The Hashemite Kingdom of Jordan

# Central Electricity Generating Company

# ANNUAL REPORT 2019

CEGCO

His Majesty

**King Abdullah II Bin Al Hussein**

H.R.H Crown Prince

**Hussein bin Abdullah II**

# Contents

# A.1 Chairman Address

**Valued shareholders,**

On behalf of myself and the members of the Board of Directors of Central Electricity Generating Company (CEGCO), I am pleased to present to you our 2019 Annual Report. The document illustrates our operational data and indicators, financial performance and most notable developments and accomplishments - achieved despite ongoing challenges affecting the company's sustainability - led foremost by the end of power purchase agreement terms and the waning opportunities to renew them.

**Thamer Al-Sharhan**
**Chairman**

In 2019, profits (before currency exchange difference) surged by 457.5 percent to reach JOD 22.3 million, in comparison with JOD 4 million recorded in 2018. The significant increase was attributed to the drop in maintenance expenses and imported energy costs, paired with a rise in revenues from operation and maintenance agreements. Additionally, CEGCO recorded an impairment of assets, machines and equipment for 2018, which amounted to a loss of JOD 12 million.

Moreover, CECGO accounts receivable decreased from JOD 80 million in 2018 to JOD 74 million in 2019, whereas accounts payable to the Jordan Petroleum Refinery Company totaled JOD 57.5 million in 2019, as opposed to JOD 58.5 million in 2018.

Meanwhile, the decommissioning of generating units continues to pose a major challenge. At the end of 2019, power purchase agreement terms with the National Electric Power Company - regarding three generating units with a 290-MW capacity at the Aqaba Thermal Power Station and the Rehab Gas Turbine Power Station - came to an end. This will have a tangible impact on our production capacity, financial resources and employee conditions. Placing the interests of our employees at the forefront, we sought out job opportunities in the operation and maintenance company, NOMAC, which operates the ACWA Power stations. Accordingly - and in order to benefit the largest number of employees - an agreement was reached whereby NOMAC would regularly inform us of available vacancies.

On this note, I would like to express thanks to our colleagues across various locations for their dedicated efforts towards attaining company goals. I look forward to working together to find lasting solutions to obstacles, if and when they arise.

I would also like to acknowledge the Government of Jordan and its institutions and agencies for their tremendous efforts in ensuring the Kingdom's security and stability; a true blessing which, God willing, will endure.

Lastly, and on behalf of myself and the members of the Board of Directors, I extend my sincerest gratitude and appreciation to HM King Abdullah II ibn Al Hussein and HRH Crown Prince Al Hussein bin Abdullah II for their wise leadership, sound management of state affairs and promotion of investment, to propel Jordan towards greater progress and prosperity.

**Best wishes for further success and distinction in 2020.**

# A.2 CEO Address

**Ladies and gentlemen,**

Dr. Moayad Samman

Chief Executive Officer

I am pleased to share with you our 2019 Annual Report, which showcases the most noteworthy accomplishments and performance indicators of Central Electricity Generating Company (CEGCO) throughout the past year. Despite the numerous challenges we continue to face - primarily the decommissioning of several generating units and the subsequent impact on our production capacity - we remain steadfast in our resolve and commitment as we move forward.

Within the area of occupational health, safety and environment, CEGCO received two 'Awards of Excellence in Safety and Occupational Health' - granted by the Social Security Corporation. The Aqaba Thermal Power Station and the Rehab Gas Turbine Power Station were both recognized with a Certificate of Excellence and a Certificate of Appreciation, respectively. These accolades serve as testament to the level of distinction achieved at both stations, attained only by keeping pace with global health and safety developments and standards that promote an ideal work environment for employees, while continuing to implement specialized and comprehensive training programs.

Emphasizing our firm belief in the pivotal role of human resources in driving company success, we remained committed to organizing various training programs - which aimed at boosting employee efficiency; equipping them with necessary skills to bolster their performance; and enhancing their knowledge and practical capabilities.

On the operational front, CEGCO succeeded in recording an availability factor of 97.05 percent - exceeding declared budget estimates - by adopting periodic preventive programs to keep stations prepared, thereby significantly reducing the unavailability factor and forced outage.

As in every year, we renewed our support to the local community, with a special focus on the energy, health and education sectors. We carried out several activities and initiatives across the Kingdom, including installing solar PV systems in mosques; conducting maintenance of public schools in several regions; supplying modern medical equipment; as well as hosting free medical days and distributing food parcels to serve the less fortunate.

With reference to the biggest challenges facing our company - the decommissioning of generating units, as well as the inability to renew power purchase agreement terms and their direct impact on job security - executive management has been seeking new opportunities to promote its capabilities by outreaching several companies and institutions that may leverage its distinguished expertise and utilize its advanced facilities, such as laboratories and engineering workshops. We have also carefully devised a specialized business development program in order to achieve this goal for the benefit and viability of CEGCO employees.

In conclusion, allow me to express my gratitude and appreciation to our esteemed Chairman, Board of Directors and Mr. Nadeem Rizivi the former CEO for their staunch support towards ensuring the sustainability of CEGCO. I would also like to thank our entire team across all locations for their unwavering dedication to reaching and upholding our company objectives.

**May God protect Jordan and His Majesty King Abdullah II bin Al Hussein.**
**Looking forward to even greater achievements and new heights of success in 2020.**

## B Report of Board of Directors

The Board of Directors is pleased to present to you its Annual Report 21st including activities and achievements of the Company as well as the financial statements of the year ended on 31/12/2019

## 1. A. Company's Activity

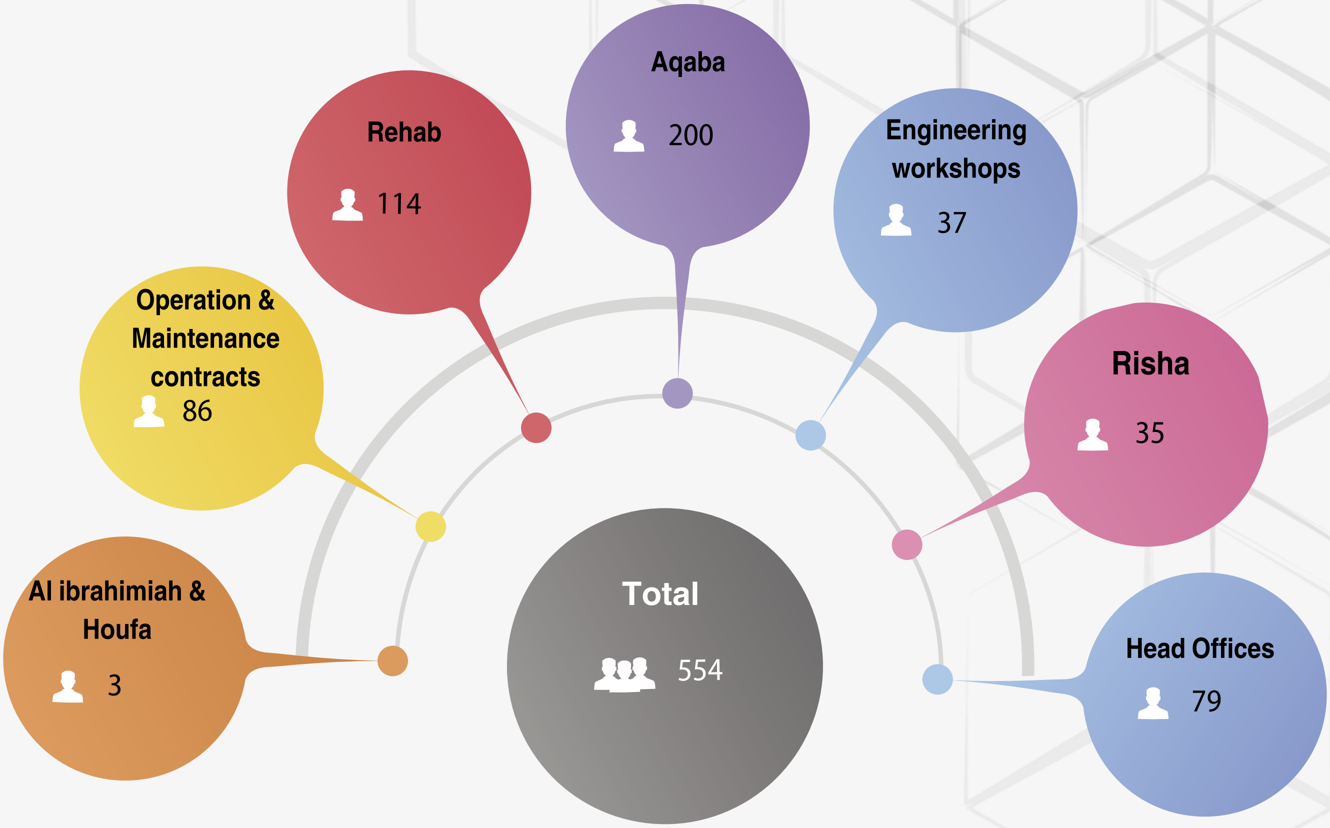
To generate the electric energy in various regions of the Kingdom using any primary sources of energy and the renewable energy to be supplied, in good quality, high availability and at the lowest possible cost, to the National Electric Power Company.

## 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 11953, 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. |
| **Risha 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. |
| **Al Ibrahimiah Power Plant** | it is located in the north of Jordan about 80 km south of Amman |
| **Engineering workshops** | it is located in the northern region of Jordan, about 30 Km north-east of Amman, and is situated 560 m above the sealevel in the center of the Industrial Area in Zarqa. |

## Employee's Distribtion according to Locations until 31/12/2019




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

## 1. C. Company's Capital Investment Volume

98,623,000 JD

## 2 There are no Affiliate Companies

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

### Enara Energy Investment

| | |
|---|---|
| **H.E.Eng. Thamer Al Sharhan** | Chairman |
| **H.E.Eng. Turki S. Al-Amri** | Vice-Chairman (from 2/10/2017) |
| **H.E.Dr. Makram A. Khoury** | Member ( from 1/8/2017) |

### Enara (2) Energy Investment

**H.E.Mr. Jasdeep Singh Anand**
Member (from 20/3/2018)

### Government Investment Management Co. LLC

**H.E. Dr. Faisal Hyary**
Member from 20/6/2017

**H.E.Eng. Ziad Jebril**
Member from 1/7/2014

### Social Security Corporation

**H.E.Mr. Zaidoun Abu Hassan**
from 17/3/2013 to 9/11/2019

**H.E. Mrs. Ranya Moosa Al-Aaraj, CFA**
from 10/11/2019

H.E. Eng.

**Thamer Al-Sharhan**

Nationality

**Saudi Arabian**

Date of Birth

**1961**

Current Position

**Chairman**

## 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 $m^3$/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 $m^3$/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. Eng.

## Turki S. Al-Amri

Nationality

**Saudi Arabian**

Membership Date

**11 /9/ 2017**

Date of Birth

**17 /10/ 1974**

Current Position

**Vice-Chairman**
**From 2/10/2017**

## Qualifications:

- Mechanical Engineer graduated from King Fahad University of Petroleum & Mineral (KFUPM) in August 1998 with a Bachelor of Science in Applied Mechanical Engineering.

## Work Experience:

- 19 Years of experience in the petrochemical and utility sectors, much of which was with SABIC / SADAF (Jubail Industrial City), Saudi Electricity Company (SEC) and Saline Water Conversion corporation SWCC, General Manager of Marafiq utility company (Jubail & Yanbu Industrial City). Presently, Turki has been with Acwa Power/ NOMAC since 2014.
- First National Operation and Maintenance CO. (NOMAC)
 Vice President, Operations KSA - Division
- Since joining NOMAC, Turki is in charge of all the KSA business, covering all business units operating by NOMAC in KSA. The accumulated production capacity of the plants in KSA is 12,045 MW of electricity and 2,224,920 m3/day of water.
- Board Directorship
- BOD Chairman of Rabigh Operation & Maintenance Co. Ltd. (ROMCO); located in Rabigh, Saudi Arabia with the production capacity of 1,320 MW.
- BOD Chairman of Water Desalination Expansion Company (WDEC) located in Shuaibah, Saudi Arabia with the production capacity of 250,000 m3/day of water.
- BOD Member of Jubail Water and Power Company (JOMEL). O&M Contractor of Marafiq, located in Jubail Industrial City, Saudi Arabia with the production capacity of 2,750 MW and Board Member of Rabigh Power Company (RPC), located in Rabigh, Saudi Arabia with the total production capacity of 520 MW and 188,000 m3/day of water.
- Board Member of Higher Institutes of Water and Power Technologies (HIWPT), located in Rabigh, Saudi Arabia.
- BOD Member of Sun E NOMAC Photovoltaic Power Plant, located in Karadzhalovo, Bulgaria with the production capacity of 60 MW.
- BOD Member of NOMAC Benban Solar Photovoltaic Power Plant, located in Egypt with the capacity of 50 MW.
- BOD Member of NOMAC Nile Energy Company in Egypt.
- BOD Member of NOMAC Energy Company in Egypt.

H.E. Mr.

**Jasdeep Anand**

Nationality

**Indian**

Membership Date

**20 /3/ 2018**

Current Position

**Member of Board**

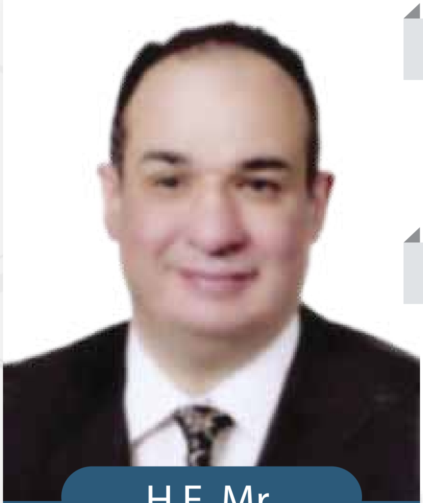
## Qualifications:

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

## Work Experience:

- A Chartered Accountant and a Cost Accountant with over 25 years of experience in financial and operational leadership roles for infrastructure support service businesses in emerging markets.
- ACWA Power

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



H.E. Mr.

**Zaydoun Mamdouh Abed Al Rahman Abu Hassan**

Nationality

**Jordanian**

Membership Date

**17/3/2013**
**to 9/11/2019**

Date of Birth

**1/5/1968**

Current Position

**Member of Board**

## 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. Mrs.

**Ranya Moosa Alaraj, CFA**

Nationality

**Jordanian**

Membership Date

**10/11/2019**

Date of Birth

**30/11/1978**

Current Position

**Member of Board**

## Qualifications:

- CFA Charterholder
- ACI dealing certificate
- Masters Degree in Banking and Finance from Arab Academy for Banking and Finance / Amman - Jordan 2002
- Bachelor Degree in Finance from Yarmouk University / Irbid – Jordan 1999

## Work Experience:

- Has more than 20 years' experience in portfolio management and financial analysis. Currently holds the position of Treasury and loans directorate manager at Social security investment fund / Amman – Jordan, the investment arm of Social Security Corporation. Managing money market instruments, Bonds, derivatives in addition to the loan portfolio mainly covering public sector financing along with syndicated loans to private sector.
- Worked at Foreign investments and operations department at The Central Bank of Jordan / Amman-Jordan from 2000 till 2007 managing fixed income active portfolio from 2000 till 2007.
- Part time instructor covering courses in CFA level I Curriculum, treasury products and hedging strategies in different local and regional training centers .
- Represented Social Security Corporation in Jordan Loan Guarantee corporation Board, Housing bank for trade and finance Board, Cairo Amman Bank Board and Arab Potash Corporation Board.
- Active member in CFA institute and CFA Society – Jordan.

H.E. Dr.

**Faysal A. Al-Hyari**

Nationality

**Jordanian**

Membership Date

**20/6/2017**

Date of Birth

**30/12/1955**

Current Position

**Member of Board**

## Qualifications:

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

## Work Experience:

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

H.E. Dr.

**Makram A. Khoury**

Nationality

**Lebanese**

Membership Date

**1/8/2017**

Date of Birth

**12/7/1956**

Current Position

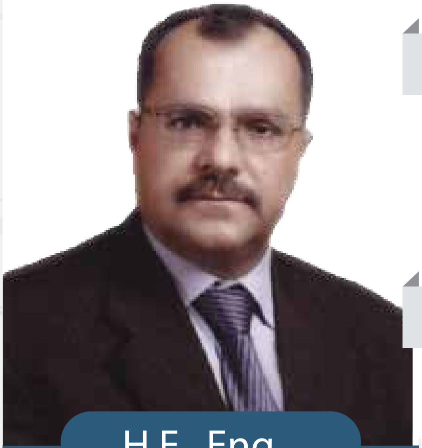
**Member of Board**

## Qualifications:

- Ph.D., Engineering, University of Southern California, Los Angeles, CA, USA
- MBA, IMD, Lausanne, Switzerland
- Licensed Professional Engineer (PE), Texas, USA

## Work Experience:

- With over thirty five years of experience in leading Engineering and Construction Management Companies covering the industrial, petrochemical, oil and gas sectors, infrastructure and buildings, Mr. Khoury currently holds the position of Vice President – Corporate at Consolidated Contractors Company (CCC) Management Office.
- Makram's responsibilities include leading the following departments:
  - Corporate Contracts
  - Corporate Risk
  - Management Information Systems
  - Plant, Equipment and Vehicle
  - Heavy Lift
- Makram serves on several CCC affiliates boards.
- Past Employment:
  - Flour Corporation
  - Utility Development Company (Kuwait)
  - Parsons Engineers, LTD
  - Brown & Root Inc.



H.E. Eng.

