THE HASHEMITE KINGDOM OF JORDAN

Central Electricity Generating Company

ANNUAL REPORT

2022

His Majesty

King Abdullah II Bin Al Hussein

H.R.H Crown Prince

Hussein bin Abdullah II

Contents

A.1 Chairman Address


Dr. Moayad Samman
Chairman

Valued Shareholders,

On behalf of myself and the members of the Central Electricity Generating Company (CEGCO) Board of Directors, I am pleased to present to you our 2022 Annual Report - which outlines our most notable achievements, financial data and performance indicators throughout the previous year. Despite the challenges brought on by the expiration of the power purchase agreements of various CEGCO stations, the company persevered and continued to achieve set goals.

2022 witnessed a significant rise of around 107 percent in net profits, reaching JOD 24.7 million compared with JOD 11.9 million in 2021, due to the JOD 2.6 million increased profits from the sale of decommissioned units, the rise in profits as a result of a JOD 7.5 million financial settlement with the Government of Jordan, a JOD 6.6 million decrease in asset depreciation and a JOD 4.1 million reduction in the depreciation of slow-moving spare parts and general materials. The fall in assets or spare parts depreciation follows the decommissioning of three units at the Rehab Gas Turbine Power Station at the end of 2021, as well as the JOD 3.4 million drop in income tax expenses, the JOD 1.7 million decrease in salaries following the exit of several employees and the JOD 1.3 million cut in financing costs. Conversely, there was a JOD 14.4 million decline in capacity charge revenues as a consequence of the full decommissioning of the Rehab Gas Turbine Power Station at the end of 2021, as mentioned above.

Moreover, CECGO accounts receivable from the National Electric Power Company fell from JOD 75 million in 2021 to JOD 15 million in 2022, while accounts payable to the Jordan Petroleum Refinery Company dropped to zero in 2022 compared to JOD 57.5 million in 2021.

Despite various obstacles during 2022 considering the continued decommissioning of stations, CEGCO management handled the issues efficiently and competently - achieving company goals, exceeding 2022 declared budget estimates, registering a high availability factor at its stations (over 99 percent), recording more than 6 million work hours with zero injuries and continuing to implement numerous initiatives that support local communities.

Regarding the full decommissioning of Rehab Gas Turbine Power Station at the end of 2021 and Risha Power Station on 17 October, 2022, CEGCO ensured the situation would be mutually beneficial to the company and the country, selling both stations to the Government of Jordan to utilize within the electrical system. CEGCO also signed sale agreements stipulating the re-employment of employees from both stations at Samra Electric Power Company; the government representative that purchased the two stations.

On this note, allow me to thank our colleagues for their dedicated efforts towards sustaining our performance and achieving our objectives. I would also like to acknowledge the Government of Jordan, its institutions and its agencies for their tremendous efforts in ensuring the Kingdom's security and stability and creating an attractive investment environment capable of advancing the national economy.

Lastly, on behalf of myself and the members of the Board of Directors, I extend my sincerest gratitude and appreciation to HM King Abdullah II ibn Al Hussein and HRH Crown Prince Al Hussein bin Abdullah II for their wise leadership in managing state affairs and supporting Jordan's progress and prosperity.

Best wishes for further distinction in 2023.

Dr. Moayad Samman
Chairman

A.2 CEO Address

Eng. Mowaffaq Ali Al-Alawneh:

Chief Executive Officer

Ladies and Gentlemen,

I am pleased to once again reconvene with you by sharing the Central Electricity Generating Company (CEGCO) 2022 Annual Report, through which we assess our performance over the past year and spotlight our most noteworthy achievements despite the many challenges faced.

2022 witnessed an increase in net profits by around 107 percent, reaching JOD 24.7 million, compared with JOD 11.9 million in 2021, mainly driven by the settlement reached with the Government of Jordan and the decrease of depreciation expenses due to the full retirement of the Rehab Gas Turbine Power Station at the end of 2021 - noting that 2022 net profits were upwards of declared budget estimates by nearly 159 percent.

On the operational front, CEGCO registered a high availability factor of 99.6 percent, exceeding declared budget estimates despite the aged stations and rigorous operating patterns of intermittent startup and shutdown, thanks to deliberate plans that helped maintain equipment readiness and achieve excellent station availability.

Within the area of occupational and environmental health and safety, CEGCO recorded over 6.7 million work hours with zero injuries as a result of our stringent adherence to top international safety standards, the implementation of employee training and awareness plans and the execution of periodic inspection programs - reaffirming our significant progress in this regard.

Nonetheless, the company continues to endure its biggest challenge; namely the full decommissioning of the Rehab Gas Turbine Power Station at the end of 2021 and Risha Power Station on 17 October, 2022, in addition to the expiration of our power purchase agreements at the conclusion of 2025, and their subsequent redundat staff, direct social impact and added financial burdens. To mitigate these issues on both the company and staff alike, CEGCO offered optional incentives to encourage employees to exit voluntarily, 42 of whom opted to do so during the year. Meanwhile, the company successfully closed two agreements to sell the Rehab Gas Turbine Power Station and Risha Power Station to the Government of Jordan, represented by Samra Electric Power Company, with the deals stipulating the re-employment of 56 employees from both power stations in Samra.

As part of our ongoing commitment to support the local community, we continued to implement various nationwide activities and initiatives, most notable of which were assisting underprivileged families during the holy month of Ramadan to alleviate prevalent living burdens, as well as distributing heaters and winter clothing to school students in underserved areas and supporting the King Hussein Cancer Center.

To conclude, allow me to take this opportunity to express my gratitude towards our esteemed Chairman and Board Members for their steadfast support, which has been paramount to the accomplishments achieved by CEGCO. I would also like to thank our colleagues across different locations for their unwavering dedication to sustaining the company and empowering us to realize our goals.

May God bless the Hashemite Kingdom of Jordan, HM King Abdullah II ibn Al Hussein and HRH Crown Prince Al Hussein bin Abdullah II.

Looking forward to greater success and progress during 2023.

Eng. Mwaffaq Al Alawneh

Chief Executive Officer

B Report of Board of Directors

The Board of Directors is pleased to present to you its Annual Report 24rd including activities and achievements of the Company as well as the Financial Statements of the year ended on 31/12/2022

1. A. Company’s Activity

To generate the electric energy in various regions of the Kingdom using any primary sources of energy and the renewable energy to be supplied, in good quality, high availability and at the lowest possible cost, to the National Electric Power Company.

1. B. The Company`s Geographic Locations and the number of employees in each

Head Office: King Hussein Business Park– Building No. 16
Amman - King Abdullah II Street
P.O.Box: 2564 Post Code 11953
Phone: +962-6-5340008
Fax: +962-6-5340800

Aqaba Thermal Power Station

it is located in the south-west of Jordan, approximately 22 km south of the Aqaba City, 1 km from the Red Sea. The plant site is 35 meters above sea level and located in the middle of an industrial area.

Risha Gas Turbine Power Sation

it is located in the eastern region of the Kingdom, about 350 m east of Amman.

Engineering workshops

it is located in the northern region of Jordan, about 30 Km north-east of Amman, and is situated 560 m above the sealevel in the center of the Industrial Area in Zarqa.

Employee,s Distribtion according to Locations until 31/12/2022

Location	Employees
Mafraq Solar Station	11
Head Offices	61
Risha Gas Station	16
Risha Solar Station	13
Aqaba Thermal Power Station	145
Rehab Gas Station	45
Zarqa (Work Shops)	23
Zarqa Power Station (ACWA)	67
King Talal Dam	9
Total	390

* The Company has no Branches within or outside the Kingdom.

1. C. Company's Capital Investment Volume

40,715,945 JD

2 There are no Affiliate Companies

3.A The names of members of the Board of Directors and the curriculum vitae for each of them

Enara Energy Investment

H.E.Dr. Moayad Samman- Chairman **from 17/06/2021**.

H.E.Eng. John Harison Clarck- Vice-Chairman **from 17/02/2021**.

H.E. Dr. Yasser Adeeb Burgan- Member **from 05/10/2021**.

Enara (2) Energy Investment

H.E.Mr. Jasdeep Singh Anand **Member**

till 6/3/2022

H.E.MrAbid Hussain Malik **Member**

From 7/3/2022

Government Investment Management Co. LLC

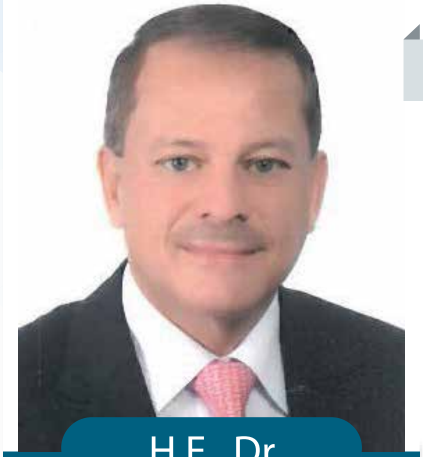
H.E. Dr. Faysal Al Hyari **Member** From 20/6/2017

H.E Eng. Shorouq Abdel Ghani **Member** From 1/12/2020

Social Security Corporation

H.E. Eng. Ziad Ahmad Obeidat

Member from 01/09/2021



H.E. Dr.

Moayad Samman

Nationality

Jordanian

Date of Birth

18/11/1965

Current Position

Chairman

Work Experience

- Dr. Samman is currently the Chairman of the Central Electricity Generating Company (CEGCO). In addition to that, Dr. Samman is the Vice Chairman of the Board of Directors for Al Daman Company for the Development of Economic Zones, Member of the Board of Trustees for Al Hussein Bin Abdullah II Technical University, Member of the Board of Directors for MadfooatCom for ePayments (eFawateerCom), and Member of the Committee at the Jordan Engineers Association, Pension Fund Administrative Committee (2nd largest investment fund in Jordan).
- Dr. Moayad was formerly the Chairman of the Board for King Hussein Business Park; the largest Real Estate project in the Middle of the Capital Amman and Jordan's future smart city, the Chairman of the Board and Chief Executive Officer for King Abdullah II Design and Development Bureau (KADDB), Vice Chairman of the Board and General Manager for The National Resources Investment & Development Corporation (Mawared), Vice Chairman for Abdali Investment and Development company, Chairman of the Board for Abdali Boulevard company, Vice Chairman of the Board and General Commissioner for the Development and the Investment Projects Funds of the Jordan Armed Forces (DIP), Vice Chairman of the Board for Military Credit Fund, Chairman for King Abdullah II Special Operations Training Center (KASOTC), and Deputy General Manager for Lafarge Jordan Cement, and part-time lecturer in the Faculty of Engineering at the German-Jordanian University.
- With over 25 years of operational experience in the management of small, medium, large and mega business operations, Dr. Moayad has been a Chairman and Board Member in over 50 local and international professional business association and companies including Global Investment companies in the fields of heavy industries, real estate development, hospitality, education, banking, agriculture and trading. He has previous professional experiences in both public and private sectors organizations covering a diverse array of fields from general managements, business development, business process re-engineering to engineering research with special emphasis on board of directors' charters, governance and committees.
- Dr. Moayad received his PHD in Industrial Engineering from Loughborough University in 2000 and obtained his graduate and undergraduate studies with First Honors in Civil Engineering and Industrial Engineering from the University of Jordan.
- Dr. Moayad had been awarded the British Chevening Scholarship by the Foreign and Commonwealth Office, and has been selected by the Eisenhower Exchange Fellowship Inc for the year 2005 to represent Jordan, Dr. Samman was also elected in 2017 as the President for the Jordan Wrestling Federation.
- Dr. Moayad has been recently appointed as senior examiner for the King Abdullah Award for Government Performance and Transparency/ Distinguished Secretary General/General Manager Award.

H.E. Eng.

John Harrison Clark

Nationality

United Kingdom

Membership Date

17 /02/ 2021

Current Position

Member of Board

Qualifications:

- Degree, Mechanical & Electrical Engineering, University of Northumbria, Newcastle, UK
- Leadership for Energy Program, Harvard, USA
- Energy Risk Management Program, Princeton, USA

Work Experience:

- ACWA Power – Vice President, Portfolio Management, Middle East and Asia Region with responsibility for Jordan, Oman and the UAE;
- Enel SpA – Senior Vice President & Country Manager, Slovakia;
- Enel SpA – Senior Vice President & Chief Operating Officer, Russia;
- Enel SpA – Head of International Operations, Rome;
- Enel SpA – Country Manager, Bulgaria;
- Entergy Corporation – Director, Asset Management Europe;
- Intergen (Bechtel) – Maintenance & Engineering Manager, UK
- Alcan – Power Operations Manager, UK

H.E. Mr.

Jasdeep Anand

Nationality

Indian

Membership Date

20 /3/ 2018

Current Position

Member of Board
till 6 /3/ 2022

Qualifications:

- Chartered Accountant (Qualified in 1997) from the Institute of Chartered Accountants of India
- Cost and Works Accountant (Qualified in 1997) from the Insitutute of Cost and Works Accountants of India

Work Experience:

- A Chartered Accountant and a Cost Accountant with over 25 years of experience in financial and operational leadership roles for infrastructure support service businesses in emerging markets.
- ACWA Power
  CFO- International Region Jul 2016 to present
- Developing the financial strategy, oversee its implementation across the International region and manage strategic relations with internal and external stakeholders, to protect the interests of the Company and ensure that the financial activities across all the international regions are carried out in alignment with Group strategic objectives and regulatory requirements.
- Aggreko PLC Feb 2001 to Jun 2016
- During the time in Aggreko, worked in various senior roles in Finance, Sales, Commercial and General Management taking care of various geographies including Asia Pacific, Middle East, Africa and South America. Responsible for the Finance function of the Projects business which had sales of over US$1B. Worked very closely in expanding the business in the APAC region in a leadership role and growing it exponentially.
- Schlumberger- Oil Field Services Aug 1999 to Feb 2001
- Mitsui & Co. Ltd Feb 1998 to Aug 1999

H.E. Mr.

Abid Hussain Malik

Nationality

Pakistani

Membership Date

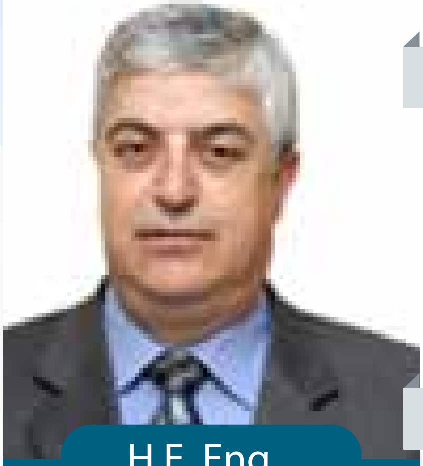
7 /3/ 2022

Current Position

Member of Board

Work Experience:

- 2020 - Now - ACWA Power (Dubai Office) – Executive Vice President and Regional Director
- Portfolio Management - MEA and Asia
- 2018 - 2020 ACWA Power (KSA Office) - Vice President and Portfolio Head - KSA
- 2015 - 2018 - ACWA Power (Turkey Office) - Managing Director - Turkey & Kazakhstan
- 2009 - 2015 - ACWA Power (Turkey Office) - Country Head Business Development - Turkey
- 2006 - 2009 - Engro Energy (Pakistan) - Project Director
- 2001 - 2006 - AES Kelanitissa Power Plant (Sri Lanka) - Construction Manager / Maintenance Manager
- 1997 - 2001 - AES LalPir Power Plant (Pakistan) - Project Engineer
- 1995 - 1997 - Hubco Power Plant (Pakistan) - Mechanical Engineer



H.E. Eng.

ZIAD A. OBEIDAT

Nationality

Jordanian

Membership Date

01/09/2021

Date of Birth

1961

Current Position

Member of Board

Qualifications:

- The George Washington University, Faculty of Science and Engineering, Washington, D.C, USA M Sc., Engineering Management/ Construction Management
- University of Basrah, Faculty of Engineering, Basrah, Iraq B.Sc., Civil Engineering

Work Experience:

- **General Director** Vocational Training Cooperation (VTC) / Jordan 2019
- **Secretory General** Ministry of Labor (MOL) / Jordan 2017 - 2019
- **Acting Secretory General** Ministry of Planning and International Cooperation (MOPIC) / Jordan Feb. – Jul. 2014
- International Expert/ESCWA-10th National Development Plan of KSA (2015-2019) 2013 - 2017
- Director of the Development Plans and Programs Department
- Ministry of Planning and International Cooperation (MOPIC) / Jordan 2010 – 2013
- Director of the Programs and Projects Department
- Ministry of Planning and International Cooperation (MOPIC) / Jordan 2003 – 2010
- Director of the Plans and Monitoring & Evaluation Department
- Ministry of Planning and International Cooperation (MOPIC) / Jordan 2002 – 2003
- Program Coordinator/Enhanced Productivity Program-EPP
- Ministry of Planning and International Cooperation (MOPIC) / Jordan:
  - Small Grants/Income Generating Projects and Direct Intervention Projects.
  - Community Infrastructure/Governorates and Municipalities.1999 - 2002
- **Infrastructure Expert** German Technical Cooperation (GIZ) / Jordan1993 - 1999
- Assistant Director for Monitoring Department Ministry of Planning and International Cooperation (MOPIC) / Jordan1990 – 1993
- Head of the Design & Project Management Division Tenders and Works Department / Aqaba Region Authority, Jordan1989 – 1990
- Library Assistant The George Washington University / Washington, D.C.1984 – 1988
- Design and Supervise Engineer Tenders and Works Department / Aqaba Region Authority, Jordan

H.E. Eng.

