

**Jordan Steel Company**  
**And Its Subsidiaries**  
Public Shareholding Company  
Amman-The Hashemite Kingdom of Jordan

**Consolidated statement of financial position**  
**as at December 31<sup>st</sup>, 2014**

<b>ASSETS</b>	<b>2014</b>	<b>2013</b>
	JD	JD
Non-Current Assets		
Property, plant and equipment	40,801,235	42,117,064
Investment lands	244,607	123,025
<b>Total Non-Current Assets</b>	<b>41,045,842</b>	<b>42,240,089</b>
<b>Current Assets</b>		
Inventories	20,759,077	27,445,596
Apartments available for sale	-	760,000
Other debit balances	4,044,510	5,279,992
Trade receivables	7,698,133	7,148,144
Cash and cash equivalents	975,326	414,097
<b>Total Current Assets</b>	<b>33,477,046</b>	<b>41,047,829</b>
<b>TOTAL ASSETS</b>	<b>74,522,888</b>	<b>83,287,918</b>

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<b>EQUITY AND LIABILITIES</b>	<b>2014</b>	<b>2013</b>
	JD	JD
Equity		
Authorized, issued and paid-in capital	35,000,000	35,000,000
Issuance premium	1,509,320	1,509,320
Statutory reserve	6,050,083	6,049,293
(Accumulated losses) Retained earnings	(2,572,519)	162,143
<b>Total Equity</b>	<b>39,986,884</b>	<b>42,720,756</b>
<b>Current Liabilities</b>		
Due to shareholders	1,386,432	1,507,922
Other credit balances	4,180,723	2,904,969
Trade payables	2,760,564	3,310,875
Loan - current	-	3,550,000
Banks overdraft	26,208,285	29,293,396
<b>Total Liabilities</b>	<b>34,536,004</b>	<b>40,567,162</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>74,522,888</b>	<b>83,287,918</b>

**Jordan Steel Company**  
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**Consolidated statement of comprehensive income**  
**for the year ended December 31<sup>st</sup>, 2014**

	2014	2013
	JD	JD
Sales	102,219,555	94,578,854
Cost of sales	(101,128,842)	(91,370,173)
<b>Gross profit</b>	<b>1,090,713</b>	<b>3,208,681</b>
Other revenues, net	148,203	59,586
Selling expenses	(132,717)	(150,534)
Administrative expenses	(1,204,173)	(1,451,643)
Allowance for doubtful receivables	(475,000)	-
End of service indemnity	(700,000)	-
Loss from impairment of inventories	(134,630)	(83,964)
Finance cost	(1,286,908)	(1,282,825)
<b>(loss) profit before tax</b>	<b>(2,694,512)</b>	<b>299,301</b>
Income tax	(17,377)	-
Prior years income tax paid	(21,983)	(83,301)
<b>(loss) profit</b>	<b>(2,733,872)</b>	<b>216,000</b>
<b>(loss) earnings per share</b>	<b>JD (-/078)</b>	<b>JD -/006</b>

## Jordan Steel Company

### And Its Subsidiaries

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Amman-The Hashemite Kingdom of Jordan

### Consolidated statement of changes in equity for the year ended December 31<sup>st</sup>, 2014

	Capital		Issuance premium		Statutory reserve		Voluntary reserve		Accumulated losses		Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
Balance as at January 1, 2013	35,000,000	-	1,509,320	5,994,814	1,040,622	-	885,000	-	-	44,429,756	
Distributed dividends	-	-	-	-	(1,040,622)	-	(884,378)	-	-	(1,925,000)	
Profit	-	-	-	-	-	-	216,000	-	-	216,000	
Statutory reserve	-	-	-	54,479	-	-	(54,479)	-	-	-	
<b>Balance as at December 31, 2013</b>	<b>35,000,000</b>	<b>-</b>	<b>1,509,320</b>	<b>6,049,293</b>	<b>-</b>	<b>-</b>	<b>162,143</b>	<b>-</b>	<b>-</b>	<b>42,720,756</b>	
Loss	-	-	-	-	-	-	(2,733,872)	-	-	(2,733,872)	
Statutory reserve	-	-	-	790	-	-	(790)	-	-	-	
<b>Balance as at December 31, 2014</b>	<b>35,000,000</b>	<b>-</b>	<b>1,509,320</b>	<b>6,050,083</b>	<b>-</b>	<b>-</b>	<b>2,572,519</b>	<b>-</b>	<b>-</b>	<b>39,986,884</b>	

**Jordan Steel Company**  
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**Consolidated statement of cash flows**  
**for the year ended December 31<sup>st</sup>, 2014**

	2014 JD	2013 JD
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) Profit before tax	(2,694,512)	299,301
Adjustments for:		
Depreciation	2,067,910	3,153,534
Allowance for doubtful revievables	475,000	26,753
End of service indemnity	700,000	-
Loss from impairment of inventories	134,630	83,964
Recovery of provisions	(32,126)	-
<b>Changes in operating assets and liabilities:</b>		
Inventories	6,551,889	5,586,047
Other debit balances	1,235,482	2,018,453
Trade receivables	(1,146,571)	(2,582,969)
Due to shareholders	(121,490)	60,290
Other credit balances	597,286	(1,899,638)
Trade payables	(550,311)	(261,678)
	<b>7,217,187</b>	<b>6,484,057</b>
Income tax paid	(28,766)	(208,640)
<b>Net cash from operating activities</b>	<b>7,188,421</b>	<b>6,275,417</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(752,081)	(1,391,683)
Proceeds from sale of property, plant and equipment	-	17,927
Apartments available for sale	760,000	-
<b>Net cash from investing activities</b>	<b>7,919</b>	<b>(1,373,756)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Distributed dividends	-	(1,925,000)
Loan	(3,550,000)	(3,550,000)
Banks overdraft	(3,085,111)	(908,866)
<b>Net cash from financing activities</b>	<b>(6,635,111)</b>	<b>(6,383,866)</b>
<b>Net change in cash and cash equivalents</b>	<b>561,229</b>	<b>(1,482,205)</b>
Cash and cash equivalents- beginning of year	414,097	1,896,302
<b>Cash and cash equivalents- end of year</b>	<b>975,326</b>	<b>414,097</b>
<b>INFORMATION ABOUT NON-CASH TRANSACTION</b>		
<b>Possession of apartments available for sale and investment lands in lieu of trade receivables</b>	<b>121,582</b>	<b>786,500</b>