**Ziad Jibril Sabra**

Nationality

**Jordanian**

Membership Date

**1/7/2014**

Date of Birth

**22/10/1960**

Current Position

**Member of Board**

## Qualifications:

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

## Work Experience:

- He served as Assistant Secretary General and former Adviser to the Minister and Director of the Renewable Energy Department at the Ministry of 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 and Solar thermal power generation projects.
- In addition to Privatization of Electricity Sector, Oil Shale, and other projects including waste to energy projects, as well as Energy Efficiency studies and measures. Mr. Sabra is a Mechanical Engineer graduated from Yarmouk University of Jordan in 1984, conducted postgraduate 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 Board member in several institutions /companies, and working as the Focal Point of Jordan at the International Renewable Energy Agency (IRENA), Regional Center for Renewable Energy and Energy Efficiency (RCREEE) and for the Union for the Mediterranean (UfM).

## 3.B Senior Executive Management

**Nationality:** Jordanian

**Date of Birth**

18/11/1965

### H.E. Dr. Moayad Samman

Chief Executive Officer (from 1/10/2019)

**Work Experience:**

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

**Nationality:** Pakistanian

**Date of Birth**

27/5/1967

## H.E. Mr. Nadeem Rizvi

Chief Operating Officer

**Work Experience:**

- Mr. Nadeem was CEO of CEGCO, then appointed Chief Operating Officer of CEGCO
- Nadeem Rizvi has been appointed Chief Operating Officer of CEGCO, Jordan as of 19 October 2014.
- Nadeem, a finance professional from Pakistan, has over 24 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.

**Nationality :** Jordanian

**Assignment Date:** 23/8/1992

**Date of Birth:** 12/12/1967

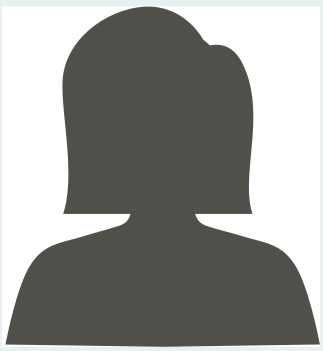
**Qualifications:**

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

## Eng. Maher Moh'd Ateyah Tubaishat

**Work Experience:**

- 27/1/2012 - 30/9/2019 Executive Manager Asset management then appointed Acting CEO of ACWA Power Renewable.
- 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



**Nationality**
Jordanian

**Assignment Date :** 1983

**Date of Birth** 7/11/1962

**Qualifications:**

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

## Mrs.Zakieh Abed Al Ghani Suliman Jardaneh

Current Position: CFO

**Work Experience:**

- 7/11/2018 Chief Financial Officer.
- 2014 - 6/11/2018 Financial Controller.
- 2007-2014 : Executive Manager/Finance, CEGCO
- 1999- 2006 : Finance Manager, CEGCO
- 1997-1998 : Section Head /Systems Development, NEPCO.
- 1983-1996 : Accountant, Jordan Electricity Authority

Nationality: Jordanian

Assignment Date : 4/2/1996

Date of Birth 18/2/1971

**Qualifications:**

- Bachelor Degree/ Mechanical Engineering

## Eng. Ali Hussein Ibrahim AL-Rawashdeh

**Work Experience:**

- 27/1/2012- 31/3/2019 Executive Manager Operation & Maintenance.
- 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.

Nationality :Jordanian

Assignment Date : 4/5/1997

Date of Birth :14/ 5/ 1971

**Qualifications:**

- Bachelor of Electrical Engineering, University of Science and Technology

## Eng. Mowaffaq Mahmoud Ali Al-Alawneh:

Current Position: Operation & Maintenance Executive Manager

**Work Experience:**

- 7/4/2019 Operation & Maintenance Executive Manager
- 7/2016 - 7/4/2019 Engineering services and contracts Senior Manager
- 1 / 2011- 7/2016 ATPS Plant Manager
- 4/2010 - 1/2011 Maintenance Manager / Aqaba Water Company
- 11 / 2008-4 / 2010 Technical support Manager / Aqaba Water Company
- 1 / 2005- 11/2008 Instrumentation and Control section head / Aqaba Thermal Power Station
- 1 / 2002-1 / 2005 PLC and SCADA engineer / Kingdom of Saudi Arabia
- 5/1997 - 1/2002 Instrumentation and Control Engineer / Aqaba Thermal Power Station

## Mr.Ahmad Mohammad Abed Al-Rahman Alozi

Current Position: Human Resources Executive Manager

**Nationality :** Jordanian

**Assignment Date :** 13/7/1987

**Date of Birth :** 23/3/1965

**Qualifications:**

BA / Jordan university.
Master degree/ business administration.
Professional diploma in HR.

**Work Experience:**

- Executive Manager/Human Resources from 1/8/2019 till now .
- Supply chain Executive Manger till 1/8/2019 .
- Mr. Lozi start working with Jordan Electricity Authority, and participated in restructuring and privatized of the electricity sector by transferring JEA as government corporate to be privatization entity, which took place in 1997 under the name of NEPCO, then in 1999 distributed NEPCO to three companies one of them is CEGCO, where we are today,
- Also Mr. Lozi led, participated and handled implementation of HR development projects in 2007, 2009 & 2012, bringing together the multi-functional skills of salary market survey, employees satisfaction survey, job descriptions, workload analysis, organization structures, change management, introduce the concept of HR.etc. in addition successfully manpower downsizing projects in 2010, 2016 & 2017 which lead to more efficiency, effectively and healthy company.
- Meanwhile Mr. Lozi led, and participated in building and maintaining a healthy industrial relation with production parties, shareholder, employees and their representatives, and the negotiations with employees representatives to solve any labor dispute and minimize the impact on the business.
- Areas of specialization:
  - HR
  - Supply chain
  - Industrial relationship

## Mrs. Alia Radwan Abdullah Hiassat

Current Position: BoD Secretary

**Nationality :**Jordanian

**Assignment Date :** 1/2/2000

**Date of Birth :**12/ 3/ 1977

**Qualifications:**

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

**Work Experience:**

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

Nationality Jordanian

Assignment Date : 20/11/2006

Date of Birth: 1/12/1984

Qualifications:

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

## Mr. Omar Ahmad Ibrahim Al Shammari

Current Position: Executive Manager Supply Chain Management

**Work Experience:**

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

Nationality Jordanian

Assignment Date : 1/11/2005

Date of Birth: 6/5/1983

Qualifications:

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

## Eng. Osama AlDaja'a

Current Position: Executive Manager Asset management

**Work Experience:**

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

Nationality :Jordanian

Assignment Date : 10-7-1999

Date of Birth:20-12-1973

Qualifications:

Bachelor of Accounting 1995.

## Mrs.Samira Samir Zarafili

Current Position: Internal Audit Manager

**Work Experience:**

- 1-4-2019 - till now Internal Audit Manager
- 1-2-2018 - 31-3-2019 Acting –Internal Audit Manager
- 1-1-2016 - 31-1-2018 Reports Management Section Head
- 1-1-2013 - 31-12-2015 Acting-Reports Management Section Head
- 10-7-1999 - 31-12-2012 Accountant -CEGCO
- 14-1-1995 - 8-7-1999 Accountant -Private Sector

Nationality Jordanian

Assignment Date : 27/7/1999

Date of Birth: 3/1/1970

Qualifications:

- 1992 The University of Jordan, Amman/ Jordan Accounting Bachelor
- 1997 The University of Jordan, Amman/ Jordan High Diploma in Business Administration

## Mr. Ali (Mohammad Zuhair) Ali Abdullah

Current Position: Financial Manager

**Work Experience:**

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

Nationality :Jordanian

Assignment Date : 1/9/2001

Date of Birth: 31/5/1977

**Qualifications:**

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

## Mr. Ghaith .T.Q. Obeidat

Current Position: Accounting Department Manager

**Work Experience:**

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

## 4 Table of Shareholders whom Shares Exceed 5 %

2019 Shareholders Whom Shares Exeeds 5%

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

2018 Shareholders Whom Shares Exeeds 5%

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

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

The total maximum load of the interconnected electrical system has reached (3380) MW for year 2019, compared to (3205) MW for year 2018, the company has contributed through its capacity of (1044) MW which represents ( 18% ) of the total electrical system capacity with a production of (502.3 ) GWh .

The company sale of electric power has reached (485.9) GWh in year 2019, compared to (1749.3) GWh in year 2018.

## 6 The Competitive Position for the Company within the Electricity Sector

| Major suppliers | Dealing Ratio from Total Pro-curements |
|---|---|
| Jordan Petroleum Refinery (JPRC) | 95% |
| National Petroleum Company | 5% |

| Major suppliers | Dealing Ratio from Total Pro-curements |
|---|---|
| National Electric Power CO. | 100% |

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

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

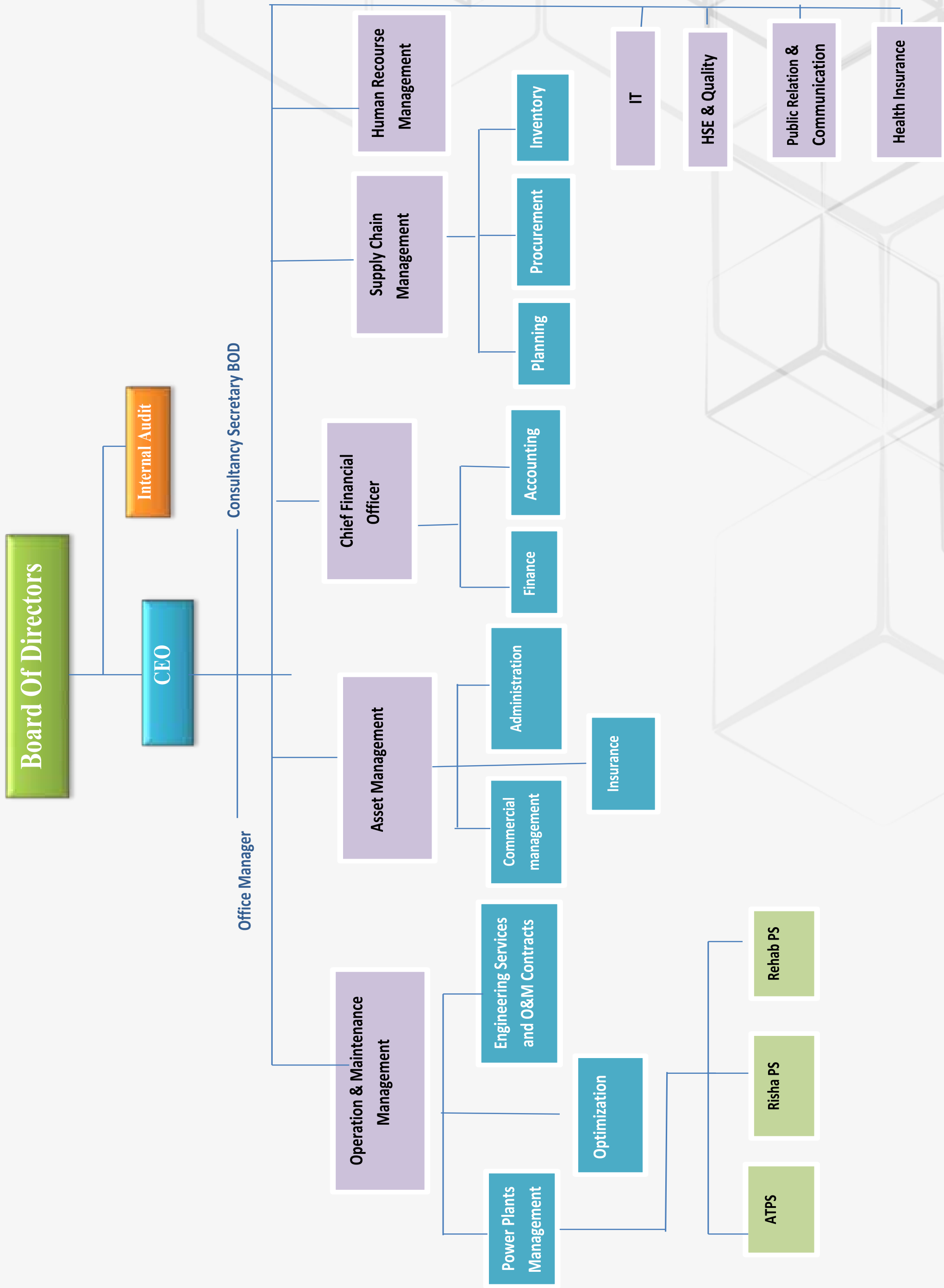
## 8.A There are no Decisions Issued by the Government or International Organizations that have an impact on the work of the company or its competitive edge

## 8.B Quality and Technical Audit

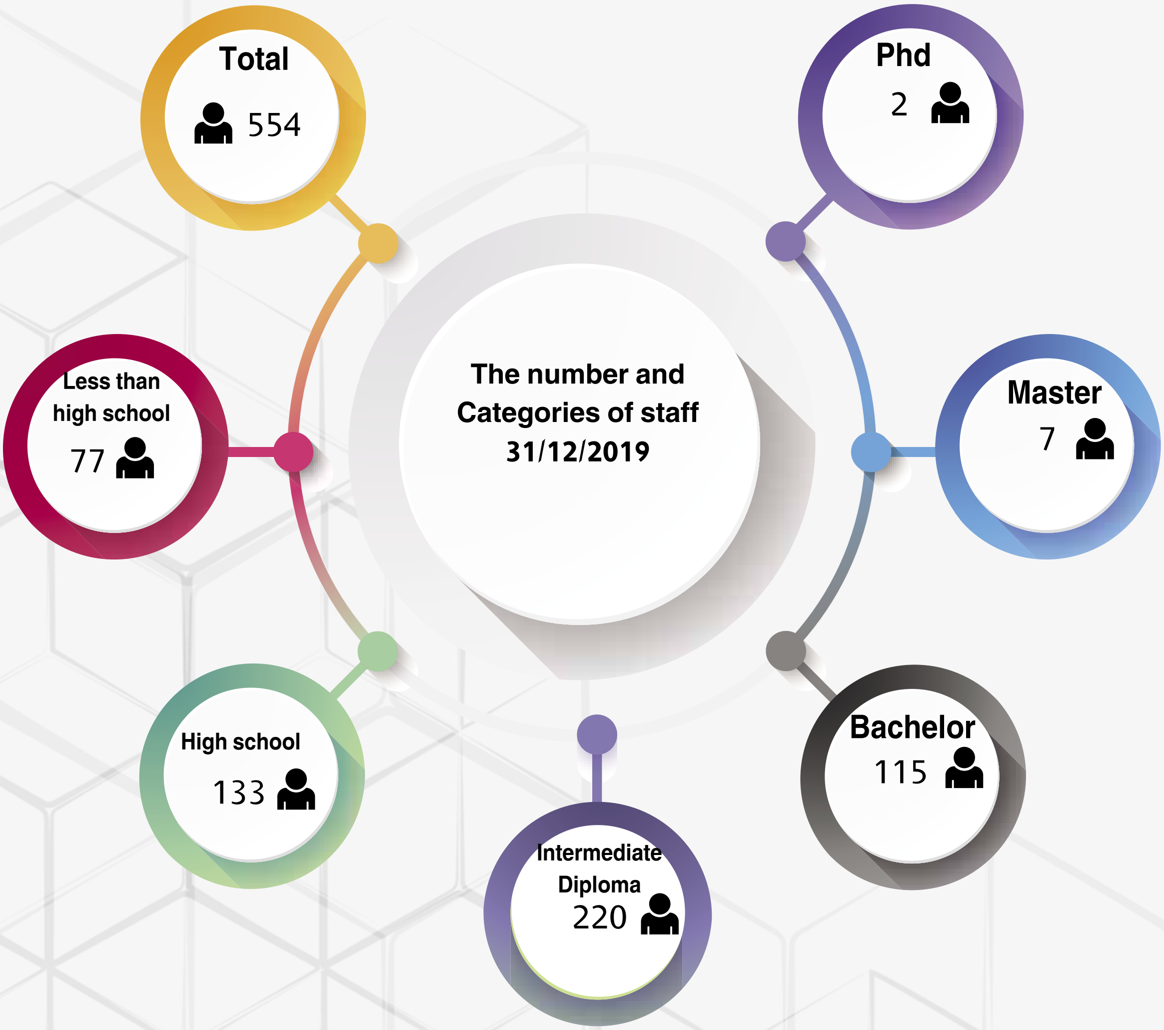
CEGCO is dedicated to the continual improvement of its integrated quality management systems and to sustaining its certifications granted by TUV Jordan by reviewing, implementing, assessing and enhancing the latest quality systems on a regular basis.

- CEGCO maintained its integrated management certificates - in accordance with the requirements of the newest ISO 9001:2015 Quality Management Systems, ISO 14001:2015 Environmental Management Systems and OHSAS 18001:2007 Occupational Health and Safety Management System.
- The implementation of the new integrated quality management systems was monitored, whereas the effectiveness area of measures and controls was assessed via internal and external audits every six months. Corrective actions were followed to close all comments issued by internal and external audit.
- Annual review and evaluation of the internal and external risks affecting the company were carried out, whereas preventive and corrective actions were enforced to eliminate or mitigate the risk's impact. Then, the company strategy was reviewed in an effective and sustainable manner that guarantees the requirements of the integrated quality management system are fulfilled - ultimately reflecting positively on the continual development and improvement process.
- Procedures, instructions and forms of the new ISO 9001:2015 system requirements have been established and implemented at the ACWA Power Zarqa Station (APZ). A gap analysis, as well as preliminary and final internal audits were conducted and the external auditor TUV Jordan evaluated the readiness to obtain the ISO 9001:2015 certification.
- Following preliminary and final audits by TUV Jordan - the company that grants the certifications - ACWA Power was nominated to receive the ISO 9001:2015 certification.
- Internal and external ISO 9001-2015 training courses were also held.