Shorouq Abdel Ghani

Nationality

Jordanian

Membership Date

1/12/2020

Date of Birth

30/6/1980

Current Position

Member of Board

Qualifications:

- Master's Degree in Government Administration, , Al-Ahliyya Amman University , Amman , Jordan 2020
- Bachelor of Chemical Engineering , Mutah University , Karak , Jordan 2003

Work Experience:

- Currently holds the position of Director of Planning and Organizational Development at the Ministry of Energy and Mineral Resources, undertakes the tasks of preparing and developing strategic plans for the energy and mineral resources sector, developing policies and strategic plan of ministry's and following up on its implementation, in addition to managing statistical information of the sector and following-up the emergency plans, in addition to managing the tasks of bilateral cooperation relations with countries and international, regional and local institutions regarding the energy and mineral resources sectors.
- Board Member in the Jordan Standards & Metrology Organization.
- Graduate from Royal Military Academy Sandhurst (RMAS) in the field of leadership skills/ Britain.
- Trainer in the field of Strategic planning, governance, operations and services management, government accelerators, and future foresight.
- Judgment Committee member and one of founders of award of the best product in the Jordanian Chemical Industries Sector / Jordan Engineer Association.

H.E. Dr.

Faysal A. Al-Hyari

Nationality

Jordanian

Membership Date

20/6/2017

Date of Birth

30/12/1955

Current Position

Member of Board

Qualifications:

- Ph.D., Economics, 1990 - University of Leicester, England
- M.A., Economics, 1987 - University of Leicester, England
- B.Sc., Economics/ Statistics 1979 - University of Jordan

Work Experience:

- 2007 - 2016 General Manager Orphans Fund Development Corporation
- 2002 -2007 Financial Advisor Minister of Finance office,
- Ministry of Finance, Amman, Jordan.
- 1998-2002 Financial Expert Technical Team commissioned with the privatization process of the Royal Jordanian (RJ) Airline.
- 1992-1997 Director of Economic
- Research & Information Directorate General Budget Department, Jordan.
- 1990-1991 Head of Economic Research Unit General Budget Department, Jordan.
- 1986-1990 Full-Time Graduate Student (MA, Ph.D. Program) University of Leicester/England.
- 1979-1985 Budget Analyst General Budget Department, Jordan.

H.E. Dr.

Yasser A. Burgan

Nationality

Jordanian

Membership Date

05/10/2021

Date of Birth

06/08/1964

Current Position

Member of Board

Qualifications:

- Master of Business Administration (with Honors), 1987, California State University, Chico, California, U.S.A.
- Master of Science in Civil Engineering (with Honors), 1985 (Emphasis: Construction Engineering & Management), University of California, Berkeley, California, U.S.A.
- Bachelor of Science in Civil Engineering (with Distinction), 1984, California State University, Chico, California, U.S.A.

Work Experience:

- 1995 to date:
- Consolidated Contractors Company (CCC):
- Current position: Vice President – Sister Companies and General Manager, Chairman's Office with varied duties and responsibilities.
- Yasser currently represents CCC on the Board of Directors of several CCC affiliated / related companies including ACWA Services Ltd. (UK), ENARA Co. for Energy Investments, Al-Faris National Company for Investment (Optimiza), and previously on the board of New Generation Telecommunication Company (Xpress).
- 1987 to 1995:
- Eight years as a Project Engineer / Project Manager with a major US contractor in the State of California (USA) executing complex infrastructure projects such as Los Angeles Metro Stations and Tunnels, San Diego Convention Center, Seven Oaks Dam Diversion Tunnel, Los Angeles Federal Building

3.B Senior Executive Management

Nationality :Jordanian
Assignment Date : 4/5/1997
Date of Birth :14/ 5/ 1971
Qualifications:
Bachelor of Electrical Engineering, University of Science and Technology

Eng. Mowaffaq Mahmoud Ali Alawneh:

CEO as of 17/06 / 2021

Work Experience:

- Eng. Mwaffaq awneh is currently the CEO of Central Electricity Generating Company (CEGCO).
- Eng. Mwaffaq awneh held the position of Operation and Maintenance Executive Manager at Central Electricity Generating Company (CEGCO) from 1/07/2019 - 16/06/2021
- Eng. Mwaffaq Alawneh was the senior Manager of Engineering Services and Contracts Department 7/2016 - 7/2019 at (CEGCO).
- Plant Manager of Aqaba Thermal Power Station (ATPS) from 1/2011-01/2016.
- Maintenance Manager from 4/2010 - 1/2011 at Aqaba Water Company
- Technical Support Manager at Aqaba Water Company from 11/2008 - 4/2010.
- Instrumentation and control section head at Aqaba Thermal Power Station from 1/2005 - 11/2008
- PLC and SCADA engineer / Kingdom of Saudi Arabia from 1/2002 - 1/2005
- Instrument and control engineer / Aqaba Thermal Power Plant from 5/1997 - 1/2002.

Nationality Jordanian
Assignment Date : 27/7/1999
Date of Birth: 3/1/1970
Qualifications:
- 1992 The University of Jordan, Amman/Jordan Accounting Bachelor
- 1997 The University of Jordan, Amman/Jordan High Diploma in Business Administration

Mr. Ali (Mohammad Zuhair) Ali Abdullah

Executive Manager Finance.

Work Experience:

- 7/5/2021 till now Executive Manager Finance.
- 7/11/2020 - 6/5/2021 Acting Executive Manager Finance.
- 1/10/2017 - 6/11/2020 Financial Manager
- Jan. 2016 – 30/9/2017 Acting Financial Manager .
- 4/ 2004 – 30/9/2017 Budget Control Section Head .
- 7/ 1999 – 4/ 2004 Accountant – Budget Control Section .
- 10/ 1996 – 7/1999 Estimator - Income Tax Department .
- 12/ 1994 – 9/ 1996 Accountant – Jordan Electrical industries Investment Co. Ltd .

Nationality Jordanian
Assignment Date : 20/11/2006

Date of Birth: 1/12/1984

Qualifications:

- MBA, Yarmouk University, Jordan 2010
- BA, Marketing Management, Yarmouk University, Jordan, 2006.

Mr. Omar Ahmad Ibrahim Al Shammari

Current Position: Executive Manager Supply Chain Management

Work Experience:

- 01/08/2019 – till now: Executive Manager Supply Chain Management.
- 01/10/2017 – 31/07/2019: Procurement Department Manager .
- 01/12/2016 – 01/07/2019: Secretary of Tender Panels .
- 01/01/2016 – 30/09/2017: Planning and Contracts Department Manager .
- 09/07/2012 – 31/12/2015: Planning and Contracts Section Head .
- 09/07/2011 – 08/07/2012: Foreign Purchasing and Clearance Acting Section Head .
- 01/07/2007 – 08/07/2011: Tendering and Procurement Administrator .
- 20/11/2006 – 30/06/2007: Trainee – Procurement Department .

Nationality Jordanian
Assignment Date : 1/11/2005

Date of Birth: 6/5/1983

Qualifications:

- Bachelor Degree/ Mechanical Engineering 2005
- Master in Industrial Engineering 2009 University of Jordan

Eng. Osama AlDaja'a

Current Position: Executive Manager Commercial Administration

Work Experience:

- 28/7/2021 till now : Executive Manager Commercial Administration.
- 30/9/2019 -27/7/2021 : Executive Manager Asset management.
- 2010 - 2019: Manger of Technical and Commercial Planning Department.
- 2008 - 2010: Head of the Commercial Department.
- 2007 - 2008: Planning Engineer / Technical Planning Department.
- 2005 - 2007: Engineer operating the Hussein Thermal Station.

Nationality :Jordanian
Assignment Date : 1/2/2000

Date of Birth :12/ 3/ 1977

Qualifications:

- B.Sc. in English Literature from University of Jordan /1999

Mrs. Alia Radwan Abdullah Hiassat

Current Position: BoD Secretary

Work Experience:

- 5/10/2016 : BoD Secretary till now .
- 22/9/2011: Secretary of the Audit Committee .
- 1/6/2012– 4/10/2016 : Tendering Department Manager .
- 9/12/2009 -31/5/2012 : Tendering Committees Secretary .
- 10/4/2007 - 8/12/2009 : Administrative in Tendering Department.
- 1/6/2000 – 9/4/2007 : Administrative in Administration & Personnel Department .
- 1/2/2000 – 31/5/2000 : Trainee in Administration & Personnel Department.

Nationality :Jordanian
Assignment Date : 1/9/2001
Date of Birth: 31/5/1977
Qualifications:

- 1995 – 1999 BSc in Accounting
- 2001 ACPA (Arab certified public accountants) Arab Society of certified accountants
- 2009 JCPA (Jordan certified public accountants)

Mr. Ghaith .T.Q. Obeidat

Current Position: Financial Manager

Work Experience:

- 1/06/2021 till now - Financial Manager
- 1/10/2017 - 31/5/2021 - Accounting department manager
- 10/2016 - 30/9/2017: Acting accounting department manager .
- 2011 – 30/9/2017: Accounts payable Section Head
- 2008 – 2011: Cash Control Section Head - Central Electricity Generating Co.
- 2001 – 2008: Accountant – Accounting & finance Department – Central Electricity Generating Co

4 Table of Shareholders whom Shares Exceed 5 %

2022

Shareholders Whom Shares Exeeds 5%

Name of share holder	Shares	%	Nationality
Enara Energy Investment Co.	15,250,000	50.83%	Jordanian
Government Investment management Co. LLC	12,000,000	40.00%	Jordanian
Social Security Corporation	2,700,000	9.00%	Jordanian

2021

Shareholders Whom Shares Exeeds 5%

Name of share holder	Shares	%	Nationality
Enara Energy Investment Co.	15,250,000	50.83%	Jordanian
Government Investment management Co. LLC	12,000,000	40.00%	Jordanian
Social Security Corporation	2,700,000	9.00%	Jordanian

5 The Competitive Position for the Company within the Electricity Sector

The total maximum load of the electrical system has reached (4010) MW for year 2022, compared to (3770) MW for year 2021, the company has contributed through its capacity of (454) MW which represents (%7.87) of the total electrical system capacity with a production of (652.4) GWh .

The company sale of electric power has reached (626.3) GWh in year 2022, compared to (805.3) GWh in year 2021.

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6 The Competitive Position for the Company within the Electricity Sector

Major suppliers	Dealing Ratio from Total Procurements
National Petroleum Company	100%

Major suppliers	Dealing Ratio from Total Procurements
National Electric Power CO.	100%

7 Governmental Protection & Privileges Possessed by the Company By Virtue of the Laws and Regulations

The company and its products don't possess any governmental protection or privileges by virtue of the laws and regulations in force, and the company didnot get any patents or concession rights however, we would like to point out that the government of the Hashemite Kingdom of Jordan has guaranteed the National Electric Power Co. in all the energy purchase agreements which were concluded between CEGCO and the National Electric Power Co. dated 20-9-2007. Moreover, the Jordanian Government by virtue of the executive agreement concluded on 20-9-2007 had guaranteed to the company some issues inclusive maintaining stability in taxes and legislations and not dealing differentially between companies, and permitting foreign exchange and transfer outside Jordan.

8.A There are no Decisions Issued by the Government or International Organizations that have an impact on the work of the company or its competitive edge

8.B Quality and Technical Audit

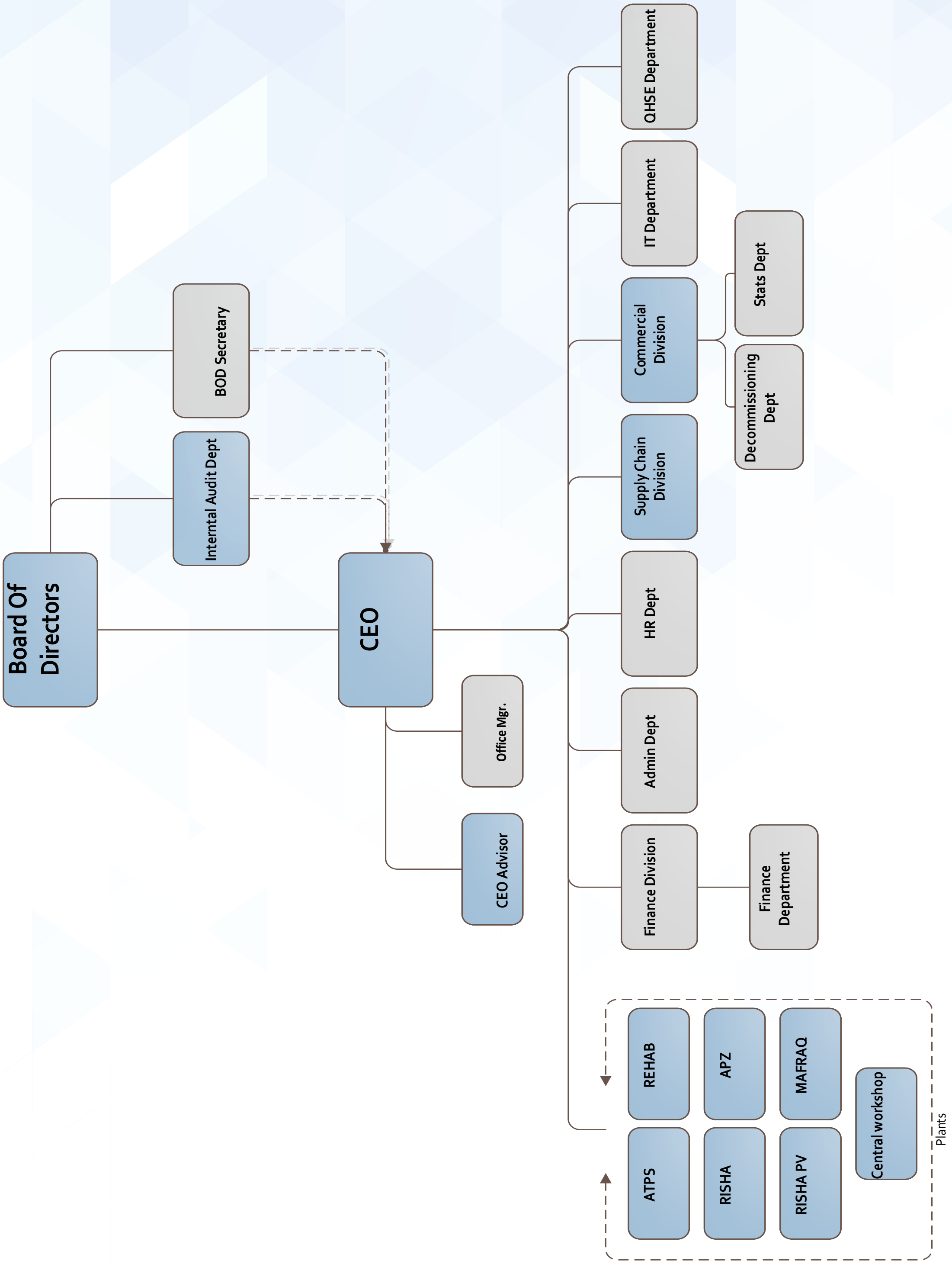
- The Central Electricity Generating Company is committed to its pursuit to achieve its vision and mission with the continual development and improvement of the integrated quality systems applied in the company through managements review, internal and external auditing of integrated management system (IMS), through the work on the corrective measures, which is positively reflected on the company's in various activities, as well as to maintain IMS certificates granted by LMS, TUV Jordan.

- A periodic review is conducted to continual improvement of the procedures and models of the integrated management system to maintain the certification of occupational health and safety management systems ISO 14001: 2015 & ISO 9001-2015 quality management systems certification, and the ISO 14001-2015 Environmental Management Systems certification.

- An internal and external audit was conducted in the field of the integrated quality system in all CEGCO sites to ensure the implementation of the procedures of the integrated management system in accordance with the international standard specifications ISO 9001-2015. The QHSE department carried out the internal audit process, while TUV and LMS Jordan carried out the external audit. The audits showed that the company is committed to applying the requirements of international standards for the integrated management system, and ensure corrective measures were taken for the outputs of the two audits and closed all the findings.

