The Hashemite Kingdom of Jordan
Central Electricity Generating Company

CEGCO ANNUAL REPORT 2013

His Majesty

King Abdullah II Bin Al Hussein

H.R.H Crown Prince

Hussein bin Abdullah II

Contents

A.1 Chairman Address

Dear Shareholders,

With each passing year, Central Electricity Generating Company (CEGCO) rises to the occasion and reaffirms its ability to overcome challenges, efficiently fulfill its objectives, and direct its technical and executive teams' efforts towards implementing the Company's approved annual plans on par with best practices. This annual report showcases CEGCO's accomplishments during the previous year and sets our objectives for 2014.

Over the course of 2013, CEGCO was faced with several major challenges, including the ongoing lack of Egyptian gas supply which forced us to utilize heavy fuel and diesel, subsequently resulting in additional costs and emergency maintenance works. In addition, the issue of importing heavy fuel that does not meet agreed upon specifications has led to a decrease in the production capacity of a number of units and a significant increase in maintenance costs. However, and despite the mentioned challenges, the availability factor of our power plants reached an impressive 90.26%, positively impacting the Company's fiscal results.

Financial Performance reviews revealed that our profits (before exchange rate difference) grew by 27% to reach JD 18.3 million, compared to JD 14.4 million during the same period in 2012. CEGCO's debit accounts to National Electric Power Company (NEPCO) fell from JD 357.98 million in 2012 to JD 283.2 million in 2013, whereas credit accounts to Jordan Petroleum Refinery Company (JPMC) dropped from JD 322.1 million in 2012 to JD 242.9 million this year.

We also carried out numerous developmental activities throughout the year such as updating our human resources systems in order to improve corporate behavior. Furthermore, we provided employees across different locations with professional training on multiple topics, and upgraded our environment, health and safety policies.

As for our future strategy, we firmly believe that investing in qualified staff and existing infrastructure will ultimately benefit our community, Company, employees and investors. Accordingly, we proposed several initiatives to the Government of Jordan such as the rehabilitation of the Al-Hussein Thermal Power Station, the installation of a combined cycle at Risheh Power Station and Aqaba Thermal Power Station, as well as multiple renewable energy projects. Once approved and implemented, these initiatives will bolster the units' performance levels and reduce fuel consumption.

In conclusion, I would like to express my gratitude towards the entire CEGCO team who are the driving force behind the Company's operations and success, and thank our CEO and Board of Directors for their unwavering support.

Mohammed Bin Abdullah Abu Nayyan
Chairman

A.2 CEO Address

Ladies and Gentlemen,

On behalf of Central Electricity Generating Company (CEGCO), I would like to take this opportunity to share with you the accomplishments we have achieved and the obstacles we have overcome last year, despite ongoing challenges.

In 2013, CEGCO generated 7,379 GWH of electricity, meeting national energy demands as forecasted by National Electric Power Company (NEPCO). Furthermore, the CEGCO team worked tirelessly to effectively tackle several incidents that occurred at the Company's power generation units, including fuel provision challenges, timely unit restoration, emergency maintenance works caused by transitioning from gas to heavy fuel, as well as the type of supplied fuel specifications.

Over the course of the previous year, CEGCO signed multiple Memorandums of Understanding and inked an energy purchasing agreement with the Electricity Distribution Company (EDCO) to supply electrical power to the villages of Al-Mudawwarah and Al-Tattan. CEGCO also strengthened relations with all entities working within the Kingdom's energy and electricity sectors, and received preliminary approval from the Ministry of Energy and Mineral Resources to develop, rehabilitate and increase installed capacity at our Ibrahimyah Wind Power Station to reach 10 MW.

In addition, we placed a special focus on general safety, employee health and environmental awareness, and held a number of activities and seminars at our different locations. We also reviewed and upgraded our environment, health and safety policies, as well as conducted numerous training courses on various topics. This approach is closely aligned with our unwavering commitment to our employees whom we firmly believe are the cornerstone of CEGCO's success and market leadership.

In terms of corporate social responsibility, CEGCO implemented various community development activities and supported local organizations and schools located in the areas where the Company operates. We also carried out social and environmental initiatives in different parts of the Kingdom, offered financial assistance to a number of charity associations, and provided university students with graduation project support and professional training opportunities across different specialties.

In conclusion, I would like to take this opportunity to commend the CEGCO team for their dedicated efforts, and to thank our Chairman and Board of Directors for their visionary leadership. Together, we look forward to reaching even greater heights of success in the future.

Best regards,

Eng. Omar Al-Daour
Chief Executive Officer

B. Report of Board of Directors

The Board of Directors is pleased to present to you its Annual Report including activities and achievements of the Company as well as the financial statements of the year ended on 31.12.2013

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

Management: Amman-Khalda, Al Khalidin district, Hakam Bin Amr St-Building (22)
P.O.Box: 2564, postcode 111953, Amman-Jordan.
Tel: + 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.
- **Hussein Thermal Power Station:** 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 Zarka.
- **Rishih Gas Turbine Power Sation:** it is located in the eastern region of the Kingdom, about 350 m east of Amman.
- **Rehab Gas Turbine Power Station:** Rehab power plant is located in the northern region of Jordan, approximately 70 km north of the capital Amman. The plant site is approximately 835 meters above sea level and located within a rural area surrounded by extensive agricultural land.
- **Marka Gas Turbine Power Station:** it is located in Marka district, within the bourdearie of Amman.
- **Amman South Gas Turbine Power Station:** it is located 15 km south of Amman and situated in a rural area.
- **Karak Gas Turbine Power Station:** it is located within boundaries of Karak City, 120 km south of Amman.
- **Al Ibrahimiah Power Plant:** it is located in the north of Jordan about 80 km south of Amman.
- **Houfa Power Plant:** it is located in the south of Jordan about 92 km south of Amman.

	Site	No. of Employees
Head Offices	Amman Khalda	2
Aqaba Thermal Power Station	Aqaba	38
Hussein Thermal Power Station	Zarqa	279
Marka Power Station	Marka	335
Rehab Power Station	Mafrak	7
Amman South	Mukablain	155
Risha Power Station	Ruwaished	163
Karak Power Station	Karak	8
Power Stations (Hofa, Ibrahimieh)	Irbid	35
King Talal Dam	Jarash	13
Total		1035

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

1. C. Company's Capital Investment Volume

201,703,164 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

Representatives of Enara Company for Energy Investment

H.E. Mr. Mohammad Bin Abdullah Abunayyan	Chairman Since 18/7/2011
H.E. Mr. Francis Joseph Gomez	Vice Chairman since 15/12/2011
H.E. Mr. Thomas Leroy Langford	Member since 31/10/2007
H.E. Mr. Rajit Nanda	Member since 30/4/2012 until 17/3/2013

Enara «2» Company for Energy Investment

H.E. Mr. Rajit Nanda	Member since 17/3/2013

Representatives of the Hashemite Kingdom of Jordan:

H.E. Mrs. Dina Abdullah A. Al Dabbas	Member since 31/10/2007
H.E. Mr. Mahmoud Al Ees	Member since 4/10/2012

Representative of the Investment Unit – social security Corporation:

H.E. Mr. Zaidoun Abu Hassan	Member since 17/3/2013

H.E. Eng. Abdel Fattah Abdel Hamid Moh`d Al-Nsour /CEO	until 31/1/2013
H.E. Eng. Omar Ahmad Al Daour /CEO	since 1/2/2013

H.E. Mr. Mohammad Bin Abdullah Abu Nayyan

Chairman of Central Electricity Generating Co. since 18/7/2011

Date of Birth : 28/11/1962

Nationality : Saudi Arabian

Work Experience

Employment Started : 1979

Job Titles/Positions:

- Chairman of Abdullah Abunayyan Group of Companies (AAG)
- Member, Advisory Board for the Chairman of Saudi Supreme Economic Council
- Chairman, Board of Directors of ACWA Power International
- Chairman, Board of Directors of ACWA Holding
- Chairman, Board of Directors of Tabreed Company
- Chairman, Board of Directors of KSB Arabia
- Chairman, Board of Directors of HAJR Electric Co.
- Chairman, Board of Directors of BOWAREGE Inter. Barges Co.
- Chairman, Board of Directors of ALMURJAN
- Vice Chairman, Board of Directors Integrated Transport
- Member, Board of Directors of National Agriculture Development Co. (NADEC)

H.E. Mr. Francis Joseph Gomez

Membership Date : 18/7/2011

Vice Chairman : 15/12/2011

Date of Birth 10/12/1954

Nationality : Singaporean

Qualifications:
University Degree Control Engineering

Work Experience

- Chief Executive Officer, ENARA Energy Investments Company, Jordan
- Consultant, Mubadala Development Company, Abu Dhabi
- Executive Vice President, Sembcorp Industries, Singapore

Previous:

- SembCorp Utilities, Singapore
- SembCorp Gas, Singapore
- SembCorp Air Products, Singapore- Chairman
- SembCorp Cogen, Singapore
- SembCorp Utilities, United Kingdom
- Wilton Energy Limited, United Kingdom
- SembCorp Gulf Holding Co, United Arab Emirates
- Phu My 3 BOT Power Company, Vietnam

Current:

- Central Electricity Generating Company, Jordan- Vice Chairman & Coo.
- ENARA Energy Investments Company, Jordan
- RAEDA Energy Investment, Jordan

H.E. Mr. Thomas Leroy Langford

Membership Date: 31/10/2007

Date of Birth: 24/6/1941

Nationality: American

Qualifications:

- Bachelor's degree in Business Administration from the University of California at Berkeley.
- Master's degree in Business Administration from the University of California at Berkeley.
- Graduate of Advanced Management Program at Harvard University Graduate School of Business.

Work Experience:

- Group Vice President of Consolidated Contractors Company.
- Joined the Consolidated Contractors Group in 2001 as Head of the Investment Department.
- Prior to joining the Consolidated Contractors Company, Mr. Langford held executive posts in the field of engineering and construction as Chief Financial Officer with Stone & Webster Inc., Massachusetts, as well as with Parsons Corporation in California, U.S.A.
- Previously, worked for 6 years as Auditor for Price Waterhouse in Los Angeles, California, U.S.A.

H.E. Mrs. Dina Abdullah A. Al-Dabbas

Membership Date : 31/10/2007

Nationality : Jordanian

Qualifications:

- Master's degree in Economics-Jordan University, 1984.
- Certificate in Regional Planning- University College/London, 1979.
- Bachelor's degree in Economics & Business Administration, Jordan University 1978.

Work Experience

- Executive Privatization Commission
  - Acting Chairperson From 3/5/2011
  - Secretary General From 7/4/2008
  - Transaction Manager (5/1998 - 4/2008)
- Consultant Services (1996-1997)
- Central Bank of Jordan (1982-1994)
- Amman Urban Region Planning Group (1978-1979)

H.E. Eng. Mahmoud Omar AL-Ees

Membership Date : 4/10/2012

Date of Birth: May 1st, 1956

Nationality: Jordanian

Qualifications

- B.Sc., Mechanical Engineering, Aleppo University, Syria 1984.

Work Experience

- Director of Energy Planning Department, Ministry of Energy & Mineral Resources (2003-present).
- Official Spokesman of the Ministry of Energy & Mineral Resources (2007-present).
- Secretary of the Jordanian National Committee for World Energy Council (WEC), (2003-present).
- Member of the Board of Directors of Electricity Distribution Company (June 24th, 2006-July 1st, 2008).
- Member of the Board of Directors of National Petroleum Company (July 1st, 2008-Oct 3rd, 2012).
- Member of Board of Directors for Prince Faisal Center for Dead Sea, Environmental & Energy Research-Mu'tah University, Oct. 12th, 2010-Oct. 13th, 2012).
- Energy and Environment Consultant for UNDP for Climate Change Project.
- Lecturer & Energy Expert confirmed by the International Atomic Energy Agency in IAEA's models for energy, electricity & environment.

H.E. Mr. Rajit Nanda

Membership Date: 30/4/2012

Date of Birth: 12/9/1970

Nationality: Indian

Qualifications: MBA (Finance)

Work Experience

- Rajit Nanda is CFO of ACWA Power with overall responsibility for Acquisitions, project Finance , Corporate Finance , Insurance , Treasury & Accounting.
- Mr. Nanda has led the structuring and financing of several IPP/IWPPs in Oman , Saudi Arabia , Jordan , Bahrain , Abu Dhabi , Qatar , Thailand , Singapore , South Africa and is currently overseeing financing of large IPPs in countries like Turkey , Morocco , Mozambique , South Africa etc.
- From the time he joined ACWA Power , the company`s profile has changed from being a Saudi focused IPP player with a capacity of 5200 MWs to an international profile with presence in four other countries and has more than doubled the portfolio to 13 000 MWs including the recently closed largest gas fired IPP of 4000 MW (Qurayyah) in Saudi Arabia .
- Mr. Nanda has also led many initiatives towards the institutionalization of ACWA Power and the implementation of COSO (Sarbannes Oxley) standards towards internal process and controls together with the functioning of several board committees within ACWA Power.
- Prior to joining ACWA Power in 2009, he was the Regional CFO for GDF Suez`s Middle East ,Asia & Africa region till Dec 2008.

Directorships:

- Shuqaiq Water & Electricity Co.(SQWEC)
- Rabigh Arabian water & Electricity Co. (RAWEC)
- Rabigh Electricity Co.(RABEC)
- Jubail Water & Power Co. (JWAP)
- Hajr for Electricity Production Co. (HEPCO)
- ACWA Power Barka SAOG (Barka1)
- First National Operation & Maintenance Co. (NOMAC)

H.E. Mr. Zaydoun Mamdouh Abed Al Rahman Abu Hassan

Membership Date : 17/3/2013

Date of Birth : 1/5/1968

Nationality : Jordanian

Qualifications: Bachelor Degree In Finance and Banking

Work Experience

- Twenty five years of experience In the affairs of business ,finance and banking .

Current:

- Director of private Equity and project Finance Department / Social Security Investment Fund

3.B Senior Executive Management

Eng. Omar Ahmad AL Daour

Present Post: CEO/ Central Electricity Generating Co. since 1/2/2013

Date of Birth: 1954

Work Experience:

Leveraging over 30 years of industry-specific experience in the areas of corporate management and power plant engineering, Eng. Omar Al-Daour brings to the table unique strategic insight as CEGCO's CEO.

Eng. Al-Daour has been a member of CEGCO's executive team since 2000, assuming several notable positions prior to his current title as CEO. Eng. Al-Daour's positions within CEGCO included Assistant General Manager for Development and Planning, Executive Manager for Business Development, Assistant General Manager for Technical Affairs and acting Managing Director.

Under his numerous capacities at CEGCO, Eng. Al-Daour played a key role in setting up the Company's annual plans and strategies based on his in-depth experience in the development of CEGCO's assets and the efficient management of expansion projects.

As an active and influential member of the CEGCO team, Eng. Al-Daour was extensively involved in guiding the Company during various milestones such as its privatization in 2007. During his professional career, Eng. Al-Daour also spearheaded several CEGCO projects, the most notable of which was the Aqaba Fuel Switch Project which was recognized as the 2008 Project Of The Year during the Abu Dhabi International Petroleum Exhibition Conference (ADIPEC).

Over the course of his prolific career, Eng. Al-Daour has served as a Leading Professional Advisor for the German International Cooperation Agency (GIZ) and worked at the Ministry of Water and Electricity (MOWE) in Riyadh, Saudi Arabia. Eng. Al-Daour also assumed several positions at the Jordan Electricity Authority (JEA) between the years 1982 and 2000.

Eng. Al-Daour attained his MSC in Mechanical Engineering in 1979 from the University of Bochum in Germany, specializing in the areas of Processing, Fluid Dynamics and Apparatus Design.

Eng. Abdel Fattah Abdel Hamid Moh'd Al-Nsour

Present Post: **Consultant**

CEO / Central Electricity Generating Co till 31/1/2013.

Date of Birth : 23/1/1953

Qualifications:

- Bachelor's degree in Mechanical Engineering, ALMenia University Egypt, 1982
- High Diploma in Utility Management, University College of Dublin Ireland, 1991

Work Experience:

- Eng. Abdel Fattah Al-Nsour draws on over 30 years of experience in the field of power generation to guide the operations of Central Electricity Generating Company (CEGCO) within his capacity as CEO. Having taken on this position in 2008, after being Managing Director of the company from 2003, Al-Nsour has been playing an instrumental role in guiding the company's technical and commercial business activities; assessing strategic expansion projects within the Jordanian market; and leading a number of key projects such as the transformation of CEGCO from a governmental utility into an IPP business, the execution of the Samra Power Plant project, and the execution of the Aqaba Gas Conversion project.

- Since he began his career in 1983 in Jordan Electricity Authority and later in the Central Electricity Generating Company, Al-Nsour has garnered in-depth knowledge and expertise that extends to cover on-the-ground technical supervision and implementation aspects in power plants, the management of overall power plant and company operations and the implementation of budgeting activities, heading expansion and modernization operations of existing plants, and designing company strategies and policies.

Mr. Sanjiv Iyer

Present post : CFO

Assignment Date: 1/1/2012

Date of Birth: 3/4/1962

Qualifications: Chartered Accountant from India

Work Experience:

23 Years of international experience, with over 10 years in the privatized environment in the power sector. Handled implementation of green field power projects, financial closures and negotiated concession agreements during the tenure in the power sector .

