



الشركة الوطنية لصناعة الكلورين المساهمة العامة المحدودة
NATIONAL CHLORINE INDUSTRIES CO. LTD.

Data : 30/10/2017

NCI / 172 / 2017

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ط. السيد
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To: Jordan Securities Commission

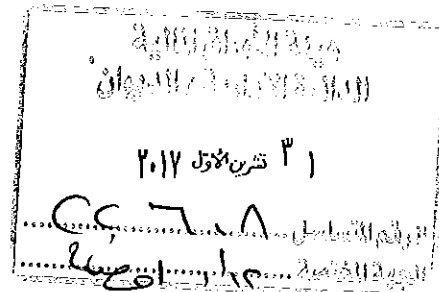
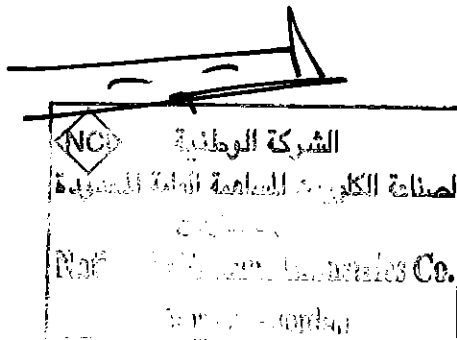
Subject : Third Quarterly Financial statements as of 30/9/2017

Attached the company's Third Quarterly Financial Statements 2017 of National Chlorine Industries CO.LTD As of 30/9/2017 .

With our respect and appreciation

National Chlorine Industries

G . M : Nassim AL Dissi



هاتف : ٤٠٥٠٢٩١ / ٢ / ٣ - فاكس : ٤٠٥٠٢٣٨ - ص.ب ٣٧ - سحاب ١١٥١١ - عمان - الاردن

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**NATIONAL CHLORINE INDUSTRIES GROUP
PUBLIC SHAREHOLDING COMPANY
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2017**

NATIONAL CHLORINE INDUSTRIES GROUP
PUBLIC SHAREHOLDING COMPANY
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REVIEW REPORT ON INTERIM FINANCIAL STATEMENT

**TO THE CHAIRMAN AND MEMBERS OF THE BOARD OF DIRECTORS
NATIONAL CHLORINE INDUSTRIES GROUP
PUBLIC SHAREHOLDING COMPANY
AMMAN - JORDAN**

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of National Chlorine Industries Group (A Public Shareholding Company) as at 30 September 2017, and the related condensed consolidated interim statement of comprehensive income, changes in equity and cash flows for the period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard IAS (34) relating to Interim Financial Reporting. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagement 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed consolidated interim financial information consists of making inquiries, primarily of 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard (34) relating to Interim Financial Reporting.

Other Matter

The consolidated financial statements for the year ended 31 December 2016, and the condensed consolidated interim financial statements for the period ended 30 September 2016 were audited and reviewed respectively by other auditor. Unqualified opinion and unqualified Conclusion was issued on these financial statements on 2 March 2017 and 27 October 2016 respectively.

**Amman – Jordan
29 October 2017**



**THE POWER OF BEING UNDERSTOOD
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NATIONAL CHLORINE INDUSTRIES GROUP
PUBLIC SHAREHOLDING COMPANY
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
30 SEPTEMBER 2017

	30 September 2017 JD	31 December 2016 JD
Assets		
Non - Current Assets		
Property, plant and equipment	15 351 270	5 150 267
Projects under construction	6 914	11 421 208
Total Non - Current Assets	15 358 184	16 571 475
Current Assets		
Other debit balances	649 529	460 351
Inventory	2 247 954	1 856 357
Accounts receivable	1 869 613	1 610 164
Checks under collection	196 677	98 152
Cash and cash equivalents	41 449	194 990
Total Current Assets	5 005 222	4 220 014
Total Assets	20 363 406	20 791 489
Equity and Liabilities		
Equity		
Share capital	9 000 000	9 000 000
Statutory reserve	1 202 929	1 202 929
Statutory voluntary	4 334	4 334
Accumulated losses	(2 171 031)	(1 128 675)
Total Equity	8 036 232	9 078 588
Liabilities		
Non - Current Liabilities		
Long term financing facility	4 521 507	4 250 895
Total Non - Current Liabilities	4 521 507	4 250 895
Current Liabilities		
Short term financing facility	6 160 252	5 632 977
Accounts payable	1 422 977	1 443 626
Other credit balances	222 438	385 403
Total Current Liabilities	7 805 667	7 462 006
Total Liabilities	12 327 174	11 712 901
Total Equity and Liabilities	20 363 406	20 791 489

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NATIONAL CHLORINE INDUSTRIES GROUP
PUBLIC SHAREHOLDING COMPANY
CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
30 SEPTEMBER 2017

	For the three-months period ended		For the nine-months period ended	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	JD	JD	JD	JD
Sales	1 725 476	2 033 633	4 840 311	3 406 256
Cost of sales	(1 541 376)	(1 452 176)	(4 633 937)	(3 451 395)
Gross profit (loss)	184 100	581 457	206 374	(45 139)
Administrative expenses	(166 458)	(170 784)	(539 961)	(464 555)
Selling and distribution expenses	(105 387)	(151 714)	(329 866)	(290 904)
Financing expenses	(146 861)	(25 438)	(426 930)	(90 678)
Other revenues and expenses	44 146	6 115	48 027	24 697
Total comprehensive loss for the period	190 460	239 636	(1 042 356)	(866 579)
Basic and diluted share of loss for the period	(0.021)	0.027	(0.116)	(0.096)

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NATIONAL CHLORINE INDUSTRIES GROUP
PUBLIC SHAREHOLDING COMPANY
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
30 SEPTEMBER 2017

