

**The Hashemite Kingdom of Jordan
Central Electricity Generating Company**



CEGCO

2015



His Majesty
King Abdullah II Bin Al Hussein



H.R.H Crown Prince
Hussein bin Abdullah II



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A.1 Chairman Address

Dear Shareholders,

Central Electricity Generating Company (CEGCO) has continued to move forward in its mission to safely supply electricity to the electrical grid of the Hashemite Kingdom of Jordan, fulfilling the nation's current and future needs. This is made possible through the dedication of its technical and administrative staff, who relentlessly strive to achieve the Company's ambitious vision by strengthening its role and increasing its contributions to the electrical sector.

This Annual Report has been issued to illustrate the Company's achievements over the past year, aiming to highlight its successes and outline its vision for the upcoming period.

Performance review for 2015 indicated a decrease in profits of approximately (1.36%) at a value of JOD (14.5) million before foreign exchange rate differences, in comparison to JOD (14.7) million in 2014. Meanwhile, CEGCO's debit and credit accounts dropped during 2015, as debit accounts to the National Electric Power Company (NEPCO) went down to JOD (62.1) million in the past year compared to JOD (251.6) million in 2014, and credit accounts to Jordan Petroleum Refinery Company (JPRC) fell to JOD (16.6) million in 2015 compared to JOD (208.1) million in 2014.

With regards to the Company's future outlook, we have maintained our efforts to leverage the standing of both CEGCO and ACWA Power International. We continued to cooperate with all stakeholders to contribute our utmost toward the development of the new power generation project in the city of Zarqa, established to support the Company as a whole and the employees of Al-Hussein Thermal Power Station in particular, following the station's decommissioning at the end of 2015. Moreover, we worked towards securing a final agreement between ACWA Power International and the Government of Jordan which was successfully signed 21st of December 2015. Work on the new project, estimated at 485 MW, is expected to commence immediately, with operations launched in two phases, the first of which projected for the end of 2017 and the second for mid-2018.

As a Company, we are committed to benefiting from the vast energies and abilities of our staff, putting our institutional capacity toward the enhancement of our technical, financial and management capabilities to match world-class standards.

In conclusion, I would like to extend my gratitude towards the Government of Jordan for its continuous support and commitment toward ensuring the sustainability our partnership, which brings us together for the good of Jordan and all Jordanians. I would like to thank our CEO and Board of Directors for their continuous support. Finally, I would also like to thank the entire CEGCO team at all sites for their efforts in advancing our Company, realizing expectations and achieving CEGCO's ambitious vision.



Mohammed Bin Abdullah Abunayyan
Chairman

A.2 CEO Address

Ladies and Gentlemen,

It is my great pleasure to present the Central Electricity Generating Company (CEGCO) Annual Report for 2015, which includes the most significant accomplishments achieved by the Company in a variety of areas over the past year. In line with CEGCO's vision of leadership and excellence in electricity generation on both the national and regional levels, these achievements embody CEGCO's message of high quality, availability and efficiency per international standards.

In 2015, CEGCO and the remainder of stakeholder institutions within its sector continued to consistently and reliably generate electricity for the masses, overcoming several challenges and hardships in pursuit of the Company's overreaching goals and aspirations. On the operational level, CEGCO executed annual preventative maintenance programs at each of its stations, enabling it to accommodate the rising demand for electrical energy during the past year, which resulted in an integrated availability factor of 93.36% at the Company's stations for the year 2015.

Progressing in its mission to reinforce its standing through ongoing evolution and development, while demonstrating excellence in all fields of its work, CEGCO is driven by its belief that the company's successes are all attributed to the grace of God, as well as the perpetual efforts of its employees. On that note, a cooperation agreement for the maintenance and operation of the new project in the city of Al-Zarqa was signed between National Electric Power Company (NEPCO) and the acquiring company of electricity generation body ACWA Power. This agreement is an embodiment of the Company's persistent efforts to achieve its mission and support its contributions to the sector, particularly as its generation capacity decreases due to the decommissioning of an increasing number of its units each year.

With regards to investment in renewable energy resources, the Company has completed the first of many environmental projects with the installation of solar panels at its Management Building, expected to reduce its headquarters' electricity bill by 40 %. This project, which is planned to be replicated at a later date at CEGCO stations, demonstrates CEGCO's belief that energy conservation initiatives must be commenced by electrical companies operating within the Kingdom, leading the way for other institutions and companies to follow suit and reduce electrical demand, thereby sustaining the supply of electricity at the lowest possible prices.

On the subject of administrative development, CEGCO greatly values the pivotal role that its human resources play in its each and every accomplishment, which is why CEGCO dedicates its ongoing attention to the development of its staff through training programs and courses. Additionally, its commitment to the environment and public safety is consistently demonstrated through its adoption of the latest public safety, occupational health and environmental health systems, adhering to the highest international standards of personal protection for its employees.

In conclusion, I would also like to extend my thanks to our Chairman and Board of Directors for their invaluable guidance.

I must thank CEGCO's employees at all our locations for their hard work toward enhancing the Company, reinforcing its achievements and raising its efficiency.

We ask the Almighty Lord to bless us all in our efforts to communicate the message of the Company and to achieve its ambitious vision, through which we seek to serve this great nation.Eng.



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 31.12.2015

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.



Distribution of staff by location until 12.31.2015

	Number of Employees	%
Head Offices	149	15.081
Aqaba Thermal Power Station	336	34.008
Hussein Thermal Power Station	249	25.203
Rehab Power Station	165	16.7
Risha Power Station	36	3.644
Marka Power Station	19	1.923
Amman South	17	1.722
King Talal Dam	8	0.809
Karak Power Station	7	0.708
Power Stations (Hofa, Ibrahimieh)	2	0.202
Total	988	% 100

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

1. C. Company's Capital Investment Volume

159,752,862 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. Thamer Al Sharhan	Vice Chairman since 6/4/2014
H.E. Mr. Thomas Leroy Langford	Member since 31/10/2007 - till 19/12/2015
H.E. Eng. William A. Wakileh	Member since 20/ 12/ 2015

Enara «2» Company for Energy Investment

H.E.Mr Sanjiv Iyer	Member since 19/10/2014
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Representatives of the Hashemite Kingdom of Jordan:

H.E. Mrs. Dina Abdullah Al Dabbas	Member since 31/10/2007
H.E. Mr. Zaid Jebril	Member since 1/7/2014

Representative of the Investment Unit – social security Corporation:

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

- With over 30 years of experience in the Water and Power sector Mohammad Abunayyan is Chairman of ACWA Power which in 8 years has emerged as a leading developer of privately financed power generation and desalinated water production plants in the GCC, MENA, Southern Africa and Eastern Europe regions with a portfolio of assets worth US\$ 23 Billion with a contracted capacity of 15,731 MW and 2.4Mm³/day of water.
- Mr. Abunayyan is Chairman of Abunayyan Holding Company ("AHC") also serves as Chairman and Board Member of many reputed companies, besides holds number of prestigious leadership positions helping spearhead the Kingdom's economic development.
- Mr. Abunayyan is a Member of the Advisory Committee of the Chairman of high Supreme Economic Council responsible for studying issues related to the national economy.



H.E. Mr. Thamer Al-Sharhan

Vice Chairman : 6/4/2014

Date of Birth 1961

Nationality : Saudi Arabian

Work Experience

Throughout his career at SABIC and its affiliates, he built an unblemished track record in the industrial and utility sectors. His achievements throughout his 30 years of experience in the industrial sector include leading phenomenal growth at each company, as has publicly been displayed at Marafiq.

He is a professional engineer with practical and executive management experience in the industrial and utility sectors. He also serves as a board member in several companies and charitable organizations.

Thamer graduated from King Fahd University of Petroleum and Minerals, with a Bachelor of Science in Chemical Engineering.

ACWA Power is a developer, investor, co-owner and operator of a portfolio of plants with a capacity to generate 15,381 MW of power and produce 2.4 million m³/day of desalinated water, which has an investment value in excess of USD 22 Billion.

From its base in Saudi Arabia, ACWA Power has already expanded or is expanding into the GCC, Jordan and Egypt and further afield to Turkey, Morocco, the southern cone of Africa and South East Asia. It has: regional offices in Dubai, Istanbul, Rabat, Johannesburg, Maputo, Beijing and Hanoi, a customer base that includes state utilities and an industrial major across 3 continents and more than 20 plants in various phases of development, construction and operations. The current portfolio of assets and investments includes the two of the world's largest sea going barge mounted, self-contained water desalination plants each capable of producing 25,000 m³/day of water.

ACWA Power lives by its mission statement – to reliably deliver electricity and desalinated water at the lowest possible cost in our target countries and operates the business according to its values which are: Diversity, Rigor, Ingenuity, Fairness and Integrity.



H.E. Mr. Thomas Leroy Langford

Membership Date: 31/10/2007 Until 19/12/2015

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:

- Consultant at Consolidated Contractors Company.
- Joined the Consolidated Contractors Group in 2001 as Group Vice President of the Investment and Financial Risk Department.
- Prior to joining 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. Mr. Sanjiv Iyer

Membership Date: 19/10/2014

Date of Birth: 3/4/1962

Qualifications: Chartered Accountant from India

Work Experience:

- COO As of the date of 28/02/2014 until 19/10/2014
- 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 .



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 from University of Southern California Class of 1988.

Work Experience

- A proactive manager with independent judgment and organizational ability to direct investments and portfolio management with emphasis on pension funds' Investments best practices.
- A graduate from the University of Southern California, Marshall School of business, with concentrations in finance, investment, and management; Class of 1988.
- A graduate from Bank of America preferred banking training program Nov. 1989. (14 months training program).
- A seasoned Investments Manager experienced in establishing in originating and developing, business relationships, as well as refining investment methodologies, policies, and financial products; domestic, regional, and international.
- A total of 26 years postgraduate exposure and work experience; Experience includes originating, refining and upgrading strategic investment methodologies and portfolio management for the pension fund of the Social Security Corporation,(the Investment Unit).
- Made excellent investment judgments and recommendations such as the vital importance and entry of the S&P 500 index and purchase of gold to mitigate the Portfolio Risk Exposure. Recommended various other individual investments such as the purchase of Nestle in 2009 and Potash stock in 2005.
- Responsible for transferring the Funds of \$2.2 Billion at the inception of the fund in 2003 and still employed at the same fund which reached \$ 9.5 billion 10 years later



H.E. Eng. Ziad Jibril Sabra

Membership Date : 1/7/2014

Date of Birth : 22/10/1960

Nationality : Jordanian

Qualifications: Bachelor's degree in Mechanical Engineering from Yarmouk University since 1984 .

Work Experience

- The Director of Renewable Energy Department at the Ministry of Energy and Mineral Resources - Jordan. Eng. Sabra is a key leader in Renewable Energy field at the Ministry of Energy and Mineral Resources, where he joined the Ministry in 1987 and has held various designations and responsibilities including implementation of policies, strategies and follow up of several renewable energy commercial projects, especially Wind IPP projects Solar thermal power generation project in addition to other projects including waste to energy projects, as well as Energy Efficiency studies and measures.
- Mr. Sabra is a Mechanical Engineer graduated from Yarmuk University of Jordan in 1984, conducted post graduate courses and advanced training in Germany, Spain and Italy in this field and conducted several studies, reports and publications in the field of energy, renewables in particular.
- He is a member of several local committees for studying and evaluation of different proposals for IPPs projects. He is a member of the International Steering Committee of the World Renewable Energy Congress of WREN at the UK.
- In addition, he is a member in the Board of Trustees of the Regional Center for Renewable Energy and Energy Efficiency (RCREEE) at Cairo, and working as the Focal Point of Jordan at the International Renewable Energy Agency (IRENA) and for the Mediterranean Solar Plan (MSP) under the UfM Secretariat.



H.E. Eng. William A. Wakileh

Membership Date : 20 /12/ 2015

Date of Birth : 11 May 1958

Nationality : Dual Jordanian & Austrian

Qualifications:

- Bachelor's degree in Electrical Engineering from Union College NY USA
- Bachelor's degree in Mechanical Engineering from Union College NY USA
- Executive MBA from the American University of Beirut
- Certified Six Sigma Master Black Belt from General Electric

Work Experience

- Joined Consolidated Contractors Company in 2012 in the Corporate Audit Department.
- Advisor for corporate risk and initiatives, and for power generation and renewable energy projects.
- Prior to joining CCC, Mr. Wakileh was CEO for SPS group in Lebanon until 2010
- From 1981 to 2007, Mr. Wakileh worked with General Electric.
- Mr. Wakileh served for 16 years in various positions in power generation and international projects department, over 4 years in sales and customer quality, and 2 years as GM of services sales for Middle East, India and Africa.
- From 2003 to 2007, Mr. Wakileh was the GE Corporate country manager for Iraq, Kuwait, and the Levant countries.



3.B Senior Executive Management

H.E. 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.



H.E. Mr. Nadeem Rizvi

Present Post : Chief Operating Officer
since 20/10/2014

Date of Birth : 27/5/1967

Work Experience

- Nadeem Rizvi has been appointed Chief Operating Officer of CEGCO, Jordan as of 19 October 2014.
- Nadeem, a finance professional from Pakistan, has over 23 years of experience in leading and building businesses.
- Prior to joining CEGCO, Nadeem was COO at Hajr Electricity Production Company, Saudi Arabia since 2013 and CEO at ACWA Power Barka, Oman from 2007 to 2012. He has been instrumental in winning many accolades for Barka power and desalination plant including the expansion of Barka's existing water facility. Under his leadership, the Barka business achieved a landmark safety record of 10 years without a LTA. Nadeem has been a key contributor in setting up three power and water related businesses – ACWA Power Barka, AES Lalpir and AES PakGen. His core expertise is in financing, construction and operations.