- Reviewing and evaluating on an annual basis the internal and external risks affecting the company and taking preventive and corrective action to eliminate or reduce the impact of these risks. Accordingly, the company's strategy is reviewed in an effective and sustainable manner, which ensures that all requirements of the integrated management system are implemented and is positively reflected on the process of continual development and improvements.

9.A Organization Structure



9.B Number of employees of the company and categories of qualifications until 31/12/2021:

The number and Categories of staff 31/12/2022

Total	390
Phd	1
Less than high school	13
Master	8
High school	122
Bachelor	98
Intermediate Diploma	148

9.C Learning& Development Activities during 2022

Despite the challenges and difficulties, the company is going through from the retirement of the stations, it is working to provide employees with qualitative training programs aimed at the optimal use of the available sources through the implementation of a training plan prepared in a manner that is appropriate to the urgent business needs despite the limited budget.

The Human Resources Department also seeks to exploit the available internal resources in order to educate and develop employees by holding internal training and awareness -sessions in the fields of HSE, computer skills through qualified internal trainers:

Location	Training hours
Risha	357
Zarqa	297
ATPS	735
Maffraq	104
Head Office	1212
APZ	1480
Rehab	237
KDT	430
Total	4870

Program	Hours
Advanced excel	135
APM/OPM Training Sessions	168
Commvault Certified Professional program	48
Renewal of forklift certification and training	84
GEs GT13E2 and 9E User Conferences	36
ISO 14001:2015 Lead Auditor Training Course	30
ISO 9001:2015 Lead Auditor Training Course	43
NEBOSH IGC	104
Nebosh PSM training course	210
NSE4: FortiGate Security & FortiGate Infrastructure	40
Siemens PCS 7 DCS system	180
Synergy Life Training & Enhancement workshop	56

Program	Hours
Training on Synergy Life system	264
World CYBER Security Summit	60
Extinguishing procedures and comprehensive stop	55
Office management, secretarial and work etiquette	18
Extinguishing fires and saving lives	426
Tax declaration / electronic services / deductions / tax compliance	8
Thermal imaging course	15
Journalism training course	36
The Social Economic Forum: The Jordanian economy after the Corona pandemic	18
National conference on the reality of investment	18
Scientific symposium: Electrical connection and its importance in electrical systems	10
Awareness sessions on information security and protection	98
Energy storage systems, installation and activation	18
Advanced Leadership Program for Managers and Executives / Leadership Skills	240
Advanced Leadership Program for Managers and Executives / Presentation Skills	192
Qualifying King Talal Dam employees in the areas of HSE	440
Scaffolding course	180
Smart grid technology and its role in solving problems facing modern electrical systems	8
Attending a lecture in the fields of using materials for oil and gas (facilities to prevent fire (anti-explosive materials	8
Comprehensive civil defense course	560
Principles of computer use/ King Tala Dam	112
Occupational safety and health supervisors	720
First aid workshop	120
First aid and firefighting workshop	112
Total	4870

- **Training programs for universities students :**

The company contributes to serving the local community in cooperation with universities and institutes through practical training programs in the company's sites aimed at providing graduates of Jordanian universities and institutes with the necessary experience and knowledge to engage in the labor market in electric power generation.

Where 11 students benefited from the practical training program during the year 2022 in the fields of electricity, mechanics, thermal machines and mechatronics at the company's various sites as follows:

Location	Training hours
Jordan University	1
University Tafila	1
Science and Technology	1
Princess Sumaya University	1
Al Balqa Applied University	5
Al-Hussein Bin Talal University	1
Yarmouk University	1
Total	11

- **Engineers training:**

In order to enhance the principle of cooperation with the Jordanian Engineers Association and for the purpose of providing new engineers with experience and skills to qualify them for the labor market, the company has been training a number of engineers according to the agreement for training fresh graduate engineers in the fields of electrical engineering, mechanics and mechatronics, where 18 engineers benefited from the training during the year 2022 at the company's sites According to the following

Location	Number
APZ	9
Risha PV	5
Maffraq	3
KDT	1
Total	11

10 Risks Faced by the Company

There are no risks that the company was exposed to or it is possible that the company will be exposed to, during the following year and it has a material impact on it

11 Achievements of the Company in 2022

11.1 Use of Available Sources of Energy to Generate Electricty

In 2022, the company continued using the local sources of energy available in the kingdom to generate the eclectic energy.

- **Natural Gas in Risha Field**

The company continued to use the natural gas available in the National Petroleum Company's Risha field to produce electricity from gas turbines operating with a capacity of (60) megawatts. This year, it produced using natural gas (364.3) gigawatt-hours, and the contribution of the Risha generation plant amounted to the total production For the company's stations in 2022 (55.8%) compared to (56.3%) in 2021.

Risha Gas Station Retired in 17-10-2022.

Occupational Health and Safety:

- CEGCO continued to take steady steps towards achieving its vision and mission of ensuring the ongoing improvement and enhancement of work systems and implementation of action plans, whilst placing a special focus on employee health and safety and protecting ambient environments and properties. In this regard:
- The company reviewed and developed some of the procedures and instructions of the occupational safety and health system to maintain the achievement of certification of occupational health and safety management systems ISO 45001: 2018, certification of quality management systems ISO 9001-2015, and certification of environmental management systems ISO 14001-2015 through TUV, LMS accreditation body in Jordan.
- An internal and external audit was conducted in the field of health, safety, and environment in the various sites of the company to ensure the implementation of health, safety, and environmental procedures in accordance with the international standard specifications ISO 45001:2018. The Department of Quality, Public Safety and Health carried out the internal audit process, while TUV and LMS Jordan carried out the external audit. The audits showed that the company is committed to applying the requirements of the international standards for health, occupational safety, and environment ISO 45001: 2018. Corrective actions were taken for the audit outputs.

- ACWA Power conducted a public safety audit tour at all company sites, based on the results of the audit, the company takes the required corrective actions.
- Re-validation of all lifting equipment in the company was carried out and certificates of validity issued by an approved third party to ensure their safety and compliance with the required standards during their use in the various lifting works and activities of the company.
- The company conducted an annual medical test of the efficiency of the lungs and ears for all employees in various locations to ensure the safety of their occupational health in work areas related to noise and gases.
- The company continued to implement a non-smoking policy in various facilities to provide a healthy environment for all people, and to grant them the right to be within a healthy and clean environment.
- Some HSE procedures were reviewed and updated.
- Full implementation all HSE activities in HSE Synergy life system.
- Full implementation of ACWA Lesson Learnt (LL) conducted awareness and training and ensure implementations if required recommendation.
- In collaboration with the Department of Education and Development, CEGCO trained its qualified employees at company sites in specialized courses relating to occupational health, safety, and environment. The courses covered handling and operating and inspecting lifting equipment; driving forklifts; and installing and inspecting scaffoldings.
- The company is continual improving and updating procedures and instructions, according to government instructions updates, regarding the prevention of the spread of the Corona epidemic, conducting several electronic awareness sessions appropriate to prevent its spread, and distributing awareness brochures and posters and all CEGCO employees had gotten the 2d dose of vaccination.
- CEGCO achieved more than (67,000.00) work man\hours without LTI.

11.3 Consultations, Agreements, and External Services

- An internal audit agreement was concluded for a period of three years, at a value of $60,000 annually, with ACWA Power Holding Company.
- An agreement was concluded with DeLoit Company, Saudi Arabia branch, to provide us with the transfer pricing - local file that required by the Income and sales Tax Department for amout of $3,500.

11.4 Significant Statistics

Item	2021	2022	Growth rate(%)
Available capacity (MW)	752	454	-39.7
Generated energy (GWh)	827.8	652.4	-21.2
Internal consumed energy (GWh)	31.7	40.9	29.0
Internal consumed energy (%)	3.83	6.26	63.7
Sold energy to NEPCO (GWh)	805.3	626.3	-22.2
Heavy fuel oil consumption (1000 ton)	20	0	-100
Diesel oil consumption (cubic meter)	4.71	4.83	2.48
Natural gas consumption / Risha gas (million cubic meter)	185	147	-20.5
Natural gas consumption / Egypt gas (Billion BTU)	845	3005	256
Overall efficiency (generated) (%)	34.75	28.36	-18.4
Overall efficiency (exported) (%)	31.16	26.58	-14.7
Availability Factor (%)	99.80	99.60	-0.21
Forced outage Factor (%)	0.10	0.40	301
Planned outage Factor (%)	0.10	0.00	-100
Employees	442	390	-11.8

Rehab Gas Station retired on 31/1/2021

Risha Gas Station retired on 17/10/2022

Performance Indicators

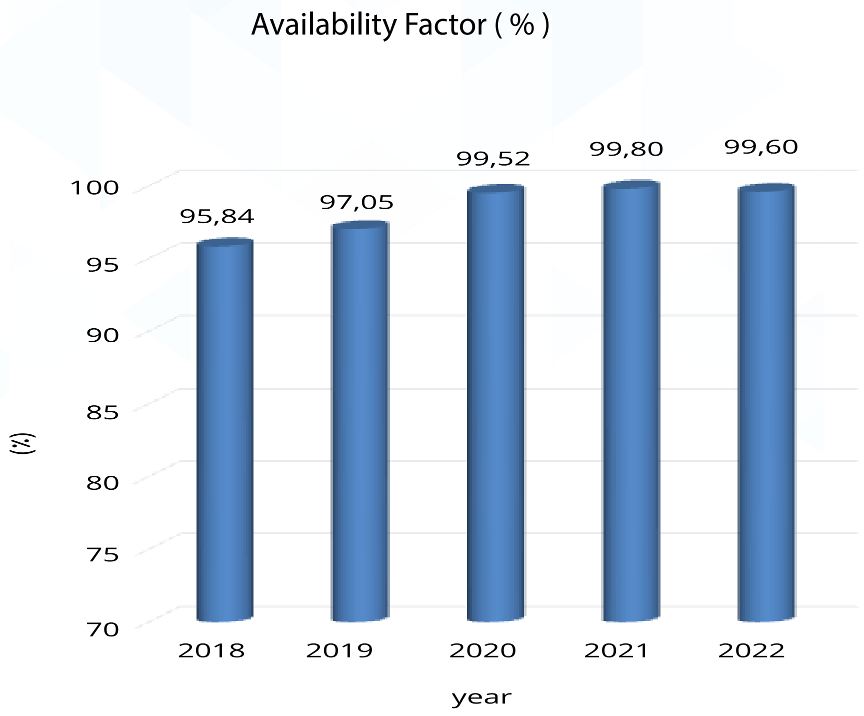
Table (1)

Technical Indicators	2018	2019	2020	2021	2022	Growth rate(%)
A. Performance Indicators						
Overall efficiency (generated) (%)	35.41	30.47	28.16	34.75	28.36	-18.4
Overall efficiency (exported) (%)	33.23	27.98	26.96	31.16	26.58	-14.7
Availability of generating units (%)	95.84	97.05	99.52	99.80	99.60	-0.21
Percentage of internal consumed energy (%)	6.15	8.17	4.24	3.83	6.26	63.7
B. Financial Indicators						
Annual productivity (GWh/employee)	6.34	0.91	1.07	1.87	1.67	-10.68
Installed capacity (MW/employee)	1.57	1.89	1.44	1.70	1.16	-31.6

Rehab Gas Station retired on 31/1/2021

Risha Gas Station retired on 17/10/2022

Fig (1)



CEGCO's Power Stations Performance Indicators

Table (2)

Availabilty Factor (%)

Power Station	2018	2019	2020	2021	2022
Aqaba Thermal	96.69	95.63	99.44	98.00	99.75
Risha	92.76	97.37	97.89	98.69	98.51
Total	**95.84**	**97.05**	**99.52**	**99.80**	**99.60**

Rehab Gas Station retired on 31/12/2021

Risha Gas Station retired on 17/10/2022

Fig (2)

Availability of CEGCO's Power Stations in 2022

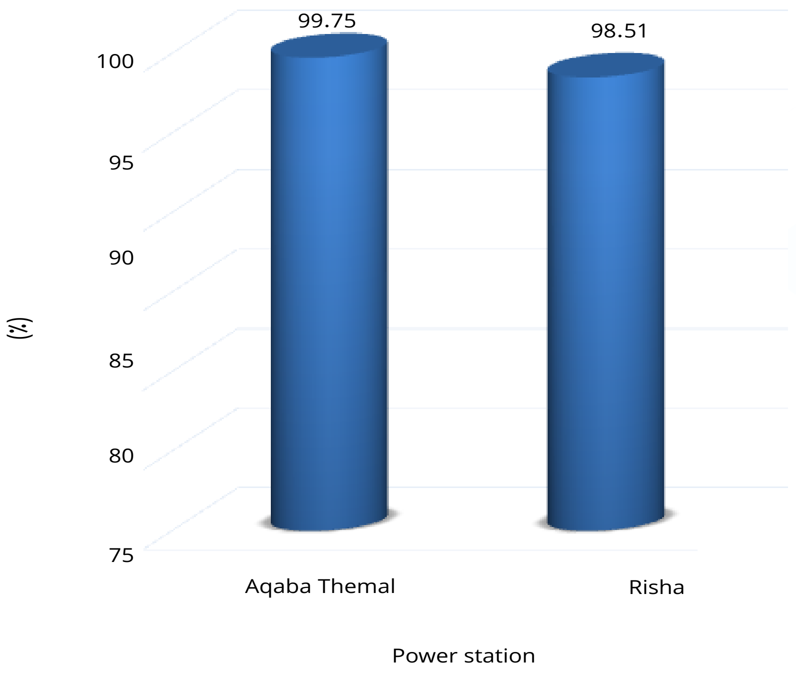


Table (3)

Forced Outage Factor (%)

Power Station	2018	2019	2020	2021	2022
Aqaba Thermal	0.23	0.16	0.56	2.00	0.25
Risha	0.47	1.92	0.60	0.14	1.49
Total	**0.39**	**0.24**	**0.35**	**0.10**	**0.40**

Table (4)

Planned Outage Factor (%)

Power Station	2018	2019	2020	2021	2022
Aqaba Thermal	3.08	4.21	0.16	0.00	0.00
Risha	6.77	0.71	1.51	1.17	0.00
Total	**3.77**	**2.71**	**0.13**	**0.10**	**0.00**

Rehab Gas Station retired on 31/12/2021

Risha Gas Station retired on 17/10/2022

Power Station Efficiency

Table (5)

Efficiency (Generated) for Power Plants (%)

Power Station	2018	2019	2020	2021	2022
Aqaba Thermal	35.21	33.18	32.95	33.33	32.71
Risha	27.39	27.08	25.87	26.13	25.65
Total	**35.41**	**30.47**	**28.16**	**34.75**	**28.36**

Table (6)

Efficiency (Sent Out) for Power Plants (%)

Power Station	2018	2019	2020	2021	2022
Aqaba Thermal	31.11	25.47	24.72	27.81	28.21
Risha	27.26	26.96	25.78	26.04	25.57
Total	**33.23**	**27.98**	**26.96**	**31.16**	**26.58**

Rehab Gas Station retired on 31/12/2021

Risha Gas Station retired on 17/10/2022

Power Station Heat Rate

Table (7)

Heat Rate (Generated) for Power Plants (kJ/kWh)

Power Station	2018	2019	2020	2021	2022
Aqaba Thermal	10224	10849	10926	10801	11004
Risha	13146	13294	13915	13779	14034
Total	**10168**	**11814**	**12785**	**12308**	**12696**

Table (8)

Heat Rate (Sent Out) for Power Plants (kJ/kWh)

Power Station	2018	2019	2020	2021	2022
Aqaba Thermal	11571	14133	14564	12945	12763
Risha	13204	13352	13962	13823	14079
Total	**10834**	**12864**	**13352**	**12798**	**13544**

Rehab Gas Station retired on 31/12/20211

Risha Gas Station retired on 17/10/2022

Generated Electrical Energy

Table (9)

Generated Electrical Energy in CEGCO's Power Stations (GWh)