# 9.A Organization Structure



## 9.B Number of employees of the company and categories of qualifications until 31/12/2019:




## 9.C Learning& Development Activities during 2019

- **Courses**

Believing in the importance of the learning and development process in enhancing the capabilities and skills of the staff and keeping abreast of the latest developments in all technical and administrative fields, the Learning and Development Department was keen to implement many training programs during the year 2019 in the technical, financial and administrative fields to contribute to increasing the efficiency of employees and improving performance to serve the interest of the work.

To see the latest developments in the field of modern technologies and systems in developing work, sharing knowledge and exchanging experiences, and with the aim of representing the company in international and regional conferences, a number of the company's employees participated in many conferences, workshops and forums in the technical, engineering, energy, information technology and financial and administrative fields .

- ## Training per location

| Location | Trainees | Training hours |
|---|---|---|
| Risha | 8 | 288.5 |
| Zarqa - workshops | 15 | 437 |
| Aqaba | 53 | 1879 |
| Maffraq | 2 | 53 |
| Head offices | 32 | 1407.5 |
| Zarqa power plant | 41 | 1905 |
| Rehab | 35 | 1428 |
| **Total** | 186 | 7398 |

- ## Training hours per divisions & departments

| Division/Dept. | Number of Trainee | Number of Training Hours | Average Training Hours |
|---|---|---|---|
| Operating and Maintenance | 150 | 5849 | 13 |
| Asset management | 6 | 80 | 5 |
| HR | 1 | 6 | 1 |
| Finance | 7 | 560 | 40 |
| Health Insurance | 2 | 12 | 2 |
| Occupational health and safety, environment and quality | 5 | 565 | 113 |
| Audit | 2 | 20 | 5 |
| Information Technology | 7 | 241 | 20 |
| Supply chain | 6 | 64 | 4 |
| **Total** | 186 | 7,398 | 14 |

- ## Social Community Service:

The company contributes to the service of the local community by improving the efficiency and knowledge of the graduates of the Jordanian universities and institutes, through practical training programs at the various sites and stations of the company. The company also facilitates visits and scientific trips of university students to learn about the systems and techniques used in generating electricity, during the year 2019,(55) students were trained in the company as follows:

| Location | Number of students |
|---|---|
| Head quarter | 3 |
| ACWA Power Zarqa (APZ) | 3 |
| Aqaba Thermal Power Station | 3 |
| Rehab Power station | 46 |
| **Total** | **55** |

| University | Trainees |
|---|---|
| Balqa Applied University | 11 |
| The Hashemite University | 4 |
| Al-Hussein Bin Talal University | 2 |
| German Jordanian University | 2 |
| Tafila Technical University | 1 |
| University of Science and Technology | 15 |
| Yarmouk University | 3 |
| Zarqa Private University | 5 |
| University of Jordan | 2 |
| Queen Noor College | 2 |
| Al Al-Bayt University | 1 |
| University of Malaysia | 1 |
| Capital High School | 2 |
| **Total** | **55** |

## 10 Risks Faced by the Company

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

## 11 Achievements of the Company in 2019

### 11.1 Use of Available Sources of Energy to Generate Electricty

In 2019, the company continued using the local sources of energy available in the kingdom to generate the eclectic energy.

#### Natural Gas in Risha Field

The company continued to use the natural gas available in the Risha field of the National Petroleum Company to produce electricity from gas turbines operating at a capacity of (60) MW, as it produced this year using natural gas (249.8) GWh , and the contribution rate of the Risha power plant to the total production has reached The company's stations in 2019 (49.7%) compared to (13.5%) in 2018.

#### Wind Energy

The company continued to benefit from wind energy in the production of electrical energy from the Ibrahimia power plant, as the amount of electrical energy sold reached (0.40) GWh, which contributed to reducing the cost of producing electrical energy in the company's stations by a value of (23,841) JD.

The Jordanian Biogas Company (jointly owned by the Central Electricity Generating Company and the Greater Amman Municipality) continued to implementing its plans and programs for the year 2019 aimed at continuing the production of electrical energy from the gas resulting from the treatment of organic waste in the Russeifa landfill, thereby limiting the emission of biogas in the surrounding area and was able to extract (2,853,337) $m^3$ of biogas, thus producing a total of 2905 MWh.

## 11.2 Occupational Health and Safety:

CEGCO continued to take steady steps towards achieving its vision and mission of ensuring the ongoing development and enhancement of work systems and implementation of action plans, whilst placing a special focus on employee health and safety and protecting surrounding environments and properties. In this regard:

- CEGCO reviewed and enhanced its existing procedure instructions and forms to maintain the international standards of the OHSAS 18001:2007 Occupational Health and Safety Management System, ISO 9001:2015 Quality Management Systems and ISO 14001:2015 Environmental Management Systems certifications granted by TUV Jordan.
- Internal and external health, safety and environment (HSE) audits were conducted twice a year at different company sites to guarantee that HSE procedures are implemented effectively in accordance with the OHSAS 18001:2007 international standard. CEGCO engineers carried out the internal audit under the management of the Department of Quality, Environment and Safety during April and October, whereas the external audit was carried out by TUV Jordan during June and December. The audit results reaffirmed CEGCO's commitment and compliance with international standard OHSAS 18001:2007 requirements and procedures of occupational HSE.
- ACWA Power conducted a safety audit across company sites, based on the output of CEGCO audit and taking the required corrective actions.
- Lifting equipment were inspected and revalidation certificates were issued by an accredited third party to confirm their safety and compliance with set requirements during use for different CEGCO activities.
- CEGCO performed yearly lung and ear medical testing for all employees across all sites to confirm their occupational health at work areas involving noise and emission gases.
- CEGCO established and implemented new occupational health and safety procedures, instructions and forms for the ACWA Power Zarqa Station (APZ). Additionally, the company devised an action plan for obtaining the

new international standard ISO 45001:2018 for occupational health and safety management systems, whilst ensuring adherence with the requirements of the owner and with the criteria of the integrated management system (IMS) certificates; ISO 9001:2015, ISO 14001:2015 Environmental Management Systems and ISO 45001:2018 Occupational Health and Safety Systems. CEGCO was nominated to obtain the international certificates following an external audit conducted by TUV.

- CEGCO continued to implement a non-smoking policy at various company facilities, underscoring efforts to provide and advocate the right of everyone for a clean and healthy environment.
- CEGCO celebrated World Day for Safety and Health at Work by organizing an event at its sites. The event, which featured activities and sessions that reinforced the culture of occupational health and safety, drew the participation of official entities, surrounding companies, local community representatives and employee families.
- CEGCO and ACWA Power held an annual workshop titled 'Occupational Health, Safety and Environment' - in line with the company's firm commitment to and longstanding interest in this regard.
- Aqaba Thermal Power Station received an Excellence Award for Occupational Safety and Health granted by the Social Security Corporation.
- Rehab Gas Turbine Power Station received an Excellence Award for Occupational Safety and Health granted by the Social Security Corporation.
- In collaboration with the Department of Education and Development, CEGCO trained its qualified employees at company sites in specialized courses relating to occupational health, safety and environment. The courses covered handling and storing chemicals; operating and inspecting lifting equipment; driving forklifts; and installing and inspecting scaffoldings.
- Lectures, training and awareness sessions were conducted for employees at different CEGCO sites on policies, procedures and requirements pertaining to occupational health, safety and environment.
- Specialized safety training courses, including the ISO 45001:2018 Lead Auditor, were conducted by SGS for a group of CEGCO employees.

## 11.3 Consultations, Agreements, and External Services

In 2019 , there were no agreements with external parties

## 11.4 Significant Statistics

| Item | 2018 | 2019 | Growth rate( % ) |
|---|---|---|---|
| Available capacity ( MW ) | 1044 | 1044 | 0.00 |
| Generated energy ( GWh ) | 1833.6 | 502.3 | -72.6 |
| Steam units | 811 | 159 | -80.4 |
| Combined cycle | 741 | 91 | -87.7 |
| Gas turbines | 271.2 | 251.0 | -7.45 |
| Hydro | 8.6 | 0.8 | -90.7 |
| Wind | 1.58 | 0.40 | -74.8 |
| Diesel engines | 0.00 | 0.00 | 0.00 |
| Internal consumed energy ( GWh ) | 112.7 | 41.0 | -63.6 |
| Internal consumed energy ( % ) | 6.15 | 8.17 | 32.8 |
| Sold energy to NEPCO ( GWh ) | 1749 | 486 | -72.2 |
| Heavy fuel oil consumption ( 1000 ton ) | 123 | 8 | -93.3 |
| Diesel oil consumption ( 1000 cubic meter ) | 0 | 0 | -64.0 |
| Natural gas consumption / Risha gas ( million cubic meter ) | 94 | 96 | 1.8 |
| Natural gas consumption / Egypt gas ( Billion BTU ) | 9585 | 2142 | -77.7 |
| Overall efficiency ( generated ) ( % ) | 35.41 | 30.47 | -13.9 |
| Overall efficiency ( exported ) ( % ) | 33.23 | 27.98 | -15.8 |
| Availability Factor ( % ) | 95.84 | 97.05 | 1.26 |
| Forced outage Factor ( % ) | 0.39 | 0.24 | -36.5 |
| Planned outage Factor ( % ) | 3.77 | 2.71 | -28.2 |
| Employees | 677 | 554 | -18.2 |

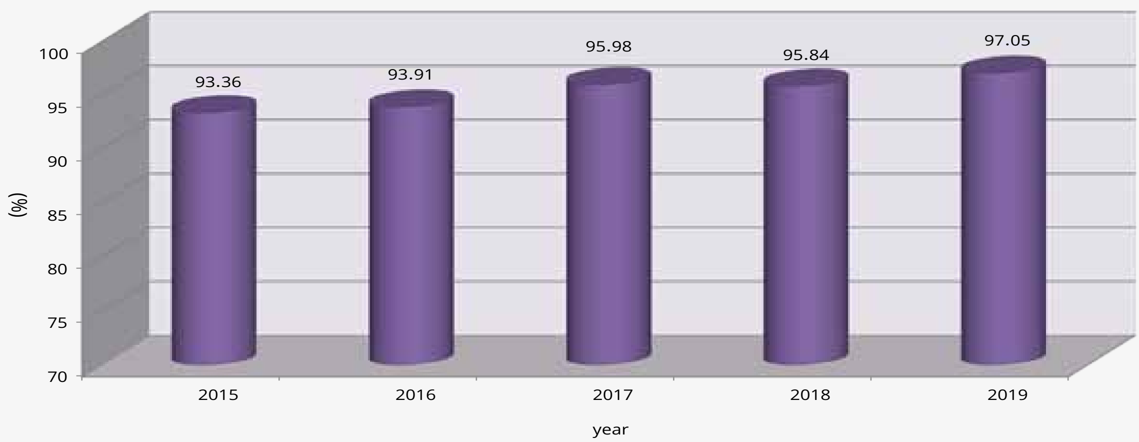
## Performance Indicators

Table (1)

| Technical Indicators | 2015 | 2016 | 2017 | 2018 | 2019 | Growth rate( % ) |
|---|---|---|---|---|---|---|
| **A. Performance Indicators** | | | | | | |
| Overall efficiency ( generated ) ( % ) | 35.97 | 36.11 | 36.82 | 35.41 | 30.47 | -13.9 |
| Overall efficiency ( exported ) ( % ) | 33.92 | 34.08 | 34.86 | 33.23 | 27.98 | -15.8 |
| Availability of generating units ( % ) | 93.36 | 93.91 | 95.98 | 95.84 | 97.05 | 1.26 |
| Percentage of internal consumed energy ( % ) | 5.69 | 5.61 | 5.33 | 6.15 | 8.17 | 32.8 |
| **B. Financial Indicators** | | | | | | |
| Average heavy fuel oil price ( JD/ton ) | 292.7 | 187.7 | 219.1 | 277.3 | 365.2 | 31.7 |
| Average diesel oil price ( JD/cubic meter ) | 435.7 | 378.8 | 467.8 | 556.6 | 584.2 | 4.97 |
| Average natural gas price / Risha ( fils/cubic meter ) | 50 | 50 | 84 | 130 | 115 | -11.1 |
| **C. Manpower Indicators** | | | | | | |
| Annual productivity ( GWh/employee ) | 7.90 | 6.46 | 5.45 | 6.34 | 0.91 | -85.7 |
| Installed capacity ( MW/employee ) | 1.38 | 1.41 | 1.49 | 1.57 | 1.89 | 19.8 |

**Fig ( 1 )**

**Availability Factor ( % )**



## CEGCO's Power Stations Performance Indicators

Table (2)

Availabilty Factor (%)

| Power Station | 2015 | 2016 | 2017 | 2018 | 2018 |
|---|---|---|---|---|---|
| Aqaba Thermal | 92.57 | 93.68 | 95.02 | 96.69 | 95.63 |
| Hussein Thermal | 95.53 | 0.00 | 0.00 | 0.00 | 0.00 |
| Rehab | 91.16 | 93.34 | 97.73 | 94.69 | 99.91 |
| Risha | 97.95 | 95.34 | 96.28 | 92.76 | 97.37 |
| Amman South | 99.88 | 100.00 | 0.00 | 0.00 | 0.00 |
| **Total** | 93.36 | 93.91 | 95.98 | 95.84 | 97.05 |

Fig (2)

### Availability of CEGCO's Power Stations in 2019

Table (3)

Forced Outage Factor (%)

| Power Station | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|
| Aqaba Thermal | 4.53 | 2.19 | 1.95 | 0.23 | 0.16 |
| Hussein Thermal | 1.45 | 0.00 | 0.00 | 0.00 | 0.00 |
| Rehab | 1.25 | 1.46 | 0.16 | 0.69 | 0.09 |
| Risha | 0.40 | 4.28 | 0.71 | 0.47 | 1.92 |
| Amman South | 0.12 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | 2.73 | 2.13 | 1.29 | 0.39 | 0.24 |

Table (4)

Planned Outage Factor (%)

| Power Station | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|
| Aqaba Thermal | 2.90 | 4.14 | 3.03 | 3.08 | 4.21 |
| Hussein Thermal | 3.03 | 0.00 | 0.00 | 0.00 | 0.00 |
| Rehab | 7.59 | 5.20 | 2.11 | 4.62 | 0.00 |
| Risha | 1.64 | 0.38 | 3.01 | 6.77 | 0.71 |
| Amman South | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | 3.91 | 3.96 | 2.73 | 3.77 | 2.71 |

## Power Station Efficiency

Table ( 5 )

Efficiency (Generated) for Power Plants (%)

| Power Station | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|
| Aqaba Thermal | 37.09 | 35.67 | 35.68 | 35.21 | 33.18 |
| Hussein Thermal | 27.44 | 0.00 | 0.00 | 0.00 | 0.00 |
| Rehab | 39.62 | 39.89 | 40.17 | 39.29 | 37.46 |
| Risha | 22.83 | 21.33 | 25.04 | 27.39 | 27.08 |
| Amman South | 24.39 | 28.86 | 0.00 | 0.00 | 0.00 |
| Remote Villages | 18.02 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | 35.97 | 36.11 | 36.82 | 35.41 | 30.47 |

Table ( 6 )

Efficiency (Sent Out) for Power Plants (%)

| Power Station | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|
| Aqaba Thermal | 34.12 | 32.19 | 32.22 | 31.11 | 25.47 |
| Hussein Thermal | 25.18 | 0.00 | 0.00 | 0.00 | 0.00 |
| Rehab | 38.96 | 39.16 | 39.45 | 38.46 | 35.87 |
| Risha | 22.61 | 21.17 | 24.91 | 27.26 | 26.96 |
| Amman South | 20.83 | 19.14 | 0.00 | 0.00 | 0.00 |
| Remote Villages | 16.84 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | 33.92 | 34.08 | 34.86 | 33.23 | 27.98 |

## Power Station Heat Rate

Table ( 7 )

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

| Power Station | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|
| Aqaba Thermal | 9706 | 10091 | 10091 | 10224 | 10849 |
| Hussein Thermal | 13121 | 0.00 | 0.00 | 0.00 | 0.00 |
| Rehab | 9086 | 9025 | 8961 | 9162 | 9610 |
| Risha | 15769 | 16874 | 14378 | 13146 | 13294 |
| Amman South | 14760 | 12476 | 0.00 | 0.00 | 0.00 |
| Remote Villages | 19974 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | 10010 | 9971 | 9776 | 10168 | **11814** |

Table ( 8 )

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

| Power Station | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|
| Aqaba Thermal | 10550 | 11185 | 11172 | 11571 | 14133 |
| Hussein Thermal | 14296 | 0.00 | 0.00 | 0.00 | 0.00 |
| Rehab | 9240 | 9193 | 9125 | 9360 | 10037 |
| Risha | 15922 | 17003 | 14452 | 13204 | 13352 |
| Amman South | 17282 | 18808 | 0.00 | 0.00 | 0.00 |
| Remote Villages | 21374 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | **10614** | **10563** | **10327** | **10834** | 12864 |

## Generated Electrical Energy

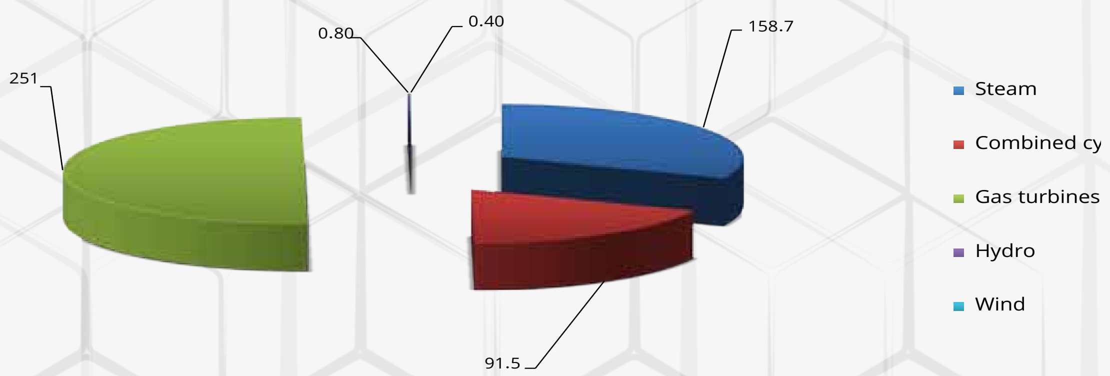
Table ( 9 )