Mr. Sami Yahia Hamto Abzakh

Present Post : Consultant / BoD Secretary

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 : Financial Controller

Assignment Date : 1983

Date of Birth : 7/11/1962

Qualifications :

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

Work Experience:

- 2007-2014 : 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- 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- 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- 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. Abdullah Ahmed Mahmoud Qdadh

Present Post: Internal Audit manager

Assignment Date: 09/04/2015

Date of Birth: 05/10/1980

Qualifications:

- Bachelor of Accounting.

Work Experience:

- | | |
|-----------|--|
| 2004-2014 | • An external audit manager at Ernst & Young |
|-----------|--|



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:

1/7/2007- 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: Financial Manager

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
- Financial Manager - designate 1/1/2013 --- 2014/12/31
- Financial Manager 1/1/2014 --- till now



4. Table of Shareholders whom Shares Exceed 5%

Shareholders Whom Shares Exceeds 5%				
2015		Shares	%	Nationality
1	Enara Energy Investment Co.	15,250,000	50.83%	Jordanian
2	The Government of Jordan	12,000,000	40.00%	Jordanian
3	Social Security Corporation	2,700,000	9.00%	Jordanian
Shareholders Whom Shares Exceeds 5%				
2014		Shares	%	Nationality
1	Enara Energy Investment Co.	15,250,000	50.83%	Jordanian
2	The Government of Jordan	12,000,000	40.00%	Jordanian
3	Social Security Corporation	2,700,000	9.00%	Jordanian

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

The total maximum load of the interconnected electrical system has reached (3300) MW for year 2015, compared to (2900) MW for year 2014, which mean a growth rate of (-13.8 %). As the total generation of electric power has reached (18917) GWh in 2015 , compared to (18269) GWh in 2014 with a growth rate of (3.5 %), the company has contributed through its capacity of (1392) MW which represents (31.2 %) of the total electrical system capacity with a production of (6382.6) GWh which represents a percentage of (33.8 %) of the total generated electric power in the kingdom for year 2015, where other industrial institutions contributed to a percentage of (66.2 %).

The company sale of electric power has reached (6043.6) GWh in year 2015, compared to (7526.9) GWh in year 2014.

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)	98.3%
National Petroleum Company	1.7%

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.

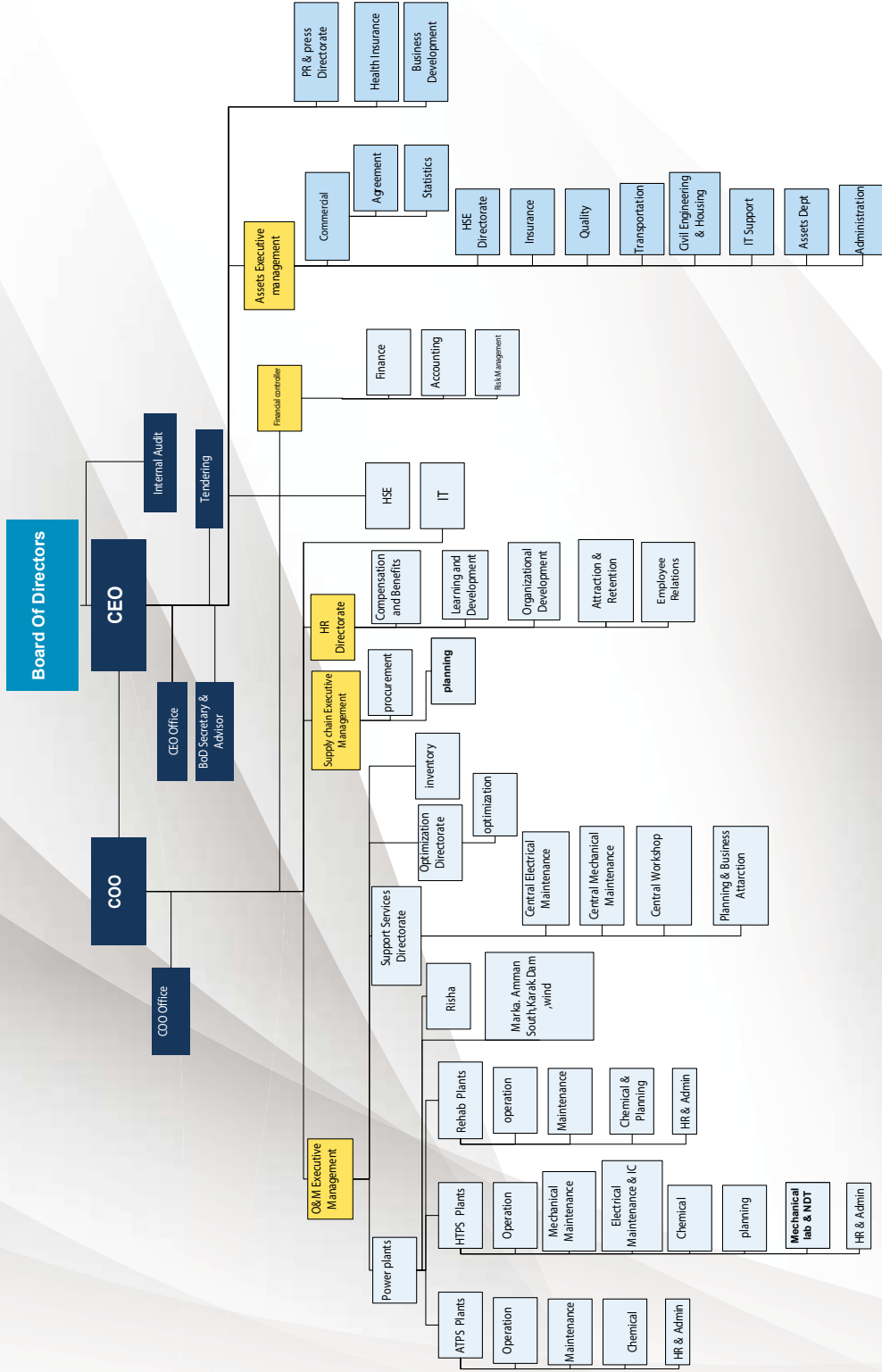
8.A. There are no Decisions Issued by the Government or International Organizations that have an impact on the work of the company or its competitive edge.

8. B. Quality and Technical Audit

- CEGCO has attained integrated management system certificates at all its sites including its main offices, Aqaba Thermal Power Station, Al-Hussein Thermal Power Station, Rehab Power Station and Risha Gas Turbine Power Station. The certificates comprise the ISO 9001:2008 for quality management system, the ISO 14001:2004 for environmental management system and the BS OHSAS 18001:2007 for occupational health and safety management system.
- CEGCO works closely with its Quality Control Department to ensure the ongoing implementation and development of the integrated management system through the application of the awarded certificates' criteria. This is also achieved through internal audits by trained certified auditors; biannual external audits by international certification body in addition to conducting regular management reviews with follow up on potential opportunities for improvement and development.



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 31/12/2015

Educational Degree	Employee number	percentage %
Less than high school	216	21.863
High school	227	22.975
Intermediate Diploma	358	36.236
Bachelor	176	17.813
Master	10	1.012
Phd	1	0.101
Total	988	100%



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

CEGCO believes that the human element is one of the most valuable resources of the company and the most influential in terms of the production process , where the development and empowerment of human resources is considered a cornerstone in enhancing of technical and practical skills for employees by providing them with the information and expertise necessary to perform effectively,

Accordingly, the company has made during the 2015 great attention to the process of In house training as a method of sharing knowledge because of its impact on the development of cadres' Technical skills and enhance their qualifications and skills. Where many of the specialized technical courses was held by the qualified engineers, technicians and staff after getting them into the training of trainers (TOT) training course.

The company also has held specialized technical courses to improve the technical and practical skills for the staff by contracting with prestigious training centers and institutions.

The company has also participated in many seminars and scientific conferences by getting many employees in such events.

The following table shows training distribution across all sites:

Training Distribution							
Location	Total Employees.	No of employees attend Training	Participation %	Total Training Hours	Location training hours %	Training Fees (JD)	Location training fees %
ATPS	336	218	65.16	5836	24.76	37760.57	32.42
HTPS	249	271	108.00	7081	30.04	10449.68	8.97
REHAB	165	145	91.14	5422	23.00	42095.31	36.14
RISHA	38	34	89.47	723	3.07	9504.97	8.16
MARKA	53	55	96.50	1376	5.84	4128.2	3.54
HQ	149	65	40.27	3132	13.29	12537.91	10.76
Total	990	788	79.60	23570		116476.64	



9. C. 1 . 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 31/12/2015

The following table shows the training courses that has been conducted during the year

Training Type / Title	Training hours	No. Of Attendees	Training fees
External Vendor			
CRT	12721	457	--
Administering Windows Server 2012	160	4	IT
Advanced Practical high pressure welding	180	6	workshop
Advent controller 160, configuration & operation (DCS)	50	2	Control
Business writing	360	12	Procurement
Configuring Advanced Windows Server 2012 Services	160	4	IT
DCS Ovation	600	5	maint.
Electrical Protection	495	11	electrical maintenance
English training	30	1	English
Excitation system	216	3	elect.
Financial investments in the financial market	30	3	Finance
Firefighting and Prevention	2625	104	HSE
First aid	1300	52	HSE
First aid	1000	40	HSE
HSE Supervisor Accredited by ministry of labor	810	3	HSE
Installing and Configuring Windows Server 2012	160	4	IT
ISO /IEC 17025:2005 training Course	168	7	ISO
Live Line Maintenance	36	2	HSE
Managing HP StoreOnce Backup Solutions	28	2	IT
MAXIMO Core team Training	1183	13	ERP
MenaPay Training	192	11	ERP
NEBOSH IGC	240	3	HSE
PPE	1597	90	HSE
Safe and effective use of fire extinguisher	82	41	HSE
Security and environmental assessment of industrial and coastal facilities	16	1	HSE
Server Virtualization with Windows Server Hyper-V and System Center	160	4	IT
Social Security	60	2	HR
Solar systems Training	360	12	renewable energy
TOT	360	12	L&D

Uncertainty in measurement	63	3	chemical
CRT+OJT	160	8	--
operation of Video-scope (operation of KARL STORZ ENDOSCOPES device)	160	8	Elect.
OJT	850	10	--
Motors AC/DC	100	5	Elect.
On Job Training Hydraulic pump of 50FWP10	750	5	maintenance
Internal Training	9399	2030	--
CRT	6778	1926	--
advance Excel (ATPS)	200	8	IT
advent controller 160, configuration & operation (DCS)	120	6	Control
Choosing the righth Tire to your car	104	13	transportation
Computer skills	381	15	IT
dealing with chemical materials and mineral oils	60	3	chemical
Earthing Systems Maintenance	168	14	Electrical
Electrical Motors Maintenance & Rewindings	324	18	Electrical
Excitation internal (REHAB)	300	10	electrical
field Instrument	432	18	I&C
Firefighting systems	40	20	HSE
HSE policies and procedures awareness sessions	3196	1565	HSE
INTERLOCK TESTS ON STG/INTERLOCK TESTS ON HRSG/INTERLOCK TESTS at Gas turbine	162	9	Operation
IT Security Awareness	135	117	IT
operation of the fire fighting systems in foam	44	22	HSE
protection of Gas turbine	176	22	maint.
protection system on GTs	160	20	maint.
pumps,selection ,performance and maint.	304	19	O&M
TECHNICAL REPORTS/STATISTICAL REPORTS	200	10	Operation
Valves and piping selection and maint.	272	17	mechanical
OJT	2621	104	--
Boiler Combustion Control & Pneumatic Instruments	120	3	mechanical
Burner Management System & Boiler Field Instruments	160	4	mechanical
C&B activities	15	1	HR
Diodes Test	20	4	central Elac. Maint.
Electrical Metering and Protection	140	7	electrical
Electronic Maint. Crads	100	5	maint.

EXCITATION UNITROL P	120	6	electrical
fire fighting alarming system	160	8	mechanical
Gears manufacturing	60	3	mechanical
Generator Chemicals	42	6	central Elac. Maint.
Generator protection - GT13 MI	100	2	maintenance
GT#13 Rotor disassembly	180	6	central Elac. Maint.
GT#13 Special tools	90	6	central Elac. Maint.
Interlock, Protections & Turbine Field Instruments	120	3	Elec+I&C
maint. & troubleshooting of circuit breakers	160	8	electrical
Milling	40	2	central workshop
motor operated valve	150	3	maintenance
Oil Tests in Laboratory	180	3	chemical
Physical protections for transformers	28	4	central Elac. Maint.
SHAFT ALIGNMENT TECHNICAL TRAINING	40	2	maintenance
Tan Delta Test	40	4	central Elac. Maint.
Transformer protection - ST14 SMI	100	2	maintenance
Turning	40	2	central workshop
Unit 13 maintenance	36	1	maint.
Water Tests in Laboratory	300	5	chemical
welding technology	80	4	central workshop
Grand Total	23510	2535	

9. C. 2. Conferences, seminars and workshops

Training Type / Title	Training hours	No. Of Attendees	Training fees
Conference	179	8	--
electrical and electronics conference	96	4	Electrical
First JOSTA Conference			--
HR Conference	21	1	HR
Project for the Study on the Electricity Sector Master Plan In the Hashemite Kingdom of Jordan	20		electrical
Towards global accounting and auditing profession	42	3	accounting & Audit
Event	16	2	--
Security Day	16	2	IT
Seminar	46	11	--
Low Temperature Distillation (LTD)	4	2	chemical
seminar on the Project for the Study on the Electricity Sector Master Plan in the Hashemite Kingdom of Jordan	12	4	Electrical
UL jordan Seminar for renewable Energy	30	5	energy
Summit	76	4	--
future energy summit	64	3	Energy
Jordan International Energy Summit	12	1	energy
workshop	63	5	--
EMERSON Global users Exchange	30	1	control
Energy sector in jordan	5		Energy
MED-Solar Project	12	2	solar energy
Specialist Engineering Solutions and Technologies for management of Aged Assets	16	2	mechanical

10. Risks Faced by the Company

none

11. Achievements of the Company in 2015

11.1 Use of Available Sources of Energy to Generate Electricity.

In 2015, the company continued using the local sources of energy available in the kingdom to generate the eclectic energy.

