



To : Jordan Securities Commission  
Amman Stock Exchange

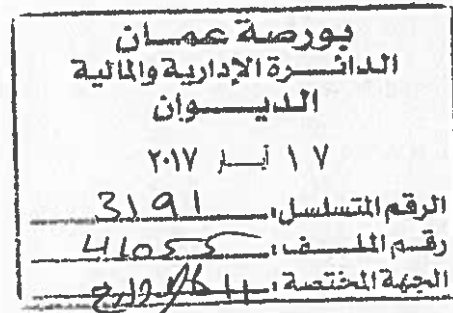
Date : 17/05/2017

Subject: Quarterly Report

Attached the Quarterly Report of (Jordan Industrial Resources) as of 31/03/2017.

Kindly accept our highly appreciation and respect

Dr. Ramzi Muasher  
Chairman / General Manager's



**JORDAN INDUSTRIAL RESOURCES COMPANY**  
**(PUBLIC SHAREHOLDING LIMITED COMPANY)**  
**AMMAN - JORDAN**

**INTERIM CONDENSED CONSOLIDATED**  
**FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE PERIOD FROM**  
**JANUARY 1, 2017 TILL MARCH 31, 2017**

**JORDAN INDUSTRIAL RESOURCES COMPANY**  
**(PUBLIC SHAREHOLDING LIMITED COMPANY)**  
**AMMAN - JORDAN**

**MARCH 31, 2017**

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**Report on review of Interim Consolidated Condensed Financial Statements**

**To the Board of Directors  
Jordan Industrial Resources Company  
Amman – Jordan**

We have review the accompanying Interim condensed financial statements of which comprise the statement of Interim financial position as of 31 March 2017, and the Interim consolidated statement of comprehensive income, Interim consolidated statement of changes in equity and Interim consolidated statement of cash flows for three months period then ended, and explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 (Interim Financial Reporting). Our responsibility is to express a conclusion on these interim financial statements information based on our review.

Except as described in the following paragraph, we conducted our review in accordance with International Standard on review engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries primarily of review with persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing. And consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit .Accordingly, we do not express an audit opinion.

- We did not audit the accounts of the Ukrainian Resources Company for the first quarter of 2017; of which the total amount of assets represent 68% of the consolidated statements.

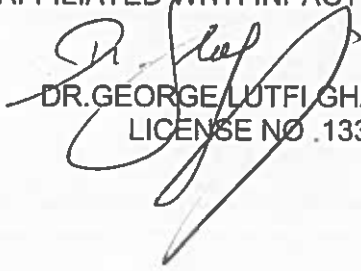
- Jordan Industrial Resources undertakes the follow up of operations and administration of Ukraine Industrial Resources Company. All factories of Jordan Industrial Resources Company in Jordan were not operated since 2006.

- Because Ukraine Industrial Resources Company exists in a separation area from Ukraine. External auditors were not able to undertake their job in a separation area because of war.

Except of any adjustments on interim information which could come to our attention and except for the situation shown above and upon our review nothing has come to our attention for any other matters which let us believe that Interim Financial Statements has not been prepared in all material aspects in accordance with IAS 34.

**BROTHERS CPA JORDAN**  
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS  
AFFILIATED WITH INPACT INTERNATIONAL

AMMAN-JORDAN  
April 26, 2017



DR. GEORGE LUTFI GHAWI CPA, CBM  
LICENSE NO. 133



الأخوه  
تدقيق الحسابات والاستشارات (ش.م.)  
**BROTHERS**  
CPA JORDAN (CC)