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

| Power Station | 2015 | 2016 | 2017 | 2018 | 2018 | Growth rate ( % ) |
|---|---|---|---|---|---|---|
| Aqaba Thermal | 3605.0 | 2056.4 | 1984.4 | 819.7 | 153.8 | -81.2 |
| Hussein Thermal | 461.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Rehab | 2041.9 | 1963.1 | 2105.8 | 764.1 | 98.3 | -87.1 |
| Risha | 270.7 | 237.6 | 240.55 | 248.11 | 249.81 | 0.68 |
| Amman South | 1.5 | 0.03 | 0.03 | 0.03 | 0.03 | 0.00 |
| Ibrahimiah | 0.30 | 0.52 | 0.22 | 0.44 | 0.40 | -9.21 |
| Hofa | 1.76 | 2.74 | 1.33 | 1.14 | 0.00 | 0.00 |
| Remote Villages | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | 6382.6 | 4260.4 | 4332.4 | 1833.6 | 502.3 | 0.0 |
| Growth Rate ( % ) | -19.9 | -33.2 | 1.69 | -57.7 | -72.6 | |

**Fig ( 3 )**

**Generated Electrical Energy in CEGCO's Power Stations by Type of Generation in 2019 ( GWh )**



## Sold Electrical Energy

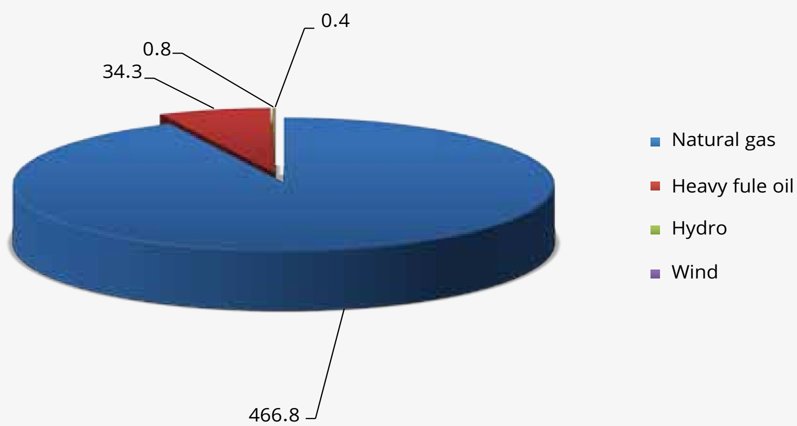
Table ( 10 )

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

| Power Station | 2015 | 2016 | 2017 | 2018 | 2019 | Growth rate ( % ) |
|---|---|---|---|---|---|---|
| Aqaba Thermal | 3325.8 | 1872.9 | 1818.6 | 752.2 | 141.0 | -81.3 |
| Hussein Thermal | 439.3 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Rehab | 2008.0 | 1926.9 | 2067.9 | 749.2 | 96.1 | -87.2 |
| Risha | 267.0 | 231.3 | 238.3 | 246.2 | 248.5 | 0.94 |
| Amman South | 1.4 | 0.03 | 0.00 | 0.00 | 0.00 | 0.00 |
| Ibrahimiah | 0.29 | 0.51 | 0.28 | 0.28 | 0.37 | 35.9 |
| Hofa | 1.75 | 2.74 | 1.32 | 1.32 | 0.00 | 0.00 |
| Remote Villages | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | 7526.9 | 6043.6 | 4126.4 | 1749.3 | 485.9 | |
| Growth Rate ( % ) | 8.38 | -19.7 | -31.7 | -57.6 | -72.2 | |

Fig ( 4 )

**Generated Electrical Energy in CEGCO's Power Stations by Type of Fuel and Primary Energy in 2019 ( GWh )**



## Internal Electrical Energy Consumption

Table ( 11 )

CEGCO's Power Stations Internal Consumption (MWh)

| Power Station | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|
| Aqaba Thermal | 288339 | 201021 | 191990 | 95442 | 35734 |
| Hussein Thermal | 37925 | 0 | 0 | 0 | 0 |
| Rehab | 34125 | 35880 | 37803 | 16180 | 4178 |
| Risha | 2596 | 1804 | 1235 | 1098 | 1099 |
| Amman South | 212 | 138 | 0 | 0 | 0 |
| Ibrahimiah | 5.3 | 7.8 | 5.1 | 10.6 | 12.7 |
| Hofa | 10.6 | 8.7 | 8.2 | 7.17 | 1.14 |
| Remote Villages | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Total** | **363214** | **238859** | **231041** | **112737** | **41025** |

Table ( 12 )

CEGCO's Power Stations Internal Consumption (%)

| Power Station | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|
| Aqaba Thermal | 8.00 | 9.78 | 9.67 | 11.64 | 23.23 |
| Hussein Thermal | 8.22 | 0.00 | 0.00 | 0.00 | 0.00 |
| Rehab | 1.67 | 1.83 | 1.80 | 2.12 | 4.25 |
| Risha | 0.96 | 0.76 | 0.51 | 0.44 | 0.44 |
| Amman South | 14.59 | 4.61 | 0.00 | 0.00 | 0.00 |
| Ibrahimiah | 1.79 | 1.49 | 1.82 | 2.42 | 3.18 |
| Hofa | 0.60 | 0.32 | 0.62 | 0.63 | 0.00 |
| Remote Villages | 6.55 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total** | **5.69** | **5.61** | **5.33** | **6.15** | **8.17** |

## Fuel Consumption

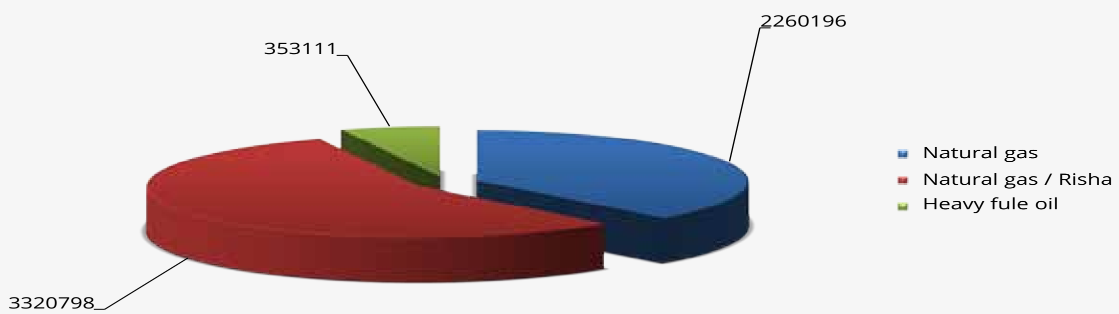
Table ( 13 )

CEGCO's Power Plants Consumption of Fuel

| Power Plant | Fuel Type | Unit | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|---|---|
| ATPS | Natural Gas | Billion BTU | 2652 | 5921 | 5830 | 2950 | 1247 |
| | HFO | Ton | 753818 | 337568 | 322756 | 122568 | 8197 |
| | DO | Cubic meter | 506 | 257 | 118 | 57 | 19 |
| HTPS | HFO | Ton | 142085 | 0 | 0 | 0 | 0 |
| | DO | Cubic meter | 87 | 0 | 0 | 0 | 0 |
| Rehab | Natural Gas | Billion BTU | 10419 | 16793 | 17885 | 6635 | 895 |
| | DO | Cubic meter | 195135 | 5 | 16 | 2 | 1 |
| Risha | Risha Gas | (1000) Cubic meter | 122924 | 116442 | 100852 | 94378 | 96063 |
| | DO | Cubic meter | 700 | 56 | 10 | 0 | 1 |
| Amman South | DO | Cubic meter | 556 | 10 | 0 | 0 | 0 |
| Remot | DO | Cubic meter | 4 | 0 | 0 | 0 | 0 |
| Total | Natural Gas | Billion BTU | 13072 | 22713 | 23715 | 9585 | 2142 |
| | Risha Gas | (1000) Cubic meter | 122924 | 116442 | 100852 | 94378 | 96063 |
| | HFO | Ton | 895903 | 337568 | 322756 | 122568 | 8197 |
| | DO | Cubic meter | 196988 | 328 | 143 | 59 | 21 |

Fig ( 5 )

**CEGCO's Power Stations Fuel Consumption in 2019 (GJ)**



## Operating Power Stations Capacity in Electrical System

Table ( 14 )

Installed capacity of CEGCO›s Power Stations in 2019 ( MW )

| Power Station | steam | steam Combined cycle | Natural Gas | Diesel Oil | Hydro | Wind | Total |
|---|---|---|---|---|---|---|---|
| Aqaba | 5 x 130 | | | | 6 | | 656 |
| Rehab / Simple cycle | | | 1 x 30 | | | | 30 |
| Rehab / Combined cycle | | 1 x 97 | 2 x 100 | | | | 297 |
| Risha | | | 2 x 30 | | | | 60 |
| Ibrahimiah | | | | | | 4 x 0.08 | 0.32 |
| Hofa | -- | -- | -- | -- | -- | 5 x 0.225 | 1.125 |
| **Total** | 650 | 97 | 290 | 0 | 6 | 1.4 | 1044 |

Table ( 15 )

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

| Source | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|
| **1. CEGCO** | 1392 | 1164 | 1074 | 1044 | 1044 |
| Steam | 848 | 650 | 650 | 650 | 650 |
| Combined cycle | 297 | 297 | 297 | 297 | 297 |
| Gas turbines / Natural gas | 210 | 180 | 120 | 90 | 90 |
| Gas turbines / Diesel oil | 30 | 30 | 0 | 0 | 0 |
| Diesel engines | - | - | - | - | - |
| Hydro | 6 | 6 | 6 | 6 | 6 |
| Wind | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 |
| **2.Other Organizations** | 3068 | 3325 | 3472 | 4215 | 4571 |
| ACWA Power Zarqa | - | - | - | 485 | 485 |
| Samra Electrical Power Generting Company | 1175 | 1175 | 1175 | 1250 | 1250 |
| King Talal Dam | 6 | 6 | 6 | 6 | 6 |
| Jordan Biogas Company | 3.5 | 3.5 | 4 | 4 | 4 |
| AES | 432 | 432 | 370 | 370 | 370 |
| Al Qatraneh | 420 | 420 | 373 | 373 | 373 |
| IPP3 | 573 | 573 | 573 | 573 | 573 |
| IPP4 | 241 | 241 | 241 | 241 | 241 |
| Jordan wind Renewable Co. | 117 | 117 | 117 | 117 | 117 |
| Hussien University Wind | - | 80 | 80 | 80 | 80 |
| Al Fujaij | - | - | - | - | 82 |
| Al Rajef | - | - | - | - | 89.1 |
| Shamsna | - | - | 10 | 10 | 10 |
| Al Ward Al Joury Co | 5 | 10 | 10 | 10 | 10 |
| Maan Sun | - | 52.5 | 52.5 | 52.5 | 52.5 |
| Sun Edison Company | - | 20 | 20 | 20 | 20 |
| Zahrat Al Salam | - | 10 | 10 | 10 | 10 |
| Mertifier | - | 10 | 10 | 10 | 10 |
| Bright power | - | 10 | 10 | 10 | 20 |
| Green land | - | 10 | 10 | 10 | 10 |
| Ennera/ Maan | - | 10 | 10 | 10 | 10 |
| Catalyst | - | 21 | 21 | 21 | 21 |
| Jordan Solar one | - | - | 20 | 20 | 20 |
| Scatec Solar Company | - | 10 | 10 | 10 | 10 |
| Distribution companies | - | - | 202 | 235 | 390 |
| Mafraq Development Projects/ Solar | - | - | - | 100 | 153 |
| Azraq/Safawi | - | - | - | | 59 |
| **3. Others** | 95 | 93.8 | 137.6 | 187.5 | 95 |
| **Total system** | **4460** | **4489** | **4547** | **5259** | **5615** |

## Loads of Electrical System

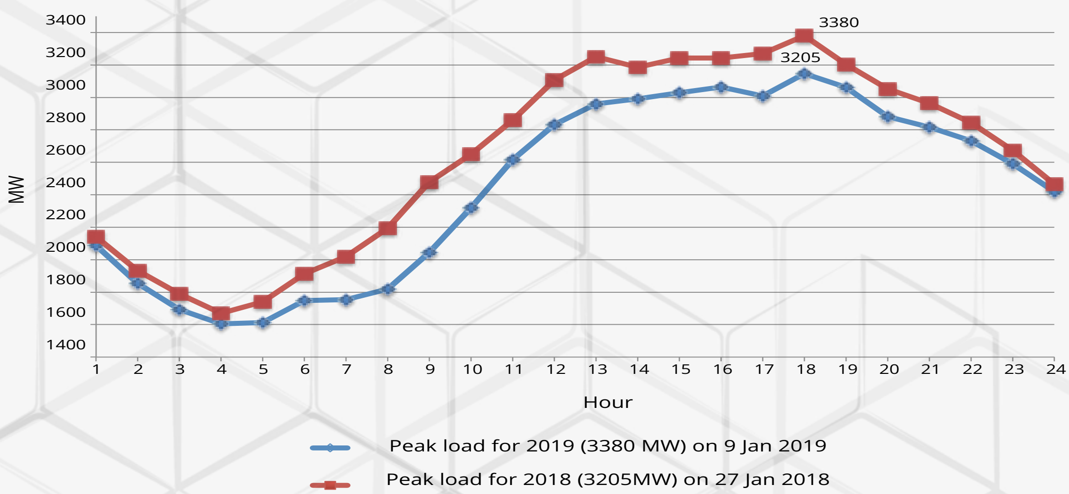
Table ( 16 )

Electrical System Peak Load Develepment ( MW )

| Source | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|
| Total Electrical System | 3300 | 3250 | 3320 | 3205 | 3380 |
| Load Growth Rate ( ٪ ) | 13.8 | -1.52 | 2.15 | -3.46 | 5.46 |
| CEGCO | 743 | 972 | 912 | 810 | 431 |
| CEGCO share of Loads ( ٪ ) | -28.8 | 30.8 | 27.5 | 25.3 | 12.8 |

Fig ( 6 )

### Electrical System Peak Load for Years 2018 & 2019



## 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

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

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|
| Profit (loss)- after tax | 21,317,749 | 3,164,614 | 6,307,401 | 7,775,002 | 14,553,741 |
| Dividends | - | 7,000,000 | 7,000,000 | 15,000,000 | 17,000,000 |
| Dividends from voluntary reserve | - | 8,000,000 | 8,000,000 | 15,000,000 | 13,000,000 |
| Dividends from special reserve | - | - | - | - | - |
| Share holders equity (net) | 70,068,968 | 48,774,568 | 60,324,322 | 69,402,596 | 91,758,091 |
| 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 | 2019 | 2018 |
|---|---|---|
| Operation profit (loss) ratio (without fuel) | 39.24% | 34.09% |
| Net profit (loss) before interest , foreign exchange & tax (without fuel) | 45.55% | 37.57% |
| Net profit (loss) before tax (without fuel) | 36.13% | 25.38% |
| Net profit (loss) after tax (without fuel) | 33.06% | 24.20% |
| Return on assets ratio (without fuel) | 9.53% | 6.74% |

| Liquidity Indicators | 2019 | 2018 |
|---|---|---|
| Current Ratio (time) | 0.89 | 0.72 |
| Liquidity Ratio (time) | 0.75 | 0.58 |
| Work Capital (1000 JD) | (12203) | (40151) |

| Assets Utility Indicators | 2019 | 2018 |
|---|---|---|
| Accounts Receivable Turnover (TIME) | 0.99 | 1.84 |
| Number Of Days Of Receivables | 368 | 199 |

| Capital Structure Indicators | 2019 | 2018 |
|---|---|---|
| Debts / Total Assets Ratio | 67.58% | 78.97% |
| Debts / Equity Ratio | 208.48% | 375.54% |

## 15 Future developments and future plans of the company

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

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

| Auditing Office : Ernst & Young 2019 | JD |
|---|---|
| Auditing charges | 25,520 |
| Tax consultations charges | 29,000 |
| Total | 54,520 |

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

| NAME MEMBER | Position | Nationality | Share No. 2019 | Share No. 2018 |
|---|---|---|---|---|
| Enara Energy Investment | | Jordanian | 15,250,000 | 15,250,000 |
| H.E.Eng. Thamer Al Sharhan | **Chairman** | Saudi | —— | —— |
| H.E.Eng. Turki Bin Saeed Alamri | **Vice-Chairman** | Saudi | —— | —— |
| H.E.Dr. Makram Adeeb Khoury | **Member** | Lebanese | —— | —— |
| Enara (2) Energy Investment | | Jordanian | 50,000 | 50,000 |
| H.E. Mr. Jasdeep Singh Anand | **Member** | Indian | —— | —— |
| The Government Of Jordan | | Jordanian | 12,000,000 | 12,000,000 |
| H.E. Dr. Faysal Al-Hyari | **Member** | Jordanian | —— | —— |
| H.E. Eng. Ziad Jebril | **Member** | Jordanian | —— | —— |
| Social Security Corporation | | Jordanian | 2,700,000 | 2,700,000 |
| H.E. Mr. Zaydoun Abo Hassan | **Member (till 9/11/2019)** | Jordanian | —— | —— |
| H.E. Mrs. Ranya Moosa Alaraj, CFA | **Member (from 10/11/2019)** | Jordanian | —— | —— |

## 17.B There are no Securities Owned by Senior Executive Management Personnel.

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

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

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

| NAME | Position | Transportation | Remuneration | Total |
|---|---|---|---|---|
| **Enara Energy Investment** | | | | |
| * H.E.Mr. Thamer Al Sharhan | Chairman | 6,000 | 5,000 | 11,000 |
| H.E.Mr.Makram Adeeb khoury | Member | 6,000 | 4,167 | 10,167 |
| H.E.Mr.John Clark attend the meeting instead of Makram khoury | - | | 833 | 833 |
| * H.E.Mr.Turki Bin Saeed Alamri | Vice- Chairman | 6,000 | 3,334 | 9,334 |
| H.E.Mr.Nadeem Rizvi attend the meeting instead of Turki Alamri | - | | 833 | 833 |
| * H.E.Mrs.Yara Anabtawi attend the meeting instead of Turki Alamri | - | - | 833 | 833 |
| **Enara (2) Energy Investment** | | | | |
| H.E.Mr.Nadeem Rizvi attend the meeting instead of Kashif Rana | Member (till 19-3-2018) | - | 833 | 833 |
| * H.E.Mr Jasdeep singh Anand | Member (from- 20-3-2018) | 6,000 | 4,167 | 10,167 |
| **The Government Of Jordan** | | | | |
| ** H.E. Mr. Faisal Al Hiari | Member | 6,000 | 5,000 | 11,000 |
| ** H.E. Mr. Zaid Jebril | Member | 6,000 | 5,000 | 11,000 |
| **Social Security Corporation** | | | | |
| **** H.E.Mr. Zaydoun Abu Hassan | Member till 9/11/2019 | 5,150 | 5,000 | 10,150 |
| **** H.E.Mrs. Ranya Moosa Alaraj, CFA | Member from 10/11/2019 | 850 | - | 850 |
| **Total** | | 42,000 | 35,000 | 77,000 |

* The total benefits that belong to,H.E.Mr. Thamer Al Sharhan and H.E.Mr Kashif Rana and H.E.Mr.Turki Bin Saeed Alamri and H.E.Mr Jasdeep sing Anand transfered to Enara Energy Investment

** The remuneration that belong to H.E.Mr.Zaid Jebril, Mr. Faisal Al Hiari who represent the Government Of Jordan transfered to Ministry of Finance /Government Investment Management Company.