Natural Gas in Risha Field

The Company continued 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 (150) MW. In this year, it produced using the natural gas (270.7) GWh, where contribution of Risha Generating Station was (4.24%) of total production of the Company's stations in 2015 compared to (3.89%) in 2014.

Wind Energy

The Company continued using the wind energy to produce the electric energy from Houfa and Ibrahimiah Power Plants where the amount of sold electric power was (2,04) GWh, which contributed to reduction of production cost of the electric energy in the Company's stations in amount of (146,956) JD.

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 2015 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 (4256897) cubic meters of Methane in 2015 which contributed to reduction of its emission.

The total hours of operation of operating units in the company were (7084) working hours. The amount of energy generated in 2015 was (4480) 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 it is intended to get rid from (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.

Noticing that total extracted quantity of Biogas since start up of the project in June 2000 until 31/12/2015 is (74149691) cubic meters, contributed in generating energy in the same period with total amount of (101651) MW/H.



11.2 Health, safety and Environment (HSE).

To ensure achievement of vision and mission of CEGCO to keep up with ongoing development and modernization in scope of work systems and mechanisms implementation with relevant attention to HSE, CEGCO has been completed and achieved the following in 2015 year:

1. Trained and qualified groups of employees in cooperation with learning and development department on training courses in occupational health, safety and environment, like: firefighting and prevention, first aid, personal protective equipment, national examination board of occupational health and safety and the environmental impact assessment for industries of marine facilities.
2. Conduct training awareness sessions in adopted HSE policies and procedures in different sites, the training included the following HSE procedures:

- Electrical safety
- Permit to Work (PTW).
- Lock Out Tag Out (LOTO).
- Work at height.
- Forklifts safety
- Compressed gases cylinders
- HSE tours and inspections
- Chemical laboratory safety
- Oil spill contingency
- Management of contractors
- Security procedure
- Confined space
- Access to hazardous areas.
- Signage and labeling.



- All CEGCO sites continued implementing the different elements and procedures to meet the requirements and the standards of the Integrated Management System (IMS), including Quality Management System ISO 9001:2008, Environment Management System ISO 14001:200, and Occupational Health and Safety Management System BS OHSAS 18001:2007 .
- 2013.Aqaba Thermal Power Station (ATPS) and Rehab Power Station participated in the Incentive Award of Excellence granted by Social Security Corporation due to their high performance in Occupational Health and Safety in the previous year 2014.
- CEGCO continued implementing the of requirements of the certificate of «Smoking-free zone» achieved from King Hussein Cancer Institution and Center, Company has pledged to maintain a smoking-free facilities in order to provide a healthy environment for all people and give them the right to exist in a smoking-free place.
- External audits were conducted in different CEGCO locations in HSE, by Acwapower company experts to ensure compliance to adopted and approved HSE policies and procedures, and by SGS Jordan to ensure compliance to ISO 14001: 2004 And BS BS OHSAS18001:2007 OHSAS18001: 2007 requirements.
- All lifting equipment in different CEGCO locations were listed to carry out testing , certification and tagging by external vendor to guaranty safe works during usage of lifting equipment.
- CEGCO has carried out medical tests of lungs and ears efficiency for random samples of employees in different locations during the last quarter of 2015 year to ensure good occupational health and safety of workers in sites relevant to the noise and gas emissions .
- CEGCO arranged and hosted training course in "safety in dealing with chemical materials and mineral oils" for 20 employees of companies working in electricity sector in Jordan during August month.
- Number of work injuries during year 2015 was 2 Lost Time Injuries associated with 35 lost days per injury,its significantly lower than the previous year 2014 figure (10 Lost Time Injuries), it is expected that the trend will downward in coming years due to precautions and measurements already taken to reduce incidents and work injuries in different company locations.



11.3 Consultations, Agreements, and External Services

The Company has continued to provide consultations and technical services

11.4 Significant Statistics

Item	2014	2015	Growth rate (%)
Available capacity (MW)	1392	1392	0.00
Generated energy (GWh)	7964.3	6382.6	-19.9
Steam units	5490.6	4031.0	-26.6
Combined cycle	2079.0	1945.9	-6.40
Gas turbines	350.2	368.1	5.11
Hydro	41.6	35.6	-14.6
Wind	2.37	2.06	-13.2
Diesel engines	0.50	0.01	-98.4
Internal consumed energy (GWh)	464.3	363.2	-25.0
Internal consumed energy (%)	5.83	5.69	-2.4
Sold energy to NEPCO (GWh)	7527	6044	-19.7
Heavy fuel oil consumption (1000 ton)	1344	896	-33.3
Diesel oil consumption (1000 cubic meter)	479	197	-58.9
Natural gas consumption / Risha gas (million cubic meter)	131	123	-5.98
Natural gas consumption / (Billion BTU)	18	13072	-
Overall efficiency (generated) (%)	35.73	35.97	0.67
Overall efficiency (exported) (%)	33.65	33.92	0.80
Availability factor (%)	92.20	93.36	1.26
Forced outage factor (%)	2.96	2.73	-7.74
Planned outage factor (%)	4.84	3.91	-19.3
Employees	1008	988	-2.08

Performance Indicators

Table (1)

Technical Indicators	2011	2012	2013	2014	2015	Growth rate (%)
A. Performance Indicators						
Overall efficiency (generated) (%) (*)	35.71	35.47	34.67	35.73	35.97	0.67
Overall efficiency (exported) (%) (*)	33.59	33.29	32.50	33.65	33.92	0.80
Availability of generating units (%)	93.97	93.52	90.26	92.20	93.36	1.26
Percentage of internal consumed energy (%)	5.96	6.16	6.24	5.83	5.69	-2.40
B. Financial Indicators						
Average heavy fuel oil price (JD/ton)	482.5	500.2	478.5	453.7	292.7	-35.5
Average diesel oil price (JD/cubic meter)	504.2	550.3	653.5	636.4	435.7	-31.5
Average natural gas price / Risha (fils/cubic meter)	50	50	50	50	50	0.00
C. Manpower Indicators						
Annual productivity (GWh/employee)	7.51	7.13	7.13	7.90	6.47	-18.6
Installed capacity (MW/employee)	1.57	1.59	1.63	1.38	1.41	2.13

Fig (1)



CEGCO's Power Stations Performance Indicators

Table (2)
Availability Factor (%)

Power Station	2011	2012	2013	2014	2015
Aqaba Thermal	90.83	95.00	92.17	90.68	92.57
Hussein Thermal	95.09	87.32	88.87	93.16	95.53
Rehab	94.92	92.98	82.26	93.28	91.16
Risha	98.72	97.67	95.19	93.88	97.95
Marka	98.71	97.43	99.82	0.00	0.00
Amman South	96.71	99.27	98.09	98.50	99.88
Karak	99.32	100.00	99.99	0.00	0.00
Total	93.97	93.52	90.26	92.20	93.36

Fig (2)

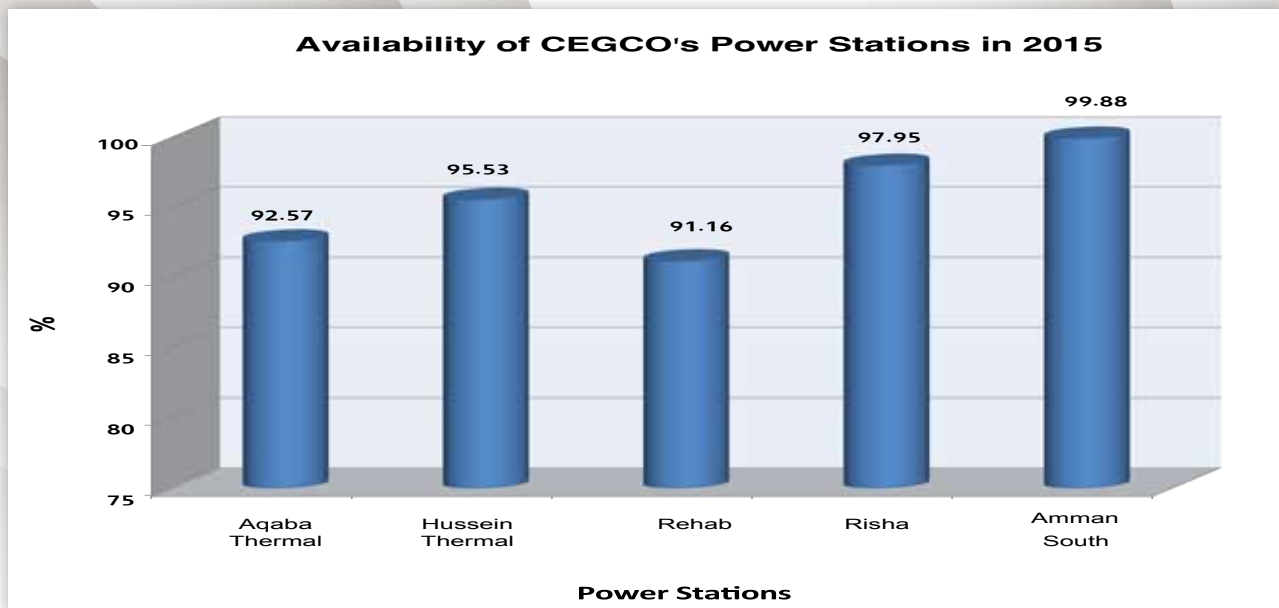


Table (3)
Forced Outage Factor (%)

Power Station	2011	2012	2013	2014	2015
Aqaba Thermal	4.74	1.36	2.38	3.20	4.53
Hussein Thermal	2.56	9.60	9.01	3.79	1.45
Rehab	2.34	4.91	14.47	1.40	1.25
Risha	1.08	0.33	3.97	4.99	0.40
Marka	0.13	0.31	0.18	0.00	0.00
Amman South	0.50	0.28	1.43	0.35	0.12
Karak	0.00	0.00	0.01	0.00	0.00
Total	3.02	3.64	6.32	2.96	2.73

Table (4)
Planned Outage Factor (%)

Power Station	2011	2012	2013	2014	2015
Aqaba Thermal	4.43	3.63	5.44	6.11	2.90
Hussein Thermal	2.35	3.08	2.12	3.06	3.03
Rehab	2.74	2.11	3.27	5.32	7.59
Risha	0.20	2.00	0.83	1.13	1.64
Marka	1.16	2.26	0.00	0.00	0.00
Amman South	2.79	0.45	0.48	1.15	0.00
Karak	0.67	0.00	0.00	0.00	0.00
Total	3.01	2.85	3.42	4.84	3.91

Power Station Efficiency

Table (5)

Efficiency (Generated) for Power Plants (%)

Power Station	2011	2012	2013	2014	2015
Aqaba Thermal	37.57	37.61	36.86	37.08	37.09
Hussein Thermal	29.07	28.39	27.98	27.92	27.44
Rehab	41.23	41.50	40.45	41.51	39.62
Risha	25.99	25.39	24.32	23.82	22.83
Marka	20.46	20.56	19.50	0.00	0.00
Amman South	25.76	25.25	24.22	24.39	24.39
Karak	22.30	20.94	20.28	0.00	0.00
Remote Villages	27.49	25.08	28.42	29.83	18.02
Total	35.71	35.47	34.67	35.73	35.97

Table (6)

Efficiency (Sent Out) for Power Plants (%)

Power Station	2011	2012	2013	2014	2015
Aqaba Thermal	34.56	34.45	33.88	34.25	34.12
Hussein Thermal	26.78	26.10	25.79	25.73	25.18
Rehab	40.48	40.77	39.78	40.77	38.96
Risha	25.85	25.24	24.14	23.63	22.61
Marka	19.88	19.89	18.04	0.00	0.00
Amman South	25.18	24.83	23.60	23.53	22.61
Karak	21.63	20.04	19.24	0.00	0.00
Remote Villages	25.81	23.44	26.56	27.88	16.84
Total	33.59	33.29	32.50	33.65	33.92

Power Station Heat Rate

Table (7)

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

Power Station	2011	2012	2013	2014	2015
Aqaba Thermal	9583	9571	9768	9709	9706
Hussein Thermal	12383	12682	12866	12895	13121
Rehab	8731	8674	8900	8673	9086
Risha	13853	14178	14801	15113	15769
Marka	17592	17435	18465	0	0.0
Amman South	13975	14258	14865	14758	14760
Karak	16146	17194	17751	0	0.0
Remote Villages	13096	14356	12665	12069	19974
Total	10080	10149	10384	10075	10010

Table (8)

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

Power Station	2011	2012	2013	2014	2015
Aqaba Thermal	10417	10449	10625	10509	10550
Hussein Thermal	13441	13790	13961	13991	14296
Rehab	8893	8830	9051	8830	9240
Risha	13927	14264	14910	15234	15922
Marka	18106	18103	19955	0	0.0
Amman South	14295	14501	15252	15299	17282
Karak	16646	17967	18709	0	0.0
Remote Villages	13950	15360	13552	12914	21374
Total	10719	10816	11076	10699	10614