## EXHIBIT (A)

**JORDAN INDUSTRIAL RESOURCES COMPANY  
PUBLIC SHAREHOLDING LIMITED COMPANY  
Amman - Jordan**

**Interim Consolidated Statement of Financial Position**

<u>ASSETS</u>	March 31, 2017 <u>Unaudited</u>	December 31, 2016 <u>Audited</u>
Current Assets:	JD	JD
Cash on hand and at banks	102,442	117,802
Accounts receivable and other debit balances - Net	2,443,811	2,431,749
Inventory	1,318,387	1,370,153
Prepaid expenses	2,085	1,618
Refundable deposits	1,705	1,705
Total Current Assets	<u>3,868,430</u>	<u>3,923,027</u>
Local and foreign investments - Net	<u>3,303,859</u>	<u>3,303,859</u>
Fixed Assets:		
Lands - at cost	2,998,420	2,998,420
Fixed assets - at cost	12,147,521	12,147,521
<u>Less: Accumulated depreciation</u>	<u>(3,347,718)</u>	<u>(3,342,113)</u>
Net book value of fixed assets	8,799,803	8,805,408
Total fixed assets	<u>11,798,223</u>	<u>11,803,828</u>
<b>TOTAL ASSETS</b>	<b><u>18,970,512</u></b>	<b><u>19,030,714</u></b>
 <u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable and other Credit balances	1,206,451	1,198,148
Accrued expenses	94,298	64,238
Total current liabilities	<u>1,300,749</u>	<u>1,262,386</u>
Long - term loan	<u>1,149,089</u>	<u>1,154,748</u>
Minority interest	<u>2,750</u>	<u>2,750</u>
 <u>SHAREHOLDERS' EQUITY</u>		
Paid-up capital 16,625,000 share at JD one each	16,625,000	16,625,000
Statutory reserve	873,196	873,196
Premium in kind	18,606	18,606
Retained (losses) Exhibit ( C )	(1,616,207)	(1,525,719)
Foreign Currency exchange differences	617,329	619,747
Total Shareholders' Equity	<u>16,517,924</u>	<u>16,610,830</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b><u>18,970,512</u></b>	<b><u>19,030,714</u></b>

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE STATEMENTS

**JORDAN INDUSTRIAL RESOURCES COMPANY  
PUBLIC SHAREHOLDING LIMITED COMPANY  
AMMAN - JORDAN**

**INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	For Three Months Period Ended March 31,	
	2017	2016
	Unaudited	Unaudited
	JD	JD
Sales	167,586	176,806
<b><u>Less: Cost of Sales :</u></b>		
Finished goods beginning of the year after evaluation	220,307	232,845
Cost of production	161,179	152,953
Finished goods end of the year	(237,094)	(265,037)
Cost of Sales	144,392	120,761
<b>Gross income from operations</b>	<b>23,194</b>	<b>56,045</b>
<b><u>Less/Add : selling and distributing expenses</u></b>	<b>(7,736)</b>	<b>(12,992)</b>
General, administrative and financial expenses	(113,224)	(145,922)
Foreign Currency exchange differences	10,560	(195,234)
Ukraine income tax	(4,268)	(11,621)
Other revenue	986	-
<b>Net (loss ) for the period Exhibit ( C )</b>	<b>(90,488)</b>	<b>(309,724)</b>

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL  
PART OF THESE STATEMENTS

## EXHIBIT ( C )

**JORDAN INDUSTRIAL RESOURCES COMPANY  
PUBLIC SHAREHOLDING LIMITED COMPANY  
AMMAN - JORDAN**

**Interim Consolidated Statement of Changes in Shareholders' Equity  
For Three Months Period Ended March 31, 2017 And 2016**

	Paid - up Capital JD	Statutory Reserve Local and foreign JD	Premium JD	Foreign Currency exchange differences JD	Retained (losses) JD	Total JD
<b><u>For Three Months period Ended</u></b>						
<b><u>March 31, 2017</u></b>						
Balance - Beginning of the year	16,625,000	873,196	18,606	619,747	(1,525,719)	16,610,830
Net income for the period Exhibit (B)	-	-	-	-	(90,488)	(90,488)
Foreign Currency exchange differences	-	-	-	(2,418)	-	(2,418)
Balance - End of the period (unaudited)	<b><u>16,625,000</u></b>	<b><u>873,196</u></b>	<b><u>18,606</u></b>	<b><u>617,329</u></b>	<b><u>(1,616,207)</u></b>	<b><u>16,517,924</u></b>

**For Three Months period Ended****March 31, 2016**

Balance - Beginning of the year	16,625,000	873,196	18,606	391,965	(982,259)	16,926,508
Net income for the period Exhibit (B)	-	-	-	-	(309,724)	(309,724)
Foreign Currency translation differences	-	-	-	175,845	-	175,845
Balance - End of the period (unaudited)	<b><u>16,625,000</u></b>	<b><u>873,196</u></b>	<b><u>18,606</u></b>	<b><u>567,810</u></b>	<b><u>(1,291,983)</u></b>	<b><u>16,792,629</u></b>