**** The total benefits that belong to H.E.Eng. Zaydoun Abu Hassan , Mrs. Ranya Moosa Alaraj, CFA transfered to Social Security Corporation-Investment fund of Social Security.

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

| Name | POSITION | Total Salaries | Remu-nera-tions | Trave-ling | Other Benefits | TOTAL |
|---|---|---|---|---|---|---|
| Dr. Moayad Samman | Chief Executive Officer (from 1/10/2019) | 39000 | 0 | 1750 | 0 | 40,750 |
| Mr. Nadeem Rizvi | Chief Executive Officer (till 30/9/2019 ) and then appointed as a Chief operating Officer | 157450 | 0 | 0 | 0 | 157,450 |
| Mrs.Zakieh Abed-Elghani Jardaneh | Chief financial Officer | 72000 | 15090 | 700 | 0 | 87,790 |
| Mr. Maher Mohammad Tubaishat | 27/1/2012 - 30/9/2019 Executive Manager Assets management then appointed Acting CEO of ACWA Power Renewable. | 38483 | 7700 | 3500 | 0 | 49,683 |
| Mr. Osama Al Da aja | Executive Manager Assets management (30/9/2019 -till now) | 23250 | 5225 | 750 | 0 | 29,225 |
| Mr Ali Hussein Al Rawashdeh | Executive Manager / Operation and Maintenance (till 31/3/2019) | 7355 | 7082 | 350 | 0 | 14,787 |
| Mr. Mwaffaq Alawneh | Executive Manager / Operation and Maintenance ( from 7/4/2019) | 42455 | 9405 | 2000 | 0 | 53,860 |
| Mr. Ahmad Mohammad Al Losi | Human Resorces Excutive Manager | 42405 | 10000 | 500 | 642 | 53,547 |
| Mr. Omar Al Shammari | Supply Chain Excutive Manager | 24517 | 4470 | 0 | 0 | 28,987 |
| Mrs. Alia Radwan Hiassat | BOD Secretary | 28380 | 4900 | 0 | 0 | 33,280 |
| Mrs.Samira Zarafily | Enteral Audit Manager | 28778 | 3090 | 1000 | 0 | 32,868 |
| Mr. Ali Mohammad Zuhair | Financial Manager | 29273 | 5570 | 375 | 3410 | 38,628 |
| Mr. Ghaith Obeidat | Accounting Manager | 24315 | 4900 | 375 | 0 | 29,590 |
| **Total** | | 557,660 | 77,432 | 11,300 | 4,052 | 650,445 |

## 19 Grants and Donations Paid by the Company in 2019

| Item | AMOUNT 2019 |
|---|---|
| A Free Medical Day - AQABA | 5,287 |
| Engineering Diagrams for Sewing Project at Rahma Village - AQABA | 460 |
| Cooperatin agreement with Tkiyet Om Ali | 9,000 |
| Altrasound device provided to Rehab medical centers | 12,290 |
| Public safity Day | 500 |
| Maintenance of the Solar Energy Project in the Kings Academy School | 840 |
| School Rehabilitations /Boida & Rahma Villages in Rihab & Aqaba | 5,380 |
| Solar energy units for Mosques in Ruaished , Rehab , Khalda | 10,452 |
| Pickup Car for Rihab multiplicity | 19,250 |
| **Total** | 63,459 |

## 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 Environment Conservation:

- CEGCO continued to build on collaborations with official entities responsible for surrounding environments in order to devise plans and practical solutions and deploy international systems that ensure a safe and suitable environment at company sites. Activities throughout the year comprised the following:
- CEGCO developed a plan for managing the environment of the ACWA Power Zarqa Station (APZ) - in accordance with environmental legislation, as well as owner and loaner requirements, and in line with the company's environmental management system.
- CEGCO established and implemented the procedures, instructions, policies and forms of the ISO 14001:2015 Environmental Management Systems. Gap analysis and preliminary and final audits were conducted under the management of the Department of Quality, Environment and Safety, whereas TUV Jordan conducted the external audit to obtain the new version of the international ISO 14001:2015 Environmental Management Systems certification.
- CEGCO updated its deployed environmental procedures to comply with the new version of the ISO 14001:2015 Environmental Management Systems; a component of the integrated management system that includes quality, safety and environmental management systems. The company effectively followed up on implementation by applying the system's policies and procedures, the most noteworthy of which are:
  - Defining environmental externalities and determining the level of risk arising;
  - Compliance with Jordan's environmental legislations and laws that related to environment and Waste management.
- CEGCO held specialized environment training courses for a number of employees.

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

### Our community

**A year-to-year bid to support local communities**

The stories of giving, humanitarian and development work in the Central Electricity Generating Company, which stems from its institutional identity and core values, continue to support the local communities to which they belong, and to support the disadvantaged groups within their strategy of social responsibility.

By setting effective action plans and defining a private budget, the company implemented throughout the year a set of various initiatives and activities in different regions around the Kingdom, focusing on the regions where its stations are located, embodying the responsible national sense that it enjoys in serving the local community.

### Building a healthy and healthy society

**Free medical day in Aqaba**

In order to provide medical care and health services to the people of the area near its stations and locations, the company organized a free medical day in both the SOS Children's Village and the "Al-Thaghr Association for Handicapped Care" in Aqaba Governorate, which benefited approximately 250 citizens and citizens. The event saw the participation of a cadre of employees and doctors of the company, as well as a number of volunteer doctors from various disciplines, including general medicine, pediatrics, internal medicine, dental and bone, and urinary tract, in addition to laboratory tests, and the necessary medicines were provided for treatment through direct purchase by The company, across a group of companies and drug stores.

**Blood donation campaign**

The company organized in its headquarters a blood donation campaign for its work team under the supervision of a specialized medical cadre from the National Blood Bank, and with the participation of a cadre from the health insurance department and the public relations and communication department in the company. The donated blood units were registered as a company's balance in the blood bank to be disbursed to employees and their families in an emergency.

**New Ultra Sound device for Rehab Health Center in Mafraq Governorate**

The company has provided a new Rehab Health Center with a new Ultra Sound to contribute to improving the health services provided by the center, and alleviate the suffering of the disadvantaged patients.

## Promote partnership concepts to serve the community and its development

**Renewed partnership with Um Ali**

The company has renewed the cooperation agreement it brings with Tkiyet Umm Ali to support its programs and provide sustainable food support, in addition to participating in its voluntary programs throughout the year. Pursuant to this agreement, the company has sponsored a group of families benefiting from Um Ali's hospice in the areas where the company's stations operate, by providing monthly food parcels to beneficiary families for a full year, in addition to distributing food parcels in the holy month of Ramadan.

## Providing the appropriate learning environment for students

**Comprehensive maintenance of government schools in the governorates of Aqaba and Mafraq**

The company implemented a comprehensive maintenance campaign for Rahma Secondary School in Aqaba governorate, and included the implementation of paint and sanitary installations, the delivery of water and the provision of water tanks, the repair of internal doors, windows, and classrooms in addition to the curtains of some classrooms.

In the Rehab area of Mafraq Governorate, umbrellas were installed in the Al-Bawaidah Elementary Boys School, through joint cooperation and coordination with the Ministry of Education.

## A clean and healthy environment for future generations

**Solar systems to produce electric power in three mosques in the Kingdom**

The company has implemented solar systems to produce electric power in three mosques in each of the Khalda region in the capital Amman, Ruwaished and the Rehab region in Mafraq Governorate, in cooperation with the Ministry of Endowments, Affairs and Islamic Holy Sites, based on its belief in the importance of keeping pace with global developments and trends towards reliance on sources Clean energy to generate electricity, and adopt environmentally friendly practices.

In addition to all these initiatives, the company provided pickup car for the municipality of Rehab in the Mafraq Governorate to facilitate the installation and maintenance of street lighting lamps in the Rehab area.

# Central Electricity Generating Company

## Financial Statements

## 31 December 2019

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

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Central Electricity Generating Company - Public Shareholding Company ("the Company"), which comprise the statement of financial position as at 31 December 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended 31 December 2019. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter provided in that context .

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

**Existence of inventory and valuation of spare parts and general materials slow moving items depreciation.**

The notes related to inventory has been disclosed in note 9 of these financial statements.

| Key audit matter | How the key audit matter was addressed |
|---|---|
| The net value of the Company's Spare parts and General Materials inventory as at 31 December 2019 was JOD 15,429,436, which represents 7.1% of the Company's total assets. This inventory consists of spare parts and general materials that are located in various warehouses at several locations of the company; The depreciation of spare parts and general materials slow moving and obsolete elements is based on policies and estimates set forth by the management. In 2019, the Company recorded a depreciation expense of JOD 4,050,304 as at 31 December 2019. | Our audit procedures included attendance to the inventory stock count of the Company.<br><br>In addition, we selected an inventory sample of transactions for the periods before and after the year ended 31 December 2019 to ensure that the inventory has been recorded in the proper period.<br><br>Our audit procedures also included testing the methodology of calculating the depreciation of both spare parts and general materials, we also evaluated the appropriateness and conformity of provisions and assumptions and took into account historical data in estimating expenses, in addition to the accuracy and completeness of the inventory development, including the sufficiency of the depreciation expense of spare parts and general materials slow-moving and obsolete elements. Note (9) on the financial statements shows more details on this matter. |

**Provision for employees' end-of-service indemnity**

Management's disclosures on the provision for end-of-service indemnity are included in Note 14 to the financial statements.

| Key audit matter | How the key audit matter was addressed |
|---|---|
| Judgment is required to assess the appropriate level of provisioning for employees' end-of-service indemnity. This area was important to our audit because of the magnitude of the amount, the judgment involved, and technical expertise required to determine the provision for employees' end-of-service indemnity amount. | Our procedures included, evaluating the actuarial assumptions and valuation methodologies used by the actuarial to assess the employees end-of-service obligations. We also assessed whether the key actuarial assumptions are reasonable including the adequacy of provision for end-of-service indemnity. We evaluated the competency and objectivity of the actuarial expert appointed by management. |

## Other information included in the Company 's 2019 annual report.

Other information consists of the information included in the Company's 2019 annual report other than the financial statements and our auditor's report thereon, Management is responsible for the other information. The Company's 2019 annual report is expected to be made available to us after the date of this auditor's report

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

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

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exist, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period, and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonable be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

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

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

Amman – Jordan

19 March 2020

Ernst + Young

## Statement of financial position As At 31 December 2019

| | Notes | 2019 JD | 2018 JD |
|---|---|---|---|
| Assets | | | |
| Non-current Assets | | | |
| Property, plant and equipment | 3 | 98,623,000 | 110,305,400 |
| Projects in progress | 4 | 2,104,892 | 2,678,880 |
| Right of use assets | 2 | 1,430,001 | - |
| Employees' housing fund loan | 5 | 237,432 | 312,432 |
| Investment in an associate | 6 | 487,396 | 497,124 |
| Deferred tax assets | 7 | 1,455,381 | 1,189,306 |
| Strategic fuel inventories | 8 | 13,276,564 | 14,559,256 |
| | | 117,614,666 | 129,542,398 |
| Current Assets | | | |
| Inventories | 9 | 15,548,902 | 19,715,272 |
| Other current assets | 10 | 2,615,174 | 3,047,135 |
| Accounts receivable | 11 | 73,303,763 | 78,999,251 |
| Cash and bank balances | 28 | 7,067,569 | 51,534 |
| | | 98,535,408 | 101,813,192 |
| Total Assets | | 216,150,074 | 231,355,590 |
| 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 | 10,672,932 | 10,672,932 |
| Cash flow hedge reserve | | (2,488,334) | (2,398,715) |
| Retained earnings | | 24,384,370 | 3,000,351 |
| Total Equity | | 70,068,968 | 48,774,568 |
| Liabilities | | | |
| Non-current Liabilities | | | |
| Long term loans | 13 | 25,142,662 | 29,811,218 |
| Leases liabilities | 2 | 1,121,590 | - |
| Employees' end-of-service indemnity provision | 14 | 5,679,783 | 6,600,196 |
| Decommissioning provision | 15 | 2,620,635 | 2,460,690 |
| Derivative financial liability | 18 | 778,411 | 1,744,705 |
| | | 35,343,081 | 40,616,809 |
| Current Liabilities | | | |
| Current portion of long term loans | 13 | 5,012,536 | 24,801,900 |
| Other current liabilities | 16 | 6,062,339 | 7,099,207 |
| Leases liabilities | 2 | 181,734 | - |
| Accounts payable | 17 | 60,760,401 | 61,559,092 |
| Derivative financial liability | 18 | 1,655,490 | 1,561,439 |
| Due to banks | 29, 28 | 35,185,551 | 46,230,119 |
| Income tax provision | 7 | 1,879,974 | 712,456 |
| | | 110,738,025 | 141,964,213 |
| Total Liabilities | | 146,081,106 | 182,581,022 |
| Total Equity and Liabilities | | 216,150,074 | 231,355,590 |

The attached notes from 1 to 36 form part of these Financial Statements

## Statement of financial position As At 31 December 2019

| | Notes | 2019 | 2018 |
|---|---|---|---|
| | | JD | JD |
| Power generation revenues | 19 | 75,518,210 | 109,101,254 |
| Stations operating costs | 20 | (16,254,695) | (53,126,924) |
| Depreciation of right-of-use assets | 2 | (130,000) | - |
| Depreciation | 3 | (12,626,720) | (12,348,609) |
| Administrative expenses | 21 | (8,590,884) | (9,631,787) |
| Maintenance expenses | 22 | (4,524,052) | (7,513,621) |
| Provision for slow moving inventories | 9 | (4,050,304) | (2,107,139) |
| Employees' end-of-service indemnity provision | 14 | (802,384) | (839,649) |
| Employees' termination benefits provision | 16 | (3,241,194) | (2,230,000) |
| Total operating costs | | (50,220,233) | (87,797,729) |
| Operating profit | | 25,297,977 | 21,303,525 |
| Foreign currency exchange loss, net | 26 | (964,993) | (865,472) |
| Share of loss of an associate | 6 | (9,728) | (42,168) |
| Provision for expected credit losses | 10, 11 | - | 949,502 |
| Board of Directors remuneration | | (35,000) | (35,000) |
| Other income, net | 23 | 4,115,634 | 1,344,570 |
| Finance costs, net | 24 | (5,106,702) | (6,763,277) |
| Profit before income tax & Assets impairment | | 23,297,188 | 15,891,680 |
| Impairment loss of property, plant and equipment | 3 | - | (11,987,713) |
| Profit before income tax | | 23,297,188 | 3,903,967 |
| Income tax expense | 7 | (1,979,439) | (739,353) |
| Profit for the year | | 21,317,749 | 3,164,614 |
| Basic and diluted earnings per share | 25 | 0/711 | 0/105 |

The attached notes from 1 to 36 form part of these Financial Statements

## Statement of Other Comprehensive Income
## For The Year Ended 31 December 2019

| | Notes | 2019 | 2018 |
|---|---|---|---|
| | | JD | JD |
| Profit for the year | | 21,317,749 | 3,164,614 |
| Other comprehensive income items to be reclassified to profit or loss in subsequent periods (net of tax): | | | |
| (Loss) gain on cash flow hedges | 18 | (89,619) | 579,604 |
| Total other comprehensive income Items to be reclassified to profit or loss in subsequent periods | | (89,619) | 579,604 |
| Other comprehensive income items not to be reclassified to profit or loss in subsequent periods (net of tax): | | | |
| Actuarial gain (loss) on employees' end-of-service indemnity | | 66,270 | (293,972) |
| Total other comprehensive income Items not to be reclassified to profit or loss in subsequent periods | | 66,270 | (293,972) |
| Other comprehensive income for the year, net of tax | | (23,349) | 285,632 |
| Total comprehensive income for the year, net of tax | | 21,294,400 | 3,450,246 |