Generated Electrical Energy

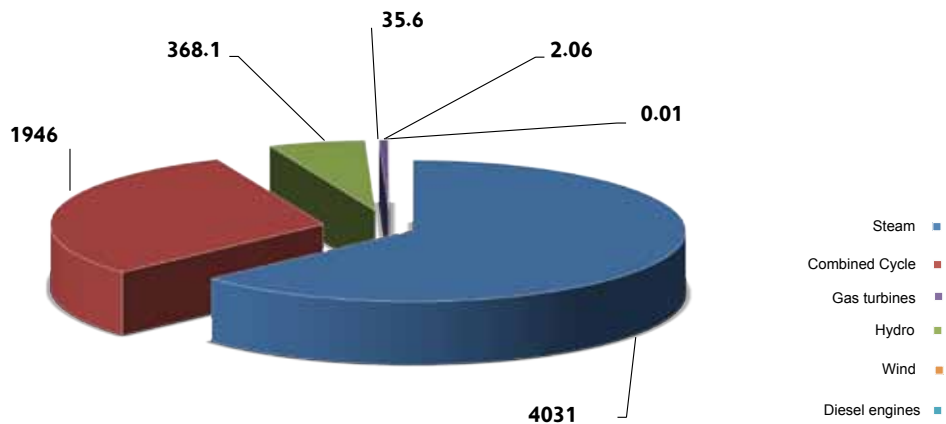
Table (9)

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

Power Station	2011	2012	2013	2014	2015	Growth rate (%)
Aqaba Thermal	4303.9	4013.2	4081.3	4466.7	3605.0	-19.3
Hussein Thermal	1212.2	1287.6	1281.1	1065.5	461.5	-56.7
Rehab	2013.6	1994.4	1620.0	2108.4	2041.9	-3.15
Risha	476.71	434.44	363.85	309.77	270.7	-12.6
Marka	9.85	10.05	3.95	0.00	0.0	0.0
Amman South	28.1	42.7	24.6	11.0	1.45	-86.9
Karak	2.71	2.98	2.11	0.0	0.00	0.0
Ibrahimiah	0.48	0.89	0.55	0.47	0.30	-37.6
Hofa	1.87	1.38	2.01	1.90	1.76	-7.13
Remote Villages	1.31	1.42	1.48	0.50	0.01	-98.4
Total	8050.7	7789.1	7380.9	7964.3	6382.6	
Growth Rate (%)	5.17	-3.25	-5.24	7.90	-19.86	

Fig (3)

Generated Electrical Energy in CEGCO's Power Stations by Type of Generation in 2015(GWh)



Sold Electrical Energy

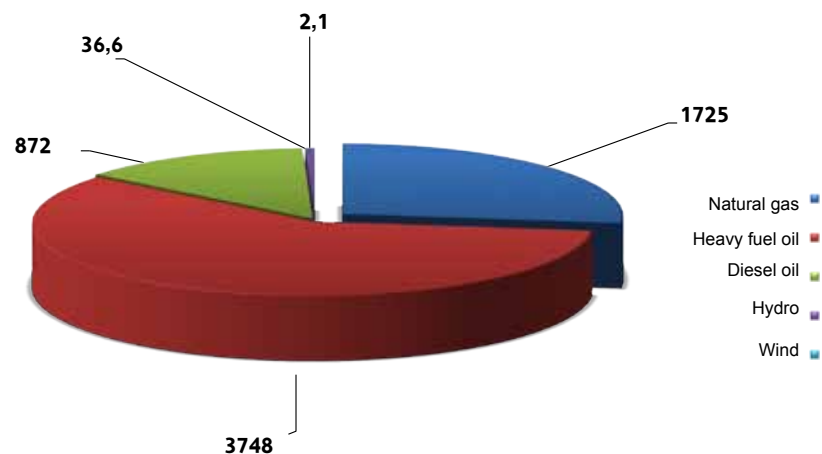
Table (10)

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

Power Station	2011	2012	2013	2014	2015	Growth rate (%)
Aqaba Thermal	3961.5	3673.5	3750.9	4124.7	3325.8	-19.4
Hussein Thermal	1147.1	1217.3	1207.6	1010.1	439.3	-56.5
Rehab	1975.6	1960.5	1592.4	2072.1	2008.0	-3.10
Risha	472.3	429.7	359.9	306.2	267.0	-12.8
Marka	9.7	9.95	3.9	0.0	0.0	0.0
Amman South	27.9	41.9	24.5	10.9	1.44	-86.8
Karak	2.76	3.04	2.16	0.00	0.00	0.0
Ibrahimiah	0.46	0.50	0.53	0.46	0.29	-36.6
Hofa	1.85	1.74	1.99	1.88	1.75	-6.75
Remote Villages	1.23	1.32	1.38	0.47	0.01	-98.4
Total	7600.5	7339.5	6945.2	7526.9	6043.6	
Growth Rate (%)	5.05	-3.43	-5.37	8.38	-19.71	

Fig (4)

Generated Electrical Energy in CEGCO's Power Stations by Type of Fuel and Primary Energy in 2015 (GWh)



Internal Electrical Energy Consumption

Table (11)

CEGCO's Power Stations Internal Consumption (MWh)

Power Station	2011	2012	2013	2014	2015
Aqaba Thermal	344395	337212	329322	340280	288339
Hussein Thermal	95442	103472	100507	83451	37925
Rehab	36595	35154	26911	37669	34125
Risha	2537	2640	2664	2474	2596
Marka	280	371	295	0.0	0.0
Amman South	628	713	625	391	212
Karak	81	128	108	0.0	0.0
Ibrahimiah	80.1	6.6	5.8	4.4	5.30
Hofa	8.4	9.8	9.3	9.6	10.6
Remote Villages	10.1	92.6	97.0	32.6	1.00
Total	480056	479798	460544	464311	363214

Table (12)

CEGCO's Power Stations Internal Consumption (%)

Power Station	2011	2012	2013	2014	2015
Aqaba Thermal	8.00	8.40	8.07	7.62	8.00
Hussein Thermal	7.87	8.04	7.85	7.83	8.22
Rehab	1.82	1.76	1.66	1.79	1.67
Risha	0.53	0.61	0.73	0.80	0.96
Marka	3.84	3.69	7.46	0.00	0.00
Amman South	2.23	1.67	2.54	3.54	14.59
Karak	2.99	4.30	5.12	0.00	0.00
Ibrahimiah	1.75	1.29	1.06	0.92	1.79
Hofa	0.53	0.56	0.46	0.51	0.60
Remote Villages	6.12	6.54	6.54	6.54	6.55
Total	5.96	6.16	6.24	5.83	5.69

Fuel Consumption

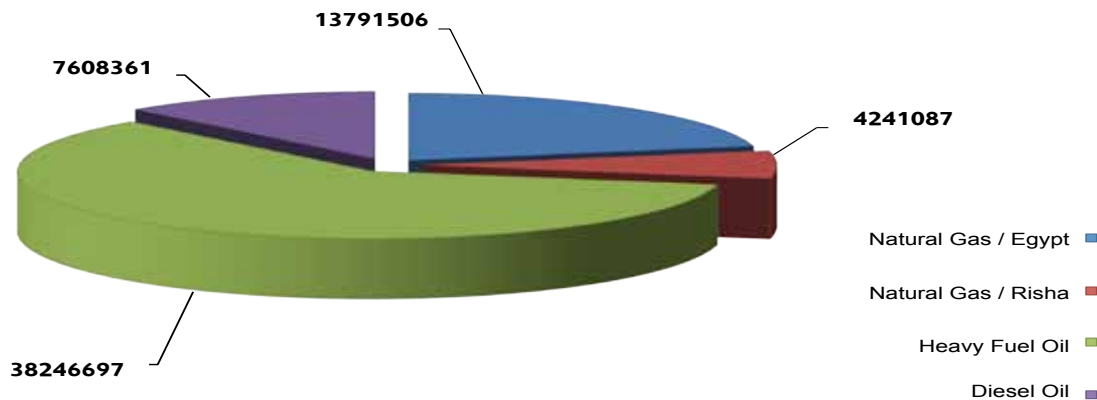
Table (13)

CEGCO's Power Plants Consumption of Fuel

Power Plant	Fuel Type	Unit	2011	2012	2013	2014	2015
ATPS	Natural Gas	Billion BTU	821	0	0	0	2652
	HFO	Ton	960744	921781	941276	1020506	753818
	DO	Cubic meter	609	312	458	291	506
HTPS	HFO	Ton	367244	392079	389782	323450	142085
	DO	Cubic meter	20	16	0	0	87
Rehab	Natural Gas	Billion BTU	4209	648	311	18	10419
	DO	Cubic meter	341115	431914	365326	474864	195135
Risha	Risha Gas	(1000) Cubic meter	181258	163640	150997	130741	122924
	DO	Cubic meter	8359	12856	4159	3980	700
Amman South	DO	Cubic meter	10363	15794	9482	4237	556
Remot	DO	Cubic meter	446	529	484	156	4
Total	Natural Gas	Billion BTU	5029	648	311	18	13072
	Risha Gas	(1000) Cubic meter	181258	163640	150997	130741	122924
	HFO	Ton	1327988	1313860	1331058	1343956	895903
	DO	Cubic meter	366680	467305	382761	479291	196988

Fig (5)

CEGCO's Power Stations Fuel Consumption in 2015 (GJ)



Installed Capacity of Operating Power Stations in Electrical System

Table (14)

Installed Capacity of CEGCO's Power Stations in 2015 (MW)

Power Station	steam	steam Combined cycle	Natural Gas	Diesel Oil	Hydro	Wind	Total
Aqaba	5 x 130	--	--	--	6	--	656
Hussein	3 x 66	--	--	--	--	--	198
Rehab / Simple cycle	--	--	2 x 30	--	--	--	60
Rehab / Combined cycle	--	1 x 97	2 x 100	--	--	--	297
Risha	--	--	5 x 30	--	--	--	150
Amman South	--	--	--	1 x 30	--	--	30
Ibrahimiya	--	--	--	--	--	4 x 0.08	0.32
Hofa	--	--	--	--	--	5 x 0.225	1.125
Total	848	97	410	30	6	1.4	1392



Table (15)

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

Source	2011	2012	2013	2014	2015
1.CEGCO	1687	1687	1687	1392	1392
Steam	1013	1013	1013	848	848
Combined cycle	297	297	297	297	297
Gas turbines / Natural gas	210	210	210	210	210
Gas turbines / Diesel oil	160	160	160	30	30
Diesel engines	-	-	-	-	-
Hydro	6	6	6	6	6
Wind	1.4	1.4	1.4	1.4	1.4
2.Other Organizations	1363	1733	1733	2846	3068
SEPGCO	885	885	885	1031	1175
King Talal Dam	6	6	6	6	6
Jordan Bio Gas Company	4	3.5	3.5	3.5	4
AES	370	370	432	432	432
Al Qatraneh	373	373	420	420	420
IPP3	-	-	-	573	573
IPP4	-	-	-	241	241
Shamsna	-	-	-	-	5
Jordan wind Renewable Co.	-	-	-	-	117
Others	95	95	139.3	139.3	95
Total	3050	3420	3719	4238	4460

Loads of Electrical System

Table (16)

Electrical System Peak Load Development (MW)

Source	2011	2012	2013	2014	2015
Total Electrical System	2660	2770	2975	2900	3300
Load Growth Rate (%)	0.38	4.14	7.40	-2.52	13.79
CEGCO	1324	1172	1477	1044	743
CEGCO share of Loads (%)	49.8	42.3	49.6	-29.3	-28.8

Fig (6)

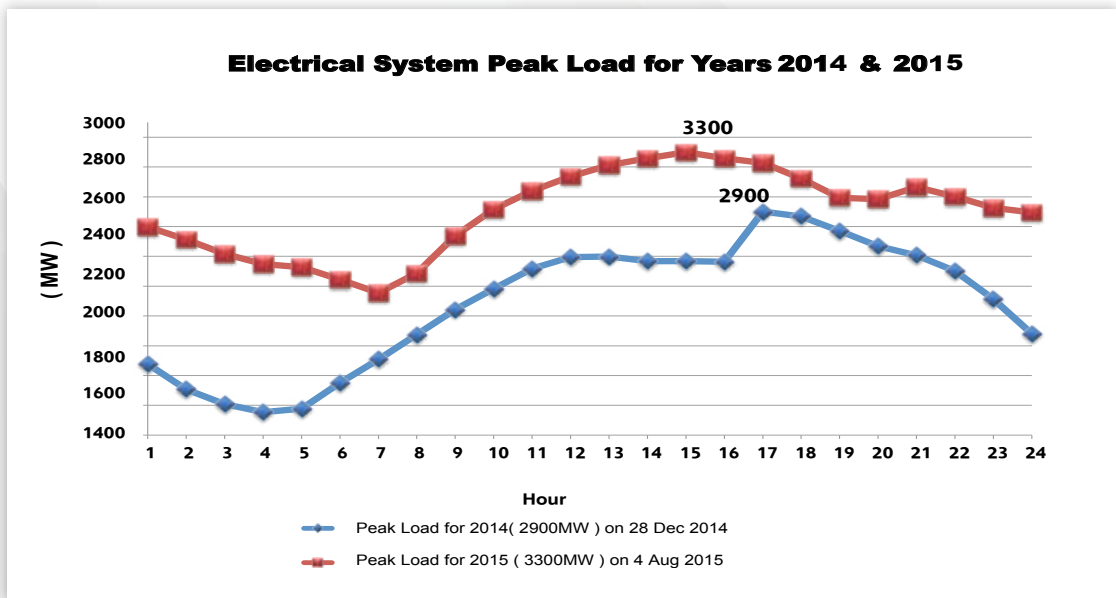
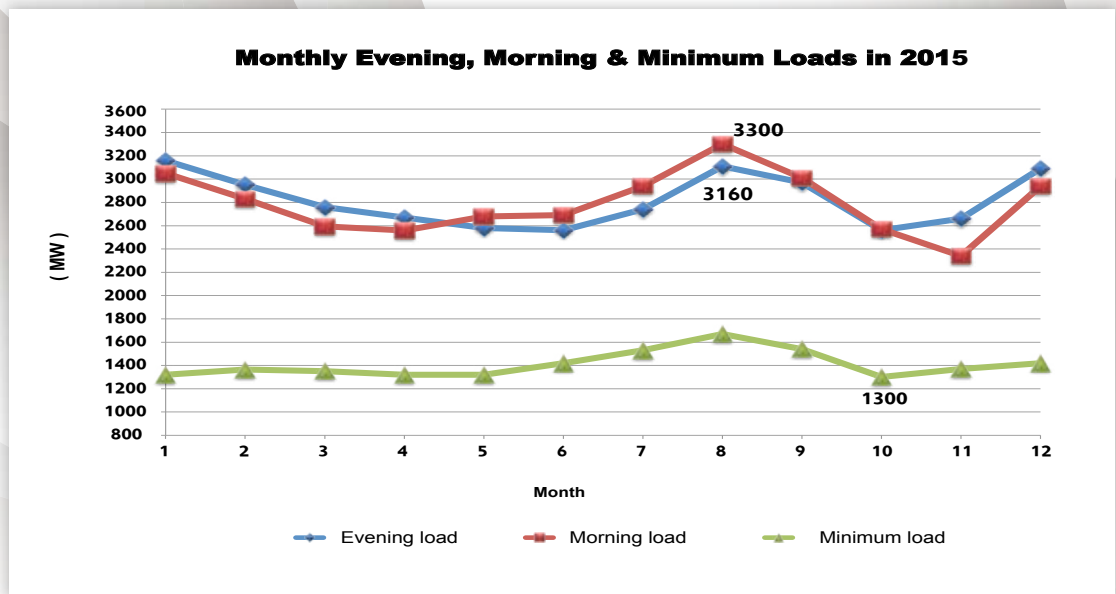