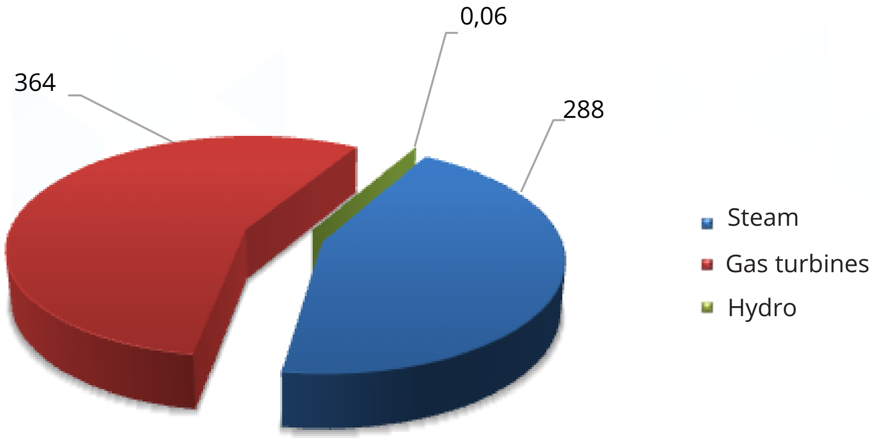
Power Station	2018	2019	2020	2021	2022	Growth rate (%)
Aqaba Thermal	819.7	153.8	73.8	140.6	288.2	105
Rehab	764.1	98.3	98.96	220.69	0.00	0.00
Risha	248.1	249.81	382.02	466.48	364.29	-21.9
Ibrahimiah	0.44	0.40	1.72	0.10	0.00	0.00
Hofa	1.14	0.00	0.00	0.00	0.00	0.00
Total	1833.5	502.3	556.5	827.8	652.4	
Growth Rate (%)	-57.7	-72.6	10.8	48.8	-21.2	

Rehab Gas Station retired on 31/12/2021

Risha Gas Station retired on 17/10/2022

Fig (3)

Generated Electrical Energy in CEGCO's Power Stations by Type of Generation in 2022 (GWh)



Sold Electrical Energy

Table (10)

Sold Electrical Energy from CEGCO's Power Stations (GWh)

Power Station	2018	2019	2020	2021	2022	Growth rate (%)
Aqaba Thermal	752.2	141.0	68.0	129.7	264.3	104
Rehab	749.2	96.1	96.2	214.0	0.00	0.00
Risha	246.2	248.5	380.1	461.4	362.0	-21.5
Ibrahimiah	0.28	0.37	0.25	0.10	0.00	0.00
Hofa	1.32	0.00	0.00	0.00	0.00	0.00
Total	1749.3	485.9	544.6	805.3	626.3	
Growth Rate (%)	-57.61	-72.2	12.1	47.9	-22.2	

Rehab Gas Station retired on 31/12/2021

Risha Gas Station retired on 17/10/2022

Internal Electrical Energy Consumption

Table (11)

CEGCO's Power Stations Internal Consumption (MWh)

Power Station	2018	2019	2020	2021	2022
Aqaba Thermal	95442	35734	18434	23288	39712
Risha	1098	1099	1287	1491	1160
Total	**112737**	**41025**	**23616**	**31685**	**40872**

Table (12)

CEGCO's Power Stations Internal Consumption (%)

Power Station	2018	2019	2020	2021	2022
Aqaba Thermal	11.64	23.23	24.97	16.57	13.78
Risha	0.44	0.44	0.34	0.32	0.32
Total	**6.15**	**8.17**	**4.24**	**3.83**	**6.26**

Rehab Gas Station retired on 31/1/2021

Risha Gas Station retired on 17/10/2022

Fuel Consumption

Table (13)

CEGCO's Power Plants Consumption of Fuel

Power Plant	Fuel Type	Unit	2018	2019	2020	2021	2022
ATPS	Natural Gas	Billion BTU	2950	1247	764	631	3005
	HFO	Ton	122568	8197	0	19828	0
	DO	Cubic meter	57	19	1	3	4
Risha	Risha Gas	(1000) Cubic meter	94378	96063	153086	184810	146879
	DO	Cubic meter	0	1	8	2	1
Total	Natural Gas	Billion BTU	23715	2142	1706	845	3005
	Risha Gas	(1000) Cubic meter	100852	96063	153086	184810	146879
	HFO	Ton	322756	8197	0	19828	0
	DO	Cubic meter	57	20	9	5	5

Rehab Gas Station retired on 31/1/2021

Risha Gas Station retired on 17/10/2022

Operating Power Stations Capacity in Electrical System

Table (14)

Installed capacity of CEGCO's Power Stations in 2022 (MW)

Power Station	steam	Gas turbines Natural gas	Hydro	Total
Aqaba	3 x 130		3.6	394
Risha		2 x 30		60
Total	**390**	**60**	**3.6**	**454**

Table (15)

Installed Capacity of Operating Power Stations in Electrical System (MW)

	2018	2019	2020	2021	2022
1. CEGCO	1044	1044	752	752	454
Steam	650	650	390	390	390
Combined cycle	297	297	297	297	0
Gas turbines / Natural gas	90	90	60	60	60
Hydro	6	6	3.6	3.6	3.6
Wind	1.4	1.4	1.4	1.4	0
2.Other Organizations	4215	4571	4643	5000	5313
ACWA Power Zarqa	485	485	485	485	485
Samra Electrical Power Generting Company	1250	1250	1241	1241	1241
King Talal Dam	6	6	6	6	6
AES	370	370	370	370	370
Al Qatraneh	373	373	373	373	373
IPP3	573	573	573	573	573
IPP4	241	241	241	241	241
Al Attarat Power Company	0	0	0	0	235
Jordan Wind for Renewable Energy	117	117	117	117	117
Hussien University Wind	80	80	80	80	80
Al Rajef	-	82	86	86	86
Al Fujaij	-	89.1	89.1	89.1	89.1
Mass	-	-	100	100	100
Al Shobak	-	-	45	45	45
Aboor	-	-	-	50	50
Daihan	-	-	-	50	50
Al Ward Al Joury Co	10	10	10	10	10
Shamsna Aqaba	10	10	10	10	10
Maan Sun	52.5	52.5	52.5	52.5	52.5
Sun Edison Company	20	20	20	20	20
Zahrat Al Salam	10	10	10	10	10
Mertifier	10	10	10	10	10
Bright power	10	20	20	20	20
Green land	10	10	10	10	10
Ennera/ Maan	10	10	10	10	10
Catalyst	21	21	21	210	210
Jordan Solar one	20	20	20	20	20
Scatec Solar Company	10	10	10	10	10
Mafraq Development Projects/ Solar	100	153	153	153	153
Al Azraq/ Al Safawi	-	59	50	50	50
Quera/ Solar	-	-	92	92	92
Risha Solar	-	-	50	50	50
East Amman	-	-	40	40	40
Masdar	-	-	200	200	200
Azraq	-	-	11	11	11
Al Zaatry	-	-	12	12	12
Philadeifia Husssienieh	-	-	-	40	40
Others	187.5	95	25	53	131
Total System	**4547**	**5259**	**5615**	**5752**	**5767**

Loads of Electrical System

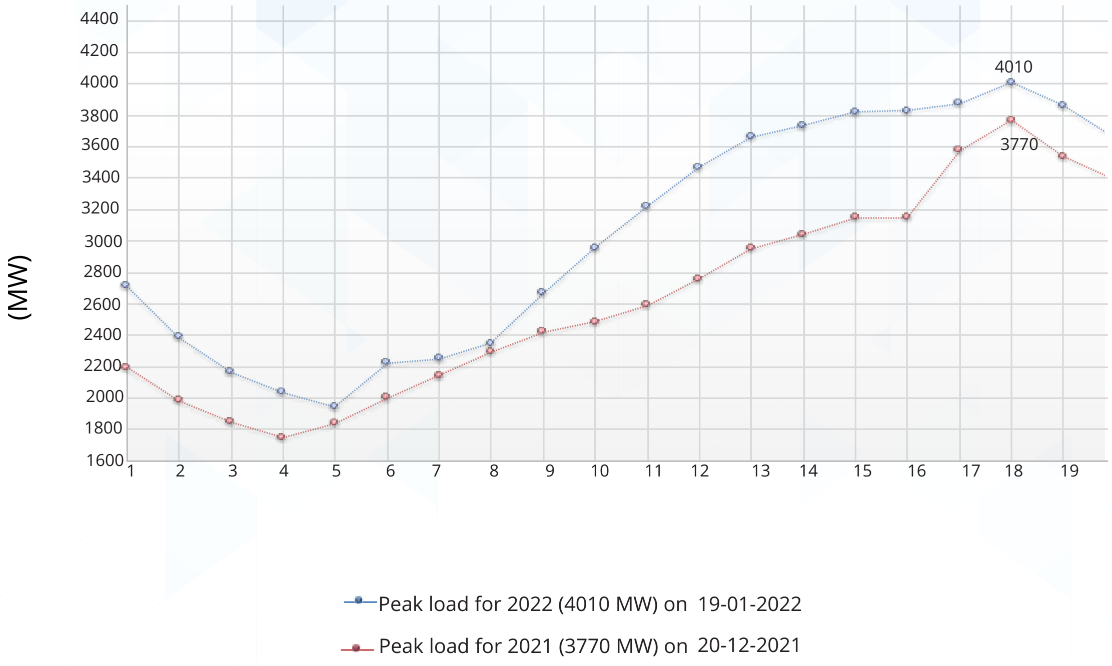
Table (16)

Electrical System Peak Load Develepment (MW)

Source	2018	2019	2020	2021	2022
Total Electrical System	3205	3380	3630	3770	4010
Load Growth Rate (٪)	-3.5	5.46	7.40	3.86	6.37
CEGCO	810	431	61	192	399
CEGCO share of Loads (٪)	25.3	12.8	1.7	5.1	9.95

Fig (4)

Electrical System Peak Load for Years 2021 & 2022



12

There is no financial impact to the operations of non-recurrent in nature during the financial year and does not fall within the main company`s activity

- settlement reached between the Ministry of Energy and Mineral Resources and Central Electricity Generating Company “CEGCO” after the final decision over the dispute. The ministry shall pay damages to CEGCO for the operating years until the end of 2019 in the amount of JD 7,500,000 which includes all expenses and legal and expert fees. The amount represents the cumulative balance bared by CEGCO from modifying the tariff prices and inclusion of the fuel price clause to the monthly bill over the years. In return, CEGCO shall commit to not submit any claims arising from the obligations between the years 2020 – 2025.
- The Risha and Rehab stations were sold after the end of their useful lives to the Samra Electricity Generating Company. The sale value of the Risha station was 5,00,000 and that of the Risha station was 550,000

The diesel at Al-Risha and Rehab stations was also sold to the Petroleum Products Marketing Company for a value of 11,096,183 JD.

13

Time series of realized profits or losses and dividends and net shareholders equity and the prices of securities for a period of five years

	2022	2021	2020	2019	2018
Profit (loss)- after tax	24,689,059	11,941,565	10,049,107	21,317,749	3,164,614
Dividends	13,000,000	12,000,000	20,000,000	-	7,000,000
Dividends from voluntary reserve		10,000,000	-	-	8,000,000
Dividends from special reserve		-	-	-	-
Share holders equity (net)	64,830,353	51,457,284	60,417,249	70,068,968	48,774,568
Shares issued price /JD *				-	-

* CEGCO registered on Jordan Securities Commission on 26/9/2007.but its stock not listing at Amman Stock Exchange till now.

14

Analysis of the financial status of the company and the results during the financial year

Profitability indicators	2022	2021
Operation profit (loss) ratio (without fuel)	-6.47%	-1.14%
Net profit (loss) before interest , foreign exchange & tax (without fuel)	67.05%	31.13%
Net profit (loss) before tax (without fuel)	68.31%	28.63%
Net profit (loss) after tax (without fuel)	73.30%	25.09%
Return on assets ratio (without fuel)	19.28%	6.62%

Liquidity Indicators	2022	2021
Current Ratio (time)	3.46	1.08
Liquidity Ratio (time)	3.10	1.00
Work Capital (1000 JD)	32166	6876

Assets Utility Indicators	2022	2021
Accounts Receivable Turnover (TIME)	1.10	0.81
Number Of Days Of Receivables	331	452

Capital Structure Indicators	2022	2021
Debts / Total Assets Ratio	31.74%	68.08%
Debts / Equity Ratio	46.50%	213.24%

15 Future developments and future plans of the company

The company focuses on providing operation and maintenance services to other companies in the power generation sector, mainly ACWA Power projects in Jordan.

16 The amount of audit fees for the company and its subsidiaries and the amount of any fees for other services received by the auditor and due to him

Auditing Office : Ernst & Young 2 022	JD
Auditing charges	28,126
Tax consultations charges	20,880
preparing & submission the transfer pricing form	4,176
Total	53,182

17.A

The names of members of the Board of Directors and the curriculum vitae for each of them

NAME MEMBER	Position	Nationality	Share No. 2022	Share No. 2021
Enara Energy Investment		Jordanian	15,250,000	15,250,000
H.E.Dr. Moayad Samman	Chairman	Jordanian		
H.E.Eng. John Harison Clarck	Vice-Chairman	British		
H.E. Dr. Yasser Adeeb Burgan	Member	Jordanian		
Enara (2) Energy Investment		Jordanian	50,000	50,000
H.E. Mr. Jasdeep Singh Anand	Member (till 6/3/2022)	Indian	—	—
H.E.MrAbid Hussain Malik	Member (From 7/3/2022)	Pakistani		
The Government Of Jordan		Jordanian	12,000,000	12,000,000
H.E. Dr.Faysal abdul Razak Al Hyari	Member	Jordanian	—	—
H.E.Eng. Shorouq Abdel Ghani	Member	Jordanian		
H.E.Mrs. Shorouq Abdel Ghani		Jordanian	2,700,000	2,700,000
H.E. Eng. Ziad Ahmad Obeidat	Member	Jordanian		

17.B

There are no Securities Owned by Senior Executive Management Personnel.

17.C

There are no Securities Owned by Relatives of Members of Board of Directors & Senior Executive Management Personnel.

17.D

There are no companies controlled by members of the Board of Directors or any of their relatives or the Executive Management or any of their relatives.

18.A Benefits and remuneration received by the Chairman and members of the board of directors

NAME	Position	Transportation	Remuneration	Total
Enara Energy Investment				
H.E.Dr. Moayad Samman	Chairman	6,000	5,000	11,000
H.E.Eng. John Harison Clarck	Vice-Chairman	6,000	5,000	11,000
* H.E. Dr. Yasser Adeeb Burgan	Member	6,000	5,000	11,000
Enara (2) Energy Investment				
* H.E.Mr Jasdeep singh Anand	Member (till 6/3/2022)	3,000	2,500	5,500
* H.E.Mr Abid Hussain Malik	Member (From 7/3/2022)	3,000	2,500	5,500
The Government Of Jordan				
** H.E. Dr.Faysal Al Hyari	Member	6,000	5,000	11,000
** H.E.Eng. Shorouq Abdel Ghani	Member	6,000	5,000	11,000
Government Investment Management Co.LLC				
*** H.E. Eng. Ziad Ahmad Obeidat	Member	6,000	5,000	11,000
Total		42,000	35,000	77,000

*The total benefits that belong toH.E.Dr. Moayad Samman ,H.E.Mr John Harrison Clark , H.E.Mr. Yasser Adeeb Burgan and H.E.Mr Abid Hussain Malik and H.E.Mr Jasdeep singh anand transfered to Enara Energy Investment

** The remuneration that belong to Mr. Faisal Al Hiari and H.E.Mrs. Shorouq Abdel Ghani who represent the Government Of Jordan transfered to Ministry of Finance /Governmental Contribution Department.

***The total benefits that belong to Mr. Ziad Ahmad Obeidat transferred to Social Security Corporation-Investment fund of Social Security .

18.B Benefits and remunerations received by the executive management

Name	POSITION	Total Salaries	Remunerations	Traveling	Other Benefits	TOTAL
Mr. Mwaffaq Alawneh	Chief Executive Officer	97849	11400	3850	0	113099
Mr. Omar Al Shammari	Supply Chain Excutive Manager	38331	11085	950	0	50366
Mr. Osama Al Da aja	Executive Manager / Commercial directorate	33060	3783	2100	0	38943
Mrs. Alia Radwan Hiassat	Secretary BOD	32850	6458	800	0	40108
Mr. Ali Mohammad Zuhair	Financial Executive Manager	38061	4126	800	0	42987
Mr. Ghaith Obeidat	Financial Manager	31020	2954	0	0	33974
Total		271172	39806	8500	0	319477

19 Grants and Donations Paid by the Company in 2022

Item	AMOUNT 2022
Donate purchase cards in Ramadan for needy families livving in the areas near CEGCO's power plants	15,000
Donate a computer to the union of workers in the electricity sector	500
Donate school bags for Governmental school students in Ruwaished, Mafraq and Aqaba	3,500
Repair insecticide spraying machine for Al-Hashemiyah municipality	400
Install umbrellas on AL-Hashemiya’s streets	4,156
Provide safety stoves for the governmental schools	3,040
Provide winter coats for chidren at governmental schools	6,180
Donate patient electric wheelchair for King Hussein Cancer Center	6,000
Total	38,776

20 the contracts, projects, or engagements made by the exporting company with the subsidiaries, sister companies, associate companies, Chairman of the Board, board of directors, the president, or any employee in the company or their relatives

An agreement was signed with Sepco III to provide maintenance services on their behalf for the benefit of Al Zarqa power plant for energy generation on company co for amount of 973,570 JD.

except the apove contracts There are no contracts, projects, or engagements made by the exporting company with the subsidiaries, sister companies, associate companies, Chairman of the Board, board of directors, the president, or any employee in the company or their relatives

21.A Environment Conservation:

The Central Electricity Generating Company continued to cooperate with the various local government's authorities responsible for ambient environments to develop plans, programs and practical solutions, and to implement the international standards, to ensure safely and acceptable environmental situation in all of the company's sites. Among the most important activities carried out by the company during the year were:

- An internal and external audit was conducted on the ISO 14001:2015 environmental management system in various company sites to ensure the implementation of environmental procedures, systems and measurements in accordance with international standards by (TUV, LMS companies awarding IMS certificates) where it showed the company's commitment to international environmental standards.
- The company has effectively followed up the implementation by implementing the policies and procedures in effectiveness, the most important of which are:
  - Defining environmental aspects, determining the level of impacts, and taking the necessary measures and controls to mitigate nor reduce impacts of the aspects in an acceptable to international or local environment requirements.
  - Commitment to relevant legislation and following up on any updated or new procedures and laws related to environment and waste managements.
  - No violation of environmental legislation for the year 2022 was recorded.

