank within the limits of its share of the guarantee, The Company submitted a request to appeal the court decision. The lawsuit is still pending noting that precautionary seizure was placed on a part of the Company's immovable funds.

Lawsuit (2)

Jordan Ahli bank filed lawsuits against Abyad Company (Associate Company) and its guarantor shareholders to claim credit facilities worth JD 823 thousand and US dollars 15,266 thousand. During December 2022, the court decided to obligate the Company jointly and solidarity with Abyad Company (Associate Company) to pay JD 453 thousand, JD 349 thousand, US dollars 4,368 thousand and US dollars 10,814 thousand to Jordan Ahli bank within the limits of its share of the guarantee. The Company submitted a request to appeal the court decision. The lawsuit is still pending noting that precautionary seizure was placed on a part of the company's immovable funds.

In the opinion of the Group's management and its legal advisor, the provisions booked are sufficient to settle any contingent liabilities.

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**Jordan Economic Development and Trading Company (Comedat)**

Jordan Economic Development and Trading Company (Comedat) filed a lawsuit against Jordan Phosphate Mines Company on the subject of a claim worth JD 300 thousand as a result of excluding the plaintiff from the proposed tenders and excluding the plaintiff offers to enter the proposed tenders. The lawsuit is still pending at the appellate court.

**Obligations related to rehabilitation of mines and factories**

The Group's activities are represented in industrial and mining rights, which may have an impact on the environment. The Group performed the environmental impacts study, and in the opinion of the management, there are no impacts that may result in environmental obligations, as at 31 December 2024 and 2023.

**(36) RELATED PARTY TRANSACTIONS**

Related parties represent balances with associated companies, joint ventures, major shareholders, directors and key management of the Group and the companies in which they are major shareholders.

The Group entered into transactions with the associates, joint ventures, related parties and the Hashemite Kingdom of Jordan government in its normal course of business with pricing, policies and term.

The following is a summary of related parties' transactions for the years ended 31 December 2024 and 2023:

	Related parties			Total	
	Associate companies and joint ventures	Government of Jordan*	Others**	2024	2023
	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)
<u>Consolidated statement of financial position items:</u>					
Accounts receivable***	48,674	-	34,555	83,229	84,343
Accounts payable	5,849	-	-	5,849	1,916
Loans receivable ***	13,460	-	-	13,460	13,460
Accrued expenses	-	4,658	-	4,658	4,819
Other debit balances	-	27,509	-	27,509	29,834
<u>Off consolidated statement of financial position items:</u>					
Guaranteed loans	25,913	-	-	25,913	34,409
<u>Consolidated statement of income items:</u>					
Sales	148,509	-	374,417	522,926	467,310
Purchases	38,145	-	-	38,145	14,417
Mining fees	-	37,325	-	37,325	40,228
Port fees	-	5,218	-	5,218	5,035
Other income	5,804	-	-	5,804	6,260
Land lease	-	6,519	-	6,519	8,708

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- \* The Group purchases goods and services from companies /institutions owned by the Government of Jordan (Major shareholders). The total amounts paid to these companies / institutions amounted to JD 454,359 thousand and JD 392,351 thousand for the years ended 31 December 2024 and 2023 respectively.
- \*\* Others include balances and transactions with Jordan Phosphate Mines Company partners in associated companies and projects.
- \*\*\* Balances of accounts and loans receivable are shown in net after deducting expected credit losses amounted to JD 9,717 thousand and JD 7,018 thousand as of 31 December 2024 (2023: JD 9,717 thousand and JD 7,018 thousand). Expected future cash inflows from Jordan Abyad Fertilizers Company's loan was discounted using the market weighted average interest rate.

The following is a summary of the compensation (salaries, bonuses and other benefits) of the executive management personnel, departments managers and Group's board of directors:

	2024 JD ('000)	2023 JD ('000)
Salaries and bonuses of executive management and departments managers	1,736	1,183
Bonuses and transportation of the Board of Directors	1,719	1,761

The value of end-of-service indemnity compensation paid to key management personnel whose service ended during 2024 amounted to JD 819 thousand (2023: JD 413 thousand).

