



Speech by the Chairman of the Board of Directors (BOD) of Jordan Phosphate Mines Company (JPMC), Dr. Mohammad Thneibat at the Company's 70<sup>th</sup> Ordinary General Assembly Meeting

**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**

I am delighted to meet you on this blessed day at the Seventieth annual ordinary general assembly meeting of Jordan Phosphate Mines Company PLC to present to you the results of the Company works, activities and consolidated financial statements as at 31 December 2023.

The Company's reform process of its successful policies of transforming challenges into opportunities contributed to the extension of work on the Company's cumulative reform approach by continuing to review work procedures, correcting the distortions that may interfere them, establishing rules of good governance, controlling expenses, and increasing spending on the Company's capital enterprises by (167%) compared to 2022, carrying out with sustainable maintenance of the Company's plants and production units in their different sites, in addition to implementing an equal job replacement policy, all of this is in compliance with a mapped plan based on the clarity of the goal and the implementation of evaluation, monitoring and accountability mechanism.

As a result, the Company was able to increase production capacity, improve its quality and sales quantity, multiply its international destinations, process with the completion of the Company's strategic plan for the years (2022-2027), and obtain a number of local, regional and global awards in its field of work. JPMC also secured an impressive 71st rank among the top (100) companies in the Middle East, and the eighth position among the Middle East's top (10) most influential industrial giants for 2023 with a marketing value of USD (4.1) billion, according to Forbes Middle East.

**Dear Shareholders- Ladies and Gentlemen,**

Despite the noticeable decline in the prices of the Company's products in global markets, and the noticeable increase in some production inputs; The Company was able to achieve profitable returns on shareholders' equity. In 2023, the Company achieved pre-tax profits of approximately JD (614) million, and net profits after tax amounted to JD (454.3) million before the production bonus for workers, and the ratio of net profits after tax to sales reached (37%).

In terms of strengthening the Company's financial position, equity increased significantly by JD (200) million in 2023, despite the lucrative profits distributed to shareholders during 2023. This increase reflects an annual growth rate equivalent to (13.4%) in shareholders' equity. The Company's assets increased during the year 2023 by (4%) compared to 2022, so that the Company's assets at the end of 2023 exceeded JD (2.145) billion.

With respect to the Company's contribution towards boosting the overarching changes of the national economy and supporting the economic growth of the country; The Group achieved export sales of nearly USD (1.736) 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 (300) 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 (210) million, the main of which is the share of Government-owned companies amounting to (JD 114.6 million), and the share of the profits of the Social Security Corporation for the year 2023 amounting to JD (74) million, bringing direct and indirect support to the treasury and revenues of Public institutions from the Company's activities during 2023 to nearly JD (520) million.

**Dear Shareholders- Ladies and Gentlemen,**

The Company has begun creating a number of partnerships, establishing and implementing new projects with the aim of developing the Group's revenue power and strengthening its financial and competitive position, including:

- Construction of a company to produce Phosphoric Acid in partnership with investors from Turkey and India, with a total investment cost estimated at USD (400) million, a production capacity of (300) thousand tons annually, and sales anticipated at not less than USD (300) million per year. All partners have paid the founding capital of the company and the Social Security Investment Fund is expected to contribute to this project.
- Proceeding to construct a miscellaneous fertilizers company in partnership with the Arab Potash Company at a total cost of USD (600) million for this investment with a production capacity of over (400) thousand tons of miscellaneous fertilizers and Phosphoric Acid. Sales of this project are estimated at at least USD (400) million per year.
- Establishment of a plant to produce phosphate feed activities in Aqaba in partnership with Sinokrot Poultry Farms and Saudi Poultry & Dairy Technology Trading Company with a production capacity of up to (100) thousand tons annually at a total investment cost of USD (40) million. The project is expected to contribute at least USD (100) million per year to the Group's revenue.
- The project of expansion and increasing the production capacity of the Industrial Complex in Aqaba at a total cost of USD (90) million. This project is expected to contribute to increasing the production capacity of the complex by at least (135) thousand tons of Phosphoric Acid per year and increasing the Group's sales by at least about USD (100) million annually.
- The project of expansion the plant of the Indo-Jordanian Chemicals Company, a subsidiary of the Group, with a total investment cost estimated at USD (190) million. This project will contribute to increasing the production capacity of the Company by (160) thousand tons of Phosphoric Acid and (700) thousand tons of Sulfuric Acid per year, reflecting an increase in sales of approximately USD (150) million.

By the end of this year, the Phosphate Washing and Flotation Plant in Eshidiya is expected to begin production with a production capacity estimated at a minimum of (1.5) million tons per year of high-quality phosphate. This project will shape an increase in the value of phosphate ore sales by approximately USD (200) million. In addition to the establishment and registration of Alufluoride Company in Eshidiya, and the commencement of the phosphate wastewater treatment project with treatment and recycling capacity of (9) thousand cubic meters per day with an estimated cost of USD (30) million and this project will contribute to the reduce the cost of water consumption in Eshidiya by (10%), production is expected to start during the first half of next year.

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

Furthermore, it is anticipated that these projects upon operation and beginning of production will collectively contribute to a total increase in the Group's sales by approximately USD (1) billion and (200) million and to an increase in its profits by at least USD (500) million compared to the ratio of the actual profit margin for 2023 to sales. 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, in addition to the remarkable increase in the indirect support to the state's general budget. Not to mention that these projects will contribute in improving the overall indicators of the national economy; 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 operation 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: Increasing the Company's contribution to the unemployment rate in the Company's locations of operation.

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

Within the framework of the Company's social responsibility and serving the local community, JPMC was keen to continue on following its previous 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 in the locations in which the Company is operating. In addition to the contribution in small and medium enterprises that provide job opportunities. In which the volume of this support and the outstanding obligations paid by the Company reached JD (18.6) million.

To conclude, I would like to extend my gratitude and thanks to Jordan Phosphate Mines Company shareholders, the investors who believe in the Company's ability and the Jordanian economy. No doubt, my thanks are also extended to the Company's employees for their efforts that lead to these successes and to the Jordanian General Labor Union of Workers in Mines and Mining; for their cooperating with the Company and supporting its efforts.

I would also like to thank my colleague members of the Board of Directors for their kind efforts, and the executive management that worked efficiently and effectively to implement the plans set up for the Company to bring this economic structure to what it has reached.

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