21.B Contribution of the company to the local community

Central Electricity Generating Company (CEGCO) has continued its efforts to support and serve local communities. Throughout the year, the Company allocated a special budget and developed an effective action plan to ensure the implementation of its corporate social responsibility strategy and broaden the positive impact it has on societies.

In line with its commitment to its mission and values, CEGCO implemented a wide range of community initiatives and programs in different areas across the Kingdom, with a focus on the areas where it operates. These programs included the following initiatives:

- Donated safety stoves for governmental schools
- Donated winter coats and bags for children at governmental schools
- Donated patient electric wheelchair for King Hussein Cancer Center
- Donated purchase cards in less fortunate area
- Install umbrellas on AL-Hashemiya's streets

Year after year, CEGCO affirms its keenness to fulfill its corporate social responsibility by developing and improving various sectors, to achieve sustainable social and economic development in the Kingdom.

Central Electricity Generating Company

Financial Statements

31 December 2022

Ernst & Young Jordan
P.O. Box 1140
Amman 11118
Jordan

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INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Central Electricity Generating Company
Amman - Jordan

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Central Electricity Generating Company - Public Shareholding Company ("the Company"), which comprise the statement of financial position as at 31 December 2022, the statement of profit or loss and statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 Financial Statements section of our report. We are independent of the Company 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 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

Other information included in the Company's 2022 annual report.

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management is responsible for the other information. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company's or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Company'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 Company'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 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

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

The partner in charge of the audit resulting in this auditor's report was Bishr Baker; license number 592.

Amman – Jordan
30 March 2023

ERNST & YOUNG
Amman - Jordan

CENTRAL ELECTRICITY GENERATING COMPANY – PUBLIC SHAREHOLDING COMPANY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Notes	2022	2021
		JD	JD
ASSETS			
NON-CURRENT ASSETS -			
Property, Plant and equipment	3	39,979,542	55,236,926
Intangible assets	4	736,403	988,067
Projects in progress	5	-	149,531
Right of use assets	6	1,275,266	1,170,001
Employees' housing fund loan	7	12,432	87,432
Deferred tax assets	8	2,624,429	736,077
Strategic fuel inventories	9	5,132,031	10,146,438
		49,760,103	68,514,472
CURRENT ASSETS -			
Inventories	10	4,704,552	7,000,200
Other current assets	11	14,529,069	6,315,755
Accounts receivable	12	13,645,105	73,683,082
Cash and bank balances	31	12,337,638	5,669,103
		45,216,364	92,668,140
TOTAL ASSETS		94,976,467	161,182,612
EQUITY AND LIABILITIES			
EQUITY -			
Paid in capital	13	30,000,000	30,000,000
Statutory reserve	13	7,500,000	7,500,000
Voluntary reserve	13	672,932	672,932
Cash flow hedge reserve		-	(1,049,344)
Retained earnings		26,657,422	14,333,696
TOTAL EQUITY		64,830,354	51,457,284
LIABILITIES			
NON-CURRENT LIABILITIES -			
Long term loans	14	8,225,063	14,287,039
Contract leases liabilities	6	980,616	933,317
Employees' end-of-service indemnity provision	15	4,474,708	5,405,171
Decommissioning provision	16	3,414,754	3,307,962
		17,095,141	23,933,489
CURRENT LIABILITIES -			
Current portion of long-term loans	14	4,092,922	4,741,423
Other current liabilities	17	3,734,652	3,128,500
Contract lease liabilities	6	261,375	174,785
Accounts payable	18	2,393,431	62,159,984
Derivative financial liability	19	-	989,764
Due to banks	31,32	200,793	11,580,270
Income tax provision	8	2,367,799	3,017,113
		13,050,972	85,791,839
Total Liabilities		30,146,113	109,725,328
TOTAL EQUITY AND LIABILITIES		94,976,467	161,182,612

The attached notes from 1 to 39 form part of these financial statements

CENTRAL ELECTRICITY GENERATING COMPANY – PUBLIC SHAREHOLDING COMPANY
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022	2021
		JD	JD
Power generation revenues	20	48,155,923	64,421,343
Fuel Cost	21	(14,475,753)	(16,831,691)
Stations operating costs	22	(480,459)	(553,123)
Depreciation and amortization	3,4	(15,190,079)	(21,886,356)
Depreciation of right-of-use assets	6	(208,420)	(130,000)
Interest expense on contract lease liability	6	(89,538)	(80,960)
Salaries and benefits	23	(11,533,243)	(12,052,465)
Maintenance expenses	24	(1,377,203)	(1,219,113)
Administrative expenses	25	(3,186,004)	(3,047,547)
Depreciation expense of slow-moving spare parts and general materials	10	(1,523,728)	(5,615,738)
Employees' end-of-service indemnity provision	15	(683,335)	(668,456)
Employees' termination benefits provision	17	(1,676,979)	(2,960,000)
Total operating costs		(50,424,741)	(65,045,449)
OPERATING LOSS		(2,268,818)	(624,106)
Foreign currency exchange profit, net	26	884,943	636,104
Other income, net	27	25,019,452	15,116,106
(Provision for) reversal of expected credit losses, net	11,12	(259,129)	240,526
Finance costs, net	28	(369,037)	(1,746,084)
PROFIT FOR THE YEAR BEFORE INCOME TAX		23,007,411	13,622,546
Income tax surplus (expense)	8	1,681,649	(1,680,981)
PROFIT FOR THE YEAR		24,689,060	11,941,565
		Fills/JD	Fills/JD
Basic and diluted earnings per share	29	0/823	0/398

CENTRAL ELECTRICITY GENERATING COMPANY – PUBLIC SHAREHOLDING COMPANY
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 JD	2021 JD
PROFIT FOR THE YEAR		24,689,060	11,941,565
Add: other comprehensive income items to be reclassified to profit or loss in subsequent periods (net of tax):			
Gain on cash flow hedges		-	892,378
TOTAL OTHER COMPREHENSIVE INCOME ITEMS TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS		-	892,378
Other comprehensive income items that will not be reclassified to profit or loss in subsequent periods (net of tax):			
Actuarial gain on employees' end-of-service indemnity	8,15	634,666	206,092
TOTAL OTHER COMPREHENSIVE INCOME ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS		634,666	206,092
Total other comprehensive income items for the year, net of tax		634,666	1,098,470
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		25,323,726	13,040,035

CENTRAL ELECTRICITY GENERATING COMPANY – PUBLIC SHAREHOLDING COMPANY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Paid in capital	Statutory reserve	Voluntary reserve	Cash flow hedge reserve	Retained earnings	Total
	JD	JD	JD	JD	JD	JD
2022 -						
Balance at 1 January 2022	30,000,000	7,500,000	672,932	(1,049,344)	14,333,696	51,457,284
Profit for the year	-	-	-	-	24,689,060	24,689,060
Other comprehensive items for the year	-	-	-	-	634,666	634,666
Total comprehensive income for the year	-	-	-	-	25,323,726	25,323,726
Transferred to profit or loss due to the maturity of the hedged item	-	-	-	1,049,344	-	1,049,344
Cash dividends (Note 13)	-	-	-	-	(13,000,000)	(13,000,000)
Balance at 31 December 2022	30,000,000	7,500,000	672,932	-	26,657,422	64,830,354
2021 -						
Balance at 1 January 2021	30,000,000	7,500,000	10,672,932	(1,941,722)	14,186,039	60,417,249
Profit for the year	-	-	-	-	11,941,565	11,941,565
Other comprehensive income items for the year	-	-	-	892,378	206,092	1,098,470
Total comprehensive income for the year	-	-	-	892,378	12,147,657	13,040,035
Cash dividends (Note 13)	-	-	(10,000,000)	-	(12,000,000)	(22,000,000)
Balance at 31 December 2021	30,000,000	7,500,000	672,932	(1,049,344)	14,333,696	51,457,284

The attached notes from 1 to 39 form part of these financial statements

CENTRAL ELECTRICITY GENERATING COMPANY – PUBLIC SHAREHOLDING COMPANY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 JD	2021 JD
OPERATING ACTIVITIES			
Profit for the year before income tax		23,007,411	13,622,546
Adjustments for:			
Depreciation and amortization	3,4	15,190,079	21,886,356
Depreciation of right-of-use assets	6	208,420	130,000
Interest on contract lease obligation	6	89,538	80,960
Depreciation expense of slow-moving spare parts and general materials	10	1,523,728	5,615,738
Provision for decommissioned units	16	106,792	100,317
Employees' end-of-service indemnity provision	15	683,335	668,456
Employees' vacations provision (reversal)	17	72,305	(66,712)
Employees' termination benefits provision	17	1,676,979	2,960,000
Employees' incentive provision		448,999	408,062
Board of directors Remuneration provision		35,000	-
Legal cases provision	17	47,642	-
Net gain on sale of property, plant, and equipment		(3,933,260)	(1,346,279)
Net gain on sale of scrap- retired units		(701,410)	-
Gain from sale of strategic fuel inventory	27	(6,177,726)	(5,606,025)
Net gain from foreign currency exchange	26	(884,943)	(636,104)
Provision for (reversal) of expected credit losses, net	11,12	259,129	(240,526)
Interest income	28	(178,494)	(7,570)
Finance costs	28	440,739	1,653,337
Working capital changes:			
Accounts receivable		60,088,079	12,525,734
Other current assets		(9,739,472)	1,672,177
Inventories		771,920	3,068,773
Accounts payable		(59,766,553)	(1,260,378)
Other current liabilities		671,942	66,826
Employees' vacations provision paid	17	(82,918)	(140,307)
Employees' end-of-service indemnity provision paid	15	(850,687)	(1,092,810)
Employees' termination benefits provision	17	(1,676,979)	(2,960,000)
Legal cases provision paid	17	(102,897)	(9,681)
Employees' incentive provision paid		(398,999)	(448,062)
Board of directors Remuneration provision paid		(35,000)	-
Income tax paid	8	(1,412,935)	(985,208)
Net cash flows from operating activities		19,379,764	49,659,620
INVESTING ACTIVITIES			
Purchases of property, plant and equipment, and projects under construction	3,5	(213,232)	(276,768)
Proceeds from sale of property, plant, and equipment		4,614,992	1,478,473
Proceeds from sale of scrap- retired units		701,410	-
Proceeds from sale of strategic fuel inventory		11,192,133	5,613,608
Employee's housing fund loan		75,000	75,000
Interest received		178,494	7,570
Net cash flows from investing activities		16,548,797	6,897,883
FINANCING ACTIVITIES			
Repayments of loans		(5,788,090)	(5,594,843)
Dividends paid	13	(11,354,600)	(22,000,000)
Interest paid		(490,661)	(1,700,630)
Contract lease liabilities payments	6	(269,334)	(181,734)
Net cash flows used in financing activities		(17,902,685)	(29,477,207)
Net increase in cash and cash equivalents		18,025,876	27,080,296
Effect of exchange rate changes on cash and cash equivalents		22,136	6,364
Cash and cash equivalents at 1 January		(5,911,167)	(32,997,827)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	31	12,136,845	(5,911,167)

The attached notes from 1 to 39 form part of these financial statements

(1) GENERAL

Central Electricity Generating Company (the “Company” or “CEGCO”) was registered in accordance with the Jordanian Companies Law No. (22) of 1997 and in implementation of the Council of Ministers resolution dated 4 October 1997, regarding the establishment of a separate Company from the National Electric Power Company, to conduct electrical generating activities, which is the main activity the Company is engaged in.

The Company was registered with the Ministry of Industry and Trade on 12 February 1998 as a public shareholding Company under number (334) and commenced its industrial and commercial activities on 1 January 1999.

In accordance with the privatization initiatives, the Government during 2007 sold 51% of CEGCO shares to ENARA Energy Investments (Private Shareholding Company). Another 9% of the Government’s shares was sold to the Social Security Corporation. In connection with the sale, On 20 September 2007, the Company signed a new Power Purchase Agreements (PPA) with its sole client, National Electric Power Company (NEPCO), of which one agreement were still in operation by end of 2022 related to the operation of the site of Aqaba.

In accordance with the Power Purchase Agreements (PPA) signed on 20 September 2007 with National Electric Power Company (NEPCO), units 4 and 5 of Al-Risha plant were retired. Thus, Al-Risha plant completely stopped generating electricity by the end of 2022. By that, only Aqaba Thermal Station in operation during 2023 with units (3,4 and 5). These units are located in Aqaba and will remain in operation until the end of the PPA in 2025.

The financial statements were authorized for issuance by the Company’s Board of Directors in their meeting held on 28 March 2023 and it is subject to the approval of the General Assembly.

(2-1) BASIS OF PREPARATION

The financial statements are prepared under the historical cost convention.

The financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial statements are presented in Jordanian Dinars which is the functional currency of Jordan.

(2-2) CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies used in the preparation of the financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2021 except for the adoption of new standards effective as of 1 January 2022 shown below:

Reference to the Conceptual Framework – Amendments to IFRS 3
In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

These amendments had no impact on the financial statements of the Company.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16
In May 2020, the IASB issued Property, Plant and Equipment — Proceeds before Intended Use, which prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

These amendments had no impact on the financial statements of the Company.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37
In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

These amendments had no impact on the financial statements of the Company.

IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter
As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued an amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

These amendments had no impact on the financial statements of the Company.

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities
As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received by the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

These amendments had no impact on the financial statements of the Company.

(2-3) SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the 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 and the resultant provisions as well as fair value changes reported in equity. 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 property, plant and equipment

The Company'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. Future depreciation expense is adjusted if management believes that the remaining useful life of the assets differs from previous estimations. Starting 1 January 2020, management has adjusted power units remaining useful lives in accordance with the end of production period for each unit.

Income tax provision

The Company's management 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 Company 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 loses 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 8).

Provision for decommissioning

The Company's management calculates provision for decommissioning costs based on future estimated expenditures discounted to present values. Changes in the provision arising from revised estimates or discount rates or changes in the expected timing of expenditures that relate to property, plant and equipment are recorded as adjustments to their carrying value and depreciated prospectively over their remaining estimated useful economic lives; otherwise, such changes are recognized in the statement of profit or loss.

The unwinding of the discount is included within the statement of profit or loss as part of finance costs.

Employees' end-of-service indemnity provision

Employees' end of service indemnity provision is measured using the Projected Unit Credit Method that is calculated by an actuary. Actuarial assumptions are disclosed in (Note 15).

Provision for expected credit losses

Provision for expected credit losses on receivables is reviewed in accordance with the simplified approach and under the principles and assumptions approved by the Company's management to estimate the provision amount in accordance with IFRS requirements.

(2-4) SIGNIFICANT ACCOUNTING POLICES

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Land is not depreciated.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets using annual percentages as follows:

	%
Buildings	2 -10
Steam generating units	3 - 14
Gas generating units	4 - 13
Wind generating units	2
Computers	20
Vehicles	20
Equipment	10 - 20
Tools	7 - 20
Furniture and office equipment	10

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount and impairment loss is presented in the statement of profit or loss.

The Company'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.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of comprehensive income in the expense category consistent with the function of the intangible asset. Intangible assets represent software and computer systems and are amortized over 5 years.

Projects in progress

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

Decommissioning costs

Provision is recognized for decommissioning costs, based on future estimated expenditures discounted to present values. Where appropriate, the establishment of a provision is recorded as part of the original cost of the related property, plant and equipment.

Changes in the provision arising from revised estimates or discount rates or changes in the expected timing of expenditures that relate to property, plant and equipment are recorded as adjustments to their carrying value and depreciated prospectively over their remaining estimated useful economic lives; otherwise, such changes are recognized in the statement of profit or loss.