Mr. Sami Yahia Hamto Abzakh

Present Post : Consultant/ Secretary of BoD

Assignment Date : 22/8/1987

Date of Birth : 2/4/1956

Qualifications:

Bachelor's Degree in Law, 1980

Work Experience:

1/12/2010-till 26/1/2012	: Management committee consultant /admin & H.R affairs/ CEGCO Secretary of BoD
2008-30/11/2010	: Executive Manager-corporate Affairs/ CEGCO-Secretary of BoD
2001-2008	: Managing Director Assistant for Administrative Affairs/ CEGCO-Secretary of BoD
1999-2001	: Manager of Administrative & Personnel Dept./ CEGCO-Secretary of BoD
1994-1999	: Management Section Head, HTPS / CEGCO
1987-1994	: Administrative Supervisor, HTPS / CEGCO
1979-1987	: Petromin Refinery, Riyadh/ K.S.A
1974-1978	: Jordan Petroleum Refinery Co./ Jordan

Mrs.Zakieh Abed Al Ghani Suliman Jardaneh

Present Post : Executive Manager /Finance & Accounting / CEGCO

Assignment Date : 1983

Date of Birth : 7/11/1962

Qualifications :
Bachelor's Degree in Accounting & Economics, Jordan University, 1983.

Work Experience:

2007- until now	: Executive Manager/Finance, CEGCO
1999- 2006	: Finance Manager, CEGCO
1997-1998	: Section Head /Systems Development, NEPCO.
1983-1996	: Accountant, Jordan Electricity Authority

Eng. Maher Moh'd Ateyah Tubaishat

Present Post : Executive Manager /Assets Management

Assignment Date : 23/8/1992

Date of Birth : 12/12/1967

Qualifications:
B.sc. Mechanical Engineering specialty in Thermal Power And Machines Jordan University of Science & Technology – Irbid - Jordan

Work Experience:

1/12/2010- until 26/1/2012	Executive Manager /Operation & Maintenance
Jun 2009- 30-11-2010	Executive Manager /Asset management Division/ CEGCO
May 2007-May 2009	Business Development Manager CEGCO
May 2005-May 2007	Head of Mechanical Engineering Department CEGCO
Oct 2003-Apr. 2005	Deputy project Manager /CEGCO
Jun 2002-Sep. 2003	Design Reviewer and major suppliers Qualification Audit / Rehab Combined Cycle Project /CEGCO
May 2001-May 2002	Project Engineer & Chief Mechanical Engineer ATPS Boilers Gas Conversion Project / CEGCO
Jan 2001-Apr. 2001	Mechanical Engineer Rehab GTG No.13 extension Project /CEGCO
1995 - 1999	Different Posts at NEPCO
1992 - 1995	Jordan Electricity Authority (JEA)
1991-1992	Mechanical Engineer/ Petrol Engines Supervision / Jordan Armed Forces

Eng. Ali Hussein Ibrahim AL_Rawashdeh

Present Post : Executive Manager /Operation & Maintenance

Assignment Date : 4/2/1996

Date of Birth : 18/2/1971

Qualifications:
Bachelor Degree/ Mechanical Engineering

Work Experience:

20/8/2009- Until 26/1/2012	:	Executive Manager/ Engineering Services
2/9/2008-19/8/2009	:	Director of the Mechanical Engineering Dept./ Development & Projects Division
31/5/2006-1/9/2008	:	Mechanical Engineering Section Head / Development & Projects Division
20/8/2002-30/5/2006	:	Senior Engineer /Mechanical Engineering Dept./ Projects Division
1/1/2000-19/8/2002	:	Maintenance – Mechanical Engineer/ ATPS
4/2/1996-1/1/2000	:	Supervisor Engineer/ ATPS project phase 2
2/5/1995-3/2/1996	:	Maintenance Engineer /the Arab Company for Paper Industries
1/3/1994-30/4/1995	:	Sales Engineer/ Jarash Electro Chemical Coating Co.

Eng. Adnan Mohamad Abed Al Rahman Al-Dhoun

Present Post: Executive Manager /Supply Chain Management

Assignment Date: 20/10/1985

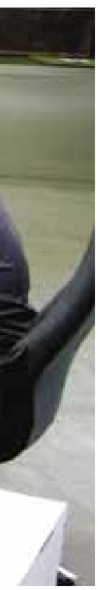
Date of Birth: 24/06/1957

Qualifications:

- Bachelor Degree/Electrical Engineering-University of Kosovo-Yugoslavia 1985.

Work Experience:

1/12/2010- Until 26/1/2012	• Executive Manager/ Business Support/ CEGCO
24/9/2009-30/11/2010	• Deputy Executive Manager/ Production/ CEGCO
25/10/2003-23/9/2009	• Directorate Head/ ATPS CEGCO
1/9/2003-24/10/2003	• Secretary of Tendering Committees Manager/ CEGCO
31/12/1999-30/8/2003	• Electrical Engineering/ Section Head - CEGCO
22/2/1999-30/12/1999	• Electrical Engineering Section Head – Acting - Projects/ CEGCO
21/2/1995-21/12/1999	• Assistant–Project Manager ATPS Project-Stage II/NEPCO
12/4/1993-20/2/1995	• Electrical Engineer- with the consultant group- ATPS project/ JEA
21/3/1988-11/4/1993	• Electrical Engineer- Electrical Dept. - Projects – JEA
15/11/1986-20/3/1988	• Electrical Engineer with Consultant – ATPS project stage II - JEA
20/10/1985-16/11/1986	• Trainee Engineer with the Chais.T.Main consultant Group – ATPS project – JEA.



Mr.Ismail Ahmad Ismail Qannis

Present Post : Accounting Manager.

Assignment Date : 13/12/1979

Date of Birth : 14/9/1958

Qualifications:

- Bachelor's Degree in Accounting, Alexandria University, Egypt, May 1985
- Certified Accountant, Member of the Arab Institute for Certified Accountants, 1996.

Work Experience:

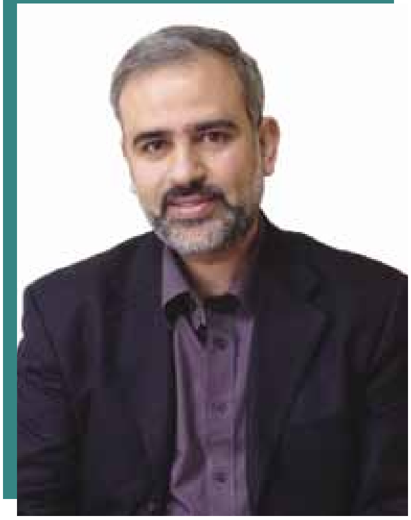
1/9/2008 - Until now	: Accounting Manager.
1/7/2007- 1/9/2008	: Finance Manager/CEGCO
1999- 28/2/2007	: Accounting Dept. Section Head/CEGCO
1979-1998	: Accountant /NEPCO

Mr.Ibrahim Mahmoud Mousa Naser

Present Post: Finance Manager - Designate

Date of birth: 5/6/1975

Date of employment: 14/9/1998



Qualifications

- Accounting Bachelor - University Of Jordan 1997
- JCPA - Jordanian Certified Public Accountant 2007

Experiences

- Accountant in the private sector 26/4/1997 - 13/9/1998
- Accountant in CEGCO (NEPCO) 14/9/1998 - 31/12/2004
- Management Reporting Section Head (Internal review previously) 1/1/2005 - 31/12/2012

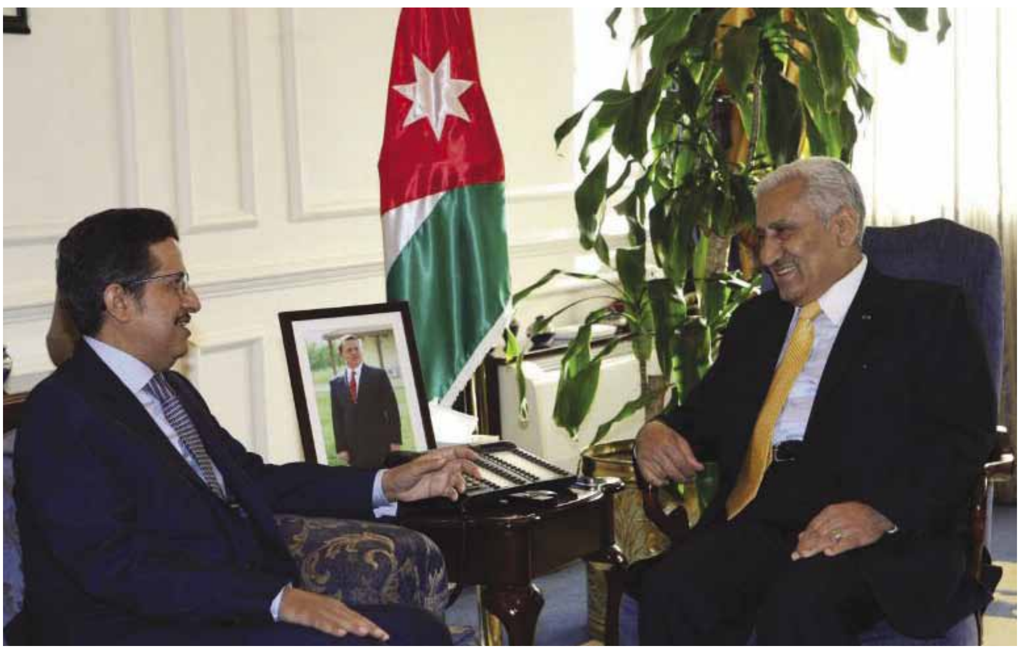
4. Table of Shareholders whom Shares Exceed 5%

SHARE HOLDERS OWNED > 5%				
2013				
		Shares	%	Nationality
1	Enara Energy Investment Co.	15,250,000	50,83%	Jordanian
2	The Government of Jordan	12,000,000	40%	Jordanian
3	Social Security Corporation	2,700,000	9%	Jordanian
SHARE HOLDERS OWNED > 5%				
2012				
		Shares	%	Nationality
1	Enara Energy Investment Co.	15,300,000	51%	Jordanian
2	The Government of Jordan	12,000,000	40%	Jordanian
3	Social Security Corporation	2,700,000	9%	Jordanian

5. The Competitive Position for the Company within the Electricity Sector.

The total maximum load has reached (2995) MW for year 2013, compared to (2790) MW for year 2012, which mean a growth rate of (7.35 %), where the maximum load for the interconnected electrical system has reached (2975) MW for year 2013 compared to (2770) MW for year 2012, which mean a growth rate of (7.4%), in addition to the production of electric power in the kingdom which has reached (17287) GWh in 2013 , compared to (16595) GWh in 2012, a growth rate of (4.17%), the company contributed through its capacity of (1687) MW which represents (45.1%) of the total electrical system capacity with a production of (7380.9) GWh , a percentage of (42.7%) of the total generated electric power in the kingdom for year 2013, where The other companies and industrial institutions contributed to a percentage of (57.3%).

The company sale of electric power has reached (6945.2) GWh in year 2013, compared to (7334) GWh in year 2012.



6. Degree of dependence on specific suppliers or main clients locally and externally

Major Suppliers

Major suppliers	Dealing Ratio from Total Procurements
Jordan Petroleum Refinery (JPRC)	99.2%
National Petroleum Company	0.8%

Major Clients

Major client	Dealing Ratio from Total Sales or company Returns
National Electric Power CO.	100%

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

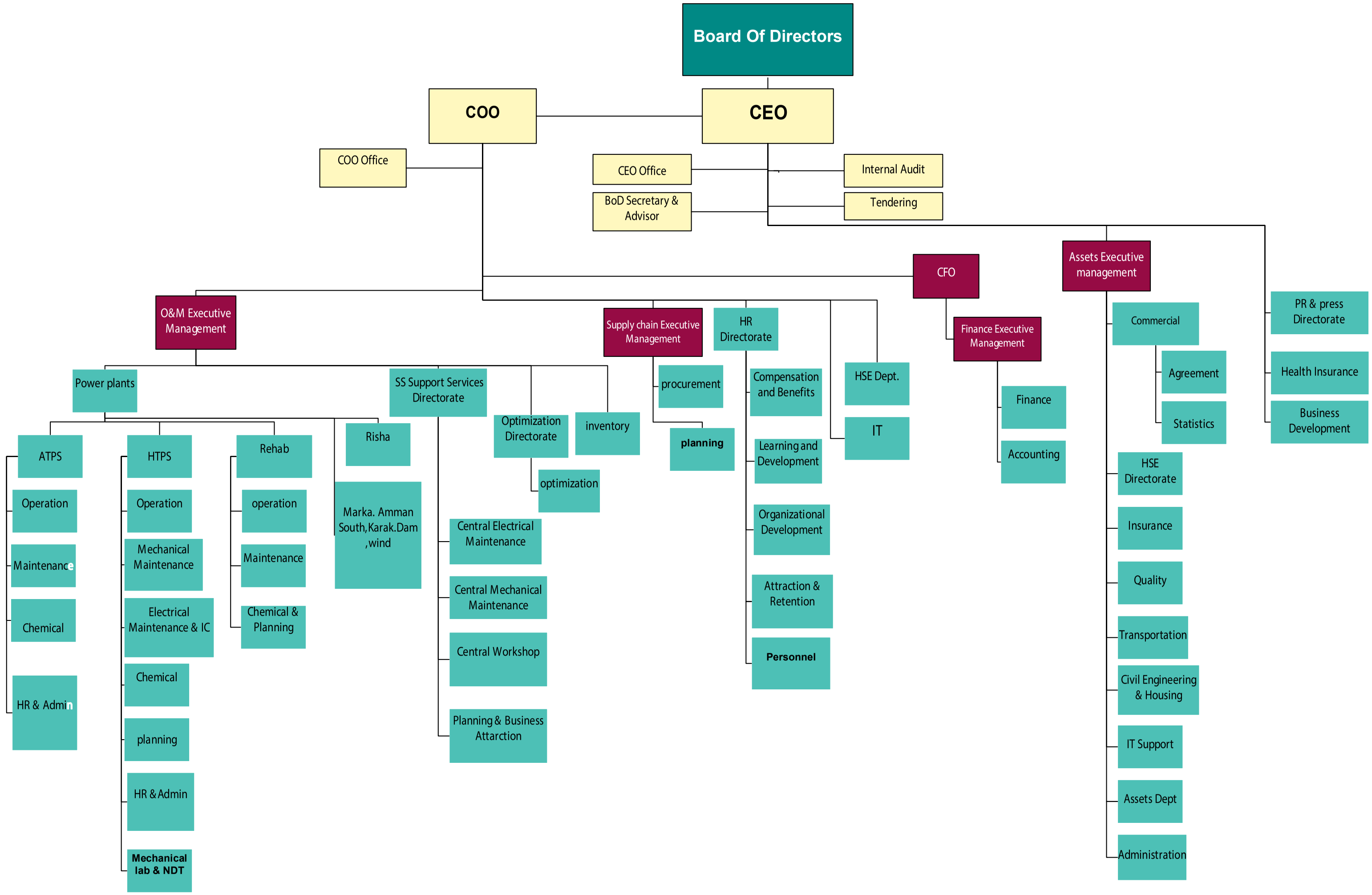
The company and its products don't possess any governmental protection or privileges by virtue of the laws and regulations in force, however, We would like to point out that the government of the Hashemite Kingdom of Jordan has guaranteed the National Electric Power Co. in all the energy purchase agreements 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 Company continuously carries out and develops the Quality System depending on standards of the certificate ISO 9001/2008 granted to the Company, through the periodical internal and external audit on a semi-annual basis, administrative reviews, and following-up development and improvement opportunities.
- The Company continuously develops and improves the technical systems and exchange experiences of the certified technical auditors through the periodical internal technical audit on a semi-annual basis on all locations of the Company which positively upgrades availability, readiness, and protection of the generating units.
- Upon decision of the Board of Directors, a coding system has been implemented for assets of the main offices and this will cover all locations of the Company.
- Participation in studying and awarding tender of the Integrated Management System's project (ISO 1400, ISO 9001, (IMS: OHSAS 18001).

9. A.Organization Structure



9. B. The number and Categories of staff of the company and their qualifications

The following table indicates the distribution of employees in accordance with the executive departments, job category and percentages as at 31/12/2013

Educational Degree	Employee number	percentage %
High school	241	23.29
Less than high school	187	18.1
Bachelor	178	17.2
Intermediate Diploma	415	40.1
Post graduate Diploma	1	0.1
Phd	1	0.1
Master	11	1.06
Applied Engineering	1	0.1
Total	1035	100

Employees destruction (locations):

	Site	No. of Employees
Head Offices	Amman Khalda	2
Aqaba Thermal Power Station	Aqaba	38
Hussein Thermal Power Station	Zarqa	279
Marka Power Station	Marka	335
Rehab Power Station	Mafrak	7
Amman South	Mukablain	155
Risha Power Station	Ruwaished	163
Karak Power Station	Karak	8
Power Stations (Hofa, Ibrahimieh)	Irbid	35
King Talal Dam	Jarash	13
Total		1035

9. C- Rehabilitation & Training Program for the Staff

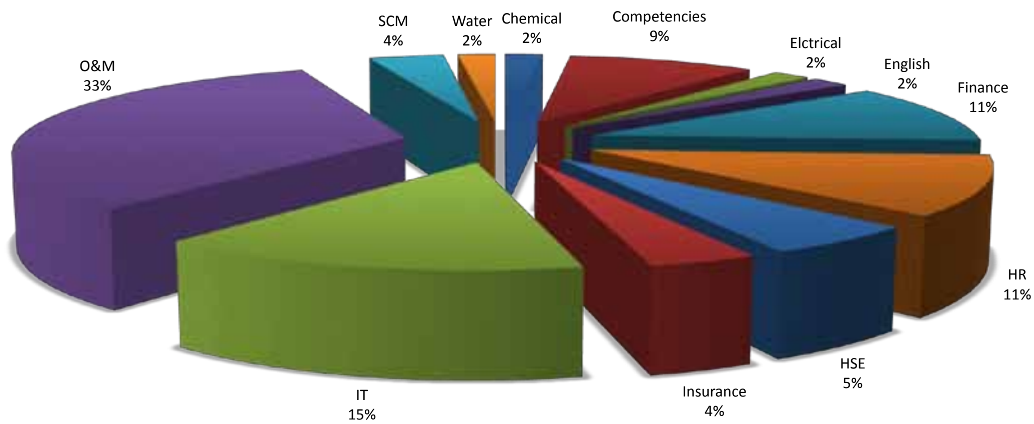
- Courses:

In 2013, The Management of the Company paid a great attention to develop its staff and reinforce their technical and behavioral qualifications and skills. This emanates from the deep-rooted belief of Management of the Company in importance of its human resources in the production process and the need to invest such staff through the purposeful training programs that contribute to development of production and raise the financial gains of the Company.