	Share capital JD	Statutory reserve JD	Statutory Voluntary JD	Accumulated losses JD	Total JD
31 December 2015	9 000 000	1 202 929	4 334	(177 785)	10 029 478
Total comprehensive loss for the period	-	-	-	(866 579)	(866 579)
30 September 2016	9 000 000	1 202 929	4 334	(1 044 364)	9 162 899
31 December 2016	9 000 000	1 202 929	4 334	(1 128 675)	9 078 588
Total comprehensive loss for the period	-	-	-	(1 042 356)	(1 042 356)
30 September 2017	9 000 000	1 202 929	4 334	(2 171 031)	8 036 232

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NATIONAL CHLORINE INDUSTRIES GROUP
PUBLIC SHAREHOLDING COMPANY
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
30 SEPTEMBER 2017

	30 September 2017 JD	30 September 2016 JD
Operating activities		
Total comprehensive loss for the period	(1 042 356)	(866 579)
Adjustments for:		
Depreciation	1 102 302	619 708
Gain from disposal Property, plant and equipment	-	(41 013)
Changes in operating assets and liabilities		
Checks under collection	(98 525)	(69 019)
Accounts receivable	(259 449)	(60 322)
Inventory	59 044	(150 414)
Other debit balances	(189 178)	(88 828)
Accounts payable	(20 649)	102 923
Other credit balances	(162 965)	17 299
Net cash used in operating activities	(611 776)	(536 245)
Investing activities		
Purchase of Property, plant and equipment	(332 738)	(115 855)
Projects under construction	(6 914)	(1 357 076)
Net cash used in investing activities	(339 652)	(1 472 931)
Financing activities		
Financing facility	797 887	1 527 287
Net cash from financing activities	797 887	1 527 287
Net change in cash and cash equivalents	(153 541)	(481 889)
Cash and cash equivalents at 1 January	194 990	510 941
Cash and cash equivalents at 30 September	41 449	29 052

The accompanying notes are an integral part of these condensed consolidated interim financial statements

1) General

The Company was registered at the Ministry of Industry and Trade as a Jordanian public shareholding company under No. (212) on 9 November 1991. The company's share capital is JD 4 500 000, in addition, more capital adjustments were made, so that authorized, paid-up capital became JD 9 000 000, divided into 9 000 000 shares at a par value of JD 1 each.

The Company's main activities are establishing a plant for chlorine production, caustic soda and their derivatives, purchase of raw materials and machines, and tools necessary to achieve its objectives, in addition to selling and marketing the products of the company and distributed locally or exported externally.

The Company's shares are traded on Amman Stock Exchange.

The accompanying financial statements were approved by the Board of Directors in its meeting on 25 October 2017.

2) Basis of preparation

The accompanying condensed consolidated interim financial statement has been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting."

The accompanying condensed consolidated interim financial information do not include all the information and disclosures required for the annual financial statements, which are prepared in accordance with the International Financial Reporting Standards and must be read with the consolidated financial statements of the Company as at 31 December 2016. In addition, the results of the Group's operations for the nine months ended 30 September 2017 do not necessarily represent indications of the expected results for the year ending 31 December 2017, and do not contain the appropriation of the profit of the current period, which is usually performed at year end.

The condensed consolidated interim financial statements are presented in Jordanian Dinar, which is the functional currency of the group.

The accounting policies adopted in the preparation of the condensed consolidated interim financial information are consistent with those adopted for the year ended 31 December 2016 except for the following:

- The annual improvements on the International Financial Reporting Standards issued in the years 2014-2016, which include amendments to International Financial Reporting standard number (12).
- The amendments to International Accounting Standard number (12)" (Income Taxes) that relate to recognizing deferred tax assets resulting from unrealized losses.
- Amendment to International Accounting Standard Number (7) (Cash Flows Statements) that aim to present additional disclosures in the statements of cash flows to enable financial statements users to assess changes in liabilities resulting from financing activities.

Adopting the above amended has not affected the amounts and disclosures in the consolidated condensed interim financial statements.

NATIONAL CHLORINE INDUSTRIES GROUP
PUBLIC SHAREHOLDING COMPANY
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT
30 SEPTEMBER 2017

Principles of consolidation

The consolidated financial statements comprise of the financial statements of the Company and its subsidiaries where the Company has the power to govern the financial and operating policies of the subsidiaries to obtain benefits from their activities. The financial statements of the subsidiaries are prepared for the same reporting year as the Company using consistent accounting policies. All balances, transactions, income, and expenses between the Company and its subsidiaries are eliminated.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases.

The results of operations of the subsidiaries are consolidated in the income statements from the acquisition date, which is the date on which control over subsidiaries is transferred to the Company. The results of operation of the disposed subsidiaries are consolidated in the income statement to the disposal date, which is the date on which the Company loses control over the subsidiaries

The following subsidiaries have been consolidated:

	Activity	Capital	Ownership
Soda and Chlorine Industries Company	Industrial	500 000	%100

Accounting estimates

Preparation of the financial statements and the application of the accounting policies requires the management to perform assessments and assumptions that affect the amounts of financial assets, financial liabilities, and fair value reserve and to disclose contingent liabilities. Moreover, these assessments and assumptions affect revenues, expenses, provisions, and changes in the fair value shown in the statement of other comprehensive income and owners' equity. In particular, this requires the company's management to issue significant judgments and assumptions to assess future cash flow amounts and their timing. Moreover, the said assessments are necessarily based on assumptions and factors with varying degrees of consideration and uncertainty. In addition, actual results may differ from assessments due to the changes resulting from the conditions and circumstances of those assessments in the future.

3) Comparative figures

Some of the comparative figures for the year 2016 have been reclassified to correspond with the period ended 30 September 2017 presentation and it did not result in any change to the last year's operating results.