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL  
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## EXHIBIT ( D )

**JORDAN INDUSTRIAL RESOURCES COMPANY**  
**PUBLIC SHAREHOLDING LIMITED COMPANY**  
**Amman - Jordan**

**Interim Consolidated Statement of Cash flows**

	For Three Months Period	
	Ended March 31,	
	2017	2016
	Unaudited	Unaudited
	JD	JD
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net (loss) for the period-Exhibit (c)-	(90,488)	(309,724)
Adjustments :		
Depreciation and amortization	5,605	8,621
<b>Cash flows ( used in) operations before</b>		
<b>changes in working capital</b>	(84,883)	(301,103)
(Increase) in accounts receivable and other debit balances	(12,062)	(60,880)
Decrease in inventory	51,766	87,175
(Increase) decrease in prepaid expenses	(467)	7,225
Increase in accounts payable and other credit balances	8,303	52,312
Increase in accrued expenses	30,060	42,970
<b>Cash flows ( used in) operating activities</b>	<b>(7,283)</b>	<b>(172,301)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
(Decrease) increase in loans	(5,659)	131,060
The current portion of the loan	-	(183,180)
Foreign Currency translation differences	(2,418)	175,845
<b>Net cash flows (used in) from financing activities</b>	<b>(8,077)</b>	<b>123,725</b>
<b>Net (decrease) in cash</b>	<b>(15,360)</b>	<b>(48,576)</b>
Cash on hand and at banks - beginning of the year	117,802	106,312
<b>Cash on hand and at banks -end of the period</b>	<b>102,442</b>	<b>57,736</b>

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL  
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**JORDAN INDUSTRIAL RESOURCES COMPANY**  
**(PUBLIC SHAREHOLDING LIMITED COMPANY)**  
**AMMAN – JORDAN**

**Notes on the Interim Consolidated Condensed Financial Statements**

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**1- GENERAL**

The Company was established and registered as a public shareholding limited company in Jordan under no. (211) on October 22, 1991 with its head office in Amman-Jordan. Branches or agencies of the company can be established in Hashemite Kingdom of Jordan and abroad. In accordance with the controller of the companies' approval, the company commenced its operations as of march 1, 1992.

The objectives of the Company:

- 1 - Manufacturing and production of vegetable oils and their derivatives for human consumption, industrial purposes and marketing.
- 2 - Import and export of raw materials for these industries and related accessories

Furthermore the company has the right to undertake all types of investments, borrow, lend, mortgage, and join or cooperate with any establishment within Jordan or outside, in order to achieve its objectives.

- General Assembly held its extraordinary meeting on July 31, 2008 decided to adjust the Memorandum of association and articles of association and add other related objectives:

- 1 - The company guarantee debts and obligations of corporations owned by the company , subsidiaries and its related party including mortgage of company funds movable and immovable to ensure that such debts and obligations of banks and financial institutions inside and outside the Kingdom.
- 2 - Purchase, sell and invest properties and land within the organization and outside the organization of all types and uses according to the laws and regulations.
- 3 - Purchase and sale of land after development, regulation, improving, dividing, sorting and delivery of all services to them by the laws and regulations and exploit its resources and preparing it for all kinds of investment including agricultural and manufacturing management on condition not to undertake brokerage business.

4 - Establishment of real estate projects of all types and purposes of residential, tourist, commercial, industrial and investment according to the laws and regulations.

5 - Purchase of land and the establishment of buildings and apartments are sold without interest.

6 - Building trade and apartments.

7 - Maintenance and rehabilitation of existing buildings, updating and development, commensurate with the regulations and requirements of modern buildings and perform all related services according to the laws and regulations in force.

8 - Import of all materials, machinery, equipment, machinery, raw materials and all building materials needed to implement the objectives of the company according to the laws and regulations.

9 - To undertake the work and management / supervision / implementation for the work and the projects mentioned above.

10 - To act the work of management, operation and development of investment activities in various fields, establishing and participating.

11 - To undertake the work of buying, selling, leasing, investment, distribution and supply of all products, materials, tools, supplies, devices and services.