The unwinding of the discount is included within the statement of profit or loss as part of the finance costs.

Inventories

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

The cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition and is determined using the weighted average method, except for the operating fuel inventory, the cost of which is determined using the first-in-first-out (FIFO) method.

Slow moving provision for spare parts and general materials is calculated based on the estimated remaining lives of the of the power generation units related to these parts.

Accounts receivable

Accounts receivable are stated at original invoice amount less any provision for any uncollectible amounts or expected credit loss. The Company has applied the simplified method of International Financial Reporting Standard No. (9) to record the expected credit losses on all debt instruments, and to calculate the expected credit losses over the entire life of the debt instruments. The Company has established a provision matrix that is based on the Company’s historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, bank balances, and short-term deposits with an original maturity of three months or less, net of outstanding bank overdrafts.

Loans

All term loans are initially recognized at net consideration received and interest is recognized using the effective interest rate method. Interest on long term loans is recorded during the year when earned. Interest on long term loans for the purpose of financing projects in progress, is capitalized as a part of the project cost.

Employees' end-of-service indemnity provision

Employees' end-of-service indemnity provision is calculated according to The Board of Directors' resolution No. (89) for the year 2000. It is computed for the accumulated service period based on the last salary and allowances vested to the employees multiplied by the accumulated service period less the Company's periodic contributions to the Social Security Corporation for the accumulated year of service at the statement of financial position date. The liability is valued by professionally qualified independent actuaries.

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 Company has an 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.

Revenue recognition

Revenue is recorded in accordance with International Accounting Standard No. (15), which includes a five-step model where sales revenue is recognized when the risks and benefits have been transferred substantially to the buyer and when the revenue can be measured reliably.

Revenues from electric Power Generation is recognised upon the use of power plants to generate electricity during the period when electric power is available at the power stations, according to the Power Purchase Agreement signed with NEPCO.

Other income is recognized when earned on the accrual basis.

Expense recognition

Expenses are recognized when incurred according to the accrual basis of accounting.

Cash flow hedges

Derivative financial instruments are recognized at fair value at the date of the contract and are subsequently measured at fair value. Financial derivatives are recorded within assets if their fair value is positive and within liabilities if their fair value is negative.

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss.

For the purposes of hedge accounting, the Company has classified interest rate swap contracts as cash flow hedges where the Company hedges to limit the variability in cash flows related to the risk of change in interest rates associated with expected transactions.

Hedges, to which the terms of use of hedge accounting apply, are accounted for as follows:

Cash Flow Hedges:

The effective part of the profit or loss from the hedging instrument is recognized in other comprehensive income, and the ineffective part is recognized directly in profit or loss within other operating expenses.

Amounts recorded in other comprehensive income are transferred to profit or loss when the hedging process affects profit or loss, such as recognizing interest expense in profit or loss. Since the hedged item represents the cost of the non-financial assets or liabilities, the amounts recognized in comprehensive income are transferred to the carrying amount of the non-financial assets or liabilities.

If the expected transaction is no longer likely to occur, the amounts previously recognized in other comprehensive income are transferred to profit or loss. If the hedging instrument is sold or held without redeeming or extending the term of the hedging instrument, or if it is de-identified as a hedging instrument, the amounts previously recognized in other comprehensive income remain in other comprehensive income until the forecast transaction occurs.

Derivatives for trading

The fair value of derivative financial instruments held for trading purposes (such as foreign exchange forward contracts, future interest contracts, swap contracts, foreign exchange rate options rights) is recorded in the statement of financial position, and the fair value is determined according to the prevailing market prices, and if it is not available, a method is mentioned. Valuation, and the amount of changes in fair value is recorded in the statement of profit or loss.

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 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 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 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 Company 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 Company 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.

Impairment of financial assets

The Company assesses at each financial position date whether there is any objective evidence that a financial asset or a group of financial assets are impaired. A financial asset or a group of financial assets are considered impaired when there is objective evidence of impairment as a result of one or more events (loss event) that occur after the asset’s initial measurement, that will have a direct and reasonably estimated impact on its future cash flows. Permanent impairment indicators could comprise of indications that the borrower or a group of borrowers are facing significant financial difficulties, or neglect, or default in making interest or principal payments, and are likely to be subject to bankruptcy or financial restructuring. Furthermore, permanent impairment indicators exist when observable data indicates the existence of a measurable decrease in estimated cash flows such as changes in the Company’s economic conditions due to negligence.

The Company’s management does not believe there were any indications of impairments of its financial assets during 2022 and 2021.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the statement of financial position date. All differences are taken to the statement of profit or loss.

Fair value

Fair value represents the price received in exchange for financial assets sold, or price paid to settle a sale between market participants at the date of financial statements.

The fair value is measured based on the assumption that the sale or purchase transaction of financial assets is facilitated through an active market for financial assets and liabilities respectively. In case there is no active market, a market best fit for financial assets and liabilities is used instead. The Company needs to acquire opportunities to access the active market or the best fit market.

The Company 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 fair value measurement of non-financial assets considers the ability of market participants to utilize the assets efficiently in order to generate economic benefits, or to sell them to other participants who will utilize them in the best way possible.

The Company 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.

The Company 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 Company 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 Company classifies assets and liabilities based on their nature, their risk, and the level of fair value measurement.

Classification of current and non-current

The Company presents assets and liabilities in the statement of financial position based on current and non-current classification. An asset is considered current when:

- expected to be realized or intended to be sold or consumed in the normal operating cycle
- it is kept primarily for the purpose of trading
- expected to be achieved within twelve months after the reporting period
- cash and the like unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is considered current when:

- it is expected to be settled in a normal operating cycle;
- it is kept primarily for the purpose of trading;
- when it is due within twelve months after the reporting period; And the
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Segment reporting

For the purpose of reporting to management and the decision makers in the Company, 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.

Offsetting

Offsetting between financial assets and financial liabilities and presenting the net amount on the statement of financial position is performed only when there are legally-enforceable rights to offset, the settlement is on a net basis, or the realization of the assets and satisfaction of the liabilities is simultaneous.

(3) PROPERTY, PLANT AND EQUIPMENT

2022 -	Land & Buildings	Steam generating units	Gas generating units	Wind generating units	Computers	Vehicles	Equipment	Tools	Furniture and office equipment	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Cost:										
At 1 January 2022	98,092,225	276,479,646	127,174,754	425,407	1,575,280	983,589	4,116,507	1,962,817	856,065	511,666,290
Additions	75,000	-	-	-	17,487	43,500	13,302	-	-	149,289
Transferred from projects in progress (note 5)	213,474	-	-	-	-	-	-	-	-	213,474
Disposals	(5,583,434)	-	(127,174,749)	(425,407)	(62,011)	(275,400)	(2,135,822)	(1,190,096)	(374,091)	(137,221,010)
At 31 December 2022	92,797,265	276,479,646	5	-	1,530,756	751,689	1,993,987	772,721	481,974	374,808,043
Accumulated depreciation:										
At 1 January 2022	84,630,925	237,615,178	125,483,650	237,095	1,277,722	815,959	3,901,319	1,719,631	747,885	456,429,364
Depreciation for the year	2,886,955	10,223,515	1,520,301	3,939	95,493	43,813	86,466	54,624	23,309	14,938,415
Disposals	(5,399,737)	-	(127,003,951)	(241,034)	(61,779)	(275,388)	(2,088,864)	(1,110,511)	(358,014)	(136,539,278)
At 31 December 2022	82,118,143	247,838,693	-	-	1,311,436	584,384	1,898,921	663,744	413,180	334,828,501
Net book value:										
At 31 December 2022	10,679,122	28,640,953	5	-	219,320	167,305	95,066	108,977	68,794	39,979,542

Central Electricity Generating Company– Public Shareholding Company
Notes To The Financial Statements
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2021 -	Land & Buildings	Steam generating units	Gas generating units	Wind generating units	Computers	Vehicles	Equipment	Tools	Furniture and office equipment	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Cost:										
At 1 January 2021	101,910,253	276,479,646	166,208,764	425,407	1,874,422	1,155,332	4,272,075	1,958,351	1,352,970	555,637,220
Additions	-	-	-	-	3,481	69,950	-	4,466	-	77,897
Transferred from projects in progress (note 5)	-	-	-	-	62,730	-	-	-	-	62,730
Disposals	(3,818,028)	-	(39,034,010)	-	(365,353)	(241,693)	(155,568)	-	(496,905)	(44,111,557)
At 31 December 2021	98,092,225	276,479,646	127,174,754	425,407	1,575,280	983,589	4,116,507	1,962,817	856,065	511,666,290
Accumulated depreciation:										
At 1 January 2021	83,607,787	227,332,520	156,634,400	227,642	1,538,042	1,026,775	3,949,387	1,601,059	1,201,929	477,119,541
Depreciation for the year	3,078,197	10,282,658	7,883,253	9,453	104,677	30,863	107,498	118,572	28,815	21,643,986
Disposals	(2,055,059)	-	(39,034,003)	-	(364,997)	(241,679)	(155,566)	-	(482,859)	(42,334,163)
At 31 December 2021	84,630,925	237,615,178	125,483,650	237,095	1,277,722	815,959	3,901,319	1,719,631	747,885	456,429,364
Net book value:										
At 31 December 2021	13,461,300	38,864,468	1,691,104	188,312	297,558	167,630	215,188	243,186	108,180	55,236,926

(4) INTANGIBLE ASSETS

	Software and Computer Systems	
	2022	2021
	JD	JD
Cost:		
Balance at 1 January	1,454,219	1,342,691
Transferred from projects in progress (note 5)	-	111,528
Balance at 31 December	1,454,219	1,454,219
Accumulated amortization:		
Balance at 1 January	466,152	223,782
Amortization for the year	251,664	242,370
Balance at 31 December	717,816	466,152
Net book value:		
As at 31 December	736,403	988,067

(5) PROJECTS IN PROGRESS

Movement on projects in progress was as follows:

	2022	2021
	JD	JD
As at 1 January	149,531	457,231
Additions	63,943	198,871
Transferred to property, plant and equipment (note 3)	(213,474)	(62,730)
Transferred to intangible assets (note 4)	-	(111,528)
Transferred to inventory	-	(332,313)
As at 31 December	-	149,531

The projects in progress were fully completed as at 31 December 2022.

(6) LEASES

(A) Right-of-use assets

The movement on right-of-use assets during the year was as follows:

	2022	2021
	JD	JD
At 1 January	1,170,001	1,300,001
Additions	313,685	-
Depreciation for the year	(208,420)	(130,000)
At 31 December	1,275,266	1,170,001

The amounts that have been recorded in the statement of profit or loss were as follows:

	2022	2021
	JD	JD
Depreciation for the year	208,420	130,000
Interest expenses for the year	89,538	80,960
Rent expense for the year	297,958	210,960

(B) Contract lease liabilities

The movement on the discounted contract lease liabilities balances during the year was as follows:

	2022	2021
	JD	JD
At 1 January	1,108,102	1,208,876
Additions	313,685	-
Interest during the year	89,538	80,960
Paid during the year	(269,334)	(181,734)
As at 31 December	1,241,991	1,108,102

Analysis of contract lease liabilities classification is as follows:

	2022	2021
	JD	JD
Short-term	261,375	174,785
Long-term	980,616	933,317
	1,241,991	1,108,102

(7) EMPLOYEES' HOUSING FUND LOAN

This item represents the balance of loans granted to the Company's employees housing fund. The loan bears no interest and has no specified maturity date. Based on the Board of Directors meeting held on 4 December 2019, the fund will commit to pay back the Company an amount of JD 75,000 annually.

(8) INCOME TAX

The reconciliation of accounting profit to taxable profit was as follows:

	2022				2021			
	Aqaba	Mafraq	Other locations	Total	Aqaba	Mafraq	Other locations	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Profit before income tax	15,715,000	203,005	7,089,406	23,007,411	13,030,491	156,959	435,096	13,622,546
Non-taxable income	(7,491,105)	(117,368)	(8,899,900)	(16,508,373)	(2,531,581)	(22,816)	(3,306,673)	(5,861,070)
Non-deductible expenses	3,350,413	127,580	1,810,494	5,288,487	2,936,030	44,363	6,820,356	9,800,749
Taxable income	11,574,308	213,217	-	11,787,525	13,434,940	178,506	3,948,779	17,562,225
Statutory income tax rate	5٪	24%	24%		5٪	24%	24%	
National contribution tax rate*	3٪	3%	3%		3٪	3%	3%	
Income tax expense for the year	(578,715)	(51,172)	-	(629,887)	(671,747)	(42,841)	(947,707)	(1,662,295)
National contribution tax rate expense	(347,229)	(6,397)	-	(353,626)	(403,048)	(5,355)	(118,463)	(526,866)
Change of law effect (Implementation Agreement) *	472,012	-	176,353	648,365	403,048	-	473,853	876,901
Deferred tax	(24,749)	-	2,041,546	2,016,797	(58,252)	-	(310,469)	(368,721)
Income tax surplus (expense)	(478,681)	(57,569)	2,217,899	1,681,649	(729,999)	(48,196)	(902,786)	(1,680,981)

* As a result of the Income Tax Law No. (38) of 2014, the national contribution tax of 3% has been increased in addition to the legal income tax rate on the Company, which is 24% under the Income Tax Law (34) in 2014, after it was 15% prior to the implementation agreement. Based on that, the Company recorded an amount of JD 648,365 as due from the Jordanian government for 2022 (31 December 2021: JD 876,901), which represents the value of the additional tax incurred by the Company in this year as a result of the change in the above-mentioned rates. This in accordance with the implementation agreement, as this agreement stipulates fixing the tax rate on the Company at a rate of 5% for Aqaba location and 15% for Company's other locations, otherwise the Company to be compensated with the difference if the tax impact resulting from changing the tax rate is more than JD 200,000 (Note 11).

Income tax expense presented in the statement of profit or loss consists of the following:

	2022	2021
	JD	JD
Current year income tax expense	(629,887)	(1,662,295)
National contribution tax expense	(353,626)	(526,866)
Change in law effect (Implementation Agreement)	648,365	876,901
Deferred tax:		
Deferred tax (liabilities) assets relating to employees' end-of- service indemnity provision	(165,849)	129,678
Deferred tax assets relating to temporary taxable differences arising from unrealized gain of the cash flows hedging	4,767	100,656
Deferred tax (liabilities) relating to the loss in the other location (except Aqaba)	-	(354,960)
Deferred tax assets (liabilities) relating to the exchange differences arising from the revaluation of loans in foreign currencies	18,140	(244,095)
Deferred tax assets relating to impairment loss of slow-moving inventory for Rehab and Al-Risha stations	2,159,739	-
Income tax surplus (expense)	1,681,649	(1,680,981)

Deferred tax related to items recognized in other comprehensive income during the year was as follows:

	2022	2021
	JD	JD
Relating to actuarial gains	(128,445)	(50,578)

The Company has provided for income tax for the year ended 31 December 2022 and 2021 in accordance with Income tax law No. (34) for the year 2014 and its amendments, and in accordance with Aqaba Special Economic Zone Law No. (32) for the year 2000 for the Company's locations in Aqaba.

The Company submitted its tax returns for the development areas up to 2021. The Income and Sales Tax Department reviewed the records, and the Company reached a final settlement from the Income and Sales Tax Department up to the year 2018.

The Company submitted its tax returns for Amman locations up to 2021. The Income and Sales Tax Department reviewed the records, and the Company reached a final settlement from the Income and Sales Tax Department up to 2020.

The Company submitted its tax returns for the Aqaba Special Economic Zone until the end of 2021. The Aqaba Special Economic Zone Authority reviewed the Company's records, and the Company obtained a final clearance from the Aqaba Special Economic Zone Authority regarding the Aqaba site until the end of 2017.

Movement on deferred tax assets was as follows:

	2022 JD	2021 JD
As at 1 January	736,077	1,155,376
Relating to actuarial gains	(128,445)	(50,578)
Relating to cash flow hedges losses	4,767	100,656
Relating to temporary differences in employees' end of service indemnity provision	(165,849)	129,678
Relating to the losses in the other location (except Aqaba)	-	(354,960)
Relating to temporary differences in loans revaluation	18,140	(244,095)
Relating to impairment loss of slow-moving inventory depreciation for Rehab and Al-Risha stations.	2,159,739	-
As at 31 December	2,624,429	736,077

Movement on the income tax provision was as follows:

	2022	2021
	JD	JD
At 1 January	3,017,113	1,813,160
Provided for during the year	983,513	2,189,161
Adjustments	(219,892)	-
Paid during the year	(1,412,935)	(985,208)
At 31 December	2,367,799	3,017,113

(9) STRATEGIC FUEL INVENTORIES

	2022	2021
	JD	JD
Heavy fuel inventory	4,322,955	4,348,907
Diesel inventory	809,076	5,797,531
	5,132,031	10,146,438

In accordance with the Power Purchase Agreements with NEPCO (note 1), the Company shall maintain sufficient quantities of fuel in the power generating stations to enable the stations to operate continuously. The Company agreed with NEPCO on the quantities of fuel it should maintain at the stations to enable the stations to generate power for the periods stated in the Power Purchase Agreement.