Fig (7)



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

	2015	2014	2013	2012	2011
PROFIT AFTER TAX	14,553,741	17,136,921	24,757,124	21,303,787	8,056,433
DIVIDENDS	17,000,000	24,000,000	20,865,832	9,102,909	4,187,211
DIVIDENDS FROM VOLUNTARY RESERVE	13,000,000	-	8,634,168	14,897,091	19,812,789
SHARE HOLDERS EQUITY (NET)	91,758,091	106,818,213	115,404,167	121,040,370	124,807,100
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	2015	2014
OPERATION PROFIT (LOSS) RATIO (Without fuel)	28.98%	26.43%
NET PROFIT (LOSS) BEFORE INTEREST , FOREIGN EXCHANGE & TAX (Without fuel)	28.71%	27.74%
NET PROFIT (LOSS) BEFORE TAX (Without fuel)	20.24%	21.96%
NET PROFIT (LOSS) AFTER TAX (Without fuel)	17.48%	20.39%
RETURN ON ASSETS RATIO	3.93%	3.41%

LIQUIDITY INDICATORS	2015	2014
CURRENT RATIO (TIME)	1.61	1.20
LIQUIDITY RATIO (TIME)	1.11	1.08
WORK CAPITAL (1000 JD)	31491	47488

ASSETS UTILITY INDICATORS	2015	2014
ACCOUNTS RECEIVABLE TURNOVER (TIME)	3.26	3.95
NUMBER OF DAYS OF RECEIVABLES	112	92

CAPITAL STRUCTURE INDICATORS	2015	2014
DEBTS / TOTAL ASSETS RATIO	64.80%	77.75%
DEBTS / EQUITY RATIO	184.11%	349.44%

15. Future developments and future plans of the company

- A Saudi company ACWA Power, a key investor in the Central Electricity Generating Company (CEGCO) since 2010 has signed an agreement to revamp Al Hussein Thermal Power Station at a capacity of 485 megawatts and a \$500 million investment.
- The project will provide the Kingdom's power grid with around 12 per cent of its needs.
- The project will take environmental, health and public safety concerns into account as well as the question of efficient productivity, noting that the project reflects the strong strategic partnership between Jordan and Saudi Arabia

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

2015	
Auditing Office : Ernst & Young	
Auditing charges	19,720
Tax consultations charges	29,000
Total	48,720

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

	Position	Nationality	Share No.	Share No.
			2015	2014
Enara Energy Investment		Jordanian	15,250,000	15,250,000
H.E.Mr. Mohammed Abunayyan	Chairman	Saudi	_____	_____
H.E.Mr. Thamer Al Sharhan	Vice- Chairman	Saudi	_____	_____
H.E.Mr. William Wakileh	Member (from 20-12-2015)	Jordanian	_____	_____
H.E.Mr. Thomas Leroy Langford	Member (till 19-12-2015)	American	_____	_____
Enara (2) Energy Investment		Jordanian	50,000	50,000
H.E.Mr Sanjiv Iyer	Member	Indian	_____	_____
The Government Of Jordan		Jordanian	12,000,000	12,000,000
H.E.Mrs. Dina Al-Dabbas	Member	Jordanian	_____	_____
H.E. Mr. Zaid Jebriil	Member	Jordanian	_____	_____
Social Security Corporation		Jordanian	2,700,000	2,700,000
H.E.Mr. Zaydoun Abo 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. Thamer Al Sharhan	Vice- Chairman (from 6-4-2014)	6,000	3,333	9,333
* H.E.Mr. Joseph Francis Gomez	Vice- Chairman(till 5-4-2014)	-	1,667	1,667
H.E.Mr. Thomas Leroy Langford	Member(till 19-12-2015)	6,000	5,000	11,000
H.E.Mr. William Wakileh	Member (from 20-12-2015)	-	-	-
Enara (2) Energy Investment				
H.E.Mr Sanjiv Iyer	Member(from 19-10-2014)	6,000	833	6,833
H.E.Mr Rajit Nanda	Member (till- 19-10-2014)	-	4,167	4,167
The Government Of Jordan				
** H.E.Mrs. Dina Al-Dabbas	Member	6,000	5,000	11,000
** H.E. Mr. Zaid JebriI	Member(from 1-7-2014)	6,000	2,500	8,500
** H.E.Mr. Mahmoud Al- Ees	Member(till 1-7-2014)	-	2,500	2,500
Social Security Corporation				
*** H.E.Mr. Zaydoun Abu Hassan	Member	6,000	5,000	11,000
Total		42,000	35,000	77,000

*** The total benefits that belong to H.E.Mr. Mohammed Abunayyan, H.E.Mr. Thamer Al Sharhan and H.E.Mr. Joseph Francis Gomez transferred to Enara Energy Investment

** The remuneration that belong to H.E.Mrs. Dina Al-Dabbas, H.E. Mahmoud Al- Ees & H.E. Zaid JebriI who represent the Government Of Jordan transferred to Ministry of Finance /Governmental Contribution Department.

*** The total benefits that belong to H.E. Eng. Zaydoun Abu Hassan transferred to Social Security Corporation-Investment fund of Social Security.

18. B. Benefits and remunerations received by the executive management

	POSITION	Total Salaries	Remunerations	Traveling	Other Benefits	TOTAL
Mr. Omar Ahmad Daour	Chief Executive Officer	98,325	-	1,050	-	99,375
Mr. Nadeem Rizvi	Chief Operation Officer	235,627	-	-	-	235,627
Mr.Sami Y.Abzakh	Consultant & Secretary BOD	34,770	6,691	400	-	41,861
Mrs.Zakieh Abed-Elghani Jardaneh	Financial Controller	36,510	7,331	1,200	-	45,041
Mr. Ismail Ahmed Qannis	Manager-Accounting	24,555	1,536	-	-	26,091
Mr. Maher Mohammad Tubaishat	Executive Manager /Asset Management	36,000	9,107	600	-	45,707
Mr Ali Hussein Al Rawashdeh	Executive Manager / Operation and Maintenance	31,399	8,299	600	-	40,298
Mr Adnan Mohammad Dhoun	Executive Manager Supply Chain Management	34,545	4,278	600	-	39,423
Mr. Ibrahim Naser	Finance Manager	17,430	3,668	800	-	21,898
Mr. Abdullab Qadadeh	Internal Audit Manager	24,672	-	800	-	25,472
Total		573,833	40,910	6,050	-	620,793

19. Grants and Donations Paid by the Company in 2015

Statement	Cost
Shulah Sports Club	5,400
New Rehab Municipality	10,000
Al-hashimiah Municipality	10,000
Alsaha school / Mafraq	4,795
Public Safety / Al-hashimiah	7,519
National association for blood donation	500
The Jordanian Association for care of diabetes / Furniture	2,309
Parcels welfare / Aqaba	2,000
Parcels welfare / Zarka	3,000
Parcels welfare / Mafraq	2,000
Ibn Taymiyyah mosque	2,000
The sons of the late Ibrahim Khalil Harb	2,000
The Committee on Social Responsibility	21,500
Free medical day	10,419
Al-hashimiah Housing School - clothes and sneakers	1,664
Security center/ Mafraq	1,450
Prince Ali Center for the Deaf	808
Mafraq mosque	1,250
Education Specialist / Zarka	3,000
Hashemite schools	39
Retired units / Jordanian universities	63338
Total	154,991

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 cooperation between Central Electricity Generating Company and the governmental authorities responsible for the environment of Jordan has been continued 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:
- CEGCO has get rid of the last quantity of transformer oil contained compounds of polychlorinated biphenyls (PCB's) according to scheduled agreed program in Cooperation with Ministry of Environment in Jordan and the United Nations, where technical staff in CEGCO has completed dismantling the relevant transformer after discharging oil containing compounds of (PCB's) under the supervision of UN expert and French expert from specialized in this field company, oils have been packed and put in containers prepared specially for this purpose and were shipped to France according to agreement and program under the supervision of staff of Jordanian Ministry of Environment.
- CEGCO continued implementing the Integrated Management System (IMS) which consists of Quality Management System ISO 9001:2008, Environmental Management System ISO 14001:2004 and Occupational Health & Safety Management System OHSAS 18001:2007, the most important requirements of environmental management system includes: environmental aspects identification and risk level evaluation with developing solutions and measurements to reduce these risks to acceptable levels with continues monitoring and measurement, environmental emergency preparedness and response readiness, communication, participation and consultation with commitment to comply with all applicable environmental laws in all sites and activities of company.
- Solar cells system for generating electricity in CEGCO Head Quarter was installed at the roof of the building, it is designed to replace 40% of the consumed energy in HQ, in addition to its priceless environmental value, the project's payback period is expected to be within 2- 3 years



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

Social responsibility has always been a cornerstone and core value of CEGCO, which, year after year, takes care to implement a number of effective social programs and initiatives. The Company's efforts are a reflection of its patriotic duty toward uplifting the communities in the vicinity of its power plants, strengthening the bonds of social solidarity and driving sustainable social and economic growth in Jordan.

Committed to playing a dynamic role within the community, CEGCO strives to leave a positive, tangible mark on individuals and businesses alike. Contributing to numerous sectors active in the fields of education, social progress, medical, environment, energy and community empowerment, the Company offers its support to municipalities, governmental schools, associations and sports clubs. In addition to organizing free medical days for the provision of health care, CEGCO supports environmental projects, such as solar energy in mosques, as well many more initiatives, all of which aim to advance the economy and contribute to building a promising future for upcoming generations.

Universities Students Training:

For the purposes of linking the practical aspect with the theoretical aspect and to enhance the skills and the practical capabilities of the students, CEGCO provides a number of training opportunities for college and universities students of bachelors and diploma programs from the different disciplines for the purposes of graduation in its sites spread throughout in the kingdom. Where (66) students were trained in 2015 from the different universities and the kingdom institutes within the students training for the sake of graduation .







Central Electricity Generating Company

Financial Statements

31 December 2015

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, public shareholding company (the "Company"), which comprise the statement of financial position as at 31 December 2015 and the statements of profit or loss, 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 about 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 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on Other Regulatory 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.