The attached notes from 1 to 36 form part of these Financial Statements

## Statement Of Changes In Equity
## For The Year Ended 31 December 2019

| | Paid in capital | Statutory reserve | Voluntary reserve | Cash flow hedge reserve | Retained earnings | Total |
|---|---|---|---|---|---|---|
| 2019 - | JD | JD | JD | JD | JD | JD |
| Balance at 1 January 2019 | 30,000,000 | 7,500,000 | 10,672,932 | (2,398,715) | 3,000,351 | 48,774,568 |
| Profit for the year | - | - | - | - | 21,317,749 | 21,317,749 |
| Other comprehensive income for the year | - | - | - | (89,619) | 66,270 | (23,349) |
| Total comprehensive income for the year | - | - | - | (89,619) | 21,384,019 | 21,294,400 |
| Balance at 31 December 2019 | 30,000,000 | 7,500,000 | 10,672,932 | (2,488,334) | 24,384,370 | 70,068,968 |
| 2018 - | JD | JD | JD | JD | JD | JD |
| Balance at 1 January 2018 | 30,000,000 | 7,500,000 | 18,672,932 | (2,978,319) | 7,129,709 | 60,324,322 |
| Profit for the year | - | - | - | - | 3,164,614 | 3,164,614 |
| Other comprehensive income for the year | - | - | - | 579,604 | (293,972) | 285,632 |
| Total comprehensive income for the year | - | - | - | 579,604 | 2,870,642 | 3,450,246 |
| Dividends (Note 12) | - | - | (8,000,000) | - | (7,000,000) | (15,000,000) |
| Balance at 31 December 2018 | 30,000,000 | 7,500,000 | 10,672,932 | (2,398,715) | 3,000,351 | 48,774,568 |

The attached notes from 1 to 36 form part of these Financial Statements

## Statement of financial position
## As At 31 December 2019

| | Notes | 2019 | 2018 |
|---|---|---|---|
| | | JD | JD |
| **Operating Activities** | | - | - |
| Profit before income tax | | 23,297,188 | 3,903,967 |
| Adjustments for: | | | |
| Depreciation | 3 | 12,626,720 | 12,348,609 |
| Impairment loss of property, plant and equipment | 3 | - | 11,987,713 |
| Depreciation of right-of-use assets | 2 | 130,000 | - |
| Interest on lease obligation | 2,24 | 93,112 | - |
| Depreciation of Spare parts and General Material | 9 | 4,050,304 | 2,107,139 |
| Provision for decommissioned units | | 159,945 | 150,190 |
| Employees' end-of-service indemnity provision | 14 | 802,384 | 839,649 |
| Provision for employees' vacations | 16 | 72,300 | 105,227 |
| Employees' termination benefits provision | 16 | 3,241,194 | 2,230,000 |
| Net gain on sale of property plant and equipment and decommissioned units | 23 | (1,042,503) | (22,896) |
| Gain from strategic Fuel Sales | 23 | (129,315) | - |
| Provision for expected credit losses | 10, 11 | - | (949,502) |
| Loss from foreign currency exchange – net | 26 | 964,993 | 865,472 |
| Share of loss of an associate | 6 | 9,728 | 42,168 |
| Interest income | | (2,862) | (221) |
| Finance costs | 24 | 4,856,507 | 6,613,308 |
| Working capital changes: | | | |
| Accounts receivable | | 5,695,488 | (38,283,669) |
| Other current assets | | 355,167 | (543,200) |
| Inventories | | 1,134,383 | 462,433 |
| Accounts payable | | (798,691) | 34,220,993 |
| Other current liabilities | | 467,714 | (295,829) |
| Employees' vacations provision paid | 16 | (130,965) | (66,453) |
| Employees' end-of-service indemnity provision paid | 14 | (1,642,561) | (572,287) |
| Employees' termination benefits provision | 16 | (4,491,424) | (1,162,562) |
| Income tax paid | 7 | (1,183,223) | (764,715) |
| Net cash flows from operating activities | | 48,535,583 | 33,215,534 |
| **Investing Activities** | | - | - |
| Purchases of property, plant and equipment, and projects in progress | | (431,574) | (2,580,989) |
| Proceeds from sale of property, plant and equipment | | 1,103,745 | 31,707 |
| Proceeds from sale of decommissioned units' - fuel | | 393,690 | 2,161,718 |
| Employees housing fund loan | | 75,000 | - |
| Interest received | | 2,862 | 221 |
| Net cash flows from (used in) investing activities | | 1,143,723 | (387,343) |
| **Financing Activities** | | - | - |
| Repayments of loans | | (26,436,861) | (30,662,470) |
| Dividends paid | | - | (15,000,000) |
| Interest paid | | (5,017,689) | (6,468,773) |
| Lease payments | | (181,734) | - |
| Net cash flows used in financing activities | | (31,636,284) | (52,131,243) |
| Net increase (decrease) in cash and cash equivalents | | 18,043,022 | (19,303,052) |
| Effect of exchange rate changes on cash and cash equivalents | | 17,581 | 669 |
| Cash and cash equivalents at 1 January | | (46,178,585) | (26,876,202) |
| **Cash and cash equivalents At 31 December** | 28 | (28,117,982) | (46,178,585) |

The attached notes from 1 to 36 form part of these Financial Statements

## (1) General

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

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

In accordance with the privatization initiatives, the Government during 2007 sold 51% of CEGCO shares to ENARA Energy Investments (Private Shareholding Company). Another 9% of the Government's shares was sold to the Social Security Corporation. In connection with the sale, CEGCO has signed new Power Purchase Agreements (PPA) 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 19 March 2020 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 2018 except for the adoption of new standards effective as of 1 January 2019 shown below:

### IFRS 16 Leases

IFRS 16 supersedes IAS 17 Leases. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for most leases under a single on-balance sheet model.

The Company adopted IFRS 16 using the modified retrospective approach with the date of initial application of 1 January 2019. Accordingly, prior year financial statements were not restated. The Company elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

The effect of adoption IFRS 16 was as follows:

Impact on the statement of financial position (increase/(decrease)) as at 1 January 2019:

| | 2019 |
|---|---|
| | JD |
| **Assets** | |
| Right of use assets | 1,560,002 |
| Other current assets (prepaid expenses) | (168,056) |
| **Total assets** | 1,391,946 |
| **Liabilities** | |
| Lease liabilities | 1,391,946 |
| **Total adjustment on equity** | - |

### a) Nature of the effect of adoption of IFRS 16

The Company has lease contracts for various items of plant and equipment. Before the adoption of IFRS 16, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Company; otherwise it was classified as an operating lease. Finance leases were capitalised at the commencement of the lease at the inception date at the fair value of the leased property or, if lower, at the present value of the minimum lease payments.

Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under Prepayments and Trade and other payables, respectively.

Upon adoption of IFRS 16, the Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Company.

**• Leases previously classified as finance leases**

The Company did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under IAS 17). The requirements of IFRS 16 was applied to these leases from 1 January 2019.

**• Leases previously accounted for as operating leases**

The Company recognised right-of-use assets and operating lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease

The lease liabilities as at 1 January 2019 can be reconciled to the operating lease commitments as of 31 December 2018 as follows:

| | JD |
|---|---|
| Operating lease commitments as at 31 December 2018 | 2,015,430 |
| Weighted average incremental borrowing rate as at 1 January 2019 | 6.5% |
| Discounted operating lease commitments at 1 January 2019 | 1,391,946 |
| Lease liabilities as at 1 January 2019 | 1,391,946 |

### b) Amounts recognized in the statement of financial position and profit or loss

Set out below, are the carrying amounts of the Company's right-of-use assets and lease liabilities and the movements during the year ended 31 December 2019:

| | Right of use assets | Lease liabilities |
|---|---|---|
| | JD | JD |
| **At 1 January 2019** | 1,560,001 | 1,391,946 |
| Depreciation | (130,000) | - |
| Interest on lease obligation | - | 93,112 |
| Lease payments | - | (181,734) |
| **At 31 December 2019** | 1,430,001 | 1,303,324 |

### IFRIC Interpretation 23 Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 and does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. An entity must determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments.

These amendments do not have any impact on the Company financial statements.

### Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture

The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

The IASB has deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments must apply them prospectively.

These amendments do not have any impact on the Company financial statements.

### Amendments to IAS 28: Long-term interests in associates and joint ventures

The amendments clarify that an entity applies IFRS 9 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in IFRS 9 applies to such long-term interests.

The amendments also clarified that, in applying IFRS 9, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognised as adjustments to the net investment in the associate or joint venture that arise from applying IAS 28 Investments in Associates and Joint Ventures.

These amendments do not have any impact on the Company financial statements.

## (2-3) Significant Accounting Estimates and Assumptions

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

### Useful life of property, plant and equipment

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

### Income tax provision

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

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

Employees' end-of-service indemnity provision

Employees' 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 expected credit loss

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

## (2-4) Significant Accounting Polices

Property, plant and equipment

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

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

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

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

### Projects in progress

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

## Decommissioning costs

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

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

The unwinding of the discount is included within the statement of profit or loss as 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. 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 any provision for any uncollectible amounts or expected credit loss. The Company applies a simplified approach in calculating ECLs. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

## Cash and cash equivalents

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

### 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.

### Employees' end-of-service indemnity provision

Employees' 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

In accordance with IFRS (15), revenue recognized from sales is measured at the fair value of the consideration received or receivable when it is probable to collect such consideration.

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

### 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 in 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 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 instrument 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 commitment is met.

### Income tax

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

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

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

Deferred income taxation is provided using the liability method on all temporary differences at the financial statement date. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on laws that have been enacted at the financial position date. The carrying values of deferred income tax assets are reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

### Impairment of non-financial assets

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

### Impairment of financial assets

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

The Company's management does not believe there were any indications of impairments of its financial assets during 2019 and 2018.

### Foreign currencies

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

### Fair value

The Company evaluates its financial instruments such as financial assets at fair value through other comprehensive income at the date of the financial statements. Also, the fair value of financial instruments is disclosed in (Note 33).

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

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

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

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

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

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

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

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

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

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

### Segment reporting

The information in the segment reporting is presented to facilitate the income tax review as the Company is subject to different tax rates on Aqaba's operation.

### Offsetting

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

## (3) Property, Plant and Equipment

| 2019 | Land & buildings | Steam generating units | Gas generating units | Diesel generating units | Wind generating units | Computers | Vehicles | Equipment | Tools | Furniture and office equipment | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | JD | JD | JD | JD | JD | JD | JD | JD | JD | JD | JD |
| **Cost:** | - | - | - | - | - | - | - | - | - | - | - |
| At 1 January 2019 | 128,322,474 | 400,738,424 | 166,208,759 | 6 | 425,407 | 1,627,550 | 1,267,917 | 5,000,820 | 2,360,502 | 1,523,485 | 707,475,344 |
| Additions | - | - | - | - | - | - | - | 12,689 | 7,627 | 2,907 | 23,223 |
| Transferred from projects in progress (Note 4) | - | 982,339 | - | - | - | - | - | - | - | - | 982,339 |
| Disposals | (26,403,244) | (125,657,827) | - | (1) | - | (138,665) | (40,600) | (741,434) | (412,278) | (173,422) | (153,567,471) |
| At 31 December 2019 | 101,919,230 | 276,062,936 | 166,208,759 | 5 | 425,407 | 1,488,885 | 1,227,317 | 4,272,075 | 1,955,851 | 1,352,970 | 554,913,435 |
| **Accumulated depreciation:** | - | - | - | - | - | - | - | - | - | - | - |
| At 1 January 2019 | 105,042,248 | 336,689,558 | 145,165,767 | - | 208,736 | 1,532,174 | 1,222,423 | 4,346,381 | 1,672,674 | 1,289,983 | 597,169,944 |
| Depreciation for the year | 1,852,110 | 6,137,601 | 4,144,686 | - | 9,453 | 52,432 | 32,263 | 197,800 | 158,668 | 41,707 | 12,626,720 |
| Disposals | (26,403,234) | (125,657,818) | - | - | - | (138,017) | (40,599) | (732,355) | (370,386) | (163,820) | (153,506,229) |
| At 31 December 2019 | 80,491,124 | 217,169,341 | 149,310,453 | - | 218,189 | 1,446,589 | 1,214,087 | 3,811,826 | 1,460,956 | 1,167,870 | 456,290,435 |
| **Net book value: At 31 December 2019** | 21,428,106 | 58,893,595 | 16,898,306 | 5 | 207,218 | 42,296 | 13,230 | 460,249 | 494,895 | 185,100 | 98,623,000 |

| 2018 - | Land & buildings | Steam generating units | Gas generating units | Diesel generating units | Wind generating units | Computers | Vehicles | Equipment | Tools | Furniture and office equipment | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | JD | JD | JD | JD | JD | JD | JD | JD | JD | JD | JD |
| Cost: | | | | | | | | | | | |
| At 1 January 2018 | 128,337,619 | 398,782,795 | 166,208,759 | 6 | 425,407 | 1,626,687 | 1,490,338 | 4,831,583 | 2,317,723 | 1,439,421 | 705,460,338 |
| Additions | - | - | - | - | - | 1,660 | - | 169,237 | 42,779 | 84,064 | 297,740 |
| Transferred from projects in progress | - | 1,955,629 | - | - | - | - | - | - | - | - | 1,955,629 |
| Disposals | (15,145) | - | - | - | - | (797) | (222,421) | - | - | - | (238,363) |
| At 31 December 2018 | 128,322,474 | 400,738,424 | 166,208,759 | 6 | 425,407 | 1,627,550 | 1,267,917 | 5,000,820 | 2,360,502 | 1,523,485 | 707,475,344 |
| Accumulated depreciation: | | | | | | | | | | | |
| At 1 January 2018 | 103,196,715 | 330,880,250 | 129,033,368 | - | 199,283 | 1,463,795 | 1,407,232 | 4,123,824 | 1,508,592 | 1,250,115 | 573,063,174 |
| Depreciation for the year | 1,852,283 | 5,809,308 | 4,144,686 | - | 9,453 | 68,764 | 37,608 | 222,557 | 164,082 | 39,868 | 12,348,609 |
| Impairment loss of property, plant and equipment | - | - | 11,987,713 | - | - | - | - | - | - | - | 11,987,713 |
| Disposals | (6,750) | - | - | - | - | (385) | (222,417) | - | - | - | (229,552) |
| At 31 December 2018 | 105,042,248 | 336,689,558 | 145,165,767 | - | 208,736 | 1,532,174 | 1,222,423 | 4,346,381 | 1,672,674 | 1,289,983 | 597,169,944 |
| Net book value: At 31 December 2018 | 23,280,226 | 64,048,866 | 21,042,992 | 6 | 216,671 | 95,376 | 45,494 | 654,439 | 687,828 | 233,502 | 110,305,400 |

* Impairment loss of property, plant and equipment for the year 2018 amounting to JD 11,987,713 represents impairment loss of property, plant and equipment to their recoverable amount. The impairment loss is recognized as a sperate line item in the statement of profit and loss. The recoverable amount is determined on the basis of the present value of the future cash flows discounted at an interest rate of 12.5 %.

### (4) Projects In Progress

Movement on projects in progress were as follows:

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| At 1 January | 2,678,880 | 2,351,260 |
| Additions | 408,351 | 2,283,249 |
| Transferred to property, plant and equipment (Note 3) | (982,339) | (1,955,629) |
| At 31 December | 2,104,892 | 2,678,880 |

The estimated cost to complete the projects in progress as of 31 December 2019 is approximately JD 327,126.

### (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. Based on the Board of Directors meeting held on 4 December 2019, the fund will commit to pay back the company an amount of JD 75,000 annually.

### (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 investment in Biogas is accounted for using the equity method in the financial statements. The following tables illustrate the summarized financial information of the Company's investment in Biogas:

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Current assets | 925,413 | 945,050 |
| Non-current assets | 51,997 | 105,224 |
| Current liabilities | (2,618) | (56,027) |
| Net equity | 974,792 | 994,247 |
| Percentage of ownership | 50% | 50% |
| Net investment as of 31 December | 487,396 | 497,124 |

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Revenues | 189,385 | 228,818 |
| Cost of sales | (194,107) | (284,494) |
| Administrative expenses | (76,127) | (86,245) |
| Other revenues, net | 61,393 | 57,585 |
| Loss for the year | (19,456) | (84,336) |
| Company's share of loss for the year | (9,728) | (42,168) |

## (7) Income Tax

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

| | 2019 | | | 2018 | | |
|---|---|---|---|---|---|---|
| | Aqaba | Other locations | Total | Aqaba | Other locations | Total |
| | JD | JD | JD | JD | JD | JD |
| Profit (loss) before income tax | 20,671,761 | 2,625,427 | 23,297,188 | 17,413,387 | (13,509,420) | 3,903,967 |
| Non-taxable income | (3,984,012) | (3,517,988) | (7,502,000) | (1,526,295) | (1,678,659) | (3,204,954) |
| Non-deductible expenses | 3,494,506 | 5,191,915 | 8,686,421 | 2,663,098 | 14,458,368 | 17,121,466 |
| Taxable income | 20,182,255 | 4,299,354 | 24,481,609 | 18,550,190 | (729,711) | 17,820,479 |
| Statutory income tax rate | 5% | 24% | - | 5% | 24% | - |
| National contribution tax rate* | 3% | 3% | - | - | - | - |
| Income tax expense for the year | (1,009,113) | (1,031,845) | (2,040,958) | (927,510) | - | (927,510) |
| National contribution tax rate expense | (605,467) | (128,980) | (734,447) | - | - | - |
| Change of law effect (Implementation Agreement)* | - | 515,925 | 515,925 | - | - | - |
| Deferred tax | (67,583) | 347,624 | 280,041 | (27,036) | 215,193 | 188,157 |
| Net tax expense | (1,682,163) | (297,276) | (1,979,439) | (954,546) | 215,193 | (739,353) |

* As a result of the Income Tax Law No. (38) of 2018, the national contribution tax of 3% has been increased in addition to the legal income tax rate on the company, which is 24% under the Income Tax Law (34) in 2014, according to which the legal income tax rate on the company has reached 24% after it was 15% before the implementation agreement, The company has recorded the amount of JD 515,925 as amounts due from the Jordanian government, as on December 31, 2019, according to the implementation agreement, as this agreement stipulates fixing the tax rate on the company at a rate of 15% if the tax impact resulting from changing the tax rate is more than JD 200,000 (Note 10).