12 - The sale and purchase and possess of securities, stocks, bonds, shares in public companies or private company, and in the establishment and management of companies of different types and objectives alone or jointly with others.

- General Assembly held its extraordinary meeting on 19 March 2009 and decided the following adjustments:

1 - Restructuring the company's capital amounted to JD (13,250,000), amortize the accumulated losses amounting to JD (7,368,894) of capital by an amount JD (6,625,000) and the premium by JD (743,894) , according to Article (114 / d) of the Companies law and the adjustment of article No. (4) of the articles of association and the Memorandum of Association to read as follows:

- The capital of the company JD (6,625,000) divided into (6,625,000) six million six hundred and twenty five thousand shares par value and each share has one vote in the General Assembly.

- The company credited the achievement of its goals tightly applicable laws and regulations in force.

C – Ukrainian company resources were established on May 6, 1999 in Donetsk – Ukraine under no.593 with a capital of U.S \$ 2,504,573 equivalent to JD 1,778,247, the capital was increased during 2008 to U.S \$ 4,356,323 equivalent to JD 3,092,990 there was increase in capital during the year 2011 to become US dollars 7,634,808 equivalent to 5,420,714 dinars and there was another increased in capital through the year 2014 to become 10,657,436 US dollars equivalent to 7,566,708 dinars it was increased in capital during the year 2015 to be U.S \$11,781,896, equivalent to JD 8,365,146

**The objectives of the Company:**

Manufacturing soap, detergents, perfumes and any other chemicals for industrial purposes.

D– The Company had (91) employees as of March 31, 2017.

E–The board of directors approved the financial statements for issuance in their meeting held on April 26, 2017

**2 - Basis of consolidation**

The consolidated financial statements include the assets, liabilities, revenues and expenses of both the holding and subsidiary companies. Inter – company transactions are eliminated.

<u>Company name</u>	<u>Country of incorporation</u>	<u>Percentage of ownership direct &amp; indirect</u>
International Industrial Resources - exempt	Jordan	99.960
Ukraine Industrial Resources	Ukraine	99.350

**3- Significant Accounting Policies**

a. Basis of preparation :

The financial statements have been prepared in accordance with International Financial Reporting Standards .

b. Inventories :

Pricing of raw materials and packing materials and Merchandise is finished at cost on the first-in first-out or at net realizable value.

c. Revenues :

Revenue from sales of goods is recognized when charging the goods and Issuing an invoice to the customer

d. Fixed assets :

Fixed assets are stated at cost and depreciated using the straight-line method at annual rates ranging from 2%to 100%.

e. Investment in associates :

Investments appear in the shares of the associate companies which increase the proportion of its capital contribution to the company's 20% share of the company's net equity of these companies.

f. Foreign Currency exchange differences :

Assets and liabilities denominated in foreign currencies are translated to Jordanian Dinar at the average exchange rates prevailing at year-end. Transactions in foreign currencies are translated to Jordanian Dinar using the prevailing rates of exchange at the date of comprehensive transaction, and exchange differences are taken to the statement of income.

h. These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the annual report for the year ended 31 December 2016. Furthermore, the results of operation for the three months ended 31 March 2017 do not necessarily reflect the expected results for the year ended 31 December 2017.

#### **4- Financial instruments**

The IAS no. 32 Financial Instruments requires the disclosure of certain financial matters within the financial position. And identifies the information that should be disclosed and related to financial instruments within and outside the financial statements.

Financial instruments are represented in the contracts company that results in financial assets or financial liabilities or debt securities in another company.

Loans	Interest rate
Ahli bank loan in USD	4%
FUIB bank loan amount 39,239,735 UAH	18%

**D- Credit risk:**

The Company reserves the currency with high solvency of banking institutions.

**E- The risk of currency fluctuations:**

Most of the company's dealings in the Jordanian dinar and the US dollar.

**F- Income tax:**

The company deducts Dedicated for income tax in accordance with laws and regulations and current instructions and the company takes dedicated on the basis of estimates of tax obligations expected, as the company calculates and record deferred tax if it found, in accordance with the requirements of IAS No. 12. And it was settlement the company's income tax until 2014. And the Provisions will be taken at the end of the year, as the administration told us.