Ernst + Young

Amman – Jordan
16 March 2016

Statement of financial position At 31 December 2015

	Notes	2015	2014
		JD	JD
Assets			
Non-current Assets			
Property, plant and equipment	3	159,752,862	179,269,451
Projects in progress	4	1,470,666	519,204
Employees' housing fund loan	5	312,432	312,432
Investment in an associate	6	577,654	739,516
Deferred tax assets	7	1,568,943	2,412,073
Strategic fuel inventories	8	14,014,081	11,214,134
		177,696,638	194,466,810
Current Assets			
Inventories	9	25,971,844	28,193,300
Other current assets	10	3,198,209	6,073,812
Accounts receivable	11	41,578,409	232,881,967
Cash and bank balances	28	12,244,265	18,470,428
		82,992,727	285,619,507
Total Assets		260,689,365	480,086,317
Equity and Liabilities			
Equity			
Paid in capital	12	30,000,000	30,000,000
Statutory reserve	12	7,500,000	7,500,000
Voluntary reserve	12	41,672,932	54,672,932
Cash flow hedge reserve		(2,643,863)	(2,547,234)
Retained earnings		15,229,022	17,192,515
Total Equity		91,758,091	106,818,213
Liabilities			
Non-current Liabilities			
Long-term loans	13	98,808,487	115,767,115
End-of-service indemnity provision	14	8,232,848	8,150,968
Decommissioning provision	15	2,037,000	1,913,000
Derivative financial liability	18	8,199,485	9,305,727
Deferred tax liabilities	7	151,457	-
		117,429,277	135,136,810
Current Liabilities			
Current portion of long-term loans	13	22,883,475	19,497,918
Other current liabilities	16	5,324,633	5,360,190
Accounts payable	17	18,080,141	209,579,343
Derivative financial liability	18	2,544,384	2,935,416
Income tax provision	7	2,669,364	758,427
		51,501,997	238,131,294
Total Liabilities		168,931,274	373,268,104
Total Equity and Liabilities		260,689,365	480,086,317

The attached notes from 1 to 34 form part of these Financial Statements

Statement of Profit or Loss For The Year Ended 31 December 2015

	Notes	2015	2014
Power generation revenues	19	447,012,418	987,410,357
Stations operating costs	20	(373,753,860)	(913,500,198)
Depreciation	3	(20,920,884)	(23,106,469)
Administrative expenses	21	(12,739,793)	(13,109,890)
Maintenance costs	22	(11,623,594)	(12,994,195)
Provision for slow moving inventories		(2,789,352)	(1,578,032)
End-of-service indemnity provision	14	(1,060,894)	(912,309)
Total operating costs		(422,888,377)	(965,201,093)
Operating profit		24,124,041	22,209,264
Foreign currency exchange gain, net	26	50,160	2,434,087
Share of profit of an associate	6	38,138	171,048
Provision for doubtful debts	11	(1,880,793)	(2,979,507)
Board of directors remuneration		(35,000)	(35,000)
Other income, net	23	1,655,474	3,829,717
Finance costs, net	24	(7,104,531)	(7,174,695)
Profit before income tax		16,847,489	18,454,914
Income tax	7	(2,293,748)	(1,317,993)
Profit for the year		14,553,741	17,136,921
Basic and diluted earnings per share	25	0.485	0.571

The attached notes from 1 to 34 form part of these Financial Statements

Statement of Comprehensive Income For The Year Ended 31 December 2015

	Notes	2015	2014
		JD	JD
Profit for the year		14,553,741	17,136,921
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):			
Loss on cash flow hedges	18	(96,629)	(1,054,741)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(96,629)	(1,054,741)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax):			
Actuarial gain (loss) on end-of-service indemnity		482,766	(668,134)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		482,766	(668,134)
Other comprehensive income for the year, net of tax		386,137	(1,722,875)
Total comprehensive income for the year, net of tax		14,939,878	15,414,046

The attached notes from 1 to 34 form part of these Financial Statements

Statement Of Changes In Equity For The Year Ended 31 December 2015

	Paid in capital	Statutory reserve	Voluntary reserve	Cash flow hedge reserve	Retained earnings	Total
	JD	JD	JD	JD	JD	JD
2015 -						
Balance at 1 January 2015	30,000,000	7,500,000	54,672,932	(2,547,234)	17,192,515	106,818,213
Profit for the year	-	-	-	-	14,553,741	14,553,741
Other comprehensive income for the year	-	-	-	(96,629)	482,766	386,137
Total comprehensive income for the year	-	-	-	(96,629)	15,036,507	14,939,878
Dividends (Note 12)	-	-	(13,000,000)	-	(17,000,000)	(30,000,000)
Balance at 31 December 2015	30,000,000	7,500,000	41,672,932	(2,643,863)	15,229,022	91,758,091
2014 -						
Balance at 1 January 2014	30,000,000	7,500,000	54,672,932	(1,492,493)	24,723,728	115,404,167
Profit for the year	-	-	-	-	17,136,921	17,136,921
Other comprehensive income for the year	-	-	-	(1,054,741)	(668,134)	(1,722,875)
Total comprehensive income for the year	-	-	-	(1,054,741)	16,468,787	15,414,046
Dividends	-	-	-	-	(24,000,000)	(24,000,000)
Balance at 31 December 2014	30,000,000	7,500,000	54,672,932	(2,547,234)	17,192,515	106,818,213

The attached notes from 1 to 34 form part of these Financial Statements

Statement of Cash Flows For The Year Ended 31 December 2015

	Notes	2015	2014
		JD	JD
Operating Activities			
Profit before income tax		16,847,489	18,454,914
Adjustments for:			
Depreciation	3	20,920,884	23,106,469
Provision for slow moving inventories		2,789,352	1,578,032
End-of-service indemnity provision	14	1,060,894	912,309
Reversed from employees vacations provision	16	(7,786)	-
Employees vacations provision	16	-	53,023
Gain on sale of decommissioned units' fuel	23	(1,154,697)	(978,194)
Gain on disposal of property, plant and equipment	23	(182,134)	(196,393)
Provision for doubtful debts	11	1,880,793	2,979,507
Gain from foreign currency exchange	26	(50,160)	(2,434,087)
Share of profit of an associate		(38,138)	(171,048)
Interest income		(408,169)	(113,630)
Finance costs		7,512,700	7,288,325
Working capital changes:			
Accounts receivable		189,422,765	31,678,554
Other current assets		118,247	164,982
Inventories		(3,367,843)	3,377,056
Accounts payable		(191,499,202)	(35,226,674)
Other current liabilities		304,679	(53,089)
Employees vacations provision paid	16	(25,526)	(25,853)
Employees legal cases provision paid	16	-	(19,039)
End-of-service indemnity provision paid	14	(401,067)	(376,301)
Income tax paid	7	(380,065)	(303,575)
Net cash from operating activities		43,343,016	49,695,288
Investing Activities			
Purchases of property, plant and equipment, and projects in progress		(2,448,287)	(1,169,814)
Proceeds from sale of property, plant and equipment		274,664	230,557
Proceeds from sale of decommissioned units' fuel		4,834,193	-
Interest received		408,169	113,630
Dividends received from associate		200,000	-
Net cash from (used in) investing activities		3,268,739	(825,627)
Financing Activities			
Repayments of loans		(27,646,881)	(48,926,706)
Proceeds from loans		11,360,000	99,400,000
Dividends paid	12	(30,000,000)	(24,000,000)
Interest paid		(6,590,334)	(9,315,599)
Net cash (used in) from financing activities		(52,877,215)	17,157,695
Net (decrease) increase in cash and cash equivalents		(6,265,460)	66,027,356
Effect of exchange rate changes on cash and cash equivalents		39,297	78,613
Cash and cash equivalents at 1 January		18,470,428	(47,635,541)
Cash and cash equivalents At 31 December	28	12,244,265	18,470,428

The attached notes from 1 to 34 form part of these Financial Statements

Notes To The Financial Statements At 31 December 2015

(1) General

- Central Electricity Generating Company (the “Company” or “CEGCO”) was registered in accordance with the Jordanian Companies Law No. (22) of 1997 and in implementation of the Council of Ministers resolution dated 4 October 1997, regarding the establishment of a separate company from the National Electric Power Company, to conduct electrical generating activities, which is the only activity the Company is engaged in.
- The Company was registered with the Ministry of Industry and Trade on 12 February 1998 as a public shareholding company under number (334), and commenced its industrial and commercial activities on 1 January 1999.
- In accordance with the privatization initiatives, the Government during 2007 sold 51% of CEGCO shares to ENARA Energy 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 issuance by the Company’s Board of Directors in their meeting held on 16 March 2016 and it is subject to the approval of the General Assembly.

(2-1) Basis Of Preparation

The financial statements are prepared under the historical cost convention.

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

The financial statements are presented in Jordanian Dinars.

(2-2) Changes In Accounting Policies And Disclosures

The accounting policies used in the preparation of the financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2014.

(2-3) Significant Accounting Estimates and Assumptions

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions as well as fair value changes reported in equity. In particular, considerable judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provisions required. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future changes in such provisions.

Useful life of properties, plant and equipment

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

Income tax provision

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

Deferred tax assets are recognized for all deductible temporary differences such as unused tax expenses and losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits. Details of income tax provision and deferred tax are disclosed in (Note 7).

Provision for decommissioning

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

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

End-of-service indemnity provision

End of service indemnity provision are measured using the Projected Unit Credit Method that is calculated by an actuary. Actuarial assumptions are disclosed in (Note 14).

Provision for doubtful debts

An estimate of the collectible amount of trade accounts receivable is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on historical recovery rates.

(2-4) Significant Accounting Policies

Property, plant and equipment

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

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

	%
Buildings	2 - 10
Steam generating units	3 - 11
Gas generating units	4 - 13
Diesel generating units	2
Wind generating units	2
Computers	10 - 20
Vehicles	20
Equipment	5 - 20
Tools	5 - 20
Furniture and office equipment	10

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

Projects in progress

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

Decommissioning costs

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

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

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 profit or loss 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 provision for spare parts over 5 years is calculated based on the estimated remaining lives of the related assets. Slow moving provision for general materials over 5 years is calculated 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 any amount or part of it 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 statement of cash flows, cash and cash equivalents consist of cash on hand, bank balances, and short-term deposits with an original maturity of three months or less.

Term loans

All term loans are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the assets. All other borrowing costs are expensed in the period they occur. Borrowing cost consists of interest and other cost that an entity incurs in connection with the borrowing.

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. The liability is valued by professionally qualified independent actuaries.

Accounts payable and accruals

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

Provisions

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

Revenue recognition

Revenue is 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 as other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss.

Amounts recognised as other comprehensive income are transferred to the profit or loss 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. when 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 non-financial asset or liability.

If the hedging transaction expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in other comprehensive income remains separately in equity until the forecast transaction occurs or the foreign currency firm commitments is met.

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 Profit or loss. 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 Profit or loss.

(3) Property, Plant And Equipment

2015	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 2015	128,063,593	397,697,527	196,074,799	274,000	425,407	1,496,720	2,076,080	4,332,464	2,019,132	1,383,941	733,843,663
Additions	-	176,710	-	-	-	85,059	99,008	258,789	175,493	44,276	839,335
Transfers from projects in progress	183,874	397,172	-	-	-	-	-	76,444	-	-	657,490
Disposals	(158,586)	-	(7,630,000)	(251,984)	-	-	(22,805)	-	-	-	(8,063,375)
At 31 December 2015	128,088,881	398,271,409	188,444,799	22,016	425,407	1,581,779	2,152,283	4,667,697	2,194,625	1,428,217	727,277,113
Accumulated depreciation:											
At 1 January 2015	94,650,654	304,693,440	146,038,320	273,979	170,924	1,127,989	1,968,212	3,505,734	1,012,449	1,132,511	554,574,212
Depreciation for the year	4,206,384	11,157,049	4,844,189	-	9,453	132,583	35,455	238,754	244,069	52,948	20,920,884
Disposals	(66,076)	-	(7,629,996)	(251,980)	-	-	(22,793)	-	-	-	(7,970,845)
At 31 December 2015	98,790,962	315,850,489	143,252,513	21,999	180,377	1,260,572	1,980,874	3,744,488	1,256,518	1,185,459	567,524,251
Net book value at 31 December 2015	29,297,919	82,420,920	45,192,286	17	245,030	321,207	171,409	923,209	938,107	242,758	159,752,862

2014	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 2014	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
Additions	-	-	-	-	-	131,599	106,847	176,511	97,236	58,948	571,141
Transfers from project in progress	-	-	-	-	-	-	-	135,779	-	-	135,779
Disposals	(68,064)	-	-	-	-	-	-	-	-	-	(68,064)
At 31 December 2014	128,063,593	397,697,527	196,074,799	274,000	425,407	1,496,720	2,076,080	4,332,464	2,019,132	1,383,941	733,843,663
Accumulated depreciation:											
At 1 January 2014	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
Depreciation for the year	4,913,906	12,388,908	5,241,619	-	9,453	114,673	32,438	201,343	150,422	53,707	23,106,469
Disposals	(33,900)	-	-	-	-	-	-	-	-	-	(33,900)
At 31 December 2014	94,650,654	304,693,440	146,038,320	273,979	170,924	1,127,989	1,968,212	3,505,734	1,012,449	1,132,511	554,574,212
Net book value at 31 December 2014	33,412,939	93,004,087	50,036,479	21	254,483	368,731	107,868	826,730	1,006,683	251,430	179,269,451

(4) Projects In Progress

Movement on the projects in progress is as follows:

	2015	2014
	JD	JD
At 1 January	519,204	56,310
Additions	1,608,952	598,673
Transferred to property, plant and equipment	(657,490)	(135,779)
At 31 December	1,470,666	519,204

The estimated cost to complete the projects in progress as of 31 December 2015 is approximately JD 1,362,113.

(5) 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.

(6) 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:

	2015	2014
	JD	JD
Current assets	997,433	1,156,773
Non-current assets	440,220	561,400
Current liabilities	(282,345)	(239,141)
Equity	1,155,308	1,479,032
Proportion of the Company's ownership	50%	50%
Carrying amount of the investment	577,654	739,516

	2015	2014
	JD	JD
Revenue	560,530	868,017
Cost of sales	(261,682)	(265,540)
Administrative expenses	(164,311)	(226,049)
Other expenses, net	(58,261)	(34,332)
Profit for the year	76,276	342,096
Company's share of profit for the year	38,138	171,048

(7) Income Tax

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

	2015			2014		
	Aqaba	Other locations	Total	Aqaba	Other locations	Total
	JD	JD	JD	JD	JD	JD
Profit before income tax	7,133,020	9,714,469	16,847,489	8,750,126	9,704,788	18,454,914
Non-taxable income	(3,996,170)	(2,572,782)	(6,568,952)	(5,908,362)	(1,514,802)	(7,423,164)
Non-deductible expenses	3,843,047	3,104,315	6,947,362	4,437,802	3,321,950	7,759,752
Accumulated tax losses	-	(2,178,075)	(2,178,075)	-	(11,511,936)	(11,511,936)
Taxable income	6,979,897	8,067,927	15,047,824	7,279,566	-	7,279,566
Statutory income tax rate	5%	24%		5%	14%	
Income tax expense for the year	(348,995)	(1,936,302)	(2,285,297)	(363,978)	-	(363,978)
Change of law effect (Implementation Agreement)*	-	922,140	922,140	-	-	-
Deferred tax**	(168,029)	(762,562)	(930,591)	(59,320)	(894,695)	(954,015)
Net tax expense	(517,024)	(1,776,724)	(2,293,748)	(423,298)	(894,695)	(1,317,993)

*As a result of the new tax law effective as of 1 January 2015, the Company recorded an amount of JD 922,140 due from the Government of Jordan in accordance with the implementation agreement (Note 10).