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

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Current year income tax expense | (2,040,958) | (927,510) |
| National contribution tax expense | (734,447) | - |
| Change of law effect (Implementation Agreement) | 515,925 | - |
| Deferred tax: | | |
| Deferred tax (liabilities) assets relating to employees' end-of- service indemnity provision | (137,766) | 27,755 |
| Deferred tax liabilities relating to temporary taxable differences arising from unrealized gain of the cash flows hedging | (49,726) | (71,876) |
| Deferred tax assets relating to the loss in the other location (except Aqaba) | 447,883 | 197,022 |
| Deferred tax assets relating to the exchange differences arising from the revaluation of loans in foreign currencies | 19,650 | 35,256 |
| Income tax expense | (1,979,439) | (739,353) |

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

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Relating to actuarial (gain) losses | (13,966) | 47,608 |

The Company has provided for income tax for the years ended 31 December 2019 in accordance with Income tax law No. (38) of 2018, and for the year ended 31 December 2018, 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 location in Aqaba.

CEGCO submitted its tax returns for all locations other than Aqaba for the year up to 2018. The Income and Sales Tax Department received the records up to the year 2018. The Income and sales Tax Department reviewed the records up to the year 2017 and CEGCO reached a final settlement with Income and Sales Tax Department for all the locations other than Aqaba for the years up to 2017.

CEGCO submitted its tax returns for Aqaba location for the years up to 2018. The Income and Sales Tax Department / Aqaba Special Economic Zone Authority reviewed the records of Aqaba location for the years up to 2015. CEGCO reached final settlement with Income and Sales Tax Department with respect to Aqaba location for the years up to 2015.

Movement on deferred tax assets were as follows:

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| At 1 January | 1,189,306 | 953,541 |
| Relating to actuarial (gains) losses | (13,966) | 47,608 |
| Relating to cash flow hedges | (49,726) | (71,876) |
| Relating to temporary differences in employees' end of service indemnity provision | (137,766) | 27,755 |
| Relating to the loss in the other location (except Aqaba) | 447,883 | 197,022 |
| Relating to temporary differences in loans revaluation | 19,650 | 35,256 |
| At 31 December | 1,455,381 | 1,189,306 |

Movement on the income tax provision were as follows:

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| At 1 January | 712,456 | 549,661 |
| Provided for during the year | 2,775,405 | 927,510 |
| Adjustment | (424,664) | - |
| Paid during the year | (1,183,223) | (764,715) |
| At 31 December | 1,879,974 | 712,456 |

## (8) Strategic Fuel Inventories

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Heavy fuel inventory | 6,712,520 | 7,990,119 |
| Diesel inventory | 6,564,044 | 6,569,137 |
| | 13,276,564 | 14,559,256 |

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 operate continuously. The Company agreed with NEPCO on the quantities of fuel it should maintain at the stations to enable the stations to generate power for the periods stated in the Power Purchase Agreement.

## (9) Inventories

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Spare parts and general materials, net* | 15,429,436 | 19,570,814 |
| Materials in transit | 119,466 | 125,902 |
| Others | - | 18,556 |
| | 15,548,902 | 19,715,272 |

* Spare parts and general materials are presented net of its related depreciation of spare parts and general material amounting to JD 4,050,304 (2018: JD 2,107,139).

## (10) Other Current Assets

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| | - | - |
| Jordan Valley Authority | 158,391 | 165,168 |
| Jordan Petroleum Refinery Company | - | 52,478 |
| Government of Jordan | 515,925 | 424,664 |
| Al Zarqa Power Plant for Energy Generation | 1,145,091 | 729,003 |
| Ministry of Energy and Mineral Resources | 122,000 | 122,000 |
| The local company for water and solar | 57,828 | 252,191 |
| Others | 606,835 | 592,609 |
| | 2,606,070 | 2,338,113 |
| Less: Provision for expected credit losses* | (385,179) | (393,444) |
| | 2,220,891 | 1,944,669 |
| Prepaid expenses | 1,245 | 660,991 |
| Refundable deposits | 23,990 | 23,990 |
| Employees' receivables | 357,397 | 413,859 |
| Employees' insurance claims | 11,651 | 3,626 |
| | 2,615,174 | 3,047,135 |

* As at 31 December 2019, expected credit losses amounted to JD 385,179 (2018: JD 393,444).

As at 31 December, the aging of unimpaired other receivables net of expected credit loss is as follow:

| | (Past due but not impaired) | | | | |
|---|---|---|---|---|---|
| | Total | < 30 Days | 30 – 90 days | 91 – 120 days | >120 days |
| | JD | JD | JD | JD | JD |
| 2019 | 2,220,890 | 154,345 | 61,875 | 370,470 | 1,634,200 |
| 2018 | 1,944,669 | 135,149 | 54,179 | 324,393 | 1,430,948 |

Movement on provision for expected credit losses were as follow:

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| At 1 January | 393,444 | 393,444 |
| Write off | (8,265) | - |
| At 31 December | 385,179 | 393,444 |

## (11) Accounts Receivable

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| National Electric Power Company – Power generation revenues | 74,262,502 | 79,937,314 |
| National Electric Power Company – Others | 87,742 | 108,418 |
| | 74,350,244 | 80,045,732 |
| Provision for expected credit losses | (1,046,481) | (1,046,481) |
| | 73,303,763 | 78,999,251 |

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

| | Total | Neither past due nor impaired | Past due but not impaired < 30 days | Past due but not impaired > 30 days |
|---|---|---|---|---|
| | JD | JD | JD | JD |
| 2019 | 73,303,763 | 12,922,256 | - | 60,381,507 |
| 2018 | 78,999,251 | 11,702,035 | 6,358,668 | 60,938,548 |

Movement on provision for expected credit losses were as follow:

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| At 1 January | 1,046,481 | 4,934,360 |
| (Reverse) charge for the year | - | (949,502) |
| Write off | - | (2,938,377) |
| At 31 December | 1,046,481 | 1,046,481 |

The Company entered into a Power Purchase Agreements (PPA) with National Electric Power Company (NEPCO) dated 20 September 2007. In April 2012, a dispute occurred between the Company and NEPCO regarding the interpretation of the penalties for repeated availability failures clause in the PPA. During the years 2018 and 2017, CEGCO reached a final settlement with NEPCO to settle the issue.

## (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. This reserve is not available for distribution to shareholders.

### Voluntary reserve

This reserve is available for distribution to the shareholders.

### Dividends paid

In its ordinary meeting held on 25 April 2018, the General Assembly approved the Board of Directors recommendation to distribute dividends for an amount of JD 15,000,000 to the shareholders from the voluntary reserve and retained earnings with an amount of JD 8,000,000 and JD 7,000,000 respectively. No dividends were declared to the shareholders for the year 2019.

## (13) Term Loans

| | | 2019 | | 2018 | |
|---|---|---|---|---|---|
| | | Loan Installments | | Loan Installments | |
| | Currency | Current portion | Long-term portion | Current portion | Long-term portion |
| | | JD | JD | JD | JD |
| Japanese loan 1 | JPY | 1,448,324 | 5,793,297 | 1,430,904 | 7,154,521 |
| Japanese loan 2 | JPY | 3,437,313 | 18,905,222 | 3,395,970 | 22,073,805 |
| Italian Soft loan | Euro | 126,899 | 444,143 | 129,531 | 582,892 |
| Standard Chartered loan 1 | USD | - | - | 14,200,000 | - |
| Standard Chartered loan 2 | USD | - | - | 5,680,000 | - |
| - | - | 5,012,536 | 25,142,662 | 24,836,405 | 29,811,218 |
| Less: Directly attributable transaction costs* | - | - | - | (34,505) | - |
| - | - | 5,012,536 | 25,142,662 | 24,801,900 | 29,811,218 |

### 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 over 41 equal semiannual installments of JPY 110,674,000, the first of which fell due on 20 August 2004 and the last of which will fall due on 20 August 2024.

## Japanese Loan 2

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 over 41 equal semiannual installments of JPY 262,663,000, the first of which fell due on 20 April 2006 and the last of which will fall due on 20 April 2026.

## Italian Soft Loan

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 over 36 equal semiannual installments of Euro 79,556 except for the last installment, which amounts to Euro 79,555. The first installment fell due on 8 September 2006 and the last installment will fall due on 8 March 2024.

## 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 repayable over in 10 semi-annual installments. The first installment fell due on 19 August 2014 and the last installment fell 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 follow:

| Year | JD |
|---|---|
| 2020 | 5,012,536 |
| 2021 | 5,012,536 |
| 2022 | 5,012,536 |
| 2023 | 5,012,536 |
| 2024 | 4,949,073 |
| 2025 | 3,437,311 |
| 2026 | 1,718,670 |
| | 30,155,198 |

## (14) Employees' End-Of-Service Indemnity Provision

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Balance at 1 January | 6,600,196 | 5,991,254 |
| Provision for the year | 802,384 | 839,649 |
| Paid during the year | (1,642,561) | (572,287) |
| Actuarial (gains) losses | (80,236) | 341,580 |
| Balance at 31 December | 5,679,783 | 6,600,196 |

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

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Interest cost | 390,114 | 373,913 |
| Cost of current service | 348,187 | 350,587 |
| Past service cost | 64,083 | 115,149 |
| | 802,384 | 839,649 |

The principal actuarial assumptions used:

| | |
|---|---|
| Discount rate | 6.5% |
| Expected rate of increase of employee remuneration | 5.5% |
| Resignation rate: | |
| Up to the age of 29 years | 4% |
| From the age of 30 to 34 years | 3% |
| From the age of 35 to 39 years | 2% |
| From the age of 40 to 54 years | 1% |
| Age 55 years and over | 0% |

These benefits are unfunded.

The following schedule shows the sensitivity in the principal actuarial assumption changes used to determine employees' end-of-service benefit as of 31 December 2019 and 2018:

| | Discount rate | | Resignation rate | | Mortality rate | |
|---|---|---|---|---|---|---|
| | Rate | Increase (decrease) | Rate | Increase (decrease) | Rate | Increase (decrease) |
| | ٪ | JD | ٪ | JD | ٪ | JD |
| 2019 | +1 | (594,095) | +1 | (20,040) | +20 | (672) |
| | -1 | 694,142 | -1 | 23,402 | -20 | 677 |
| 2018 | +1 | (658,076) | +1 | (12,309) | +20 | (220) |
| | -1 | 770,517 | -1 | 15,553 | -20 | 224 |

## (15) Decommissioning Provision

The decommissioning provision of JD 2,620,635 as at 31 December 2019 (2018: JD 2,460,690) primarily represents the net present value of the estimated expenditure discounted at a rate of 6.5% (2018: 6.5%) expected to be incurred in respect of the decommissioning of the Aqaba Thermal Station generating units 1 to 5. Expenditure is expected to be incurred throughout the financial years 2020 and 2031.

Movement on the decommissioning provision were as follow:

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Balance at 1 January | 2,460,690 | 2,310,500 |
| Unwinding of discount during the year (Note 24) | 159,945 | 150,190 |
| Balance at 31 December | 2,620,635 | 2,460,690 |

## (16) Other Current Liabilities

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Accrued interest | 199,829 | 395,516 |
| Accrued expenses | 215,684 | 576,156 |
| Employees' vacations provision* | 625,814 | 684,479 |
| Deposits | 2,318,536 | 1,341,155 |
| Employees' termination benefits provision* | 990,000 | 2,240,230 |
| Employees' payables | 41,898 | 25,915 |
| Contractors payables | 63,901 | 472,043 |
| Board of directors remuneration | 35,000 | 35,000 |
| Others | 1,571,677 | 1,328,713 |
| | 6,062,339 | 7,099,207 |

* Movement on provisions were as follows:

| 2019 - | Employees' vacations provision | Employees' termination benefits provision** |
|---|---|---|
| | JD | JD |
| Balance at 1 January | 684,479 | 2,240,230 |
| Provision for the year | 72,300 | 3,241,194 |
| Paid during the year | (130,965) | (4,491,424) |
| Balance at 31 December | 625,814 | 990,000 |

| 2018 - | Employees' vacations provision | Employees' termination benefits provision** |
|---|---|---|
| | JD | JD |
| Balance at 1 January | 645,705 | 1,172,792 |
| Provision for the year | 105,227 | 2,230,000 |
| Paid during the year | (66,453) | (1,162,562) |
| Balance at 31 December | 684,479 | 2,240,230 |

** Based on board of directors decision dated 24 July 2019, the Company offered its employees a voluntary compensation package for those who are willing to resign. Accordingly, a provision of JD 3,241,194 was provided for. (2018: JD 2,230,000).

## (17) Accounts Payable

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Jordan Petroleum Refinery Company (JPRC) | 57,568,923 | 58,558,019 |
| National Petroleum Company | 3,191,478 | 3,001,073 |
| | 60,760,401 | 61,559,092 |

## (18) Derivative Financial Instrument

The details of the derivative financial instruments at 31 December 2019 and 31 December 2018 was as follows:

| | 31 December 2019 | | |
|---|---|---|---|
| | Current | Non-current | Total |
| | JD | JD | JD |
| Currency forward contracts* | 1,655,490 | 778,411 | 2,433,901 |
| | 1,655,490 | 778,411 | 2,433,901 |

| | 31 December 2018 | | |
|---|---|---|---|
| | Current | Non-current | Total |
| | JD | JD | JD |
| Currency forward contracts* | 1,516,600 | 1,744,705 | 3,261,305 |
| Interest rate swaps contracts** | 44,839 | - | 44,839 |
| | 1,561,439 | 1,744,705 | 3,306,144 |

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

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 2,433,901 as of 31 December 2019 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 an unrealized loss of JD 134,458 has been included in the statement of other 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 eighteen 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. Knowing that these contracts ended upon the final loan settlement in February of 2019.

Accordingly, the related unrealized gain of JD 44,839 was included in the statement of other comprehensive income as of 31 December 2019.

## (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:

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Stations capacity revenue | 69,249,535 | 66,853,142 |
| Power revenue | 565,698 | 2,550,777 |
| Fuel cost according to the pricing formula | 11,044,761 | 46,497,910 |
| Less: startup cost | (52,232) | (38,443) |
| Additional costs (Imported energy) | (5,289,552) | (6,834,446) |
| Add: others | - | 72,314 |
| | 75,518,210 | 109,101,254 |

## (20) Stations Operating Costs

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Cost of fuel | 11,044,761 | 46,497,910 |
| Other costs | 5,209,934 | 6,629,014 |
| | 16,254,695 | 53,126,924 |

## (21) Administrative Expenses

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Salaries and wages | 2,348,181 | 2,122,287 |
| Employees benefits | 3,414,146 | 3,832,594 |
| Employees' accrued vacation costs | 72,300 | 105,227 |
| Insurance | 1,302,644 | 1,433,189 |
| Office supplies and expenses | 675,582 | 1,269,829 |
| Donations | 63,458 | 127,754 |
| Employees housing expenses, net | 226,965 | 188,167 |
| Consultancy fees | 296,014 | 238,044 |
| Others | 191,594 | 314,696 |
| | 8,590,884 | 9,631,787 |

## (22) Maintenance Expenses

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Salaries and wages | 2,343,508 | 2,890,200 |
| Maintenance materials and expert's wages | 2,180,544 | 4,623,421 |
| | 4,524,052 | 7,513,621 |

## (23) Other Income, Net

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Gain on sale of decommissioned units' - fuel | 129,315 | - |
| (Loss) Gain on disposal of property, plant and equipment | (57,508) | 22,896 |
| King Talal Dam revenues | 172,455 | 167,269 |
| Scrap sale – Decommissioned units' | 1,100,011 | - |
| Operating and maintenance revenues | 2,521,743 | 981,361 |
| Others, net | 249,618 | 173,044 |
| | 4,115,634 | 1,344,570 |

## (24) Finance Costs, net

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Term loans interest expense | 1,236,408 | 3,922,817 |
| Intrest on lease obligation expense | 93,112 | - |
| Bank overdraft interest expense | 3,620,099 | 2,690,491 |
| Unwinding of discount (Note 15) | 159,945 | 150,190 |
| Interest income | (2,862) | (221) |
| | 5,106,702 | 6,763,277 |

## (25) Earnings Per Share

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Profit for the year (JD) | 21,317,749 | 3,164,614 |
| Weighted average number of shares outstanding (Share) | 30,000,000 | 30,000,000 |
| Basic and diluted earnings per share (JD)* | 0/711 | 0/105 |

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

## (26) Foreign Currency Exchange Loss, net

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Unrealized gains | 635,462 | 673,835 |
| Realized losses | (1,600,455) | (1,539,307) |
| | (964,993) | (865,472) |

## (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:

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Power sales to the National Electric Power Company (Government of Jordan) | 75,518,210 | 109,028,940 |
| Purchases of gas from the National Petroleum Company (Government of Jordan) | 11,044,761 | 12,342,676 |
| Services provided to Al Zarqa Power Plant for Energy Generation * | 4,394,088 | 1,947,406 |
| Services provided to Enara Energy Investment | 25,192 | 23,023 |
| Services provided to ACWA Power Company ** | 3,365 | 9,183 |
| Services provided to The Local Company for Water and Solar Projects *** | 919,646 | 251,961 |
| Services provided to ACWA Power International Company for Water and Power Projects – Dubai | 27,963 | 14,175 |
| Services provided to Red Sea Energy (Jordan) | 3,000 | 2,000 |
| Services provided to ACWA Power Jordan Holdings | 107,355 | 205,442 |
| Services provided to Ra'eda for energy | 3,000 | 2,000 |
| Services provided to Risha for Solar Power Projects **** | 239,755 | 1,600 |
| Services provided by Enara Energy Investment | 29,700 | 29,700 |
| Services provided by ACWA Power International Company for Water and Power Projects – Dubai | 27,826 | - |
| Services provided by ACWA Power Global Services LLC | 2,873 | 2,392 |
| Services provided by ACWA Power Company / Riyadh | 20,255 | 4,072 |
| Board of Directors remuneration and transportation | 77,000 | 77,000 |

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

** On 28 October 2014, the Company entered into a service agreement with ACWA Power Company (Parent Company) to obtain professional, financial, legal and technical services.