**Main transactions with the Government of Jordan:**

The nature of the main transactions with related parties was as follows:

- The Company is liable to pay mining fees to the Government of Jordan at rates determined by the government from time to time.
- The Company has leased the lands on which the mining activities are performed at Sheydieh, Hasa and Abyad mines from the Treasury / Department of Land and Survey.
- The Company has leased the land which the Industrial complex was built on from the Aqaba Development corporation Company/Aqaba Special Economic Zone Authority.
- The Company has leased the land which the New Phosphate Port was built on from the Aqaba Development Corporation Company/ Aqaba Special Economic Zone Authority for (Note 6).

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**(37) MATERIAL PARTIALLY OWNED SUBSIDIARIES**

The Group has only one subsidiary which has a material non-controlling interest balance as follows:

Company name	Country of incorporation	Nature of activity	Non-controlling interest shares	
			2024	2023
			JD ('000)	JD ('000)
		Production and sale of fertilizers and chemical by-products		
Nippon Jordan Fertilizers Company Limited	Jordan		20%	20%

Summarized financial information of the subsidiary are provided below. This information is based on amounts before inter-company elimination.

Accumulated balances of non-controlling interest	2024	2023
	JD ('000)	JD ('000)
Nippon Jordan Fertilizers Company Limited	9,599	7,053

Profit attributable to non-controlling interest	2024	2023
	JD ('000)	JD ('000)
Comprehensive income of Nippon Jordan Fertilizers Company Limited	2,546	1,261

**A. Financial position**

	2024	2023
	JD ('000)	JD ('000)
Current assets	59,989	40,880
Non-current assets	6,193	5,563
Current liabilities	(3,377)	(8,224)
Non-current liabilities	(14,919)	(3,062)
<b>Difference between book and market value at acquisition</b>	<b>107</b>	<b>107</b>
<b>Total equity</b>	<b>47,993</b>	<b>35,264</b>
<b>Non-controlling interest in equity</b>	<b>9,599</b>	<b>7,053</b>

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**B. Income statement**

	2024	2023
	JD ('000)	JD ('000)
Sales revenue	132,411	127,810
Cost of sales	(116,692)	(118,462)
<b>Gross profit</b>	<b>15,719</b>	<b>9,348</b>
Selling and marketing expenses	(1,274)	(1,397)
Administrative expenses	(2,759)	(1,579)
<b>Operating profit</b>	<b>11,686</b>	<b>6,372</b>
Interest income	1,346	501
Finance cost	(205)	(438)
Other revenues	44	94
Recovered from (provision for) Inventory impairment	8	(52)
<b>Profit for the year</b>	<b>12,879</b>	<b>6,477</b>
Other comprehensive income items	(151)	(172)
<b>Total comprehensive income</b>	<b>12,728</b>	<b>6,305</b>
<b>Total comprehensive income attributable to non-controlling interest</b>	<b>2,546</b>	<b>1,261</b>

**C. Statement of cash flow**

	2024	2023
	JD ('000)	JD ('000)
Operating activities	22,423	16,991
Investing activities	(16,598)	(496)
Financing activities	(119)	(315)
<b>Net increase in cash and cash equivalents</b>	<b>5,706</b>	<b>16,180</b>

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**(38) ACQUISITION OF NON-CONTROLLING INTERESTS**

**Acquisition of additional interest in the Nippon Jordan Fertilizers Limited Liability Company:**

During December 2021, the Company acquired an additional 10% interest in the voting shares of Nippon Fertilizers Company, increasing its ownership interest to 80%. Cash consideration of JD 948 thousand was paid to the non-controlling shareholders. The carrying value of the net assets of Nippon was JD 18,720 thousand. Following is a schedule of additional interest acquired.

	JD ('000)
Carrying value of the additional interest	1,872
Cash consideration paid to non-controlling interest	(948)
Reserve arising from the acquisition of non-controlling interests	924

**(39) FAIR VALUES OF FINANCIAL INSTRUMENTS**

Financial instruments include financial assets and financial liabilities.

Financial assets include cash on hand and at banks, accounts receivables, debit loans, employees housing loans, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and some other current assets. Financial liabilities include loans, due to banks, accounts payable, lease liabilities and other current liabilities.