** This amount consists of the following:

	2015	2014
	JD	JD
Reversal of deferred tax assets relating to prior years losses	(707,861)	(1,271,932)
Deferred tax assets relating to end-of-service indemnity provision	70,032	488,497
Deferred tax liabilities relating to temporary taxable differences arising from depreciation	(151,457)	-
Deferred tax liabilities relating to the exchange differences arising from the revaluation of loans in foreign currencies	(141,305)	(170,580)
	(930,591)	(954,015)

The Company has provided for income tax for the year ended 31 December 2015 in accordance with Income Tax Law No. (34) of 2014 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 2014. 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. 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 balance of the tax losses carried forward was fully utilized as of 31 December 2015.

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

Deferred tax assets movement is as follows:

	2015	2014
	JD	JD
At 1 January	2,412,073	3,246,149
Transferred from income tax provision	5,705	-
Relating to actuarial losses	(95,181)	119,939
Relating to cash flow hedges losses	25,480	-
Relating to temporary differences	(256,396)	657,656
Released from deferred tax assets (other locations)	(522,738)	(1,611,671)
At 31 December	1,568,943	2,412,073

Deferred tax liabilities movement is as follows:

	2015	2014
	JD	JD
At 1 January	-	-
Relating to temporary depreciation differences	151,457	-
At 31 December	151,457	-

Movement on the income tax provision is as follows:

	2015	2014
	JD	JD
At 1 January	758,427	698,024
Transferred to deferred tax assets	5,705	-
Provided for during the year	2,285,297	363,978
Paid during the year	(380,065)	(303,575)
At 31 December	2,669,364	758,427

(8) Strategic Fuel Inventories

	2015	2014
	JD	JD
Heavy fuel inventory	7,998,427	6,387,199
Diesel inventory	6,015,654	4,826,935
	14,014,081	11,214,134

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 9) and strategic inventory.

(9) Inventories

	2015	2014
	JD	JD
Spare parts	28,078,098	28,802,735
Provision for slow moving inventories	(2,783,272)	(1,567,356)
	25,294,826	27,235,379
Fuel inventory (Note 8)	-	3,255
General materials, net*	265,535	261,153
Materials in transit	377,552	693,059
Others	33,931	454
	25,971,844	28,193,300

*General materials are presented net of its related provision for slow moving inventories.

(10) Other Current Assets

	2015	2014
	JD	JD
Jordan Valley Authority	81,658	21,816
Aqaba Petroleum Company	-	546,207
Jordan Petroleum Refinery Company	351,681	2,505,437
Government of Jordan (Note 7)	922,140	-
Electricity Distribution Company	-	73,138
Insurance claims / accidents	-	273,384
Other receivables	487,485	403,114
	1,842,964	3,823,096
Provision for doubtful debts	(94,395)	(94,395)
	1,748,569	3,728,701
Prepaid expenses	408,360	1,027,564
Refundable deposits	23,990	23,990
Employees receivables	1,009,855	1,245,879
Insurance claims	7,435	47,678
	3,198,209	6,073,812

As at 31 December 2015 and 2014, 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
2015	1,748,569	21,303	175,278	88,524	1,463,464
2014	3,728,701	42,411	118,366	2,315,492	1,252,432

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

(11) Accounts Receivable

	2015	2014
	JD	JD
National Electric Power Company – Power generation revenues	62,082,615	251,565,758
National Electric Power Company – Other	272,037	211,659
	62,354,652	251,777,417
Provision for doubtful debts	(20,776,243)	(18,895,450)
	41,578,409	232,881,967

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
2015	41,578,409	26,336,938	3,970,071	11,271,400
2014	232,881,967	138,472,434	85,658,925	8,750,608

Movement on provision for doubtful debts were as follows:

	2015	2014
	JD	JD
At 1 January	18,895,450	15,915,943
Charge for the year	1,880,793	2,979,507
At 31 December	20,776,243	18,895,450

(12) Equity

Paid in Capital

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

Statutory reserve

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

Voluntary reserve

The accumulated balance represents the transfers from the annual profit before income tax at a maximum rate of 20% annually. This reserve is available for distribution to the shareholders.

Dividends paid

In its ordinary meeting held on 17 May 2015 the General Assembly approved the Board of Directors recommendation to pay dividends for an amount of JD 30,000,000 to the shareholders from the voluntary reserve and retained earnings with an amount of JD 13,000,000 and JD 17,000,000, respectively.

(13) Loans

	Loan Currency	2015		2014	
		Loan Installments		Loan Installments	
		Current Portion	Long-term Portion	Current Portion	Long-term Portion
		JD	JD	JD	JD
Japanese loan 1	JPY	1,306,042	10,448,333	1,317,773	11,859,959
Japanese loan 2	JPY	3,099,634	29,446,519	3,127,476	32,838,496
Arab Fund loan 1	KWD	1,331,432	1,997,090	1,393,718	3,484,233
Arab Fund loan 2	KWD	3,448,400	7,129,800	3,609,720	11,073,060
Italian Soft loan	Euro	123,555	926,666	137,484	1,168,615
French Protocol loan	Euro	73,277	-	164,013	81,538
Standard Chartered loan 1	USD	14,200,000	42,600,000	10,650,000	56,800,000
Standard Chartered loan 2	USD	-	7,100,000	-	-
		23,582,340	99,648,408	20,400,184	117,305,901
Less: Directly attributable transaction costs*		(698,865)	(839,921)	(902,266)	(1,538,786)
		22,883,475	98,808,487	19,497,918	115,767,115

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.

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 over 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

Standard Chartered loan 1 (Term Loan)

On 19 February 2014, CEGCO entered into a term loan agreement with Standard Chartered to finance the general corporate purposes in the amount of USD 100 million (equivalent to JD 71 million). The loan bears interest rate of 3 month LIBOR + 4.65%. The loan is payable in 10 semi-annual installments. The first installment fell due on 19 August 2014 and the last installment will fall due on 19 February 2019.

Standard Chartered loan 2 (Revolving Loan)

On 19 February 2014, CEGCO entered into a five years revolving loan agreement with Standard Chartered to cover the working capital requirements and to repay maturing revolving facility loans. The loan bears interest rate of 3 month LIBOR + 4.5%. The ceilings of the loan over its life is as follows:

Period	Ceiling USD
19 February 2014 – 19 February 2015	40,000,000
20 February 2015 – 19 February 2016	32,000,000
20 February 2016 – 19 February 2017	24,000,000
20 February 2017 – 19 February 2018	16,000,000
20 February 2018 – 19 February 2019	8,000,000

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.

*This amount represents ancillary costs (legal and financial) incurred in connection with the negotiation of obtaining financing from Standard Chartered. These costs are amortized over the term of the loan.

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

Year	JD
2017	23,664,353
2018	26,470,996
2019	22,279,228
2020	4,529,228
2021	4,529,228
2022	4,529,228
2023	4,529,228
2024	4,467,437
2025	3,099,630
2026	1,549,852
	99,648,408

(14) End-Of-Service Indemnity Provision

The movement on the end-of-service indemnity provision is as follow:

	2015	2014
	JD	JD
Balance at 1 January	8,150,968	6,826,887
Provision for the year	1,060,894	912,309
Paid during the year	(401,067)	(376,301)
Actuarial (gain) loss	(577,947)	788,073
Balance at 31 December	8,232,848	8,150,968

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

	2015	2014
	JD	JD
Interest cost	533,032	447,365
Cost of current service	527,862	464,944
	1,060,894	912,309

The principal actuarial assumptions used:	2015	2014
Discount rate at 31 December	6.5%	6.5%
Expected rate of increase of employee remuneration	5.5%	5.5%
Resignation rate:		
Up to the age of 29 years	4%	4%
From the age of 30 to 34 years	3%	3%
From the age of 35 to 39 years	2%	2%
From the age of 40 to 54 years	1%	1%
Age 50 years and over	0%	0%

These benefits are unfunded.

The following schedule shows the sensitivity in the principal actuarial assumption changes used to determine end-of-service benefit as of 31 December 2015 and 2014:

	Discount rate		Resignation rate		Mortality rate	
	Rate	Increase (decrease)	Rate	Increase (decrease)	Rate	Increase (decrease)
2015	+ 1	(842,667)	+ 1	15,856	+ 20	1,487
	- 1	989,200	- 1	(13,149)	- 20	(1,488)
2014	+ 1	(850,841)	+ 1	42,715	+ 20	2,606
	- 1	1,003,193	- 1	(41,766)	- 20	(2,611)

(15) Decommissioning Provision

The decommissioning provision of JD 2,037,000 at 31 December 2015 primarily represent the net present value of the estimated expenditure discounted at a rate of 6.5% (2014: 6.5%) expected to be incurred in respect of the decommissioning of the Aqaba Thermal Station generating units 1 to 5. Expenditure is expected to be incurred between the financial years 2020 and 2031.

Movement on decommissioning provision is as follows:

	2015	2014
	JD	JD
Balance at 1 January	1,913,000	1,796,000
Unwinding of discount during the year (Note 24)	124,000	117,000
Balance at 31 December	2,037,000	1,913,000

(16) Other Current Liabilities

	2015	2014
	JD	JD
Accrued interest expense	793,746	901,525
Accrued expenses	910,442	854,979
Employees legal cases provision*	34,359	34,359
Employees' vacations provision*	598,562	631,874
Employees payables	112,526	87,186
Contractors payable	57,597	22,498
Loan instalment due	-	203,024
Board of directors remuneration	35,000	35,000
Others	2,782,401	2,589,745
	5,324,633	5,360,190

*Movement on provisions is as follows:

2015	Employees legal cases provision	Employees' vacations provision
	JD	JD
Balance at 1 January	34,359	631,874
Provision for the year	-	-
Reversed from provision	-	(7,786)
Paid during the year	-	(25,526)
Balance at 31 December	34,359	598,562

2014	Employees legal cases provision	Employees' vacations provision
	JD	JD
Balance at 1 January	53,398	604,704
Provided for during the year	-	53,023
Paid during the year	(19,039)	(25,853)
Balance at 31 December	34,359	631,874

(17) Accounts Payable

	2015	2014
	JD	JD
Jordan Petroleum Refinery Company (JPRC)	16,656,213	208,114,815
National Petroleum Company	1,423,928	1,464,528
	18,080,141	209,579,343

(18) Derivative Financial Instrument

The details of the derivative financial instruments at 31 December 2015 and 31 December 2014 are as follows:

31 December 2015	Current	Non-current	Total
	JD	JD	JD
Currency forward contracts*	1,949,172	7,347,045	9,296,217
Interest rate swaps contracts**	595,212	852,440	1,447,652
	2,544,384	8,199,485	10,743,869

31 December 2014	Current	Non-current	Total
	JD	JD	JD
Currency forward contracts*	2,935,416	8,069,809	11,005,225
Interest rate swaps contracts**	-	1,235,918	1,235,918
	2,935,416	9,305,727	12,241,143

* CEGCO loans with Overseas Economic Cooperation Fund (Japan) are in JPY. To mitigate its exposure to fluctuations in currency rates, the Company entered into 10 forward contracts during the years 2011 to 2013. During the first half of 2015 the Company entered into two new forward contracts that effectively fix the currency rate for four 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 9,296,217 as of 31 December 2015 and was recorded as current and non-current liability in the statement of financial position.

The cash flow hedges were assessed to be highly effective and a unrealized gain of JD 89,625 has been included in the statement of comprehensive income.

**CEGCO loans with Standard Chartered are in the form of variable interest rate loans. To mitigate its exposure to fluctuations in market interest rates, the Company entered into sixteen interest rate swap contracts that effectively fix the interest rate on 90% of its term loan with Standard Chartered.

For the purpose of hedge accounting, the Company's interest rate swap contracts are classified as cash flow hedges, as the Company is hedging exposure to variability in cash flows that is attributable to the interest rate risk associated with a highly probable forecast transaction.

The negative fair value of the interest rate swaps amounted to JD 1,447,652 was recorded as current and non-current liability in the statement of financial position as of 31 December 2015.

The cash flow hedges were assessed to be highly effective and an unrealized loss of JD 211,734 as of 31 December 2015 was included in statement of comprehensive income.