Based on this fact, the Management has been keen to spread gains of the training on a broader segment of the staff, where the number of employees who joined the training courses in 2013 about (1008) employees with a participation rate of (97.3%) of the company's staff. Also, the total amount spent on the training programs was (206775) J.D. The training hours for this year were (41916) distributed to the training programs according to their sources (internal and external training) and they covered different areas of the technical and behavioral skills for all functional segments (engineering, technical, financial, informational, administrative, etc.)

Training Distribution							
Location	Total Employees No	No of Employees Engaged to Training	Participation Percentage	Total Training Hours (Hr)	Location Training Hours Percentage	Training Fees	Location Training Fees Percentage
ATPS	335	323	96.40%	14708	35.10%	57470	27.79%
HTPS	279	277	99.20%	9814	23.49%	55710	26.94%
REHAB	163	162	99.40%	6467	15.42%	25116	12.15%
RISHA	38	36	94.70%	1325	3.17%	6320	3.06%
MARKA	65	64	98.50%	2367	5.67%	9352	4.52%
HQ	155	146	94.10%	7235	17.26%	52808	25.54%
Total	1035	1008	97.30%	41916		206775	

Training Areas for 2013



9. C. 1. Training Courses

No	Course title	Number of attendees	Kind of Training	Hours
1	Advanced Excel	2	18	IT
2	Analytical Thinking Problem Solving & Decision Making	390	14	Competencies
3	Apollo Root Cause Analysis (ARCA)	26	20	O&M
4	Chemical Preservation for HRSG›s	8	8	O&M
5	CHRM PORTAL (Internal Training)	10	2	HR
6	Corporate Forecasting, Budgeting & Cost Control	19	14	Finance
7	DCS Control Systems (ovation)- Control	5	30	O&M
8	DCS Control systems (ovation)- Operation	31	30	O&M
9	English Courses - different levels- Phase # 1	510	32	English
10	Ethics & Professionalism	70	25	Competencies
11	FLUKE T0 25 THERMAL IMAGE CAMERA	3	8	O&M
12	Forklift training and certification	69	10	HSE
13	HSE General Awareness	90	20	HSE
14	IFRS «International Financial Reports Standards »	19	25	Finance
15	ITIL Intermediate Level	3	200	IT
16	Legal Aspects in Labor Low	15	16	HR
17	letter of Credit	7	20	Finance
18	MCITP	5	168	IT
19	Measurement and Calibration in Chemical	6	4	O&M
20	NDT - LEVEL III	4	60	O&M
21	Occupational Safety and Safety Awareness & HSE	6	2	HSE
22	Performance Management	1	14	HR
23	Security Awareness Session (Internal Training)	132	2	HR
24	Share Point	2	80	IT
25	Steam turbine -+ elect generator MOH maintenance	21	168	O&M
26	Supply Chain Management	2	24	SCM
27	Team Building & Behavioral Skills	331	12	Competencies
28	Time & Stress Management	172	24	Competencies
29	Water Treatment Plants (Ion Exchangers Regeneration)	9	12	O&M
30	Advanced excel (Internal Training)	25	15	IT
31	KPI data entry (Internal Training)	12	25	IT
32	Material handling and safety in chemical laboratories	5	2	O&M
33	Stage I Generator slip ring replacement	10	1.5	O&M

9. C. 2. Conferences, Seminars, and Workshops

CEGCO nominated and dispatch a number of employees from various sites to attend seminars and conferences Locally and abroad:

No	Course title	Number of attendees	Kind of training	Hours
1	Energy consuming &saving in the Arab world	6	O&M	12
2	Fifth Economic Conference	3	Finance	10
3	Fourth International Conference for Renewable Energy and Energy Efficiency " THE GCREEEDER 2013"	1	O&M	24
4	Insurance and reinsurance	1	Insurance	18
5	Jordanian European Conference and Exhibition : rationalization of energy consumption	2	O&M	12
6	Risk Management	1	Insurance	25
7	The Eighth International Conference on Electrical Electronic Engineering	2	O&M	24
8	The second conference for transportation & trading	3	SCM	20
9	Emerson›s Industry-Shaping Series Event	5	O&M	6
10	Fluk Seminar «predictive Maintenance »	4	O&M	8
11	Technical Semniar	2	O&M	4
12	ACWA Finance group-IFRS training work-shop	2	Finance	10
13	Consultative workshop about "Red Sea - Dead Sea Water Transmission Project "	1	Water	8
14	Document Management System (DMS)	2	IT	6
15	IFRS Updates Workshop	2	Finance	8
16	Workshop : Renewable Energy :Sustainable & Promising Future	3	O&M	6
17	Workshop :Ad-tech Juniper event (Juniper : Secure & simple)	2	IT	8

10. Risks Faced by the Company

In 2013, the Company faced the following incidents:

Steam Turbine Unit No. 4/ Hussein Thermal Power Station
The unit continued to be out of service due to incidental malfunction in the electric generator of the unit and there was an short circuit in the end windings where necessary maintenance was carried out and the unit returned to service on 21.04.2013.

- **Gas Turbine Unit No. 12 / Rehab Power Station:**
  The unit got out of service on 23.04.2013 due to an incidental malfunction in the generator of the unit, necessary maintenance was carried out and the unit returned to service on 18.08.2013.

- **Gas Turbine Unit No. 1 / Risha Power Station:**
  The unit got out of service on 04.11.2013 due to malfunction in the main transformer of the unit, the unit is still out of service and maintenance works and repairs are being carried out currently.

11. Achievements of the Company in 2013

11.1 Electricity in 2013

Staff of the Company implemented periodical and emergency maintenance programs on the units through its own technical staff. The following maintenance works were carried out:

- Major Inspection for the steam unit in Rehab Station.
- Combustion Inspection for Gas Turbine Unit No. 13 in Rehab Station.
- Combustion Inspection for Gas Turbine Unit No. 2 in Risha Station
- Combustion Inspection for Gas Turbine Unit No. 5 in Risha Station
- Combustion Inspection for Gas Turbine Unit No. 3 in Risha Station
- Combustion Inspection for Gas Turbine Unit No. 9 in Amman South Station
- Yearly Maintenance for Steam Units No. 2, 3 & 5 in Aqaba Thermal Power Station .
- Major Overhaul for Steam Unit No. 4 in Aqaba Thermal Power Station .
- Yearly Maintenance for Steam Unit No. 5 in Hussein Thermal Power Station.
- Major Overhaul for Steam Unit No. 7 in Hussein Thermal Power Station.
- Replacement of High Voltage Bushings of the main transformer of the Steam Unit No. 4 in Aqaba Thermal Station with new ones resistant to fire and very fast transients as per the advisory specifications.
- Replacement of the control system of the Steam Unit No. 2 in Aqaba Thermal Station with a sophisticated system.

11.2 Use of Available Sources of Energy to Generate Electricity.

In 2013, 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 kept using the natural gas available in Risha Field under control of the National Petroleum Company to generate electricity from the gas turbines in capacity of (135,3) MW. In this year, it produced, using the natural gas, (363,9) GWh, where contribution of Risha Generating Station was (4, 92%) of total production of the Company's stations in 2013 compared to (5,58%) in 2012.

Wind Energy

The Company kept using the wind energy to produce the electric energy from Houfa and Ibrahimiah Power Plants where the amount of sold electric power was (2, 52) GWh, which contributed to reduction of production cost of the electric energy in the Company's stations in amount of (326,515) JD.

Technical Service and Manufacture of Spare Parts:

The Company pays a great attention to the main workshops in the company that offer outstanding efforts thorough the experiences and capabilities in manufacturing and repairing spare parts to different generating units for accidental and normal cases. This reduces the costs and times of suspensions and maintains availability and readiness of generating units. The most important achievements of workshops are as follows:

- Provision of technical support through the field participation of the technical teams in general maintenance works in all locations of the company as well as manufacture and repair many spare parts required.
- Manufacture of three heat exchangers for the fifth unit of Risha Station which were the first of their kind in terms of greatness of size. Other heat exchangers were manufactured for Amman South Station in a smaller size.
- Manufacture of water, oil, and air coolers in different shapes and sizes for the generating units.
- Manufacture of combustion champers for boilers of Aqaba Thermal Station which contributed to reduction of costs and maintaining availability of the generating units.
- Manufacture and repair of different kinds and sizes of bearings and axes of the generating units.
- Manufacture of different kinds of axes, gears, and couplings in different sizes and shapes for the generating units.
- Repair and manufacture of different spare parts to the water pumps of boilers, valves, air compressors, and nozzles and geas boxes for steam and gas generating units.
- Provision of technical services to other electricity generating companies in Jordan.

Biogas

Jordan Biogas Company (equally owned by the Central Electricity Generating Company and the Greater Amman Municipality) has continued implementation of its plans and programs of 2013 that aimed to achieve the highest levels of production services of the electric energy and environmental services through extracting the greater possible quantity of the gas resulting from processing of the organic wastes. The company could extract (5548947) cubic meters of Methane in 2013 which contributed to reduction of its emission. The total hours of operation of operating units in the company were (7407) working hours. The amount of energy generated in 2013 was (6098) MW/H. Also, the company could, through the Clean Development Mechanism Project, get rid of (100) thousand ton of CO2 in the first phase that lasted from 09/12/2009 to 31/12/2012, and (115) thousand ton in the second phase to be lasted from 01.01.2013 to 31.12.2017 to benefit from revenues of these carbon emissions under Convention On Climate Change.

11.3 General Safety

Since the Central Electricity Generating Company have always sought to reach to the best standards and practices in domain of Occupational Health, Safety, and Environment Management (HSE) and in line with its policy in this area, it has achieved the following:

1. A clear reduction in the Work injuries and lost days arising from such injuries. Lost Time Injury Frequency Rate LTIFR in the company has declined from 3(LTI/ 100 employees) in 2012 to ,78 (LTI/100 employees). And Lost Time Injury Severity rate LTISR has declined from 59 (day/100 employees) in 2012 to 12 (day/100 employees).

2. More than fifteen HSE work procedures have been prepared and carried out as to occupational safety & health and environment:

- HSE Induction
- Safety of Forklift
- Personal Protective Equipment
- Work permit and isolation of hazardous sources of energy.
- Work in high places.
- Hot work permit (cutting, welding, grinding, etc).
- Safety in electrical works.
- Compressed gas cylinders.
- Control of movement of vehicles.
- Handling of medical waste.
- Safety of Scaffolds.
- Work in Confined Space .
- Safety in driving of forklift.

3. Training and certification course for drivers of the forklifts has been held in all stations of the company, where 86 forklift-drivers have been provided with the information necessary to drive these vehicles safely to maintain safety of individuals and properties in the workplace. Those drivers have undergone theoretical and practical exams. The participants have been delivered a certificate and a license card for the forklift for those who passed both theoretical and practical exams.

4. General awareness traveling Courses on safety, health and environment has been held in all locations of the Company in participation of about a hundred employees. The most important subjects covered in that course were:

- Policy of Central Electricity Generating Company on occupational health & safety.
- Policy of Central Electricity Generating Company on the environment.
- Performance indicators related to health, safety, and environment in the company for 2013 and how to be measured.
- Identification of hazards in workplace
- Measurement of level of risk and evaluation of risks in the workplace.
- Means of prevention and reduction of risk in the workplace.

5. Participation of HSE department the first workshop organized by ACWA Power Co. in Oman in April 2013, where several subjects on (HSE) were discussed, annual reports and achievements were presented, and the matters to be focused on in the next phase were agreed upon. A site tour was made in Oman Barkah Station to get to know the applicable (HSE) system, to benefit from experiences of this Station, and acquire the Field audit skills through monitoring, discussing, analyzing the notes taken during the filed trip.

6. Carrying out an external (HSE) audit twice a year through experts of ACWA Power Co. in Aqaba, Rehab, and Hussein Stations for the purpose of reviewing what have been achieved of the Action Plan developed in early 2013 to rectify the notes contained in the comprehensive audit carried out by ACWA Power Co. in all locations in late 2012.

7. In order to reinforce (HSE) system, a tender for provisions of advisory services has been prepared and awarded to develop and implement the Integrated Management System for quality, safety and environment in the Company and obtain the International Standard Certification ISO 9001, OHSAS 18001, 14001. A detailed plan has been developed to carry out the project. It is expected to complete this project at the end of September 2014 by developing and implementing the system and obtaining certificates from certification body.

8. The Company hosted the 2nd (HSE) workshop which was organized mutually by ACWA Power Co. This workshop was held in Aqaba Thermal Station in 17-19 November. Representatives from all electricity generating stations owned by ACWA Power Co., based in the Gulf Region especially in Saudi Arabia, participated in this workshop, as well as HSE Staff in Central Electricity Generating Company, heads of departments, directors of stations, and representatives from maintenance and operation departments in the Company. The workshop included various training activities on (HSE) subjects in addition to site tour in Aqaba Thermal Station, entertaining trips, and a closing session in which achievements and challenges were discussed and the objectives to be achieved in the next phase were developed.

9. Development of a clear system for conducting and documenting the site tours and inspection made by supervisors of (HSE) in different locations of the Company including the use of special forms in this regard to cover tours and inspection, in addition to documentation of the results and use of tables and charts to show all statistical information related to findings such as number and classification of notes and achievement level for each department to close and correct such observations .

11.4 Consultations, Agreements, and External Services

The Company has continued to provide consultations and technical services to internal and external bodies:

- Providing electrical testing services for the electric transformers for MATELECS.A.L-IDECO Company.
- Providing oil testing services for the transformers for Multi Electromechanical Co. in Shaidiah location.
- Providing services of analyzing of oils for local companies in labs of the company.

11.5 Significant Statistics

Item	2012	2013	Growth rate (%)
Available capacity (MW)	1687	1687	0.00
Generated energy (GWh)	7789.1	7380.9	-5.24
Steam units	5255.7	5321.2	1.25
Combined cycle	1940.7	1532.2	-21.0
Gas turbines	543.9	482.3	-11.3
Hydro	45.1	41.2	-8.72
Wind	2.27	2.56	12.6
Diesel engines	1.42	1.48	4.24
Internal consumed energy (GWh)	479.8	460.5	-4.01
Internal consumed energy (%)	6.16	6.24	1.30
Sold energy to NEPCO (GWh)	7339.5	6945.2	-5.37
Heavy fuel oil consumption (1000 ton)	1314	1331	1.31
Diesel oil consumption (1000 cubic meter)	467.3	382.8	-18.1
Natural gas consumption / Risha gas (million cubic meter)	163.6	151.0	-7.73
Natural gas consumption / Egypt gas (Billion BTU)	648.4	311	-52.1
Overall efficiency (generated) (%) *	35.47	34.67	-2.26
Overall efficiency (exported) (%) *	33.29	32.50	-2.37
Availability factor (%)	93.52	90.26	-3.49
Forced outage factor (%)	3.64	6.32	73.9
Planned outage factor (%)	2.85	3.42	20.2
Employees	1059	1035	- 2.27

* Based on low heat value of heavy fuel oil and diesel oil.