Book values of financial instruments do not materially vary from their fair value.

The Group uses the following methods and alternatives of valuating and presenting the fair value of financial instruments:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.



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The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

	Level 1	Level 2	Level 3	Total
	JD ('000)	JD ('000)	JD ('000)	JD ('000)
<b>2024-</b>				
<b>Financial assets</b>				
Financial assets at fair value through other comprehensive income	38	-	266	304
Financial assets at fair value through profit or loss	355	-	-	355
<b>2023-</b>				
<b>Financial assets</b>				
Financial assets at fair value through other comprehensive income	38	-	266	304
Financial assets at fair value through profit or loss	374	-	-	374

**(40) RISK MANAGEMENT**

**Interest rate risk**

Interest rate risk is the risk that results from the changes in market value or future cash flows of financial instruments as a result of changes in interest rate.

The Group is exposed to interest rate risk on its interest-bearing assets and liabilities (bank deposits, bank overdraft and term loans).

The sensitivity of the consolidated income statement is the effect of the possible assumed changes in interest rates on the group's profit for one year, and it is calculated on financial assets and liabilities bearing a variable interest rate as of 31 December 2024 and 2023.

The following table summarizes the sensitivity analysis for the changes in the interest rates over the consolidated income statement of the Group as of 31 December with all other variables held constant:

	Increase in interest rates	Effect on profit
	Basis points	JD('000)
<b>2024-</b>		
<b>Currency</b>		
JOD	100	7,178
USD	100	403

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2023	Increase in interest	
	rates	Effect on profit
	Basis points	JD('000)
<b>Currency</b>		
JOD	100	7,394
USD	100	296

The effect of the decrease in the interest rates by 100 basis points is expected to be equal and opposite to the effect of the increases shown above.

**Share price risk**

The following table demonstrates the sensitivity of the Group's consolidated statement of income (for financial assets at fair value through profit or loss) and cumulative changes in fair value (for financial assets at fair value through other comprehensive income) to reasonably possible changes in equity prices, with all other variables held constant.

	<i>Change in Index</i>	<i>Effect on Profit</i>	<i>Effect on Equity</i>
	%	JD ('000)	JD ('000)
<b>2024- Index</b>			
Amman Stock Exchange	5	18	15
<b>2023- Index</b>			
Amman Stock Exchange	5	19	15

The effect of decreases in equity prices with the same percentages is expected to be equal and opposite to the effect of the increases shown above.

**Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Accounts Receivables

The Group seeks to limit its credit risk with respect to banks by only dealing with reputable banks and with respect to customers by setting credit limits for individual customers and monitoring outstanding receivables. The majority of the Group's sales are carried out through letters of credit.

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The Group sells its products to a large number of phosphate and fertilizers customers. Its largest 7 customers account for 58% of outstanding accounts receivable as at 31 December 2024 (2023: largest 7 customers account for 44%).

Other financial assets

For credit risks resulted from other financial assets, which includes cash and bank deposits. The Group exposure results from the risk that one party fall to discharge obligations that equals the net book value of these financial assets.

**Liquidity risk**

Liquidity risk is defined as the Group failure to provide the required funding to cover its obligations at their respective due dates.

The Group manages its liquidity risk by ensuring that bank facilities are available when needed.

The table below summarises the maturities of the Group's undiscounted financial liabilities at 31 December 2024 and 2023, based on contractual payment dates and current market interest rates.

<b>As of 31 December 2024</b>	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)
Due to banks	17	669	-	-	686
Accounts payable	56,090	-	-	-	56,090
Accrued expenses	37,294	-	-	-	37,294
Employees' benefits provisions	-	3,352	17,472	144,483	165,307
Term loan	-	5,583	34,492	-	40,075
Lease contracts liabilities	1,312	5,881	27,825	15,850	50,868
<b>Total</b>	<b>94,713</b>	<b>15,485</b>	<b>79,789</b>	<b>160,333</b>	<b>350,320</b>