(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:

	2015	2014
	JD	JD
Stations capacity revenue	80,801,173	79,683,965
Power revenue	7,790,686	9,621,261
Fuel cost according to the pricing formula	363,773,356	903,370,596
Others	(447,738)	(670,184)
Less: Additional costs (Imported energy)	(4,905,059)	(4,595,281)
	447,012,418	987,410,357

(20) Stations Operating Costs

	2015	2014
	JD	JD
Cost of fuel	363,773,356	903,370,596
Other costs	9,980,504	10,129,602
	373,753,860	913,500,198

(21) Administrative Expenses

	2015	2014
	JD	JD
Salaries and wages	3,091,488	3,497,225
Employees benefits	4,583,809	4,519,488
Employees' accrued vacation costs	-	53,023
Insurance	2,580,369	2,653,189
Office supplies and expenses	1,608,231	1,461,374
Donations	154,641	26,515
Employees housing expenses, net	244,210	257,197
Consultancy fees	238,771	417,811
Other	238,274	224,068
	12,739,793	13,109,890

(22) Maintenance Expense

	2015	2014
	JD	JD
Salaries and wages	4,146,965	4,465,803
Maintenance materials and expert's wages	7,476,629	8,528,392
	11,623,594	12,994,195

(23) Other Income, Net

	2015	2014
	JD	JD
Damage compensation	61,920	2,322,550
Gain on sale of decommissioned units' fuel	1,154,697	978,194
Gain on disposal of property, plant and equipment	182,134	196,393
King Talal Dam revenues	150,930	143,343
Handling charge	-	55,587
Heating oil revenue	-	29,927
Tenders and purchase orders fines	6,293	7,389
Sale of distilled water	26,580	24,190
Others, net	72,920	72,144
	1,655,474	3,829,717

(24) Finance Costs, net

	2015	2014
	JD	JD
Term loans interest expense	7,388,700	5,994,413
Bank overdraft interest expense	-	1,176,912
Unwinding of discount (Note 15)	124,000	117,000
Interest income	(408,169)	(113,630)
	7,104,531	7,174,695

(25) Earnings Per Share

	2015	2014
	JD	JD
Profit for the year (JD)	14,553,741	17,136,921
Weighted average number of shares (Share)	30,000,000	30,000,000
Basic earnings per share (JD)	0.485	0.571

(26) Foreign currency exchange gain, net

	2015	2014
	JD	JD
Unrealized gains	2,833,833	4,553,990
Realized losses	(2,783,673)	(2,119,903)
	50,160	2,434,087

(27) 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:

	2015	2014
	JD	JD
Power sales to the National Electric Power Company (Government of Jordan)	447,004,868	987,229,407
Purchases of gas from the National Petroleum Company (Government of Jordan)	6,146,188	6,537,060
Services provided to ACWA Power International Company for Water and Power Projects	16,671	40,222
Services provided by ACWA Power International Company for Water and Power Projects	130,483	15,246
Board of directors remuneration and transportation	77,000	77,000

Balances with related parties are as follows:

Amounts due from related parties	2015	2014
	JD	JD
National Electric Power Company - Government of Jordan (Owned by a shareholder)	41,578,409	232,881,967
ACWA Power International Company for Water and Power Projects (Shareholder)	-	38,128
Government of Jordan	922,140	-

Amounts due from related parties	2015	2014
	JD	JD
National Petroleum Company - Government of Jordan (Owned by a shareholder)	1,423,928	1,464,528
ACWA Power International Company for Water and Power Projects (Shareholder)	75,684	-

Compensation of key management personnel	2015	2014
	JD	JD
Salaries	614,743	536,513
Benefits (traveling)	6,050	4,300
	620,793	540,813

(28) Cash and Cash Equivalents

	2015	2014
	JD	JD
Deposits with banks*	1,014,823	17,855,935
Cash at banks	11,217,082	605,080
Cash on hand	12,360	9,413
	12,244,265	18,470,428

* For the year ended 31 December 2015, deposits at banks earned interest at a rate range between 1.5% to 2.65% (2014: 1.5% to 2.6%).

(29) Segment Information

The following tables present the statement of profit or loss information for Aqaba and other locations for the years ended 31 December 2015 and 2014. The information is presented to facilitate the income tax review as the Company is subject to different tax rates on Aqaba's operation.

	2015		
	Aqaba	Other locations	Total
	JD	JD	JD
Power generation revenues	270,405,923	176,606,495	447,012,418
Stations operating costs	(230,505,767)	(143,248,093)	(373,753,860)
Depreciation	(15,099,510)	(5,821,374)	(20,920,884)
Administrative expenses	(6,397,157)	(6,342,636)	(12,739,793)
Maintenance costs	(3,663,252)	(7,960,342)	(11,623,594)
Provision for slow-moving inventories	(1,228,691)	(1,560,661)	(2,789,352)
Provision for end-of-service indemnity	(459,613)	(601,281)	(1,060,894)
Total operating costs	(257,353,990)	(165,534,387)	(422,888,377)
Operating profit	13,051,933	11,072,108	24,124,041
Foreign currency exchange gain ,net	26,715	23,445	50,160
Share of profit of an associate	-	38,138	38,138
Provision for doubtful debts	(1,338,093)	(542,700)	(1,880,793)
Board of directors remuneration	(17,504)	(17,496)	(35,000)
Other income, net	210,755	1,444,719	1,655,474
Finance costs , net	(4,800,786)	(2,303,745)	(7,104,531)
Profit before income tax	7,133,020	9,714,469	16,847,489
Income tax	(517,024)	(1,776,724)	(2,293,748)
Profit for the year	6,615,996	7,937,745	14,553,741

	2014		
	Aqaba	Other locations	Total
	JD	JD	JD
Power generation revenues	494,050,345	493,360,012	987,410,357
Stations operating costs	(454,358,812)	(459,141,386)	(913,500,198)
Depreciation	(15,024,201)	(8,082,268)	(23,106,469)
Administrative expenses	(6,052,451)	(7,057,439)	(13,109,890)
Maintenance costs	(4,962,981)	(8,031,214)	(12,994,195)
Provision for slow-moving inventories	(1,047,934)	(530,098)	(1,578,032)
Provision for end-of-service indemnity	(372,096)	(540,213)	(912,309)
Total operating costs	(481,818,475)	(483,382,618)	(965,201,093)
Operating profit	12,231,870	9,977,394	22,209,264
Foreign currency exchange gain ,net	2,398,300	35,787	2,434,087
Share of profit of an associate	-	171,048	171,048
Provision for doubtful debts	(1,336,646)	(1,642,861)	(2,979,507)
Board of directors remuneration	(17,504)	(17,496)	(35,000)
Other income, net	366,040	3,463,677	3,829,717
Finance costs , net	(4,891,934)	(2,282,761)	(7,174,695)
Profit before income tax	8,750,126	9,704,788	18,454,914
Income tax	(423,298)	(894,695)	(1,317,993)
Profit for the year	8,326,828	8,810,093	17,136,921

(30) Commitments And Contingencies

Letters of credit and bills of collection

At 31 December 2015 the Company had outstanding letters of credit and bills of collection amounting to JD 4,184,166 (2014: JD 4,290,525).

Letters of guarantees

At 31 December 2015 the Company had outstanding letters of guarantee amounting to JD 21,339 (2014: JD 21,339).

Capital commitments

The Company entered into commitments in the ordinary course of business for major capital expenditures. Capital expenditures commitments are JD 1,362,113 as at 31 December 2015 (2014: JD 1,085,391).

Legal claims

The Company is a defendant in a number of lawsuits in the ordinary course of business amounting to JD 177,706 (2014: JD 125,448). 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.

Disputes with Jordan Petroleum Refinery Company "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.

(31) Risk Management

Interest rate risk

The Company is exposed to interest rate risk on its interest-bearing assets and liabilities such as bank deposits and term loans. The Company's policy is to manage its interest cost using a mix of fixed and variable rate debts.

To mitigate its exposure to fluctuations in market interest rates, the Company entered into interest rate swap contracts that effectively fix the interest rate on 90% of its term loan with Standard Chartered.

The following table demonstrates the sensitivity of the statement of comprehensive income to reasonably possible changes in interest rates as at 31 December, with all other variables held constant.

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

- 2015

	Increase (Decrease) in basis points	Effect on profit before tax
Jordanian Dinar	100	(71,000)
Jordanian Dinar	(50)	35,500

- 2014

	Increase (Decrease) in basis points	Effect on profit before tax
Jordanian Dinar	100	-
Jordanian Dinar	(50)	-

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 2015 and 2014.

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

At 31 December 2015	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	JD	JD	JD	JD	JD
Accounts payable	18,080,141	-	-	-	18,080,141
Term loans	8,960,705	19,771,987	92,007,803	19,343,816	140,084,311
Total	27,040,846	19,771,987	92,007,803	19,343,816	158,164,452

At 31 December 2014	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	JD	JD	JD	JD	JD
Accounts payable	209,579,343	-	-	-	209,579,343
Term loans	5,075,217	20,704,659	108,430,351	24,737,146	158,947,373
Total	214,654,560	20,704,659	108,430,351	24,737,146	368,526,716

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).

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

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

-2015

	Increase / decrease in the rate to the JD	Effect on profit before income tax
	%	JD
Euro	+10	(112,350)
Japanese Yen	+10	(763,103)
Kuwaiti Dinar	+10	(1,390,672)
Euro	-10	112,350
Japanese Yen	-10	763,103
Kuwaiti Dinar	-10	1,390,672

-2014

	Increase / decrease in the rate to the JD	Effect on profit before income tax
	%	JD
Euro	+10	(155,165)
Japanese Yen	+10	(1,631,384)
Kuwaiti Dinar	+10	(1,956,073)
Euro	-10	155,165
Japanese Yen	-10	1,631,384
Kuwaiti Dinar	-10	1,956,073

(32) Fair Value Of Financial Instruments

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash and bank balances, accounts receivable, employees housing fund loan and some other current assets. Financial liabilities consist of term loans, accounts payable, derivative financial liability and some other current liabilities. The fair values of financial instruments are not materially different from their carrying values.

The Group uses the following methods and alternatives of valuating and presenting the fair value of financial instruments:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

2015 -	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Derivative financial liability	-	10,743,869	-	10,743,869
2014 -				
Financial Liabilities				
Derivative financial liability	-	12,241,143	-	12,241,143

(33) 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 2015 and 2014. Capital comprises paid in capital, reserves and retained earnings and is measured at JD 91,758,091 as at 31 December 2015 (2014: JD 106,818,213).

(34) Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 specifies the accounting treatment for all revenue arising from contracts with customers. It applies to all entities that enter into contracts to provide goods or services to their customers, unless the contracts are in the scope of other IFRSs, such as IAS 17 Leases. IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programs, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers; and SIC-31 Revenue—Barter Transactions Involving Advertising Services. The standard is effective for annual periods beginning on or after 1 January 2018, and early adoption is permitted.

IFRS 9 Financial Instruments

During July 2014, the IASB issued IFRS 9 "Financial Instruments" with all the three phases. IFRS 9 sets out the requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. IFRS 9 replaces IAS 39 "Financial Instruments: Recognition and Measurement". The Company has implemented the first phase of IFRS 9 as issued during 2009. The date of initial implementation of the first phase of IFRS 9 was 1 January 2011. The new version of IFRS 9 will be implemented at the mandatory date on 1 January 2018, which will have an impact on the recognition and measurement of financial assets.

Equity Method in Separate Financial Statements (Amendments to IAS 27 and IFRS 1)

In August 2014, the IASB amended IAS 27 Separate Financial Statements which restore the option for entities, in the separate financial statements, to account for investments in subsidiaries, associates and joint ventures using the equity method as described in IAS 28 Investments in Associates and Joint Ventures. A consequential amendment was also made to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment to IFRS 1 allows a first-time adopter accounting for investments in the separate financial statements using the equity method, to apply the IFRS 1 exemption for past business combinations to the acquisition of the investment.

The amendments are effective for annual periods beginning on or after 1 January 2016, must be applied retrospectively and earlier adoption is permitted.

IAS 1 Presentation of Financial Statements – Amendments to IAS 1

The amendments to IAS 1 include narrow-focus improvements related to:

- Materiality
- Disaggregation and subtotals
- Notes structure
- Disclosure of accounting policies
- Presentation of items of other comprehensive income (OCI) arising from equity accounted investments

These amendments are not expected to impact the Company's financial position or performance. The application of the amendments are not expected to have a significant impact on the Company's disclosures.

The amendments are applicable for annual periods beginning on or after 1 January 2016. Earlier application is permitted.

Investment entities (Amendments to IFRS 10 and IAS 28)

The amendments address the issues arising in practice in the application of the investment entities consolidation exception and clarify that:

The exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value.

Subsidiary that is not an investment entity itself and provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value.

Application of the equity method by a non-investment entity that has an interest in an associate or joint venture that is an investment entity: The amendments to IAS 28 Investments in Associates and Joint Ventures allow the investor, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interests in subsidiaries.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2016. Earlier application is permitted.

Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortization

The amendments clarify the principle in IAS 16 and IAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortize intangible assets.

The amendments are effective prospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments are not expected to have any impact to the Company's financial statements.

IFRS 16 Leases

During January 2016, the IASB issued IFRS 16 "Leases" which sets out the principles for the recognition, measurement, presentation and disclosure of leases.

IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

IFRS 16 introduced a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

The new standard will be effective for annual periods beginning on or after 1 January 2019, with early application is permitted.

Amendments to IFRS 11 Joint Arrangements: Accounting for Acquisitions of Interests

The amendments to IFRS 11 require that a joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business, must apply the relevant IFRS 3 principles for business combinations accounting. The amendments also clarify that a previously held interest in a joint operation is not re-measured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to IFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party.



Ref :
Date : 16/3/2016

الرقم :
التاريخ : ٢٠١٦/٣/١٦

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 أبووليان

عضو

دينا عبدالله أحمد الدباس

عضو

William A. Winkels
وليم عبدالله ميخائيل وكيله

نائب الرئيس

تامر بن سعود الشرهان

عضو

زيدون ممدوح أبو الحسنان

عضو

زيداد جبريل صبره

عضو

عائيل أبو



Ref. : _____

Date : 16/3/2016

الرقم : _____

التاريخ : _____

**3. Declaration of the Chairman, Acting Chief Executive Officer
and Financial Controller**

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.

Financial Controller

Zakieh Abdel Ghanj Suliman Jardaneh

Acting Chief Executive Officer

Najeem Rizvi Syed Rizvi

Chairman

Mohammad Abdullah Rashed Abunayyan