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

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

Balances with related parties are as follows:

| Amounts due from related parties: | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| National Electric Power Company - Government of Jordan* | 73,303,763 | 78,999,251 |
| The Local Company for Water and Solar Projects | 57,828 | 252,191 |
| Red Sea Energy (Jordan) | 1,000 | - |
| ACWA Power Jordan Holdings | 4,618 | 135,415 |
| Al Zarqa Power Plant for Energy Generation | 1,145,091 | 729,003 |
| Government of Jordan | 515,925 | 424,664 |
| Risha Company for Solar Projects | 66,484 | 3,201 |
| Ministry of Energy and Mineral Resources | 122,000 | 122,000 |
| Ra'eda Company for Energy | 1,000 | - |
| - | 75,217,709 | 80,665,725 |

* This balance is net of provision for expected credit losses of JD 1,046,481 as of 31 December 2019 (2018: JD 1,046,481).

| Amounts due to related parties | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| National Petroleum Company - Government of Jordan | 3,191,478 | 3,001,073 |
| Enara Energy Investments | - | 14,097 |
| ACWA Power International Company for Water and Power Projects – Dubai | - | 138 |
| ACWA Power Global Services LLC | - | 492 |
| ACWA Power International company for water and power – Riyadh | 3,906 | 376 |
| | 3,195,384 | 3,016,176 |

| Compensation of key management personnel | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Salaries | 639,145 | 488,340 |
| Benefits (traveling) | 11,300 | 7,050 |
| | 650,445 | 495,390 |

## (28) Cash and Cash Equivalents

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Cash at banks * | 7,056,467 | 45,260 |
| Cash on hand | 11,102 | 6,274 |
| | 7,067,569 | 51,534 |

* For the year ended 31 December 2019, bank deposits earned interest rate of 1% (2018: 1%)

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

| | 2019 | 2018 |
|---|---|---|
| | JD | JD |
| Cash at banks | 7,056,467 | 45,260 |
| Cash on hand | 11,102 | 6,274 |
| | 7,067,569 | 51,534 |
| Less: due to banks (Note 29) | (35,185,551) | (46,230,119) |
| | (28,117,982) | (46,178,585) |

## (29) Due to Banks

This balance represents credit facilities from the following Banks:

- Facilities from Arab Jordan Investment Bank with a ceiling of JD 14,000,000 and interest rate of 6.5%.
- Facilities from Cairo Amman Bank with a ceiling of JD 10,000,000 and interest rate of 6.5%
- Facilities from Bank of Jordan with a ceiling of JD 20,000,000 with an interest rate of 6.375%.
- Facilities from Arab Banking Corporation Bank with a ceiling of JD 7,000,000 with an interest rate of 6,35%.
- Facilities from Housing Bank with a ceiling of JD 13,000,000 with an interest rate of 6,5%.
- Facilities from Itihad Bank with a ceiling of JD 5,000,000 with an interest rate of 6,125%.

## (30) Segment Information

The following tables present the statement of profit or loss information for Aqaba and other locations for the years ended 31 December 2019 and 2018. The information is presented to facilitate the income tax review as the Company is subject to different tax rates on Aqaba's operation.

| | 2019 | | |
|---|---|---|---|
| | Aqaba | Other locations | Total |
| | JD | JD | JD |
| Power generation revenues | 46,531,238 | 28,986,972 | 75,518,210 |
| Stations operating costs | (2,795,469) | (13,459,226) | (16,254,695) |
| Depreciation of property, plant and equipment | (8,022,886) | (4,603,834) | (12,626,720) |
| Depreciation on right of use assets | (130,000) | - | (130,000) |
| Administrative expenses | (4,139,095) | (4,451,789) | (8,590,884) |
| Maintenance expenses | (3,420,258) | (1,103,794) | (4,524,052) |
| Provision for slow moving inventories | (1,241,472) | (2,808,832) | (4,050,304) |
| Employees' end-of-service indemnity provision | (368,749) | (433,635) | (802,384) |
| Employees' termination benefits provision | (1,583,055) | (1,658,139) | (3,241,194) |
| Total operating costs | (21,700,984) | (28,519,249) | (50,220,233) |
| Operating profit | 24,830,254 | 467,723 | 25,297,977 |
| Foreign currency exchange (loss) gain, net | (973,307) | 8,314 | (964,993) |
| Share of loss of an associate | - | (9,728) | (9,728) |
| Board of directors remuneration | (26,439) | (8,561) | (35,000) |
| Other income, net | 70,422 | 4,045,212 | 4,115,634 |
| Finance costs, net | (3,229,169) | (1,877,533) | (5,106,702) |
| Profit before income tax | 20,671,761 | 2,625,427 | 23,297,188 |
| Income tax expense | (1,682,163) | (297,276) | (1,979,439) |
| Profit for the year | 18,989,598 | 2,328,151 | 21,317,749 |

| | 2018 | | |
|---|---|---|---|
| | Aqaba | Other locations | Total |
| | JD | JD | JD |
| Power generation revenues | 78,323,876 | 30,777,378 | 109,101,254 |
| Stations operating costs | (37,704,751) | (15,422,173) | (53,126,924) |
| Depreciation | (7,753,061) | (4,595,548) | (12,348,609) |
| Administrative expenses | (4,730,585) | (4,901,202) | (9,631,787) |
| Maintenance expenses | (3,270,336) | (4,243,285) | (7,513,621) |
| Provision for slow moving inventories | (1,175,532) | (931,607) | (2,107,139) |
| Employees' end-of-service indemnity provision | (394,666) | (444,983) | (839,649) |
| Employees' termination benefits provision | (1,112,515) | (1,117,485) | (2,230,000) |
| Total operating costs | (56,141,446) | (31,656,283) | (87,797,729) |
| Operating (loss) profit | 22,182,430 | (878,905) | 21,303,525 |
| Foreign currency exchange loss, net | (865,688) | 216 | (865,472) |
| Share of loss of an associate | - | (42,168) | (42,168) |
| Provision for expected credit losses | 500,000 | 449,502 | 949,502 |
| Board of directors remuneration | (26,439) | (8,561) | (35,000) |
| Other income, net | 101,069 | 1,243,501 | 1,344,570 |
| Finance costs, net | (4,477,985) | (2,285,292) | (6,763,277) |
| Profit (loss) before income tax and impairment losses | 17,413,387 | (1,521,707) | 15,891,680 |
| Asset Impairment | - | (11,987,713) | (11,987,713) |
| Profit (loss) before income tax | 17,413,387 | (13,509,420) | 3,903,967 |
| Income tax expense | (954,546) | 215,193 | (739,353) |
| Profit (loss) for the year | 16,458,841 | (13,294,227) | 3,164,614 |

## (31) Commitments And Contingencies

**Issuing claims to the Ministry of Energy and Mineral Resources:**

With reference to item 3\1\10 of the implementation agreement which states that in case of any changes in law that would lead to an increase in the costs of CEGCO or a decrease in the total revenues in an amount greater than JD 200,000, the Company has the right to be compensated from the Jordanian Government.

Central Electricity Generating Company issued two claims on January 30, 2019 to the Ministry of Energy and Mineral Resources:

1- Demanding the difference of fuel prices, which amounted to JD 761,616.
2- Requesting to amend the price of imported energy which amounted to JD 25,378,589.

### Letters of credit and bills of collection

At 31 December 2019, the Company had outstanding letters of credit and bills of collection amounting to JD 495,259 (2018: JD 1,672,983).

### Letters of guarantee

At 31 December 2019, the Company had outstanding letters of guarantee amounting to JD 16,800 (2018: JD 26,339).

### Capital commitments

The Company entered into commitments in the ordinary course of business for major capital expenditures. Capital expenditures commitments are JD 327,126 as at 31 December 2019 (2018: JD 2,299,254).

### Legal claims

The Company is a defendant in a number of lawsuits of approximately JD 1,800,371 as at 31 December 2019 (2018: JD 2,764,356). The Company's management and its independent legal counsel believe that no additional provision is needed other than what has already been recognized in the financial statements.

### Disputes with Jordan Petroleum Refinery Company (JPRC)

Jordan Petrol Refinery PLC is the fuel supplier ("the Supplier"). In 2019 the Supplier has claimed from CEGCO an amount of JD 104,061,399 (2018: JD 98,846,945), as an interest on late payments of the monthly fuel invoices. The Fuel Supply Agreement (FSA) with the Supplier stipulates that the Supplier shall be entitled to receive interest on late payment of the unpaid invoices after 45 days from invoice. However, the FSA in Article 13.3 further provides that CEGCO shall not be liable for non-performance under the FSA and shall not be in default to the extent such non-performance or default is caused by NEPCO. Given the delay in making the fuel payments to the Supplier are caused by the delay in receipt of the fuel revenues from NEPCO (the off-taker), contractually the Supplier has no basis to claim for any delay interest from CEGCO. Hence the management and its independent legal counsel are of the view that as per the terms of the FSA signed between the Supplier and CEGCO, the Supplier has no contractual basis to claim these amounts. Accordingly, no provision has been made in these financial statements.

## (32) Risk Management

### Interest rate risk

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

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

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 profit or loss 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.

2019-

| | Increase (decrease) in basis points | Effect on profit before income tax |
|---|---|---|
| | Currency | JD |
| Jordanian Dinar | 100 | (351,856) |
| Jordanian Dinar | (50) | 175,928 |

2018-

| | Increase (decrease) in basis points | Effect on profit before income tax |
|---|---|---|
| | Currency | JD |
| Jordanian Dinar | 100 | (519,102) |
| Jordanian Dinar | (50) | 259,551 |

## 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 2019 and 2018.

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 2019 and 2018, based on contractual payment dates and current market interest rates:

| | Less than 3 months | 3 to 12 months | 1 to 5 years | > 5 years | Total |
|---|---|---|---|---|---|
| | JD | JD | JD | JD | JD |
| At 31 December 2019 | | | | | |
| Due to banks | 11,925,112 | 24,145,802 | - | - | 36,070,914 |
| Accounts payable | 60,760,401 | - | - | - | 60,760,401 |
| Term loans | 903,345 | 4,916,081 | 25,366,249 | 1,735,162 | 32,920,837 |
| Lease liabilities | - | 181,734 | 908,670 | 743,292 | 1,833,696 |
| Derivative financial liability | - | 1,655,490 | 778,411 | - | 2,433,901 |
| Total | 73,588,858 | 30,899,107 | 27,053,330 | 2,478,454 | 134,019,749 |
| At 31 December 2018 | | | | | |
| Due to banks | 47,416,934 | 7,264,661 | - | - | 54,681,595 |
| Accounts payable | 61,559,092 | - | - | - | 61,559,092 |
| Term loans | 21,163,629 | 4,972,133 | 27,514,754 | 5,233,275 | 58,883,791 |
| Derivative financial liability | - | 1,561,439 | 1,744,705 | - | 3,306,144 |
| Total | 130,139,655 | 13,798,233 | 29,259,459 | 5,233,275 | 178,430,622 |

### Currency risk

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

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

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

2019 -

| Currency | Increase / decrease in the rate to the JD | Effect on profit before income tax |
|---|---|---|
| | % | JD |
| Euro | 10 | (57,104) |
| Japanese Yen | 10 | (1,297,445) |
| - | - | - |
| Euro | -10 | 57,104 |
| Japanese Yen | -10 | 1,297,445 |

2018 -

| Currency | Increase / decrease in the rate to the JD | Effect on profit before income tax |
|---|---|---|
| | % | JD |
| Euro | +10 | (71,242) |
| Japanese Yen | +10 | (1, 190,678) |
| Kuwaiti Dinar | +10 | - |
| Euro | -10 | 71,242 |
| Japanese Yen | -10 | 1,190,678 |
| Kuwaiti Dinar | -10 | - |

## (33) Fair Value Of Financial Instruments

Financial instruments comprise financial assets and financial liabilities.

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

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

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

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

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

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| | JD | JD | JD | JD |
| 2019 - | | | | |
| Financial Liabilities | | | | |
| Derivative financial liability | - | 2,433,901 | - | 2,433,901 |
| 2018 - | | | | |
| Financial Liabilities | | | | |
| Derivative financial liability | - | 3,306,144 | - | 3,306,144 |

## (34) 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 2019 and 2018. Capital comprises paid in capital, reserves and retained earnings and is measured at JD 70,068,968 as at 31 December 2019 (2018: JD 48,774,568).

## (35) Standards Issued But Not Yet Effective

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

### IFRS (17) Insurance Contracts

IFRS (17) provides a comprehensive model for insurance contracts covering the recognition and measurement and presentation and disclosure of insurance contracts and replaces IFRS (4) -Insurance Contracts. The standard applies to all types of insurance contracts (i.e. life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. The standard general model is supplemented by the variable fee approach and the premium allocation approach.

The new standard will be effective for annual periods beginning on or after 1 January 2021 with comparative figures required. Early application is permitted provided that the entity also applies IFRS (9) and IFRS (15) on or before the date it first applies IFRS (17).

**This standard is not applicable to the Company.**

Amendments to IFRS (3): Definition of a Business

The IASB issued amendments to the definition of a business in IFRS (3) Business Combinations to help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test.

Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the Company will not be affected by these amendments on the date of transition.

### Amendments to IAS (1) and IAS (8): Definition of "Material"

The IASB issued amendments to IAS (1) Presentation of Financial Statements and IAS (8) Accounting Policies, Changes in Accounting Estimates and Errors to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

The amendments to the definition of material is not expected to have a significant impact on the Company's financial statements.

Interest Rate Benchmark Reform Amendments to IFRS (9) and IFRS (7)

Interest Rate Benchmark Reform Amendments to IFRS (9) and IFRS (7) includes a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform.  A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument. As a result of interest rate benchmark reform, there may be uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument during the period before the replacement of an existing interest rate benchmark with an alternative risk-free interest rate (an RFR). This may lead to uncertainty whether a forecast transaction is highly probable and whether prospectively the hedging relationship is expected to be highly effective.

The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark with an alternative risk-free interest rate (an "RFR"). The effective date of the amendments is for annual periods beginning on or after 1 January 2020, with early application permitted. The requirements must be applied retrospectively. However, any hedge relationships that have previously been de-designated cannot be reinstated upon application, nor can any hedge relationships be designated with the benefit of hindsight.

With phase one completed, the IASB is now shifting its focus to consider those issues that could affect financial reporting when an existing interest rate benchmark is replaced with an RFR. This is referred to as phase two of the IASB's project.

The Company has not early adopted the amendments and has concluded that the uncertainty arising from IBOR reform is not affecting its hedge relationships to the extent that the hedge relationships need to be discontinued.

### (36) Comparative Figures

Some of 2018 balances were reclassified to correspond to 2019 presentation with no effect on equity or profit for the year 2018.

Central Electricity Generating Co.
(CEGCO)

شركة توليد الكهرباء المركزية م.ع.

Ref. الرقــم:

Date 19/3/2020 التاريخ: 2020/3/19

21.ج. الإقرارات المطلوبــة

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

2. يقر مجلس الإدارة بمسؤوليته عن إعداد البيانات المالية وتوفير نظام رقابة فعال في الشركة.

**Acknowledgment**

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

رئيس مجلس الإدارة
ثامر بن سعود بن اسماعيل الشرهان

نائب الرئيس
تركي سعيد العمري

عضو
مكرم أديب الخوري

عضو
فيصل عبدالرزاق موسى الحياري

عضو
جاسديب أناند

عضو
زياد جبرئيل صبره

عضو
رانيه موسى الأعرج

P.O.Box 2564 Amman 11953 Jordan
Tel.: (962) 6 5340008
Fax: (962) 6 5340800
E-mail: cegco@cegco.com.jo

ص.ب 2564 عمان 11953 الأردن
هاتف: 962 6 5340008 مع فرز آلي
فاكس: 962-6-5357211
البريد الالكتروني: cegco@cegco.com.jo

Central Electricity Generating Co.
(CEGCO)

شركة توليد الكهرباء المركزية م.ع.

Ref. :

Date : 19/3/2020

الرقم:

التاريخ:

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

## ***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.

***Chief Financial Officer***
*Zakieh Abdel Ghani Suliman Jardaneh*

***Chief Executive Officer***
*Moayad Ibrahim Abdul-Wahhab Samman*

***Chairman***
*Thamer Saud Ismail Al Sharhan*

P.O.Box 2564 Amman 11953 Jordan
Tel.: (962) 6 5340008
Fax: (962) 6 5340800
E-mail: cegco@cegco.com.jo

ص.ب: 2564 عمان 11953 الأردن
هاتف : 962-6-5340008 مع نقل آلي
فاكس: 962-6-5357211
البريد الالكتروني: cegco@cegco.com.jo