Performance Indicators

Table (1)

Technical Indicators	2009	2010	2011	2012	2013	Growth rate (%)
A. Performance Indicators						
Overall efficiency (generated) (%) (*)	35.38	36.41	35.71	35.47	34.67	-2.26
Overall efficiency (exported) (%) (*)	33.39	34.27	33.59	33.29	32.50	-2.37
Availability of generating units (%)	88.45	95.69	93.97	93.52	90.26	-3.49
Percentage of internal consumed energy (%)	5.63	5.88	5.96	6.16	6.24	1.30
B. Financial Indicators						
Average heavy fuel oil price (JD/ton)	272.8	363.1	482.5	500.2	478.5	-4.35
Average diesel oil price (JD/cubic meter)	366.8	456.7	504.2	550.3	653.5	18.74
Average natural gas price / Risha (fils/cubic meter)	50	50	50	50	50	0.00
C. Manpower Indicators						
Annual productivity (GWh/employee)	5.23	7.01	7.51	7.36	7.13	-3.04
Installed capacity (MW/employee)	1.12	1.56	1.57	1.59	1.63	2.32

(*) 2009-2010 based on low heat value of heavy fuel oil and diesel oil

Fig (1)

CEGCO's Power Stations Performance Indicators

Table (2)
Availabilty Factor (%)

Power Station	2009	2010	2011	2012	2013
Aqaba Thermal	91.98	96.72	90.83	95.00	92.17
Hussein Thermal	98.07	98.23	95.09	87.32	88.87
Rehab	72.59	89.62	94.92	92.98	82.26
Risha	89.51	96.84	98.72	97.67	95.19
Marka	99.84	99.18	98.71	97.43	99.82
Amman South	71.35	98.62	96.71	99.27	98.09
Karak	99.71	99.76	99.32	100.00	99.99
Total	**88.45**	**95.69**	**93.97**	**93.52**	**90.26**

Fig (2)

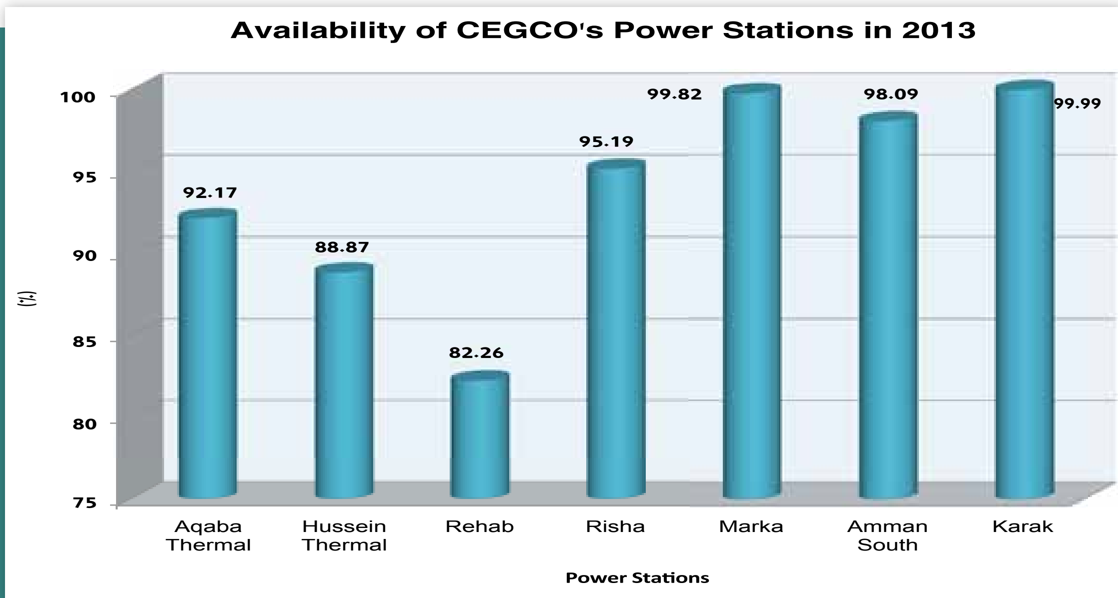


Table (3)

Forced Outage Factor (%)

Power Station	2009	2010	2011	2012	2013
Aqaba Thermal	0.77	2.43	4.74	1.36	2.38
Hussein Thermal	0.86	1.50	2.56	9.60	9.01
Rehab	21.43	6.26	2.34	4.91	14.47
Risha	8.47	1.05	1.08	0.33	3.97
Marka	0.16	0.12	0.13	0.31	0.18
Amman South	23.44	0.79	0.50	0.28	1.43
Karak	0.29	0.24	0.00	0.00	0.01
Total	**6.86**	**2.77**	**3.02**	**3.64**	**6.32**

Table (4)

Planned Outage Factor (%)

Power Station	2009	2010	2011	2012	2013
Aqaba Thermal	7.24	0.85	4.43	3.63	5.44
Hussein Thermal	1.07	0.27	2.35	3.08	2.12
Rehab	5.98	4.12	2.74	2.11	3.27
Risha	2.02	2.10	0.20	2.00	0.83
Marka	0.00	0.71	1.16	2.26	0.00
Amman South	5.21	0.60	2.79	0.45	0.48
Karak	0.00	0.00	0.67	0.00	0.00
Total	**4.69**	**1.54**	**3.01**	**2.85**	**3.42**

Power Station Efficiency

Table (5)

Efficiency (Generated) for Power Plants (%)

Power Station	2009	2010	2011	2012	2013
Aqaba Thermal	36.16	38.60	37.57	37.61	36.86
Hussein Thermal	28.69	28.41	29.07	28.39	27.98
Rehab	39.79	40.26	41.23	41.50	40.45
Risha	29.47	26.53	25.99	25.39	24.32
Marka	21.82	22.02	20.46	20.56	19.50
Amman South	27.63	27.64	25.76	25.25	24.22
Karak	22.91	23.06	22.30	20.94	20.28
Remote Villages	33.34	30.88	27.49	25.08	28.42
Total	**35.38**	**36.41**	**35.71**	**35.47**	**34.67**

Table (6)

Efficiency (Sent Out) for Power Plants (%)

Power Station	2009	2010	2011	2012	2013
Aqaba Thermal	33.46	35.40	34.56	34.45	33.88
Hussein Thermal	26.25	25.91	26.78	26.10	25.79
Rehab	39.17	39.55	40.48	40.77	39.78
Risha	29.34	26.39	25.85	25.24	24.14
Marka	21.18	21.69	19.88	19.89	18.04
Amman South	26.80	27.20	25.18	24.83	23.60
Karak	21.86	22.48	21.63	20.04	19.24
Remote Villages	31.18	32.99	25.81	23.44	26.56
Total	**33.39**	**34.27**	**33.59**	**33.29**	**32.50**

(*) 2009- 2010 based on low heat value of heavy fuel oil and diesel oil

Power Station Heat Rate

Table (7)

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

Power Station	2009	2010	2011	2012	2013
Aqaba Thermal	9953	9324	9583	9571	9768
Hussein Thermal	12547	12668	12383	12682	12866
Rehab	9047	8941	8731	8674	8900
Risha	12212	13569	13853	14178	14801
Marka	16495	16348	17592	17435	18465
Amman South	13028	13024	13975	14258	14865
Karak	15712	15606	16146	17194	17751
Remote Villages	10797	10911	13096	14356	12665
Total	**10172**	**9884**	**10080**	**10149**	**10384**

Table (8)

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

Power Station	2009	2010	2011	2012	2013
Aqaba Thermal	10757	10168	10417	10449	10625
Hussein Thermal	13711	13889	13441	13790	13961
Rehab	9189	9101	8893	8830	9051
Risha	12267	13639	13927	14264	14910
Marka	16997	16593	18106	18103	19955
Amman South	13429	13232	14295	14501	15252
Karak	16463	16012	16646	17967	18709
Remote Villages	11545	11655	13950	15360	13552
Total	**10779**	**10502**	**10719**	**10816**	**11076**

(*) 2009- 2010 based on low heat value of heavy fuel oil and diesel oil

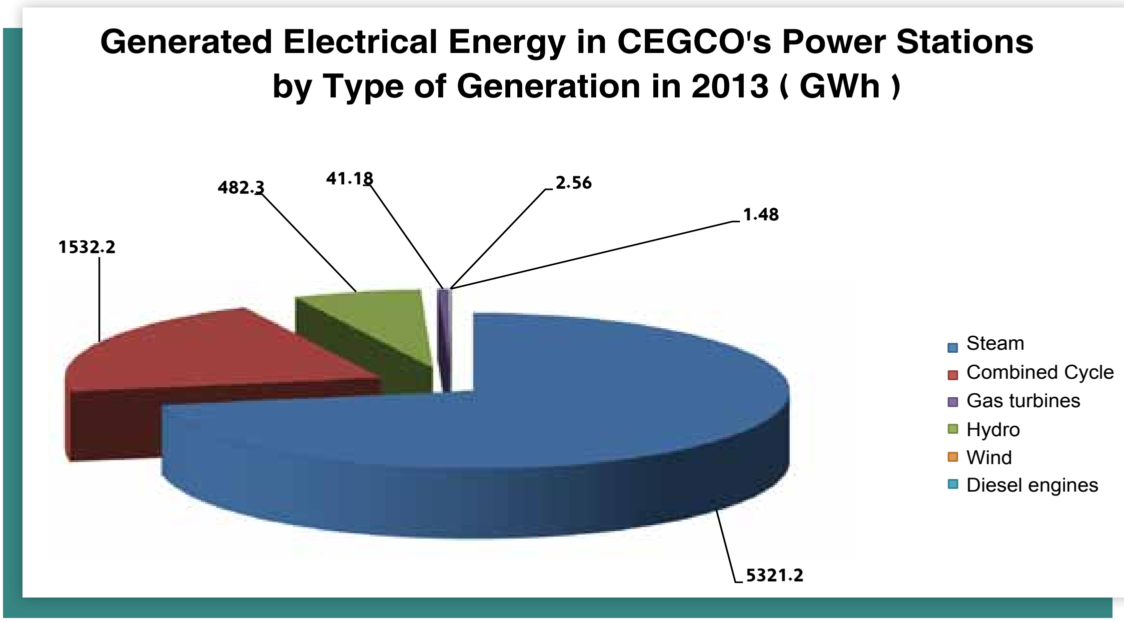
Generated Electrical Energy

Table (9)

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

Power Station	2009	2010	2011	2012	2013	Growth rate (%)
Aqaba Thermal	4680.6	4090.6	4303.9	4013.2	4081.3	1.70
Hussein Thermal	789.6	781.8	1212.2	1287.6	1281.1	-0.50
Rehab	1921.6	2197.8	2013.6	1994.4	1620.0	-18.8
Risha	578.2	504.7	476.71	434.44	363.85	-16.2
Marka	15.2	29.4	9.85	10.05	3.95	-60.7
Amman South	16.7	41.6	28.1	42.7	24.6	-42.3
Karak	3.23	5.60	2.71	2.98	2.11	-29.2
Ibrahimiah	0.60	0.63	0.48	0.89	0.55	-37.9
Hofa	2.16	2.00	1.87	1.38	2.01	45.1
Remote Villages	0.95	1.12	1.31	1.42	1.48	4.41
Total	**8008.9**	**7655.2**	**8050.7**	**7789.1**	**7380.9**	
Growth Rate (%)	10.16	-4.42	5.17	-3.25	-5.24	

Fig (3)

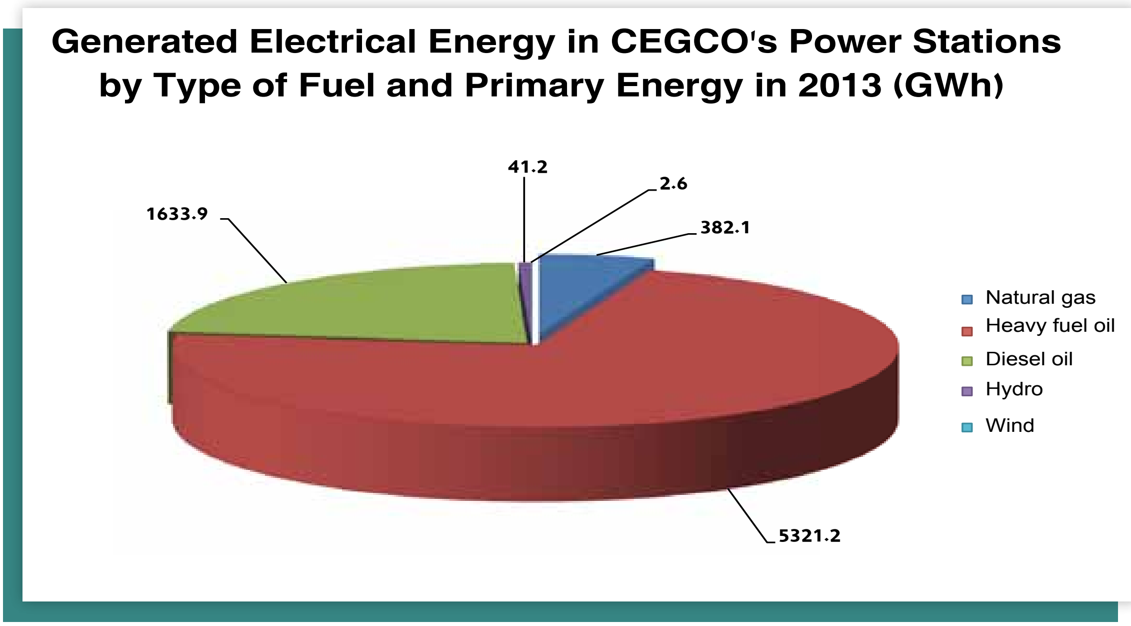


Sold Electrical Energy

Table (10)
Sold Electrical Energy from CEGCO's Power Stations (GWh)

Power Station	2009	2010	2011	2012	2013	Growth rate (%)
Aqaba Thermal	4344.8	3757.9	3961.5	3673.5	3750.9	-7.27
Hussein Thermal	739.9	735.5	1147.1	1217.3	1207.6	6.11
Rehab	1893.4	2160.3	1975.6	1960.5	1592.4	-0.76
Risha	574.6	501.6	472.3	429.7	359.9	-9.01
Marka	14.70	29.03	9.7	9.95	3.9	2.06
Amman South	16.2	41.3	27.9	41.9	24.5	50.1
Karak	3.15	5.55	2.76	3.04	2.16	10.1
Ibrahimiah	0.58	0.60	0.46	0.50	0.53	8.53
Hofa	2.14	2.00	1.85	1.74	1.99	-6.13
Remote Villages	0.89	1.05	1.23	1.32	1.38	7.74
Total	**7590.4**	**7234.8**	**7600.5**	**7339.5**	**6945.2**	
Growth Rate (%)	-9.14	-4.68	5.05	-3.43	-5.37	

Fig (4)



Internal Electrical Energy Consumption

Table (11)

CEGCO's Power Stations Internal Consumption (MWh)

Power Station	2009	2010	2011	2012	2013
Aqaba Thermal	349953	339172	344395	337212	329322
Hussein Thermal	67021	68674	95442	103472	100507
Rehab	29725	38459	36595	35154	26911
Risha	2599	2622	2537	2640	2664
Marka	448	433	280	371	295
Amman South	498	655	628	713	625
Karak	147	142	81	128	108
Ibrahimiah	15.0	13.0	80.1	6.6	5.8
Hofa	11.8	10.0	8.4	9.8	9.3
Remote Villages	61.7	71.5	10.1	92.6	97.0
Central Aqaba	114	90.1	8.44	-	-
Total	**450594**	**450342**	**480064**	**479798**	**460544**

Table (12)

CEGCO's Power Stations Internal Consumption (%)

Power Station	2009	2010	2011	2012	2013
Aqaba Thermal	7.48	8.29	8.00	8.40	8.07
Hussein Thermal	8.49	8.78	7.87	8.04	7.85
Rehab	1.55	1.75	1.82	1.76	1.66
Risha	0.45	0.52	0.53	0.61	0.73
Marka	2.95	1.48	3.84	3.69	7.46
Amman South	2.99	1.57	2.23	1.67	2.54
Karak	4.56	1.40	2.99	4.30	5.12
Ibrahimiah	2.52	2.05	1.75	1.29	1.06
Hofa	0.55	0.50	0.53	0.56	0.46
Remote Villages	6.48	6.38	6.12	6.54	6.54
Total	**5.63**	**5.88**	**5.96**	**6.16**	**6.24**

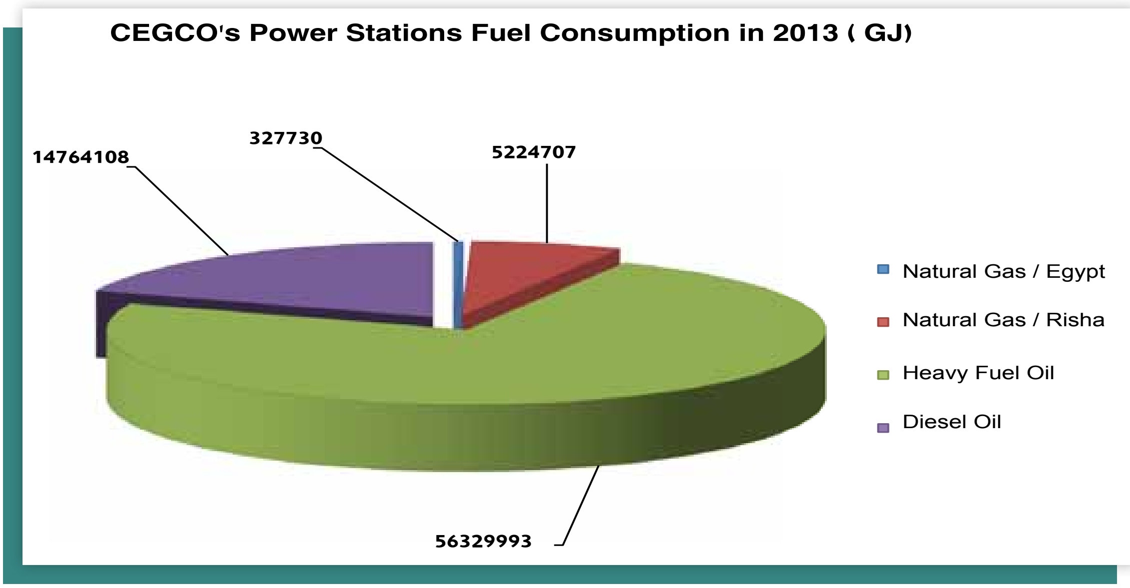
Fuel Consumption

Table (13)