<b>As of 31 December 2023</b>	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
	JD ('000)	JD ('000)	JD ('000)	JD ('000)	JD ('000)
Due to banks	36	1,349	-	-	1,385
Accounts payable	62,465	-	-	-	62,465
Accrued expenses	32,368	-	-	-	32,368
Employees' benefits provisions	-	36,211	15,380	143,874	195,465
Term loans	1,396	4,187	36,183	4,277	46,043
Lease contracts liabilities	1,131	5,881	26,417	34,781	68,210
<b>Total</b>	<b>97,396</b>	<b>47,628</b>	<b>77,980</b>	<b>182,932</b>	<b>405,936</b>

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**Currency risk**

Most of the Group's transactions are in Jordanian Dinars and US Dollars. The Jordanian Dinar exchange rate is fixed against the US Dollar (USD 1/41 JD).

**(41) CAPITAL MANAGEMENT**

The primary objective of the Group's capital management is to ensure that it maintains capital ratios in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in business conditions. The Company's General Assembly approved in its extra ordinary meeting held during 2023 the increase of Company's capital by capitalizing an amount of JD 165,000 thousand from retained earnings balance which represents 200% of authorized, subscribed and issued capital and to distribute it as stock dividends to the shareholders. the authorized, subscribed and issued capital balance become JD 247,500 thousand as of 31 December 2024 and 2023 (Note 14).

Capital comprises paid in capital, statutory reserve, voluntary reserve, special reserve, acquisition of non-controlling interest reserve and retained earnings, and is measured at JD 1,806,828 thousand as at 31 December 2024 (2023: JD 1,677,224 thousand).

**(42) DIVIDENDS**

Subsequent to the consolidated financial statements date, the Board of Directors decided at their meeting held on 23 March 2025 to recommend for the General Assembly of the Company which will take a place during 2025 to distribute dividends to shareholders amounted to 160% of the stock par value and distribute free shares amounted to 21% of the stock par value so that the authorized, subscribed, issued capital balance becomes JD 300,000 thousand

The General Assembly approved in its ordinary meeting held on 29 April 2024 to distribute cash dividends to shareholders amounted to 130% of the stock par value from 2023 profits.

The General Assembly approved in its ordinary meeting held on 4 April 2023 to distribute cash dividends to shareholders amounted to 300% of the stock par value from 2022 profits.

The General Assembly approved in its extra ordinary meeting held on 4 April 2023 to distribute free shares amounted to 200% of the stock par value. Also, the General Assembly approved the increase of Company's capital by capitalizing an amount of JD 165,000 thousand from retained earnings balance which represents 200% of authorized, subscribed and issued capital and to distribute it as stock dividends to the shareholders. the authorized, subscribed and issued capital balance become JD 247,500 thousand.

**(43) STANDARDS ISSUED BUT NOT YET EFFECTIVE**

The standards and interpretations that are issued but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

**Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7**

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for classification of financial assets and related disclosures only.

The Group is working on identifying all impacts of the amendments on the consolidated financial statements and the related disclosures.

**Contracts Referencing Nature-dependent Electricity — Amendments to IFRS 9 and IFRS 7**

In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to address the accounting and disclosure requirements for contracts referencing nature-dependent electricity, such as wind, solar, and hydro power. These amendments aim to provide clearer guidance on the classification, measurement, and recognition of these contracts, which are inherently variable due to their dependence on natural conditions. The changes seek to improve the consistency and comparability of financial statements by clarifying whether such contracts should be treated as financial instruments or executory contracts and how they should be measured. Additionally, the amendments enhance disclosure requirements to provide greater transparency about the risks and financial impacts associated with these contracts, thereby offering users more relevant and reliable information. This initiative supports the global transition to renewable energy by addressing the unique accounting challenges posed by nature-dependent electricity contracts.

The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted but will need to be disclosed.

The amendments are not expected to have a material impact on the Group's consolidated financial statements and its notes.

**Lack of exchangeability – Amendments to IAS 21**

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Group's consolidated financial statements.

**IFRS 18 Presentation and Disclosure in Financial Statements**

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

This standard will result in new presentation of the consolidated income statement with some new required totals, in addition to the disclosure of management-defined performance measures.

**IFRS 19 Subsidiaries without Public Accountability: Disclosures**

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

As the Group's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.







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