(10) INVENTORIES

	2022	2021
	JD	JD
Spare parts and general materials, net*	4,575,085	6,907,821
Materials in transit	129,467	92,379
	4,704,552	7,000,200

* Spare parts and general materials are presented net of its related depreciation of slow -moving spare parts and general materials which amounted to JD 1,523,728 (31 December 2021: JD 5,615,738).

(11) OTHER CURRENT ASSETS

	2022	2021
	JD	JD
Jordan Valley Authority	299,844	159,248
Jordan Petroleum Refinery Company (note 30)	301,878	302,478
Government of Jordan (note 30)	2,445,020	2,402,121
Al Zarqa Power Plant for Energy Generation (note 30)	7,719	107,175
Ministry of Energy and Mineral Resources (note 30)	7,540,667	140,736
The local Company for Water and Solar Projects (note 30)	406	205
Government Investment Management Company (note 30)	-	1,645,400
Samra Electric Power Co.	1,297,385	-
Jordan Petroleum Products Marketing Company	1,354,851	-
Others	505,851	219,120
	13,753,621	4,976,483
Less: Provision for expected credit losses*	(800,152)	(490,921)
	12,953,469	4,485,562
Prepaid expenses	1,430,367	1,632,900
Refundable deposits	6,169	6,655
Employees' receivables	17,064	68,638
Employees' insurance claims	122,000	122,000
	14,529,069	6,315,755

Movement on the provision for expected credit losses was as follows:

	2022	2021
	JD	JD
As at 1 January	490,921	507,179
Provision for the year	309,231	657
Written off during the year	-	(16,915)
As at 31 December	800,152	490,921

(12) ACCOUNTS RECEIVABLE

	2022	2021
	JD	JD
National Electric Power Company – Power generation revenues	14,951,722	75,119,731
National Electric Power Company – Others	93,350	13,420
	15,045,072	75,133,151
Less: Provision for expected credit losses* (note 30)	(1,399,967)	(1,450,069)
	13,645,105	73,683,082

* Movement on provision for expected credit losses was as follows:

	2022	2021
	JD	JD
As at 1 January	1,450,069	1,691,252
Reversal for the year	(50,102)	(241,183)
As at 31 December	1,399,967	1,450,069

(13) EQUITY

PAID IN CAPITAL

Paid in capital comprises of 30,000,000 shares at par value of 1 JD per share.

STATUTORY RESERVE

As required by the Jordanian Companies Law, 10% of the annual profit for the year before income tax is to be transferred to the statutory reserve until it reaches 25% of the Company's paid in capital. However, the Company may continue transferring to the statutory reserve up to 100% of the Company's paid in capital if General Assembly approval is obtained. The Company decided not to exceed 25% of its paid in capital. This reserve is not available for distribution to shareholders.

VOLUNTARY RESERVE

The amounts accumulated in this account represent what has been transferred from the annual net profit before income tax at a rate of no more than 20%. This reserve is available for distribution to the shareholders.

DIVIDENDS PAID

The General Assembly approved in its ordinary meeting held on 26 April 2022 the recommendation of the Board of Directors to distribute an amount of JD 13,000,000 to shareholders for the year ended 2021, of which to be deducted from retained earnings. A total amount of JD 11,354,600 to be paid in cash and the remaining amount of JD 1,645,400 to be settled against Government Investment Management balance (note 11).

The General Assembly approved in its ordinary meeting held on 27 April 2021 the recommendation of the Board of Directors to distribute an amount of JD 22,000,000 to shareholders for the year ended 2020, of which to be deducted from the voluntary reserve in the amount of JD 10,000,000 and from retained earnings in the amount of JD 12,000,000.

(14) LOANS

		2022		2021	
		Loan Installments		Loan Installments	
	Currency	Current portion	Long-term portion	Current portion	Long-term portion
		JD	JD	JD	JD
Japanese loan 1	JPY	1,177,638	1,177,637	1,367,532	2,735,064
Japanese loan 2	JPY	2,794,892	6,987,229	3,245,569	11,359,491
Italian Soft loan	Euro	120,392	60,197	128,322	192,484
		4,092,922	8,225,063	4,741,423	14,287,039

Japanese Loan 1
The loan is based on the original agreement between the Government of the Hashemite Kingdom of Jordan represented by the Ministry of Planning and International Cooperation and the Overseas Economic Cooperation Fund (Japan) dated 30 August 1994. On 22 August 2000, the Company was re-granted a loan from the Government for an amount of JPY 4,745,000,000 at an annual interest rate of 3%. The loan is repayable over 41 equal semiannual installments of JPY 110,674,000, the first of which fell due on 20 August 2004 and the last of which will fall due on 20 August 2024.

Japanese Loan 2
The loan is based on the original agreement between the Government of the Hashemite Kingdom of Jordan represented by the Ministry of Planning and International Cooperation and the Overseas Economic Cooperation Fund (Japan) dated 17 April 1996. On 22 August 2000, the Company was re-granted a loan from the Government for an amount of JPY 10,813,000,000 at an annual interest rate of 2.7%. The loan is repayable over 41 equal semiannual installments of JPY 262,663,000, the first of which fell due on 20 April 2006 and the last of which will fall due on 20 April 2026.

Italian Soft Loan

The loan is based on the original agreement between the Government of the Hashemite Kingdom of Jordan represented by the Ministry of Planning and International Cooperation and the Istituto Centrale Per Il Credito A Medio Termine – Mediocredito Centrale dated 12 December 1993. On 13 September 2005, the Company was re-granted a loan from the Government for an amount of Euro 2,864,020 at an annual interest rate of 1 %. The loan is repayable over 36 equal semiannual installments of Euro 79,556 except for the last installment, which amounts to Euro 79,555. The first installment fell due on 8 September 2006 and the last installment will fall due on 8 March 2024.

All loans are guaranteed by the government of Jordan.

The annual payments amounts and maturities for the long-term loans are as follows:

Year	JD
2024	4,032,738
2025	2,794,932
2026	1,397,393
	8,225,063

(15) EMPLOYEES' END-OF-SERVICE INDEMNITY PROVISION

	2022 JD	2021 JD
Balance at 1 January	5,405,171	6,086,195
Provision for the year*	683,335	668,456
Paid during the year	(850,687)	(1,092,810)
Actuarial gains	(763,111)	(256,670)
Balance at 31 December	4,474,708	5,405,171

* Details of employees' end-of-service indemnity expense as presented on the statement of profit or loss was as follows:

	2022 JD	2021 JD
Interest cost	332,339	339,128
Current year cost	287,062	366,110
Prior years adjustment	63,934	(36,782)
	683,335	668,456

The principal actuarial assumptions used to calculate employees end of-service indemnity provisions are as follow:

	2022	2021
Discount rate	7.896%	6.099%
Expected rate of increase of employee remuneration	5.5%	5.5%
Resignation rate:		
Up to the age of 29 years	4%	4%
From the age of 30 to 34 years	3%	3%
From the age of 35 to 39 years	2%	2%
From the age of 40 to 54 years	1%	1%
Age 55 years and over	0%	0%

This provision is not funded by any assets.

The following schedule shows the sensitivity in the principal actuarial assumption's changes used to determine employees' end-of-service provision amount as of 31 December 2022 and 2021:

	Discount rate		Resignation rate		Mortality rate	
	Rate	Increase (decrease)	Rate	Increase (decrease)	Rate	Increase (decrease)
	٪	JD	٪	JD	٪	JD
2022	+1	(428,884)	+1	(19,375)	+20	(1,426)
	-1	492,700	-1	20,334	-20	1,433
2021	+1	(566,207)	+1	(54,057)	+20	(11,546)
	-1	636,947	-1	40,312	-20	7,067

(16) DECOMMISSIONING PROVISION

The decommissioning provision of JD 3,414,754 as at 31 December 2022 (31 December 2021: JD 3,307,962) primarily represents the net present value of the estimated expenditure discounted at a rate of 6.5% (31 December 2021: 6.5%) expected to be incurred in respect of the decommissioning of the Aqaba Thermal Station generating units 1 to 5. Expenditure is expected to be incurred throughout the financial years 2021 and 2026.

Movement on the decommissioning provision was as follows:

	2022	2021
	JD	JD
Balance at 1 January	3,307,962	3,207,645
Unwinding of discount during the year (note 28)	106,792	100,317
Balance at 31 December	3,414,754	3,307,962

(17) OTHER CURRENT LIABILITIES

	2022	2021
	JD	JD
Accrued interest	75,332	125,253
Accrued expenses	172,927	124,401
Employees' vacations provision*	541,670	552,283
Deposits accrued for others	1,627,794	1,087,346
Employees' termination benefits provision**	-	-
Employees' payables	1,484	-
Contractors' payables	559	3,192
Board of directors' remuneration	35,000	35,000
Legal cases provision***	460,342	515,597
Employees' incentive provision	450,000	400,000
Others	369,544	285,428
	3,734,652	3,128,500

Movements on provisions for the years 2022 and 2021 were as follows:

2022 -	Employees' vacations provision*	Employees' termination benefits provision**	Legal cases provision***
	JD	JD	JD
Balance at 1 January	552,283	-	515,597
Provision for the year	72,305	1,676,979	47,642
Paid during the year	(82,918)	(1,676,979)	(102,897)
Balance at 31 December	541,670	-	460,342

2021 -	Employees' vacations provision*	Employees' termination benefits provision**	Legal cases provision***
	JD	JD	JD
Balance at 1 January	759,302	-	525,278
(Reversal) provision during the year	(66,712)	2,960,000	-
Paid during the year	(140,307)	(2,960,000)	(9,681)
Balance at 31 December	552,283	-	515,597

(18) ACCOUNTS PAYABLE

	2022	2021
	JD	JD
Jordan Petroleum Refinery Company (JPRC)	-	57,568,923
National Petroleum Company – Government of Jordan	2,393,431	4,591,061
	2,393,431	62,159,984

(19) DERIVATIVE FINANCIAL INSTRUMENTS

The details of the derivative financial instruments at 31 December 2022 and 31 December 2021 were as follows:

	31 December 2022		
	Current	Non-current	Total
	JD	JD	JD
Currency forward contracts*	-	-	-
	-	-	-

	31 December 2021		
	Current	Non-current	Total
	JD	JD	JD
Currency forward contracts*	989,764	-	989,764
	989,764	-	989,764

* CEGCO loans with Overseas Economic Cooperation Fund (Japan) are in JPY. To mitigate its exposure to fluctuations in currency rates, the Company entered into 12 forward contracts during the years 2011 to 2015 that effectively fix the currency rate for loan installments.

The last contract ended on 22 October 2022. For the purpose of hedge accounting, the forward contracts are classified as cash flow hedges as CEGCO is hedging the exposure to variability in cash flows that is attributable to the foreign currency fluctuations risk associated with a highly probable forecast transaction.

The negative fair value of the currency forward contracts as at 31 December 2021 was JD 989,764 and was recorded as current and non-current liability in the statement of financial position) (2022: nil).

The cash flow hedges were completed during 2022. Remaining amounts of liabilities were netted against hedge reserve and resulted in a net gain of JD 59,580 which was recorded in the statement of profit or loss.

(20) POWER GENERATION REVENUES

This item represents revenues mainly earned from the power generation invoices in accordance with the Power Purchase Agreements with NEPCO where NEPCO repays the value of the full electric capacity available at the power stations according to the pricing formula that has been pre-determined in the Power Purchase Agreements. Moreover, NEPCO bears the cost of fuel used in the generation of power according to the pricing formula stipulated in those agreements.

Power generation revenues consist of the following:

	2022	2021
	JD	JD
Stations capacity revenue	35,641,531	50,007,260
Power revenue	360,447	987,803
Fuel cost according to the pricing formula (note 21)	14,475,753	16,831,691
Startup cost	31,329	57,859
Additional costs (Imported energy)	(2,343,904)	(3,329,578)
Others	(9,233)	(133,692)
	48,155,923	64,421,343

(21) FUEL COST

	2022	2021
	JD	JD
Gas consumption	14,475,753	16,831,691

(22) STATION OPERATING COSTS

	2022	2021
	JD	JD
Operating water	256,347	294,489
Chemical’s materials	71,893	63,153
Oil and lubricants	62,869	90,731
Other operating expenses	89,350	104,750
	480,459	553,123

(23) SALARIES AND BENEFITS

	2022 JD	2021 JD
Salaries and wages	5,378,729	5,994,350
Employees benefits	2,378,983	2,548,746
Temporary employees	129,556	103,428
Bonuses and other expenses	3,645,975	3,405,941
	11,533,243	12,052,465

(24) MAINTENANCE EXPENSES

	2022 JD	2021 JD
Spare parts	961,577	904,156
Maintenance materials and experts wages	356,353	212,528
Other maintenance expenses	59,273	102,429
	1,377,203	1,219,113

(25) ADMINISTRATIVE EXPENSES

	2022 JD	2021 JD
Insurance	679,397	848,954
Regulatory commission expenses	580,909	513,335
Consultancy fees	510,783	402,811
Subscriptions and donations	58,175	33,237
Security	241,946	309,652
Housing expense	127,423	136,197
Others	987,371	803,361
	3,186,004	3,047,547

(26) FOREIGN CURRENCY EXCHANGE PROFIT, NET

	2022 JD	2021 JD
Unrealized gains	1,931,610	943,947
Realized losses	(1,046,667)	(307,843)
	884,943	636,104

(27) OTHER INCOME, NET

	2022 JD	2021 JD
Operating and maintenance revenues	6,183,193	5,865,906
Gain from sale of strategic fuel inventory	6,177,726	5,606,025
Gain from sale of property, plant, and equipment *	3,933,260	2,602,105
Gain from sale of scrap- retried units.	701,410	-
Non-operational revenue - handling and fuel operations **	7,899,786	892,638
Others, net	124,077	149,432
	25,019,452	15,116,106

* This amount includes the gain resulted from Rihab and Risha plants sale by end of 2022 to Samra Electric Power Company (SEPCO).

** This item represents the amount of settlement reached between the Ministry of Energy and Mineral Resources and Central Electricity Generating Company “CEGCO” after the final decision over the dispute. The ministry shall pay damages to CEGCO for the operating years until the end of 2019 in the amount of JD 7,500,000 which includes all expenses, legal and expert fees. The amount represents the cumulative balance borne by CEGCO from modifying the tariff prices and inclusion of the fuel price clause to the monthly bill over the years. In return, CEGCO shall commit to not submit any claims arising from the obligations between the years 2020 – 2025.

(28) FINANCE COSTS, NET

	2022 JD	2021 JD
Term loans interest expense	371,031	598,838
Bank overdraft interest expense	69,708	1,054,499
Unwinding of discount of decommissioning provision (Note 16)	106,792	100,317
Interest income	(178,494)	(7,570)
	369,037	1,746,084

(29) EARNINGS PER SHARE

	2022	2021
Profit for the year (JD)	24,689,060	11,941,565
Weighted average number of shares outstanding (Share)	30,000,000	30,000,000
Basic and diluted earnings per share (JD)*	0/823	0/398

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

(30) RELATED PARTY TRANSACTIONS

Related parties represent associated companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties.

Pricing policies and terms of the transactions with related parties are approved by the Company's management.

The following represent the total amount of transactions that have been entered into with related parties:

	2022	2021
	JD	JD
Power sales to the National Electric Power Company (Government of Jordan)	48,155,923	64,421,343
Gain from sale of strategic fuel inventories (note 27)	6,177,726	5,606,025
Purchases of gas from the National Petroleum Company (Government of Jordan) (note 21)	14,475,753	16,831,691
Services provided to Al Zarqa Power Plant for Energy Generation*	4,768,129	4,481,572
Services provided to Enara Energy Investment	-	8,400
Services provided to The Local Company for Water and Solar Projects**	778,835	714,707
Services provided to ACWA Power Jordan Holdings	131,965	23,783
Services provided to Al-Risha for Solar Power Projects***	516,552	475,132
Services provided to ACWA Power Company / Riyadh	2,146	
Services provided by ACWA Power International Company for Water and Power Projects – Dubai	30	2,687
Services provided by The Local Company for Water and Solar Projects**	3,046	
Services provided by Al Zarqa Power Plant for Energy Generation*	26,423	
Services provided by ACWA Power Jordan Holdings	534	
Services provided by ACWA Power Global Services LLC	-	29,099
Services provided by ACWA Power Company / Riyadh	56	6,522
Board of Directors remuneration and transportation	77,000	77,000

* On 21 December 2015, the Company entered into land operating lease with Al Zarqa Power Plant for Energy Generation for an annual rent of JD 50,000. Furthermore, on 20 May 2016, the Company entered into an agreement with Al Zarqa Power Plant for Energy Generation to provide operating and maintenance services.