CEGCO's Power Plants C.onsumption of Fuel

Power Plant	Fuel Type	Unit	2009	2010	2011	2012	2013
ATPS	Egyption Gas	Billion BTU	43244	13952	821	0	0
	HFO	Ton	24861	594147	960744	921781	941276
	DO	Cubic meter	14	32	609	312	458
HTPS	HFO	Ton	245444	243455	367244	392079	389782
	DO	Cubic meter	712	1307	20	16	0
Rehab	Egyption Gas	Billion BTU	16480	17858	4209	648	311
	DO	Cubic meter	5166	23403	341115	431914	365326
Risha	Risha Gas	(1000) Cubic meter	221010	184621	181258	163640	150997
	DO	Cubic meter	20	12766	8359	12856	4159
Marka	DO	Cubic meter	7035	13366	4576	4554	1885
Amman South	DO	Cubic meter	6072	15095	10363	15794	9482
Karak	DO	Cubic meter	1423	2435	1192	1330	968
Remot	DO	Cubic meter	287	340	446	529	484
Total	**Egyption Gas**	**Billion BTU**	**59724**	**31810**	**5029**	**648**	**311**
	Risha Gas	**(1000) Cubic meter**	**221010**	**184621**	**181258**	**163640**	**150997**
	HFO	**Ton**	**270305**	**837602**	**1327988**	**1313860**	**1331058**
	DO	**Cubic meter**	**20729**	**68744**	**366680**	**467305**	**382761**

Fig (5)



Installed Capacity of Operating Power Stations in Electrical System

Table (14)

Installed Capacity of CEGCO's Power Stations in 2013 (MW)

Power Station	steam	steam Combined cycle	Natural Gas	Diesel Oil	Hydro	Wind	Total
Aqaba Thermal	5 x 130	-	-	-	6	-	**656**
Hussein Thermal	3 x 33	-	-	-	-	-	**363**
Rehab	4 x 66	-	-	-	-	-	
Risha	-	-	2 x 30	-	-	-	**60**
Marka	-	1 x 97	2 x 100	-	-	-	**297**
Amman South	-	-	5 x 30	-	-	-	**150**
Karak	-	-	-	4 x 20	-	-	**80**
Ibrahimiah	-	-	-	2 x 30	-	-	**60**
Hofa	-	-	-	1 x 20	-		**20**
Remote Villages	-	-	-	-	-	4 x 0.08	**0.32**
Central Aqaba	-	-	-	-	-	5 x 0.225	**1.125**
Total	**1013**	**97**	**410**	**160**	**6**	**1.4**	**1687**

Loads of Electrical System

Table (15)

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

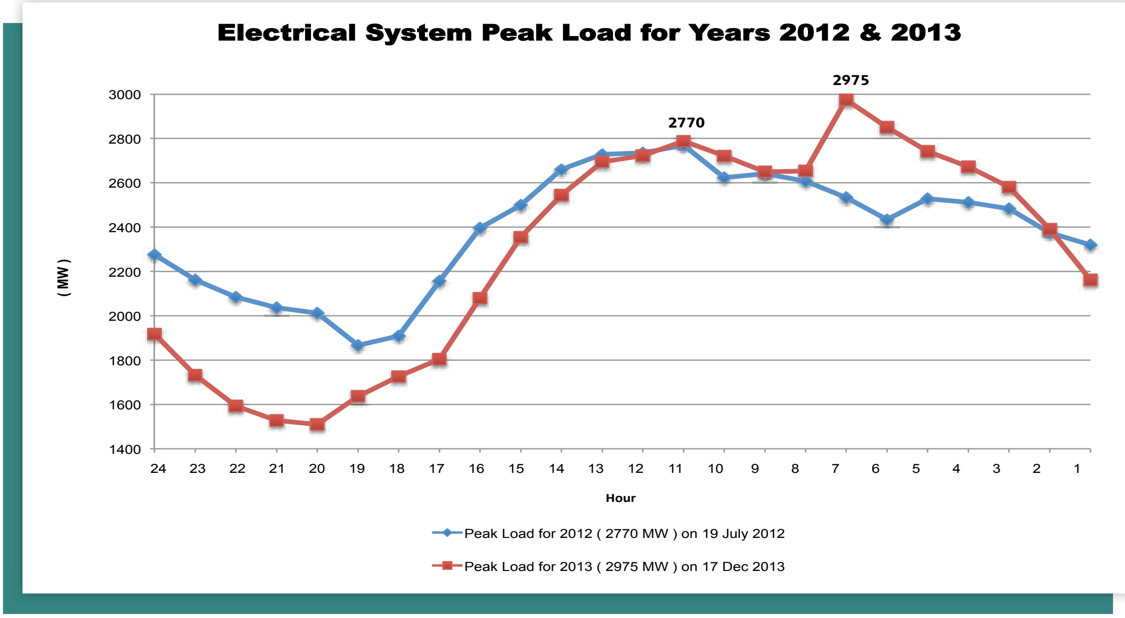
Source	2009	2010	2011	2012	2013
1.CEGCO	**1706**	**1706**	**1687**	**1687**	**1687**
Steam	1013	1013	1013	1013	1013
Combined cycle	297	297	297	297	297
Gas turbines / Natural gas	210	210	210	210	210
Gas turbines / Diesel oil	179	179	160	160	160
Hydro	6	6	6	6	6
Wind	1.4	1.4	1.4	1.4	1.4
2.Other Organizations	**920**	**1432**	**1693**	**1710**	**2051**
SEPGCO	500	743	885	920	1050
King Talal Dam	6	6	6	6	6
Jordan Bio Gas Company	3.5	4	4	4	4
AES	380	380	380	380	432
Al Qatraneh	-	254	373	395	420
Others	30	45	45	5	139
Total	**2626**	**3138**	**3380**	**3397**	**3738**

Table (16)

Electrical System Peak Load Develepment (MW)

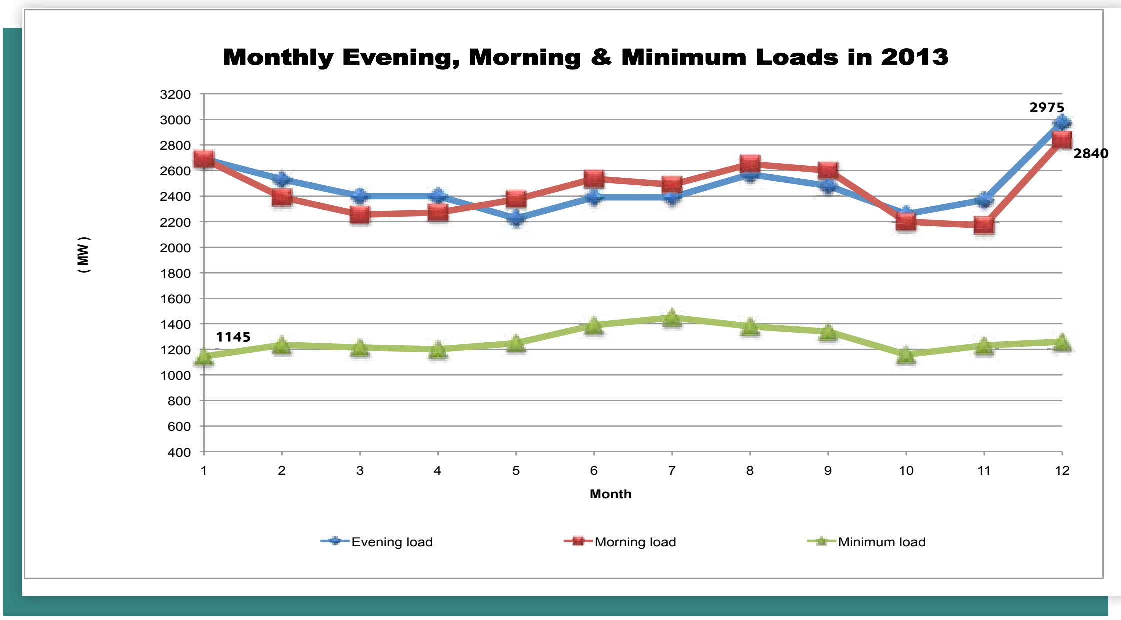
Source	2009	2010	2011	2012	2013
Total Electrical System	2300	2650	2660	2770	2975
Load Growth Rate (%)	3.14	15.2	0.38	4.14	7.40
CEGCO	1439	1512	1324	1172	1477
CEGCO share of Loads (%)	62.6	57.1	49.8	42.3	49.6

Fig (6)



Electrical System Peak Load for Years 2012 & 2013
3000
2800
2600
2400
2200
2000
1800
1600
1400
(MW)
2975
2770
24 23 22 21 20 19 18 17 16 15 14 13 12 11 10 9 8 7 6 5 4 3 2 1
Hour
Peak Load for 2012 (2770 MW) on 19 July 2012
Peak Load for 2013 (2975 MW) on 17 Dec 2013

Fig (7)



Monthly Evening, Morning & Minimum Loads in 2013
3200
3000
2800
2600
2400
2200
2000
1800
1600
1400
1200
1000
800
600
400
(MW)
2975
2840
1145
1 2 3 4 5 6 7 8 9 10 11 12
Month
Evening load
Morning load
Minimum load

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

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

	2013	2012	2011	2010	2009
PROFIT (LOSS)- after tax	24,757,124	21,303,787	8,056,433	4,926,151	8,442,032
DIVIDENDS	20,865,832	9,102,909	4,187,211	9,782,555	-
DIVIDENDS FROM VOLUNTARY RESERVE	8,634,168	14,897,091	19,812,789	12,011,441	-
DIVIDENDS FROM SPECIAL RESERVE	-	-	-	-	30,000,000
SHARE HOLDERS EQUITY (NET)	115,404,167	121,040,370	124,807,100	139,152,488	156,020,333
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	2013	2012
OPERATION PROFIT (LOSS) RATIO (Without fuel)	33.13%	26.77%
NET PROFIT (LOSS) BEFORE INTEREST , FOREIGN EXCHANGE & TAX (Without fuel)	31.24%	28.67%
NET PROFIT (LOSS) BEFORE TAX (Without fuel)	31.56%	27.94%
NET PROFIT (LOSS) AFTER TAX (Without fuel)	27.65%	24.93%
RETURN ON ASSETS RATIO	4.30%	2.99%

LIQUIDITY INDICATORS	2013	2012
CURRENT RATIO (TIME)	0.95	0.96
LIQUIDITY RATIO (TIME)	0.87	0.89
WORK CAPITAL (1000 JD)	(15042)	(14411)

ASSETS UTILITY INDICATORS	2013	2012
ACCOUNTS RECEIVABLE TURNOVER (TIME)	3.23	2.43
NUMBER OF DAYS OF RECEIVABLES	113	150

CAPITAL STRUCTURE INDICATORS	2013	2012
DEBTS / TOTAL ASSETS RATIO	77.96%	80.74%
DEBTS / EQUITY RATIO	353.73%	419.26%

15. Future developments and future plans of the company

Central Electricity Generating Company works on future projects in order to increase the generating power of its stations according to projects offered for this sake.

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/or due to him

Auditing for the year 2013	
Auditing Office : Ernst & Young	
Auditing charges	23,200
Tax consultations charges	29,000
Total	52,200 JD

17. A. Numbers Of Shares Owned by Board Of Directors

	Position	Nationality	Share No.	Share No.
			2013	2012
Enara Energy Investment		Jordanian	15,250,000	15,300,000
H.E. Mr. Mohammed Abunayyan	Chairman	Saudi	———	———
H.E. Mr. Joseph Francis Gomez	Vice- Chairman	Singaporean	———	———
H.E. Mr.Thomas Leroy Langford	Member	American	———	———
H.E. Mr. Rajit Nanda	Member (till 17/3/2013)	Indian	———	———
Enara (2) Energy Investment		Jordanian	50,000	———
H.E. Mr. Rajit Nanda	Member (from 17/3/2013)	Indian	———	———
The Government Of Jordan		Jordanian	12,000,000	12,000,000
H.E. Mrs. Dina Al-Dabbas	Member	Jordanian	———	———
H.E. Eng. Mahmoud Omer Al -Ees	Member	Jordanian	———	———
Social Security Corporation		Jordanian	2,700,000	2,700,000
H.E. Mr. Zaydoun Abu Hassan	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

	Position	Transportation	Remunerations	TOTAL
Enara Energy Investment				
H.E. Mr. Mohammed Abunayyan	Chairman	6,000	5,000	11,000
H.E. Mr.Joseph Francis Gomez	Vice- Chairman	6,000	5,000	11,000
H.E. Mr.Thomas Leroy Langford	Member	6,000	5,000	11,000
H.E.Mr Zainal Abidin Bin Abd Jalil	Member (till 30/4/2012)	-	1,667	1,667
H.E. Mr. Rajit Nanda	Member (from30/4/2012 -till 17/3/2013)	1,250	3,333	4,583
Enara(2) Energy Investment				
H.E. Mr. Rajit Nanda	Member (from17/3/2013)	4,750	-	4,750
The Government of Jordan				
* H.E. Mrs.Dina Al-Dabbas	Member	6,000	5,000	11,000
* H.E. Eng.Malek Al-Kabariti	Member(till 16/9/2012)	-	3,333	3,333
* H.E. Eng. Mahmoud Al- Ees.	Member (from 4/10/2012)	6,000	833	6,833
Social Security Corporation				
** H.E. Mr. Osama Al-Haj Yahia	Member (from 16/1/2012-till 31/7/2012)	-	3,334	3,334
** H.E.Mr Mohammad Adeinat	Member (from 1/8/2012- till 30/10/2012)	-	833	833
** H.E.Mr. Zaydoun Abu Hassan	Member (from 17/3/2013)	6,000	-	6,000
Total		42,000	33,333	75,333

* The remuneration that belong to H.E.Mrs.Dina Al-Dabbas &H.E.Eng.Malek Al-Kabariti & H.E. Mr. Mahmoud Al- Ees who represent the Government Of Jordan transfered to Ministry of Finance /Governmental Contribution Department.

** The total benefits that belong to H.E. Mr. Osama Al-Haj Yahia &H.E. Mohammad Adeinat & H.E.Mr. Zaydoun Abu Hassan transfered to Social Security Corporation-Investment fund of Social Security .

18. B Benefits and remunerations received by the executive management

	POSITION	Total Salaries	Remunera-tions	Traveling	Other Benefits	TOTAL
Mr. Omar Ahmad AL Daour	Chief Executive Officer(From 1-2-2013)	92,263	-	4,725	-	96,988
Mr.Abdel Fattah Al Nsour	Chief Executive Officer(Till 31-1-2013)	54,675	-	2,450	124,659	181,784
Mr Joseph Francis Gomez	Chief Operating Officer (COO)	196,812	37,488	2,800	-	237,100
Mr. Sanjiv Iyer	Chief Financial Officer (CFO)	161,028	30,672	8,050	-	199,750
Mr.Sami Y.Abzakh	Consultant & Secretary BOD	33,045	5,881	-	-	38,926
Mrs.Zakieh Abed-Elghani Jardaneh	Executive Manager / Finance &Accounting	34,290	6,575	1,800	-	42,665
Mr. Ismail Ahmed Qannis	Accounting Manager	23,085	1,849	-	-	24,934
Mr. Maher Mohammad Tubaishat	Executive Manager /Asset Management	33,810	8,042	3,232	-	45,084
Mrs.Basem Al Talalloh	HR Executive Manager (From 21 -7-2013)	18,112	-	-	-	18,112
Mrs. Dima Battikhi	Senior Manager Human Resource(till 12-6-2013)	17,021	6,090	450	-	23,561
Mr Ali Hussein Al Rawashdeh	Executive Manager / Operation and Maintenance	29,382	6,620	-	-	36,002
Mr Adnan Mohammad Dhoun	Executive Manager Supply Chain Management	32,842	3,134	-	-	35,976
Mr. Ibrahim Naser	Finance Manager - Designate	15,616	2,942	950	-	19,508
Total		741,981	109,293	24,457	124,659	1,000,390

Other benefits is end of service 118,238 and vacations 6,421

19. Grants and Donations Paid by the Company in 2013

Description	Amount
Mutah Univeristy	300
Shulah Sports Club	5,000
New Rehab Municipality	15,000
Jordan Engineers Association	300
The Hashemite University	300
Al Hashimiah New Municipality	200
Al Hashimiah Municipality	10,000
National Society for Blood Donation	500
Naeem Al Sheikh's Family	50
Tkiyet Um Ali	5,250
Jordanian Women's Development Association of the Deaf	200
Tibneh Charity	200
Jordan Start Charity for the Deaf	200
Al Rahmah Association for People with Disabilities	200
Club hope for the Deaf	200
Green Crescent Society	200
Northern Badia Charity for For diabetic and hypertensive patients	200
Jordan Solidarity Association for the Deaf	200
National Charity for Custody of Juveniles and Orphans	200
National Association for People with Special Needs	200
Jordan Charity for Family Promotion	200
Al Hanouneh Charity	200
Jordanian Club for the Deaf	200
Jordanian Blind Charity	200
Al Khalidiah Committee for Zakat and Handouts	200
Charity of Training and Rehabilitating the Girls with Disabilities	200
Wadi Al-Dlil Association for Social Development	200
Kufranjah Charity	200
Protection of Quran Association/ Siraj Quranic Center	200
I am A Human Association for The Disabled Rights	200
Ahl Al-Azm Association for People with Special Needs	200
Islamic Charity Center- Al Nour Orphans Centre	200
Islamic Charity Center-Gaza Camp Center	200
Jordanian Association for Widows and Orphans- Mafraq Governorate	200
Protection of Quran Association- Hibras Quranic Center	200
Protection of Quran Association- Mafraq	200
Protection of Quran Association- Quranic Children Club	200
Protection of Quran Association/ Tabrak Quranic Center	200

Jordanian Environment Protection Association	200
Shulah Club for the Blind	200
Charity of the Deaf and Dumb	200
Akhyar Charity	200
Charity of Orthodox Caliphs	200
Nusabia Union for Orphans	200
Aishah Association for Care of Orphans	200
Prince Talal Housing Social Development Association	200
Ashab Al-Yameen Charity for Orphans	200
Al Takatuf Charity for the Deaf and Orphans	200
Halimeh Sadiah Charity for Orphans	200
Shuaa' Center for the Disabled Rehabilitation	200
Relief Jordan	200
Prince Ali bin Al Hussein Club for the Deaf	200
Rafid Charity	200
Saild Husban Women Charity	200
Islamic Charity of Bani Hasan	200
Jurf Al Darawish Women Association	200
National Association for Political Development	200
Salt Sport, Cultural, Social Club	200
Rawafid Cultural Forum	200
Quran Protection Association- Sumaiah Khatib Quranic Center	200
Um Sleih Charity	200
Quran Protection Association- Ikhlas Quranic Center	200
Al Fadin Charity	1,000
Charity and Favor Ambassadors Society	200
Bidayah for Media Consultation and Communications Co.	3,669
University of Jordan	500
Jordan Environment Society	500
Jordanian Hashemite Fund for Human Development	500
Jordan River Foundation / my school Initiative	7,525
The Blind Chairty-Aqaba	1,000
Al Hashimiah Club	1,000
Sheikh Nouh Society	1,000
Ismalic charity Center/ Mafraq	200
Prince Ali bin Al Hussein Club for the Deaf/Zarka	200
Alia' Al Tal Mosque Committee- Irbid	1,000
Suhat School	111
Total	65,705

20. 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- Contribution of the Company to the protection of environment

The Central Electricity Generating Company has been always keen to cooperate with the governmental authorities responsible for the environment of Jordan in order to develop the practical solutions to achieve safe and acceptable environmental situation in all locations of the Company and some achievements are listed below:

- Cooperation with Ministry of Environment and the United Nations in the National Project for Management of PCB's Compounds, where the company has listed all electric transformers in all locations and formed a task-force trained and prepared by Ministry of Environment and the United Nations. All electric transformers have been tested in laboratories approved by Ministry of Environment inside and outside the Kingdom and, accordingly, the transformers proven to have PCB's components have been determined where they will be removed under supervision of Ministry of Environment and the United Nations after being packed and transported outside the Kingdom.

- A committee from Departments of Environment, Safety, and Quality has been formed to prepare and award tender of provision the advisory services required to develop and implement the Integrated Management System for quality, safety and environment in the Company and obtain the International Standard Certification ISO 9001, OHSAS 18001, 14001. The Committee has studied the offers and provided recommendation for award. A detailed plan has been developed to implement the project and assign certain responsibilities to a team from the company to ensure success of this project. The company which obtained the tender has started working on this project and it is expected to complete it at the end of September 2014 by developing and implementing the system and obtaining the certificates from certification body.

21. B- Contribution of the company to the local community

The company believes in the importance and the necessity of integration and communication with the local community. For this purpose, the company has allocated amount of its budget to be annually disbursed in this domain. This participation appears in supporting the following bodies:

- Providing the material and in kind support to the Jordanian associations, institutions and municipalities.
- Providing annual support to those associations concerned with the environment.
- Arranging field visits for students of Jordan universities to the operating stations of the company.
- Conducting blood donation campaigns through the Department of Public Relations and Media in collaboration with the National Blood Bank for the purpose of assisting the company's staff in emergencies.
- Providing support to the Children's Village (SOS) in Aqaba City.
- Providing support to the Jordanian charities that are concerned with childhood, needy families, and people with the special needs.
- Providing support to the local institutions who are concerned with improvement of the educational environment.
- Providing support to the municipalities in which electricity generating stations are located such Al Hashimiah Municipality and Rehab Municipality.
- Providing support to the scientific research and scientific conferences held by the Jordanian universities and vocational unions.
- Holding a free medical day in the new region of Rehab.
- Providing support to the national and cultural festivals and the sports clubs.
- Back to school campaign/ distribute school bags to students in Al Hashimiah , and Rehab.

The Central Electricity Generating Company considers the social responsibility is one of its top priorities to be an example to be followed by the other companies. Accordingly, the empowerment of the community is considered a significant value that the company is proud of. The company tries to support the community in a manner that develops the beneficiaries and let them acquire the necessary experiences which help them to find job opportunities and change course of their lives through:

- Training university students:

For the purpose of connecting the theoretical side with the practical side, perfecting skills, and reinforcing practical capabilities of the students, the Company offers a number of training opportunities to the university and college students (Diploma and Bachelor) from different majors for the purposes of graduation in its locations throughout the Kingdom. 88 students from different universities and colleges of the Kingdom were trained for the purposes of graduation and as support by the company to the local community.


شركة توليد الكهرباء المركزية م.ع
Central Electricity Generating Co
(CEGCO)

Central Electricity Generating Company

Financial Statements

31 December 2013

Independent Auditors' Report To The Shareholders Of Central Electricity Generating Company (Cegco) Public Shareholding Company

Report on Financial Statements

We have audited the accompanying financial statements of Central Electricity Generating Company ('the Company'), which comprise the statement of financial position as at 31 December 2013 and the statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and explanatory information.

Board of Director's Responsibility for the Financial Statements

Board of Director's is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as Board of Director's determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2013 and its financial performance and its cash flows for the year ended 31 December 2013 in accordance with International Financial Reporting Standards.

Report on Legal and Regulation Requirements

The Company maintains proper books of accounts and the accompanying financial statements and financial information in the Board of Director's report are in agreement therewith.

Amman – Jordan

24 March 2014

ERNST & YOUNG

Ernst & Young

Statement of financial position At 31 December 2013

	Notes	2013	2012
Assets		JD	JD
Non-Current Assets			
Property, plant and equipment	3	201,703,164	225,417,980
Projects in progress		56,310	12,221
Employees' housing fund loan	4	312,432	312,432
Investment in an associate	5	568,468	418,257
Deferred tax assets	6	3,246,149	6,356,455
Strategic fuel inventories	7	17,034,231	15,482,513
		222,920,754	247,999,858
Current Assets			
Inventories	8	27,328,291	28,537,582
Other current assets	9	5,260,599	5,019,008
Accounts receivable	10	267,540,028	346,935,271
Cash and bank balances	27	568,680	18,062
		300,697,598	380,509,923
Total Assets		523,618,352	628,509,781
Equity and Liabilities			
Equity	11		
Paid in capital		30,000,000	30,000,000
Statutory reserve		7,500,000	7,500,000
Voluntary reserve		54,672,932	63,307,100
Cash flow hedges	17	(1,492,493)	(632,562)
Retained earnings		24,723,728	20,865,832
Total Equity		115,404,167	121,040,370
Liabilities			
Non-Current Liabilities			
Long-term loans	12	77,818,239	102,955,117
End-of-service indemnity provision	13	6,826,887	6,390,947
Decommissioning provision	14	1,796,000	2,018,000
Derivative financial liability	17	6,033,961	1,184,428
		92,475,087	112,548,492
Current Liabilities			
Current portion of long-term loans	12	14,767,721	31,705,162
Other current liabilities	15	5,895,475	6,511,170
Accounts payable	16	244,806,017	324,057,919
Derivative financial liability	17	2,065,664	1,189,997
Due to banks	18	48,204,221	31,456,671
		315,739,098	394,920,919
Total Liabilities		408,214,185	507,469,411
Total Equity and Liabilities		523,618,352	628,509,781

The attached notes from 1 to 33 form part of these Financial Statements

Statement of Income For The Year Ended 31 December 2013

	Notes	2013	2012
		JD	JD
Power generation revenues	19	992,521,159	1,012,054,766
Stations operating costs	20	(912,394,856)	(935,612,445)
Depreciation of property, plant and equipment	3	(24,109,607)	(24,739,087)
Administrative expenses	21	(13,340,019)	(13,618,561)
Maintenance costs	22	(10,319,411)	(11,888,171)
Depreciation of non-moving inventories		(1,819,542)	(2,551,908)
End-of-service indemnity provision	13	(869,758)	(773,099)
Total operating costs		(962,853,193)	(989,183,271)
Operating profit		29,667,966	22,871,495
Foreign currency exchange gain	25	7,351,830	6,902,126
Share of profit of an associate	5	150,211	39,184
(Provision for) excess in doubtful debts	10	(4,855,873)	430,542
Board of directors remuneration		(35,000)	(33,333)
Other revenues, net	23	3,048,299	1,186,209
Finance costs		(7,066,842)	(7,520,368)
Profit before income tax		28,260,591	23,875,855
Income tax	6	(3,503,467)	(2,572,068)
Profit for the year		24,757,124	21,303,787
Basic and diluted earning per share	24	JD 0.825	JD 0.710

The attached notes from 1 to 33 form part of these Financial Statements

Statement of comprehensive Income For The Year Ended 31 December 2013

	Notes	2013	2012
		JD	JD
Profit for the year		24,757,124	21,303,787
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Loss on cash flow hedge	17	(859,931)	(632,562)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(859,931)	(632,562)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Actuarial loss – end-of-service indemnity	13	(34,310)	(489,503)
Tax on actuarial loss	6	914	51,548
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		(33,396)	(437,955)
Other comprehensive income for the year, net of tax		(893,327)	(1,070,517)
Total comprehensive income for the year, net of tax		23,863,797	20,233,270

The attached notes from 1 to 33 form part of these Financial Statements

Statement Of Changes In Equity For The Year Ended 31 December 2013

	Paid in capital	Statutory reserve	Voluntary reserve	Cash flow hedges	Retained earnings	Total
	JD	JD	JD	JD	JD	JD
Balance at 1 January 2013	30,000,000	7,500,000	63,307,100	(632,562)	20,865,832	121,040,370
Dividends (Note 11)	-	-	(8,634,168)	-	(20,865,832)	(29,500,000)
Profit for the year	-	-	-	-	24,757,124	24,757,124
Other comprehensive income for the year	-	-	-	(859,931)	(33,396)	(893,327)
Total comprehensive income for the year	-	-	-	(859,931)	24,723,728	23,863,797
Balance at 31 December 2013	30,000,000	7,500,000	54,672,932	(1,492,493)	24,723,728	115,404,167
Balance at 1 January 2012	30,000,000	7,500,000	78,204,191	-	9,102,909	124,807,100
Dividends	-	-	(14,897,091)	-	(9,102,909)	(24,000,000)
Profit for the year	-	-	-	-	21,303,787	21,303,787
Other comprehensive income for the year	-	-	-	(632,562)	(437,955)	(1,070,517)
Total comprehensive income for the year	-	-	-	(632,562)	20,865,832	20,233,270
Balance at 31 December 2012	30,000,000	7,500,000	63,307,100	(632,562)	20,865,832	121,040,370

The attached notes from 1 to 33 form part of these Financial Statements

Statement of Cash Flows For The Year Ended 31 December 2013

	Notes	2013	2012
		JD	JD
Operating Activities			
Profit before income tax		28,260,591	23,875,855
Adjustments for:			
Depreciation of property, plant and equipment	3	24,109,607	24,739,087
Depreciation of non-moving inventories		1,819,542	2,551,908
End-of-service indemnity provision	13	869,758	773,099
Employees vacations provision	15	93,335	84,402
Gain on disposal of property, plant and equipment		(369,899)	(133,842)
Provision (excess in) for doubtful debts	10	4,855,873	(430,542)
Board of directors remuneration		35,000	33,333
Gain from foreign currency exchange	25	(7,351,830)	(6,902,126)
Share of gain of an associate		(150,211)	(39,184)
Finance costs		7,066,842	7,520,368
Working capital changes:			
Accounts receivable		74,539,370	140,839,911
Other current assets		(241,591)	(41,272)
Inventories		(2,161,969)	(1,178,076)
Accounts payable		(79,251,902)	(131,251,229)
Other current liabilities		(701,595)	1,077,596
Employees vacations provision Paid	15	(31,192)	(15,227)
Employees incentives provision Paid		(1,139,594)	-
Board of directors remuneration paid		(33,333)	(35,000)
Employees legal cases provision paid	15	(230)	(4,722)
End-of-service indemnity provision Paid	13	(468,128)	(224,858)
Income tax paid	15	(372,182)	(409,857)
Net cash from operating activities		50,779,452	60,829,624
Investing Activities			
Additions to property, plant and equipment, and projects under progress		(1,053,935)	(257,372)
Proceeds from sale of property, plant and equipment		661,954	233,239
Net cash used in investing activities		(391,981)	(24,133)
Financing Activities			
Payments of loans		(34,152,605)	(28,087,860)
Proceeds from loans		4,300,000	6,500,000
Dividends paid	11	(29,500,000)	(24,000,000)
Interest paid		(7,239,407)	(7,583,230)
Net cash used in financing activities		(66,592,012)	(53,171,090)
Net (decrease) increase in cash and cash equivalents		(16,204,541)	7,634,401
Effect of exchange rate changes on cash and cash equivalents		7,609	3,355
Cash and cash equivalents at 1 January		(31,438,609)	(39,076,365)
Cash and cash equivalents At 31 December	27	(47,635,541)	(31,438,609)

The attached notes from 1 to 33 form part of these Financial Statements

Notes To The Financial Statements At 31 December 2013

(1) General

- Central Electricity Generating Company (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 only activity that 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 Investment (PSCA). Another 9% of the Government's shares was sold to the Social Security Corporation. In connection with the sale, CEGCO has signed new power purchase agreements with National Electric Power Company (NEPCO).

The financial statements were authorized for issue by the Company's Board of Directors in their meeting held on 24 March 2014 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.
- The financial statements are presented in Jordanian Dinars.

(2-2) Changes In Accounting Policy And Disclosures

The accounting policies used in the preparation of the financial statements are consistent with those of the previous financial year except for the adoption of the following amended International Financial Reporting Standards effective as of 1 January 2013:

IFRS 10 Consolidated Financial Statements

This standard was implemented effective 1 January 2013. IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. It also addresses the issues raised in SIC-12 Consolidation - Special Purpose Entities. The implementation of this standard has no effect on the Company's financial position nor the Company's performance.

IFRS 11 Joint Arrangements

This standard was implemented effective 1 January 2013. IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities — Non-monetary Contributions by Ventures. The implementation of this standard has no effect on the Company's financial position nor the Company's performance.

IFRS 12 Disclosure of Interests in Other Entities

This standard was implemented effective 1 January 2013. IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also added. The implementation of this standard has no effect on the Company's financial position nor the Company's performance.

IFRS 13 Fair Value Measurement

This standard was implemented effective 1 January 2013. IFRS 13 provides guidance on how to measure fair value when preparing the financial statements as it aims to establish a single source of guidance for fair value measurements. The implementation of this standard has no effect on the Company's financial position nor the Company's performance.

IAS 1 Presentation of Items of Other Comprehensive Income – Amendments to IAS 1

The amendments to IAS 1 change the grouping of items presented in other comprehensive income (OCI). Items that could be reclassified (or 'recycled') to profit or loss at a future point in time (for example, net gain on hedge of net investment, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) would be presented separately from items that will never be reclassified (for example, actuarial gains and losses on defined benefit plans and revaluation of land and buildings). The amendment affects presentation only and has no impact on the Company's financial position or performance.

IAS 19 Employee Benefits (Revised)

The IASB has issued numerous amendments to IAS 19. These range from fundamental changes such as removing the corridor mechanism and the concept of expected returns on plan assets to simple clarifications and re-wording. The amendment was implemented starting 1 January 2013 with no effect on the Company's financial position or performance.

IFRS 7 Disclosures — Offsetting Financial Assets and Financial Liabilities — Amendments to IFRS 7

These amendments require an entity to disclose information about rights to set-off and related arrangements (e.g., collateral agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32 Financial Instruments: Presentation.

The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are set off in accordance with IAS 32. The amendment was implemented effective 1 January 2013 with no effect on the Company's financial position or performance.

(2-3)Significant Accounting Polices

Use of estimates

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.

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 - 7
Steam generating units	3 - 11
Gas generating units	4 - 20
Wind generating units	2
Computers	10 - 20
Vehicles	20
Equipment	7 - 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 income.

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 income.

The unwinding of the discount is included within the statement of income as a finance charge.

Investment in associates

The Company's investment in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Company has significant influence and which is neither a subsidiary nor a joint venture. Under the equity method, the investment in the associate is carried in the statement of financial position at cost plus post acquisition changes in the Company's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is not amortized. The statement of income reflects the share of the results of operations of the associate. Where there has been a change recognized directly in the equity of the associate, the Company recognizes its share of any changes and discloses this, when applicable, in the statement of changes in equity. Profits and losses resulting from transactions between the Company and the associate are eliminated to the extent of the interest in the associate.

Inventories

Inventories are valued at the lower of cost and 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 spare parts over 5 years is depreciated over the estimated remaining lives of the related assets. Slow moving general materials over 5 years is depreciated using an annual percentage of 50%.