** On 13 November 2016, the Company entered into an agreement with the Local Company for Water and Solar Projects to provide operation and maintenance services.

*** On 21 November 2017, the Company entered into an agreement with Al-Risha for Solar Power Projects Company for Solar Projects to provide operation and maintenance services.

Balances with related parties are as follows:

Amounts due from related parties:

	2022	2021
	JD	JD
Government Investment Management Company (note 11)	-	1,645,400
National Electric Power Company - Government of Jordan (note 12) *	13,645,105	73,683,082
The Local Company for Water and Solar Projects (note 11)	406	205
ACWA Power Jordan Holdings	44,579	146
Al Zarqa Power Plant for Energy Generation (note 11)	7,719	107,175
Government of Jordan (note 11)	2,445,020	2,402,121
Jordan Petroleum Refinery Company (note 11)	301,878	302,478
Ministry of Energy and Mineral Resources (note 11)	7,540,667	140,736
ACWA Power International company for water and power – Dubai	75	-
	23,985,449	78,281,343

* This balance is shown net of provision for expected credit losses of JD 1,399,967 as at 31 December 2022 (31 December 2021: JD 1,450,069) (note 12).

Amounts due to related parties:	2022	2021
	JD	JD
Jordan Petroleum Refinery Company (JPRC) (note 18)	-	57,568,923
National Petroleum Company - Government of Jordan (note 18)	2,393,431	4,591,061
ACWA Power International company for water and power – Riyadh	3,590	5,680
	2,397,021	62,165,664

Compensation of key management personnel	2022	2021
	JD	JD
Salaries	310,978	471,144
Benefits (traveling)	8,500	-
	319,478	471,144

(31) CASH AND BANK BALANCES

	2022	2021
	JD	JD
Cash at banks *	12,330,014	5,656,454
Cash on hand	7,624	12,649
	12,337,638	5,669,103

* For the year ended 31 December 2022, bank deposits earned interest rate of 5.75% (31 December 2021: 1%).

For the purpose of the statement of cash flows, cash and cash equivalents consist of the following amounts which appears in the statement of financial position:

	2022	2021
	JD	JD
Cash at banks	12,330,014	5,656,454
Cash on hand	7,624	12,649
	12,337,638	5,669,103
Less: due to banks (Note 32)	(200,793)	(11,580,270)
	12,136,845	(5,911,167)

(32) DUE TO BANKS

This balance represents the utilized balance from the credit facilities granted from the following Banks:

- Facilities from Arab Jordan Investment Bank with a ceiling of JD 17,000,000 and interest rate of 5.75% as at 31 December 2022 (31 December 2021: 5%).

- Facilities from Cairo Amman Bank with a ceiling of JD 10,000,000 and interest rate of 6.5% as at 31 December 2022 (31 December 2021: 5%).

(33) SEGMENT INFORMATION

The following tables present the statement of profit or loss information for Aqaba, Mafraq, and other locations for the years ended 31 December 2022 and 2021. The information is presented to facilitate the income tax review as the Company is subject to different tax rates on Aqaba's operation.

	2022			
	Aqaba	Mafraq	Other locations	Total
	JD	JD	JD	JD
Power generation revenues	31,498,340	-	16,657,583	48,155,923
Fuel Cost	-	-	(14,475,753)	(14,475,753)
Stations operating costs	(218,950)	(5,854)	(255,655)	(480,459)
Depreciation and amortization	(13,318,855)	(14,221)	(1,857,003)	(15,190,079)
Depreciation of right-of-use assets	(208,420)	-	-	(208,420)
Interest expense on contract lease liability	(81,804)	(186)	(7,548)	(89,538)
Salaries and benefits	(5,509,884)	(347,582)	(5,675,777)	(11,533,243)
Maintenance expenses	(270,380)	(62,667)	(1,044,156)	(1,377,203)
Administrative expenses	(1,545,226)	(63,189)	(1,577,589)	(3,186,004)
Depreciation expense of Slow-moving Spare parts and General Materials	(1,508,826)	-	(14,902)	(1,523,728)
Employees' end-of-service indemnity provision	(321,091)	(23,599)	(338,645)	(683,335)
Employees' termination benefits provision	(679,259)	(81,940)	(915,780)	(1,676,979)
Total operating costs	(23,662,695)	(599,238)	(26,162,808)	(50,424,741)
OPERATING PROFIT (LOSS)	7,835,645	(599,238)	(9,505,225)	(2,268,818)
Foreign currency exchange profit, net	873,773	270	10,900	884,943
Other income, net	7,557,880	803,792	16,657,780	25,019,452
Provision for expected credit losses, net	(128,365)	(3,143)	(127,621)	(259,129)
Finance costs, net	(423,933)	1,319	53,577	(369,037)
PROFIT FOR THE YEAR BEFORE INCOME TAX	15,715,000	203,000	7,089,411	23,007,411
Income tax (expense) surplus	(950,693)	(57,569)	2,689,911	1,681,649
PROFIT FOR THE YEAR	14,764,307	145,431	9,779,322	24,689,060

	2021			
	Aqaba	Mafraq	Other locations	Total
	JD	JD	JD	JD
Power generation revenues	30,142,053	-	34,279,290	64,421,343
Fuel Cost	-	-	(16,831,691)	(16,831,691)
Stations operating costs	(196,045)	(7,537)	(349,541)	(553,123)
Depreciation and amortization	(13,361,184)	(12,464)	(8,512,708)	(21,886,356)
Depreciation of right-of-use assets	(130,000)	-	-	(130,000)
Interest expense on contract lease liability	-	-	(80,960)	(80,960)
Salaries and benefits	(5,418,650)	(378,978)	(6,254,837)	(12,052,465)
Maintenance expenses	(415,412)	(89,456)	(714,245)	(1,219,113)
Administrative expenses	(1,358,112)	(53,778)	(1,635,657)	(3,047,547)
Depreciation expense of slow-moving Spare parts and General Materials	(1,526,581)	-	(4,089,157)	(5,615,738)
Employees' end-of-service indemnity provision	(298,628)	(22,636)	(347,192)	(668,456)
Employees' termination benefits provision	(793,038)	(725)	(2,166,237)	(2,960,000)
Total operating costs	(23,497,650)	(565,574)	(40,982,225)	(65,045,449)
OPERATING PROFIT (LOSS)	6,644,403	(565,574)	(6,702,935)	(624,106)
Foreign currency exchange profit, net	632,368	58	3,678	636,104
Other income, net	6,725,277	731,969	7,658,860	15,116,106
Reversal of (provision for) expected credit losses, net	240,912	(6)	(380)	240,526
Finance costs	(1,212,469)	(9,488)	(524,127)	(1,746,084)
PROFIT FOR THE YEAR BEFORE INCOME TAX	13,030,491	156,959	435,096	13,622,546
Income tax expense	(729,999)	(48,196)	(902,786)	(1,680,981)
PROFIT (LOSS) FOR THE YEAR	12,300,492	108,763	(467,690)	11,941,565

(34) COMMITMENTS AND CONTINGENCIES

Letters of credit and bills of collection

As at 31 December 2022, the Company had outstanding letters of credit and bills of collection amounting to JD 2,663,896 (31 December 2021: JD 2,514,654).

Letters of guarantee

As at 31 December 2022, the Company had outstanding letters of guarantee amounting to JD 50,549 (31 December 2021: JD 50,549).

Capital commitments

The Company entered into commitments in the ordinary course of business for major capital expenditures. No Capital expenditures commitments as at 31 December 2022 (31 December 2021: JD 100,469).

Legal claims

The Company is a defendant in a number of lawsuits of approximately JD 217,916 as at 31 December 2022 (2021: JD 560,440). Following the conclusion of the legal dispute occurred in 2005, that was filed in correlation with Aqaba accidents by an amount of JD 402,465 between Arabia Insurance Company - Jordan and National Electric Power Company and the issue of the final decision on it. Regarding the Company's responsibility and according to the agreement signed with the government of the Hashemite Kingdom of Jordan, all obligations or collections before the Company's privatization relates to the Hashemite Government of Jordan, and the Company bears no financial consequences.

The Company's management and its independent legal counsel believe that no additional provision is needed other than what has already been recognized in the financial statements.

Disputes with Jordan Petroleum Refinery Company (JPRC)

Jordan Petrol Refinery PLC is the fuel supplier ("the Supplier"). Previously, the Supplier has claimed from CEGCO an amount of JD 114,586,301, as an interest on late payments of the monthly fuel invoices. The Fuel Supply Agreement (FSA) with the Supplier stipulates that the Supplier shall be entitled to receive interest on late payment of the unpaid invoices after 45 days from invoice. However, the FSA in Article 13.3 further provides that CEGCO shall not be liable for non-performance under the FSA and shall not be in default to the extent such non-performance or default is caused by NEPCO. Given the delay in making the fuel payments to the Supplier are caused by the delay in receipt of the fuel revenues from NEPCO (the off-taker), contractually the Supplier has no basis to claim for any delay interest from CEGCO. Hence the management and its independent legal counsel are of the view that as per the terms of the FSA signed between the Supplier and CEGCO, the Supplier has no contractual basis to claim these amounts. Accordingly, no provision has been made in these financial statements.

Furthermore, and during 2022, the supplier signed a settlement agreement with NEPCO which stated to transfer the amounts due from CEGCO of JD 57,568,924 to NEPCO and NEPCO agreed to commit to the settlement amount. Accordingly, total amount due to the supplier was offset against the receivable balance without any effect on equity or profit or loss.

(35) RISK MANAGEMENT

Interest rate risk

The Company is exposed to interest rate risk on its interest-bearing assets and liabilities such as bank deposits, term loans and due to banks.

The Company's policy is to manage its interest cost using a mix of fixed and variable rate debts.

The following table demonstrates the sensitivity of the statement of profit or loss to reasonably possible changes in interest rates as at 31 December 2022 and 2021, with all other variables held constant.

The sensitivity of the statement of profit or loss is the effect of the assumed changes in interest rates on the Company's profit for one year, based on the floating rate financial assets and financial liabilities held at 31 December 2022 and 2021.

2022-	*Increase (decrease) in basis points*	*Effect on profit before income tax*
Currency		*JD*
Jordanian Dinar	100	(2,008)
Jordanian Dinar	(50)	1,004

2021-	*Increase (decrease) in basis points*	*Effect on profit before income tax*
Currency		*JD*
Jordanian Dinar	100	(115,803)
Jordanian Dinar	(50)	57,901

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.

The Company has entered into a Power Purchase Agreement with the Government of the Hashemite Kingdom of Jordan represented by the National Electric Power Company (NEPCO).

The amount due from NEPCO forms 100% of outstanding accounts receivable at 31 December 2022 and 2021.

The Company deals only with reputable local banks.

Liquidity risk

The Company limits its liquidity risk by ensuring bank facilities are available.

The table below summarises the maturities of the Company's undiscounted financial liabilities at 31 December 2022 and 2021, based on contractual payment dates and current market interest rates:

At 31 December 2022	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	JD	JD	JD	JD	JD
Due to banks	206,794	-	-	-	206,794
Accounts payable	-	2,393,431	-	-	2,393,431
Loans	712,713	3,772,615	8,590,585	-	13,075,913
Contract lease liabilities	43,800	225,534	1,092,048	189,912	1,551,294
Total	963,307	6,391,580	9,682,633	189,912	17,227,432

At 31 December 2021	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	JD	JD	JD	JD	JD
Due to banks	11,663,488	-	-	-	11,663,488
Accounts payable	-	62,159,984	-	-	62,159,984
Loans	858,933	4,502,782	15,107,767	-	20,469,482
Contract lease liabilities	-	181,734	908,670	379,824	1,470,228
Derivative financial liability	-	989,764	-	-	989,764
Total	12,522,421	67,834,264	16,016,437	379,824	96,752,946

Currency risk

The Company's transactions in U.S. Dollar have negligible currency risk since the Jordanian Dinar is fixed against the U.S. Dollar (USD 1.41 for each JD 1).

To mitigate its exposure to fluctuations in currency rates, the Company entered into forward contracts that effectively fix the currency rate for installments on each loan with Overseas Economic Cooperation Fund (Japan).

The table below indicates the analysis which calculates the effect of a reasonable possible movement of the JD currency rate against the foreign currencies, with all other variables held constant, on the statement of profit or loss

2022 -	*Increase / decrease in the rate to the JD*	*Effect on profit before income tax*
Currency	*%*	*JD*
Euro	10	(18,059)
Japanese Yen	10	(1,213,740)
Euro	-10	18,059
Japanese Yen	-10	1,213,740

2021 -	*Increase / decrease in the rate to the JD*	*Effect on profit before income tax*
Currency	*%*	*JD*
Euro	10	(32,081)
Japanese Yen	10	(1,409,456)
Euro	-10	32,081
Japanese Yen	-10	1,409,456

(36) FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash and bank balances, accounts receivable, employees housing fund loan and some other current assets. Financial liabilities consist of term loans, due to banks, accounts payable, derivative financial liability and some other current liabilities.

Book values of financial instruments are not materially different from their fair values.

The Company 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.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

2022 -	Level 1	Level 2	Level 3	Total
	JD	JD	JD	JD
Financial Liabilities				
Derivative financial liability	-	-	-	-
2021 -				
Financial Liabilities				
Derivative financial liability	-	-	989,764	989,764

(37) CAPITAL MANAGEMENT

The primary objective of the Company's capital is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in business conditions. No changes were made in the objectives, policies or processes during the year ended 31 December 2022 and 2021. Capital comprises paid in capital, reserves and retained earnings and is measured at JD 64,830,354 as at 31 December 2022 (31 December 2021: JD 51,457,284).

(38) 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 Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) which was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach),
- A simplified approach (the premium allocation approach) mainly for short-duration contracts.

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Company.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current
In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to 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.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.
The amendments are not expected to have a material impact on the Company.

Definition of Accounting Estimates - Amendments to IAS 8
In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments are not expected to have a material impact on the Company.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2
In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Company is currently assessing the impact of the amendments to determine the impact they will have on the Company's accounting policy disclosures.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023. Early adoption is permitted.

The Company is currently assessing the impact of the amendments to determine the impact they will have on the Company's accounting policy disclosures.

(39) COMPARATIVE FIGURES

During the year some comparative figures were reclassified to correspond with those of this year presentation. The reclassification has no effect on the profit and equity for the Company.

Central Electricity Generating Co.
(CEGCO)

شركة توليد الكهرباء المركزية م.ع.

Ref. :

Date :

الرقم :

التاريخ :

3. Declaration of the Chairman, Chief Executive Officer and Executive Manager - Finance Division

Declaration

Attention: M/s Company's Shareholders

We the undersigned hereby certify and declare the authenticity and accuracy of the information and financial statements contained in this Annual Report.

Executive Manager -Finance Division
Ali (Mohamad Zuhair) Ali Abdullah

Chief Executive Officer
Mowafaq Mahmoud Ali Alawneh

Chairman
Moayad Ibrahim Abdul-Wahhab Samman

P.O.Box 2564 Amman 11953 Jordan

ص.ب : ٢٥٦٤ الرمز البريدي ١١٩٥٣ الأردن
هاتف : ٩٦٢-٦-٥٣٤٠٠٠٨

Central Electricity Generating Co.
(CEGCO)

شركة توليد الكهرباء المركزية م.ع.

Ref. :

Date :

الرقم :

التاريخ :

21.ج. الإقرارات المطلوبـة

1. يقر مجلس إدارة الشركة بعدم وجود أي أمور جوهرية قد تؤثر على استمرارية الشركة خلال السنة المالية التالية.
2. يقر مجلس الإدارة بمسؤوليته عن إعداد البيانات المالية وتوفير نظام رقابة فعال في الشركة.

Acknowledgment

1. The company's Board of Directors acknowledges that there were no material matters that may affect the continuity of the company during the next financial year.
2. Board of Directors acknowledges its responsibility for the preparation of financial statements and the availability of an effective monitoring system in the company.

رئيس مجلس الإدارة
مؤيد إبراهيم السمان

نائب الرئيس جون كلارك	عضو ياسر أديب برقان	عضو فيصل عبدالرزاق الحياري
عضو عبد حسين مالك	عضو شروق محمد عبدالغني	عضو زياد أحمد عبيدات

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ص.ب ٢٥٦٤ الرمز البريدي ١١٩٥٣ الأردن
هاتف : ٥٣٤٠٠٠٨ - ٩٦٢٠٦ مع قفز آلي