Accounts receivable

Accounts receivable are stated at original invoice amount less a provision for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when there is no possibility of recovery.

Cash and cash equivalents

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

Term Loans

All term loans are initially recognized at the fair value of the consideration received.
After initial recognition, interest-bearing loans are subsequently measured at amortized cost.

End-of-service indemnity provision

End-of-service indemnity provision is calculated according to 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.

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 recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
Electric generation revenues through the usage of the power stations to generate power is recognized during the period in which the electric capacity is available in power stations according to the power purchase agreements with NEPCO.

Expense recognition

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

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised directly as other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of income in other operating expenses.
Amounts recognised as other comprehensive income are transferred to the statement of income when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as other comprehensive income are transferred to the initial carrying amount of the nonfinancial asset or liability.
If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously recognised in equity is transferred to the statement of income. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, any cumulative gain or loss previously recognised in other comprehensive income remains in other comprehensive income until the forecast transaction or firm commitment affects profit or loss. hedged cash flows affect income.

Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the statement of financial position date.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes and tax losses and tax credit carry-forwards. Deferred tax assets and liabilities are measured using the tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The measurement of deferred tax liabilities and deferred tax assets reflects the tax consequences that would follow from the manner in which the enterprise expects, at the statement of financial position date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are recognized regardless of when the timing difference is likely to reverse.

Deferred tax assets are recognized when it is probable that sufficient taxable profits will be available against which the deferred tax assets can be utilized. At each statement of financial position date, the Company re-assesses unrecognized deferred tax assets and the carrying amount of deferred tax assets. The enterprise recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. The Company conversely reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized.

Sales Tax

Revenues, expenses and assets are recognized net of the amount of sales tax except:
where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority,
receivables and payables that are stated with the amount of sales tax included.

Impairment and uncollectibility of financial assets

An assessment is made at each statement of financial position date to determine whether there is objective evidence that a specific financial asset may be impaired. If such evidence exists, any impairment loss is recognized in the statement of income. Impairment is determined for assets carried at amortized cost, impairment is the difference between carrying amount and the present value of future cash flows discounted at the original effective interest rate.

Foreign currency

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 income.

(3) Property, Plant And Equipment

2013	Land & Buildings	Steam generating units	Gas generating units	Diesel generating units	Wind generating units	Computers	Vehicles	Equipment	Tools	Furniture & office equipment	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Cost:											
At 1 January 2013	128,514,644	397,908,563	196,035,294	1,819,836	425,407	1,198,481	1,969,235	3,810,902	1,885,406	1,295,206	734,862,974
Additions	88,239	111,964	333,259	-	-	166,888	-	233,658	37,554	38,284	1,009,846
Change in decommission-ing provision (Note 14)	-	(323,000)	-	-	-	-	-	-	-	-	(323.000)
Disposals	(471,226)	-	(293,754)	(1,545,836)	-	(248)	(2)	(24,386)	(1,064)	(8,497)	(2,345,013)
At 31 December 2013	128,131,657	397,697,527	196,074,799	274,000	425,407	1,365,121	1,969,233	4,020,174	1,921,896	1,324,993	733,204,807
Accumulated depreciation:											
At 1 January 2013	84,740,122	279,310,092	135,729,174	1,819,811	152,017	902,843	1,896,632	3,142,465	717,089	1,034,749	509,444,994
Depreciation for the year	5,356,746	12,994,440	5,214,404	-	9,454	110,719	39,142	186,283	145,996	52,423	24,109,607
Disposals	(326,220)	-	(146,877)	(1,545,832)	-	(246)	-	(24,357)	(1,058)	(8,368)	(2,052,958)
At 31 December 2013	89,770,648	292,304,532	140,796,701	273,979	161,471	1,013,316	1,935,774	3,304,391	862,027	1,078,804	531,501,643
Net book value at 31 December 2013	38,361,009	105,392,995	55,278,098	21	263,936	351,805	33,459	715,783	1,059,869	246,189	201,703,164

2012	Land & Buildings	Steam generating units	Gas generating units	Diesel generating units	Wind generating units	Computers	Vehicles	Equipment	Tools	Furniture & office equipment	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Cost:											
At 1 January 2012	128,647,958	398,036,563	196,035,294	1,819,836	425,407	1,175,800	1,969,235	3,693,694	1,813,524	1,261,826	734,879,137
Additions	-	-	-	-	-	22,681	-	117,208	71,882	33,380	245,151
Change in decommissioning provision (Note 14)	-	(128,000)	-	-	-	-	-	-	-	-	(128,000)
Disposals	(133,314)	-	-	-	-	-	-	-	-	-	(133,314)
At 31 December 2012	128,514,644	397,908,563	196,035,294	1,819,836	425,407	1,198,481	1,969,235	3,810,902	1,885,406	1,295,206	734,862,974
Accumulated depreciation:											
At 1 January 2012	79,428,046	265,709,406	130,511,747	1,819,811	142,564	802,824	1,831,163	2,959,569	573,702	976,530	484,755,362
Depreciation for the year	5,361,531	13,600,686	5,217,427	-	9,453	100,019	65,469	182,896	143,387	58,219	24,739,087
Disposals	(49,455)	-	-	-	-	-	-	-	-	-	(49,455)
At 31 December 2012	84,740,122	279,310,092	135,729,174	1,819,811	152,017	902,843	1,896,632	3,142,465	717,089	1,034,749	509,444,994
Net book value at 31 December 2012	43,774,522	118,598,471	60,306,120	25	273,390	295,638	72,603	668,437	1,168,317	260,457	225,417,980

(4) 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.

(5) Investment In An Associate

The Company has a 50% interest in Jordan Biogas Company W.L.L, which is mainly involved in extracting biogas from waste and selling electricity generated from biogas. Biogas is a limited liability Company that is not listed on any public exchange. The Company's interest in Biogas is accounted for using the equity method in the financial statements. The following tables illustrates the summarized financial information of the Company's investment in Biogas:

	2013	2012
	JD	JD
Current assets	1,054,148	842,168
Non-current assets	642,873	781,672
Current liabilities	(560,086)	(787,326)
Equity	1,136,935	836,514
Proportion of the Company's ownership	50%	50%
Carrying amount of the investment	568,468	418,257

	2013	2012
	JD	JD
Revenue	624,929	339,617
Cost of sales	(241,310)	(238,688)
Administrative expenses	(112,260)	(89,052)
Other revenues, net	29,063	66,491
Profit for the year	300,422	78,368
Company's share of profit for the year	150,211	39,184

(6) Income Tax

The reconciliation of accounting profit to tax profit is as follows:

	2013			2012		
	Aqaba	Other locations	Total	Aqaba	Other locations	Total
	JD	JD	JD	JD	JD	JD
Profit before income tax	12,748,578	15,512,013	28,260,591	14,612,790	9,263,065	23,875,855
Deductions from pretax income	(12,453,103)	(1,338,952)	(13,792,055)	(12,994,659)	(3,085,230)	(16,079,889)
Additions to pretax income	7,549,473	4,101,085	11,650,558	6,672,121	5,444,268	12,116,389
Taxable income	7,844,948	18,274,146	26,119,094	8,290,252	11,622,103	19,912,355
Statutory income tax rate	5%	14%	-	5%	14%	
Income tax expense for the year	(392,247)	(2,558,380)	(2,950,627)	(414,512)	(1,627,094)	(2,041,606)
Deferred tax assets *	(573,323)	20,483	(552,840)	(474,074)	(56,388)	(530,462)
Net tax expense	(965,570)	(2,537,897)	(3,503,467)	(888,586)	(1,683,482)	(2,572,068)

* This amount consists of the following:

	2013	2012
	JD	JD
2010 tax decision difference	-	(43,346)
2011 tax decision difference	-	(54,523)
Deferred tax assets relating to the end-of-service indemnity provision	40,417	59,345
Deferred tax liabilities relating to the exchange differences arising from the Revaluation of loans in foreign currencies	(593,257)	(491,938)
	(552,840)	(530,462)

The Company has provided for income tax for the year ended 31 December 2013 in accordance with income tax law No. (28) for 2009 and in accordance with Aqaba Special Economic Zone Law No. (32) for 2000 for the Company's locations in Aqaba.

The Company reached to a final settlement with the Income and Sales Tax Department for all the locations other than Aqaba for the years up to end of 2011. As a result the Company had approved tax losses carried forward of JD 80,395,800 for the years up to 2007 that are available for offset against future taxable profits at that date. The balance of the tax losses carried forward as of 31 December 2013 amounted to JD 14,422,592.

Deferred tax assets have been recognized in respect to those losses as the Company's Management expects and according to its future business plan, will be generating enough taxable profit to offset the recognized deferred tax assets.

The Company reached final settlement with the Income and Sales Tax Department with respect to Aqaba location for the years up to 2006.

Movement in deferred tax assets is as follows:

	2013	2012
	JD	JD
At 1 January	6,356,455	8,462,004
Relating to exchange differences and others	(552,840)	(530,462)
Transferred from income tax provision	-	459
Tax effect of actuarial loss	914	51,548
Income tax expense for the year (other locations)	(2,558,380)	(1,627,094)
At 31 December	3,246,149	6,356,455

Movements on the income tax provision were disclosed (note 15) to the financial statements.

(7) Strategic Fuel Inventories

	2013	2012
	JD	JD
Heavy fuel inventory	10,809,904	7,562,630
Diesel inventory	6,224,327	7,919,883
	17,034,231	15,482,513

In accordance with the power purchase agreements (Note 1), the Company shall maintain sufficient quantities of fuel in the power generating stations to enable the stations to be operated 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 agreements .Accordingly, fuel inventory is classified as operating inventory (Note 8) and strategic inventory.

(8) Inventories

	2013	2012
	JD	JD
Spare parts*	28,048,140	29,789,444
Depreciation of non-moving inventories	(1,791,447)	(2,488,452)
	26,256,693	27,300,992
Fuel inventory (Note 7)	18,262	10,161
General materials, net	381,695	440,226
Materials in transit	670,374	750,698
Others	1,267	35,505
	27,328,291	28,537,582

*General materials are presented net of its related depreciation of non-moving inventory.

(9) Other Current Assets

	2013	2012
	JD	JD
Jordan Valley Authority	47,473	81,144
Aqaba Petroleum Company	546,207	546,207
Jordan Petroleum Refinery Company	307,231	312,401
Electricity Distribution Company	290,341	398,251
Insurance claims / accidents	1,030,570	-
Other receivables	310,108	361,048
	2,531,930	1,699,051
Allowance for doubtful accounts	(94,395)	(94,395)
Other receivables, net	2,437,535	1,604,656
Prepaid expenses	1,139,725	1,577,603
Refundable deposits	23,990	23,990
Employees receivables	1,550,270	1,802,736
Insurance claims	109,079	10,023
	5,260,599	5,019,008

As at 31 December 2013 and 2012, other receivables at a nominal value of JD 94,395 were impaired and fully provided for. As at 31 December, the aging of unimpaired receivables is as follows:

	Total	Past due but not impaired			
		< 30 days	30 – 90 days	91 – 120 days	>120 days
	JD	JD	JD	JD	JD
2013	2,437,535	22,602	392,241	142,098	1,880,594
2012	1,604,656	11,471	446,350	64,106	1,082,729

Unimpaired receivables are expected, on the basis of past experience, to be fully recoverable.

(10) Accounts Receivable

	2013	2012
	JD	JD
National Electric Power Company – Power generation revenues	283,202,130	357,977,918
National Electric Power Company – Other	253,841	17,423
Provision for doubtful debt	(15,915,943)	(11,060,070)
	267,540,028	346,935,271

As at 31 December, the aging of unimpaired accounts receivable is as follows:

	Total	Neither past due nor impaired	Past due but not impaired < 30 days	Past due but not impaired > 30 days
	JD	JD	JD	JD
2013	267,540,028	160,816,448	84,348,081	22,375,499
2012	346,935,271	137,471,286	63,694,411	145,769,574

Movement in the allowance for doubtful debts were as follows:

	2013	2012
	JD	JD
At 1 January	11,060,070	11,889,669
Charge (Excess in) for the year	4,855,873	(430,542)
Write off	-	(399,057)
	15,915,943	11,060,070

(11) Equity

Share Capital

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

Statutory reserve

The accumulated balance in the statutory reserve represents the cumulative appropriation of 10% of profit before income tax throughout the years as required by the Jordanian Companies' Law, The Company may resolve to discontinue such annual transfers when the reserve totals 25% of the issued share capital. The Company decided not to exceed 25% of its capital. The reserve is not available for distribution to shareholders.

Dividends paid from the voluntary reserve and retained earnings

In its ordinary meeting held on 27 April 2013, the General Assembly approved the Board of Directors recommendation to pay dividends for an amount of JD 29,500,000 to the shareholders to be deducted from the voluntary reserve and retained earnings (JD 8,634,168 and JD 20,865,832, respectively).

(12) Loans

	2013			2012	
	Loan Installments			Loan Installments	
	Loan Currency	Current Portion	Long-term Portion	Current Portion	Long-term Portion
		JD	JD	JD	JD
Japanese loan 1	JPY	1,498,592	14,985,924	1,833,580	20,169,385
Japanese loan 2	JPY	3,556,615	40,901,068	4,351,643	54,395,537
Arab Fund loan 1	KWD	1,437,146	5,029,950	1,442,861	6,492,810
Arab Fund loan 2	KWD	3,722,200	15,140,300	3,737,000	18,937,500
Syndicated loan	JOD	-	-	12,500,000	-
Standard Chartered Bank loan	JOD	3,225,000	-	6,500,000	-
Italian Soft loan	Euro	156,033	1,482,317	149,503	1,569,787
French Protocol loan	Euro	1,172,135	278,680	1,182,180	1,390,098
Arab Fund loan 3	KWD	-	-	8,395	-
		14,767,721	77,818,239	31,705,162	102,955,117

Japanese loan 1

On 22 August 2000, the Company was re-granted a loan from the Government of the Hashemite Kingdom of Jordan represented by the Ministry of Planning and International Cooperation for an amount of JPY 4,745,000,000 at an annual interest rate of 3%. The loan is based on the original agreement between the Government and the Overseas Economic Cooperation Fund (Japan) dated 30 August 1994. The loan is repayable in 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

On 22 August 2000, the Company was re-granted a loan from the Government of the Hashemite Kingdom of Jordan represented by the Ministry of Planning and International Cooperation for an amount of JPY 10,813,000,000 at an annual interest rate of 2.7%. The loan is based on the original agreement between the Government and the Overseas Economic Cooperation Fund (Japan) dated 17 April 1996. The loan is repayable in 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.

Arab Fund loan 1

On 23 October 2000, the Company was re-granted a loan from the Government of the Hashemite Kingdom of Jordan represented by the Ministry of Planning and International Cooperation for an amount of KWD 10,000,000 at an annual interest rate of 4.5%. The loan is based on the original agreement between the Government and the Arab Fund for Economic and Social Development dated 10 December 1994. The loan is repayable in 35 equal semiannual installments of KWD 285,715 except for the last installment, which amounts to KWD 285,690. The first installment fell due on 1 April 2001 and the last installment will fall due on 1 April 2018.

Arab Fund loan 2

On 23 October 2000, the Company was re-granted a loan from the Government of the Hashemite Kingdom of Jordan represented by the Ministry of Planning and International Cooperation for an amount of KWD 26,000,000 at an annual interest rate of 4.5%. The loan is based on the original agreement between the Government and the Arab Fund for Economic and Social Development dated 3 June 1996. The loan is repayable in 35 equal semiannual installments of KWD 740,000 except for the last installment, which amounts to KWD 840,000. The first installment fell due on 1 November 2001 and the last installment will fall due on 1 November 2018.

Syndicated loan

On 1 March 2004, the Company was granted a syndicated loan managed by Cairo Amman Bank for an amount of JD 100,000,000 at an annual interest rate of 3.9% for the first 3 years, and 1.7% above the most recent 3 months certificates of deposit rate as announced by the Central Bank of Jordan for the subsequent years. The loan is repayable in 32 equal quarterly installments of JD 3,125,000. The first fell due on 1 March 2006 and the last fell due on 1 December 2013.

Standard Chartered Bank loan

On 19 January 2009, the Company was granted a revolving loan from the Standard Chartered Bank for an amount of JD 6,500,000 at an interest rate presently 200 basis points over 6-month Call Deposits subject to variation. Installments will fall due after 180 days from draw with the option of withdrawing the amount after payment. The Company signed an amendment whereby the interest rate was changed to 7.5% and the loan will be repayable in 12 equal monthly installments.

Italian Soft loan

On 13 September 2005, the Company was re-granted a loan from the Government of the Hashemite Kingdom of Jordan represented by the Ministry of Planning and International Cooperation for an amount of Euro 2,864,020 at an annual interest rate of 1 %. The loan is based on the original agreement between the Government and the Istituto Centrale Per Il Credito A Medio Termine - Mediocredito Centrale dated 12 December 1993. The loan is repayable in 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.

French Protocol loan

On 28 November 2006, the Company was re-granted a loan from the Government of the Hashemite Kingdom of Jordan represented by the Ministry of Planning and International Cooperation for an amount of Euro 12,581,618 at an annual interest rate of 1%. The loan is based on the original agreement between the Government and the Financial Protocol between the Government of the Hashemite Kingdom of Jordan and the Government of The French Republic dated 13 January 1994.

The loan is repayable in 20 equal semiannual installments as follows:

Date of Last Installment	Date of First Installment	Euro	Euro
		Installment	Withdrawal Amount
30 June 2014	31 December 2004	62,908	1,258,162
30 September 2014	31 March 2005	235,762	4,715,248
31 December 2014	30 June 2005	234,962	4,699,241
31 March 2015	30 September 2005	1,086	21,724
31 March 2016	30 September 2006	94,362	1,887,243

Arab Fund loan 3

On 5 June 2007, the Company was re-granted a loan from the Government of the Hashemite Kingdom of Jordan represented by the Ministry of Planning and International Cooperation for an amount of KWD 107,250 at an annual interest rate of 4.5%. The loan is based on the original agreement between the Government and the Arab Fund for Economic and Social Development dated 8 January 1990. The loan is repayable in 35 equal semiannual installments of KWD 3,056 except for the last installment, which amounts to KWD 3,324. The first installment fell due on 1 April 1996 and the last installment will fall due on 1 April 2013. Prior to privatization, as an alternative to settling the loan installments in cash, the re-granting agreement stipulates that an amount equal to, at least, total loan installments and interest due should be used to increase the equity of the Company through treasury rights. The Board of Directors decided on 17 March 2010 to change the method of repayment of loan installments after the privatization to be settled directly to the Ministry of Finance.

Except for Standard Chartered bank loans, which are guaranteed by the Company, all loans are guaranteed by the Government of the Hashemite Kingdom of Jordan.

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

Year	JD
2015	10,556,707
2016	10,463,123
2017	10,370,570
2018	9,903,506
2019	5,211,238
2020	5,211,238
2021	5,211,238
2022	5,211,238
2023	5,211,238
2024	5,133,241
2025	3,556,614
2026	1,778,288
	77,818,239

(13) End-Of-Service Indemnity Provision

	2013	2012
	JD	JD
Balance at 1 January	6,390,947	5,353,203
Provision during the year	869,758	773,099
Paid during the year	(468,128)	(224,858)
Actuarial Loss	34,310	489,503
Balance at 31 December	6,826,887	6,390,947

The principal actuarial assumptions used:	2013	2012
Discount rate at 31 December	6.50%	6.50%
Expected rate of increase of employee remuneration	4.50%	4.50%

These benefits are unfunded.

(14) Decommissioning Provision

The decommissioning provision of JD 1,796,000 at 31 December 2013 primarily represent the net present value of the estimated expenditure discounted at a rate of 6.5% (2012: 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 between the financial years 2020 and 2031.

The movement on the decommissioning provision during the year was as follows:

	2013	2012
	JD	JD
Balance at 1 January	2,018,000	2,054,000
Effect of net changes in discount rate and reassessment	(323,000)	(128,000)
Discount realized during the year	101,000	92,000
Balance at 31 December	1,796,000	2,018,000

(15) Other Current Liabilities

	2013	2012
	JD	JD
Accrued interest expense	667,210	940,775
Income tax provision	698,024	677,959
Employees legal cases provision	53,398	53,628
Accrued expenses	453,114	907,622
Employees' vacations provision	604,704	542,561
Employees payables	147,453	56,401
Contractors payable	38,230	39,582
Loan instalment due	292,106	279,882
Board of directors remuneration	35,000	33,333
Others	2,906,236	2,979,427
	5,895,475	6,511,170

The movements on the provisions during 2013 and 2012 were as follows:

2013	Income tax provision	Employees legal cases provision	Employees' vacations provision
	JD	JD	JD
Balance at 1 January	677,959	53,628	542,561
Provided for during the year	392,247	-	93,335
Paid during the year	(372,182)	(230)	(31,192)
Balance at 31 December	698,024	53,398	604,704

2012	Income tax provision	Employees legal cases provision	Employees' vacations provision
	JD	JD	JD
Balance at 1 January	672,845	58,350	473,386
Provided for during the year	414,512	-	84,402
Transferred to deferred tax assets	459	-	-
Paid during the year	(409,857)	(4,722)	(15,227)
Balance at 31 December	677,959	53,628	542,561

(16) Accounts Payable

	2013	2012
	JD	JD
Jordan Petroleum Refinery Company (JPRC)	242,945,021	322,099,873
National Petroleum Company	1,860,996	1,958,046
	244,806,017	324,057,919

(17) Derivative Financial Instrument

CEGCO loans with Overseas Economic Cooperation Fund (Japan) are in JPY. To mitigate its exposure to fluctuations in currency rates, during 2011, CEGCO entered into two forward contracts with Standard Chartered Bank that effectively fix the currency rate for four installments for each loan, in addition, the Company entered into new two forward contracts during 2012 that effectively fix the currency rate for four installments for each loan. During the first half of 2013, the Company entered into new six forward contracts that effectively fix the currency rate for ten installments for each loan.

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 amounted to JD 8,099,625 as of 31 December 2013 and was recorded as a current and non-current liability in the statement of financial position.

The cash flow hedges were assessed to be highly effective and a cumulative unrealized loss of JD 859,931 has been included in the statement of comprehensive income.

(18) Due To Banks

This item represents utilized credit facilities granted from different banks. Details are as follows:

Bank	Ceiling	Interest
	JD	%
Arab Jordan Investment Bank	4,000,000	7.9%
Cairo Amman Bank	16,000,000	7.9%
Invest Bank	10,500,000	8%
Jordan Bank	20,000,000	8%
Bank Al Etihad	12,000,000	8%

(19) 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:

	2013	2012
	JD	JD
Stations capacity revenue	87,351,333	85,530,914
Power revenue	7,689,176	8,149,419
Fuel cost according to the pricing formula	902,978,869	926,613,523
Others	(781,784)	(4,391,210)
Less: Additional costs (Imported energy)	(4,716,435)	(3,847,880)
	992,521,159	1,012,054,766

(20) Stations Operating Costs

	2013	2012
	JD	JD
Cost of fuel	902,978,869	926,613,523
Other costs	9,415,987	8,998,922
	912,394,856	935,612,445

(21) Administrative Expenses

	2013	2012
	JD	JD
Salaries and wages	3,490,925	3,296,956
Employees benefits	4,362,065	4,705,239
Employees' accrued vacation costs	93,335	84,402
Insurance	2,832,806	2,880,046
Office supplies and expenses	1,748,744	1,561,178
Donations	65,354	37,960
Employees housing expenses, net	246,050	199,412
Consultancy fees	330,360	710,373
Other	170,380	142,995
	13,340,019	13,618,561

(22) Maintenance Expense

	2013	2012
	JD	JD
Salaries and wages	4,222,329	4,200,721
Maintenance materials and expert's wages	6,097,082	7,687,450
	10,319,411	11,888,171

(23) Other Revenues, Net

	2013	2012
	JD	JD
Damage compensation- Rihab	1,502,557	310,812
Remote villages revenues	867,668	-
Gain on disposal of property, plant and equipment	369,899	133,842
King Talal Dam revenues	136,392	130,888
Handling charge	12,727	251,621
Heating oil revenue	-	107,315
Tenders and purchase orders fines	15,724	2,454
Sale of distilled water	25,656	31,525
Sale of scrap items	29,198	-
Interest income	273	496
Others, net	88,205	217,256
	3,048,299	1,186,209

(24) Earnings Per Share

	2013	2012
Profit for the year (JD)	24,757,124	21,303,787
Weighted average number of shares (Share)	30,000,000	30,000,000
Basic earnings per share	0.825	0.710

(25) Foreign currency exchange gain

	2013	2012
	JD	JD
Unrealized gain	8,736,496	7,010,186
Realized loss	(1,384,666)	(108,060)
	7,351,830	6,902,126

(26) 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 is the total amount of transactions that have been entered into with related parties:

	2013	2012
	JD	JD
Power sales to the National Electric Power Company	992,056,615	1,012,049,367
(Government of Jordan)	7,549,837	8,181,976
Purchases of gas from the National Petroleum Company (Government of Jordan)	40,776	33,761
Services provided to ACWA Power International Company for Water and Power Projects	22,816	77,573

Balances due from/to related parties are disclosed in notes (10) and (16) to the financial statements as follows:

Amounts due from related parties	2013	2012
	JD	JD
National Electric Power Company - Government of Jordan (Owned by a shareholder)	267,540,028	346,935,271
ACWA Power International Company for Water and Power Projects (Shareholder)	13,151	-

Amounts due to related parties	2013	2012
	JD	JD
National Petroleum Company - Government of Jordan (Owned by a shareholder)	1,860,996	1,958,046
ACWA Power International Company for Water and Power Projects (Shareholder)	-	100,023

Compensation of key management personnel	2013	2012
	JD	JD
Salaries	975,933	727,582
Benefits (traveling)	24,457	6,350
	1,000,390	733,932

(27) Cash and Cash Equivalent

	2013	2012
	JD	JD
Cash at banks	551,555	8,004
Cash on hand	17,125	10,058
	568,680	18,062
Bank overdrafts (Note 18)	(48,204,221)	(31,456,671)
	(47,635,541)	(31,438,609)

(28) Segment Information

The following tables present the statement of income information for Aqaba and other locations for the years ended 31 December 2013 and 2012. The information is presented to facilitate the income tax review as the Company is subject to different tax rates on Aqaba's operation.

	2013		
	Aqaba	Other locations	Total
	JD	JD	JD
Power generation revenues	506,535,795	485,985,364	992,521,159
Stations operating costs	(466,695,158)	(445,699,698)	(912,394,856)
Depreciation of property, plant and equipment	(15,030,372)	(9,079,235)	(24,109,607)
Administrative expenses	(6,391,855)	(6,948,164)	(13,340,019)
Maintenance costs	(4,259,206)	(6,060,205)	(10,319,411)
Depreciation of non-moving inventories	(844,662)	(974,880)	(1,819,542)
Provision for end-of-service indemnity	(355,783)	(513,975)	(869,758)
Total operating costs	(493,577,036)	(469,276,157)	(962,853,193)
Operating profit	12,958,759	16,709,207	29,667,966
Realized and unrealized gain (loss) from foreign currency exchange	7,415,703	(63,873)	7,351,830
Share of profit of an associate	-	150,211	150,211
Provision for doubtful debts	(2,753,200)	(2,102,673)	(4,855,873)
Board of directors remuneration	(19,353)	(15,647)	(35,000)
Other revenues, net	465,602	2,582,697	3,048,299
Finance costs	(5,318,933)	(1,747,909)	(7,066,842)
Profit before income tax	12,748,578	15,512,013	28,260,591
Income tax expense	(965,570)	(2,537,897)	(3,503,467)
Profit for the year	11,783,008	12,974,116	24,757,124

	2012		
	Aqaba	Other locations	Total
	JD	JD	JD
Power generation revenues	500,911,414	511,143,352	1,012,054,766
Stations operating costs	(461,604,868)	(474,007,577)	(935,612,445)
Depreciation of property, plant and equipment	(15,023,678)	(9,715,409)	(24,739,087)
Administrative expenses	(6,251,086)	(7,367,475)	(13,618,561)
Maintenance costs	(4,287,945)	(7,600,226)	(11,888,171)
Depreciation of non-moving inventories	(826,440)	(1,725,468)	(2,551,908)
Provision for end-of-service indemnity	(315,085)	(458,014)	(773,099)
Total operating costs	(488,309,102)	(500,874,169)	(989,183,271)
Operating profit	12,602,312	10,269,183	22,871,495
Realized and unrealized gain (loss) from foreign currency exchange	6,968,070	(65,944)	6,902,126
Share of profit of an associate	-	39,184	39,184
Excess in Provision doubtful debts	326,860	103,682	430,542
Board of directors remuneration	(17,174)	(16,159)	(33,333)
Other revenues, net	571,534	614,675	1,186,209
Finance costs	(5,838,812)	(1,681,556)	(7,520,368)
Profit before income tax	14,612,790	9,263,065	23,875,855
Income tax expense	(888,586)	(1,683,482)	(2,572,068)
Profit for the year	13,724,204	7,579,583	21,303,787

(29) Commitments And Contingencies

Letters of credit and collection policies

At 31 December 2013 the Company had outstanding letters of credit and collection policies amounting to JD 4,443,402 (2012: JD 2,112,155).

Guarantees

At 31 December 2013 the Company had outstanding letters of guarantee amounting to JD 21,339 (2012: JD 196,743).

Capital commitments

The Company entered into commitments in the ordinary course of business for major capital expenditures. Outstanding capital expenditures were JD 76,461 as at 31 December 2013.

Legal claims

The Company is a defendant in a number of lawsuits in the ordinary course of business amounting to JD 141,163 (2012: JD 142,427). The Company has been advised by its legal counsel that it is possible, but not probable, the action will succeed and accordingly no provision for any liability has been made other than what has already been made in the financial statements.

Dispute with JPRC

Jordan Petroleum Refinery Company, the Company's fuel supplier, is claiming an amount of JD 568,000 as a penalty for a shipment of heavy fuel that was cancelled during 2008. The Company is disputing the claim with JPRC. The outcome of this dispute is uncertain. The Company and its legal counsel believe that JPRC has no right to claim this amount.

(30) Risk Management

Interest rate risk

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

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 comprehensive income to reasonably possible changes in interest rates as at 31 December 2013 and 2012, with all other variables held constant.

The sensitivity of the statement of income 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 2013 and 2012.

- 2013

	Increase (Decrease) in basis points	Effect on profit before tax
Jordanian Dinar	100	(32,250)
Jordanian Dinar	(50)	16,125

- 2012

	Increase (Decrease) in basis points	Effect on profit before tax
Jordanian Dinar	100	(190,000)
Jordanian Dinar	(50)	95,000

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 2013 and 2012.

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 2013 and 2012, based on contractual payment dates and current market interest rates:

Year ended 31 December 2013	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	JD	JD	JD	JD	JD
Accounts payable	244,806,017	-	-	-	244,806,017
Due to banks	123,304	50,989,925	-	-	51,113,229
Term loans	2,566,221	15,129,220	54,136,632	34,910,617	106,742,690
Total	247,495,542	66,119,145	54,136,632	34,910,617	402,661,936

Year ended 31 December 2012	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	JD	JD	JD	JD	JD
Accounts payable	324,057,919	-	-	-	324,057,919
Due to banks	509,729	32,250,216	-	-	32,759,945
Term loans	6,717,573	29,371,524	57,690,830	61,721,026	155,500,953
Total	331,285,221	61,621,740	57,690,830	61,721,026	512,318,817

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 one JD)

The table below indicates the Company's foreign currency exposure at 31 December, as a result of its monetary Jordanian Dinar, with all other variables held constant, on the income statement

-2013

	Increase / decrease in the rate to the JD	Effect on profit before tax
	%	JD
Euro	+10	(308,917)
Japanese Yen	+10	(1,562,656)
Kuwaiti Dinar	+10	(2,532,960)
Euro	-10	308,917
Japanese Yen	-10	1,562,656
Kuwaiti Dinar	-10	2,532,960

-2012

	Increase / decrease in the rate to the JD	Effect on profit before tax
	%	JD
Euro	+10	(429,157)
Japanese Yen	+10	(6,219,448)
Kuwaiti Dinar	+10	(3,061,857)
Euro	-10	429,157
Japanese Yen	-10	6,219,448
Kuwaiti Dinar	-10	3,061,857

(31) 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 bank overdrafts, term loans, accounts payable and some other credit balances.

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

(32) 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 2013 and 31 December 2012. Capital comprises paid in capital, reserves and retained earnings and is measured at JD 116,896,660 as at 31 December 2013 (2012: JD 121,672,932).

(33) 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.

IAS 32 Offsetting Financial Assets and Financial Liabilities — Amendments to IAS 32

These amendments clarify the meaning of "currently has a legally enforceable right to set-off". The amendments also clarify the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous.

Amendments to IFRS 10, IFRS 12 and IAS 27

These amendments provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under IFRS 10. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss.

These amendments are not expected to impact the Company's financial position or performance and become effective for annual periods beginning on or after 1 January 2014.

Central Electricity Generating Co.
(CEGCO)

شركة توليد الكهرباء المركزية م.ع.

Ref. :

Date : 24/3/2014

الرقم :

التاريخ : ٢٤/٣/٢٠١٤

٢١.ج. الإقرارات المطلوبة

١. يقر مجلس إدارة الشركة بعدم وجود أي أمور جوهرية قد تؤثر على استمرارية الشركة خلال السنة المالية التالية.

٢. 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

محمد بن عبدالله بن راشد [illegible]

Vice Chairman	**Member**	**عضو**
Joseph Francis Gomez	Thomas Leroy Langford	دينا عبدالله أحمد الدباس
عضو	**عضو**	**عضو**
وجيه [illegible]	محمود العيص	زيدون أبو [illegible]

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ص.ب : ٢٥٦٤ الرمز البريدي ١١٩٥٣ الأردن
هاتف : ٥٣٤٠٠٠٨ - ٦-٩٦٢ مع قفز آلي
فاكس : ٥٣٤٠٨٠٠ - ٦-٩٦٢
البريد الإلكتروني: cegco@cegco.com.jo

Central Electricity Generating Co.
(CEGCO)

شركة توليد الكهرباء المركزية م.ع.

Ref. :

Date : 24/3/2014

الرقـم :

التاريـخ :

3. Declaration of the Chairman, Chief Executive Officer and Executive Manager / Finance Affairs

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 for Finance Affairs
Zakieh Abdel AlGhani Suliman Jardaneh

Chief Executive Officer
Eng. Omar Ahmad Mohammad Al-Daour

Chairman
Mohammad Abdullah Rashed Abunayyan

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