



To : Jordan Securities Commission
Amman Stock Exchange

Date : 20/03/2019

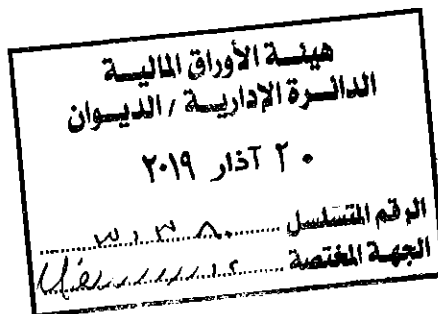
للمراجعة
م. د. محمد عيسى
م. السيد محمد
٣/٢٠

Subject: Audited Financial Statements for the fiscal year ended 31/12/2018

Attached the Audited Financial Statements of (Jordan Industrial Resources) for the fiscal year ended 31/12/2018.

Kindly accept our highly appreciation and respect

Dr. Ramzi Muasher
Chairman



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

CONSOLIDATED FINANCIAL STATEMENTS FOR
THE YEAR ENDED DECEMBER 31, 2018

TOGETHER WITH INDEPENDENT
AUDITOR'S REPORT



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

DECEMBER 31, 2018

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الأخوة
لتدقيق الحسابات والاستشارات
محاسبون قانونيون معتمدون ومستشارون
Independent Auditor's Report

**To the General Assembly of Shareholders
Jordan Industrial Resources Company
Public Shareholding Limited Company
Amman – Jordan**

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of Jordan Industrial Resources Company Public Shareholding Limited Company which comprise the consolidated statement of financial positions as at December 31, 2018 and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the Consolidated financial statements, including a summary of significant accounting policies We have audited the financial statements for the year ended December 31, 2017 and issued our report on March 1, 2018.

In our opinion, except for the effects of the matter described in the basis for qualified opinion section of our report, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the company as at December 31, 2018 and of its consolidated financial performance and its consolidated cash flows for the year ended in accordance with international Financial Reporting Standards (IFRS).

Basis for Qualified Opinion

- Jordan Industrial Resources Company did not undertake any commercial activities and has not operated its factories in Jordan since 2006 until the date of this consolidated financial statements.
- Jordan Industrial Resources company in Jordan undertakes the operations and management of the Ukrainian company.
- We did not obtain audited financial statements from an external auditor of the subsidiary in Ukraine because of the presence of the company in a separate zone from Ukraine, where there is no possibility of external audit in the separate region because of the war and the proportion of assets of the subsidiary in Ukraine is about 62% of the total of assets of the financial statements The consolidated financial statements have been prepared based on the disclosures submitted to us by the Company's management in Amman, Jordan.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements, 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 consolidated financial statements of the current period, these matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we don't provide a separate opinion on these matters:

- Pursuant to the decision of the Board of Directors No. 1 dated January 17, 2018, they took a decision to sell 4.887 acres of the company's land at JD70, 000 per acre, provided that the buyer bears the fees of relinquish. The Board of Directors decided in their meeting No. 3 held on March 13, 2018 to approve the sale of 7.064 acres of the land of the company at JD70, 000 per acre and the buyer bears the fees of the relinquish.

Other information:

Management is responsible for the other informations. The other information comprises the information included in the annual report, but doesn't include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements doesn't cover the other information and we don't express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statement or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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 IFRS, 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

represent the underlying transactions and events in a manner that achieves fair presentation.

In the case of a group audit we shall also include the following:

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 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 auditors' 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 reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

-The Company has proper accounting records which are in all material respects consistent with the accompanying financial statements Accordingly, we recommend the approval of these financial statements by the General Assembly as received from the Board of Directors, taking into consideration what mentioned about qualified opinion.

-The financial statements of the two companies, International Industrial Resources Exempted and subsidiaries, which owned by Jordan Industrial Resources at 99.960% of the capital and Ukrainian Industrial Resources Company owned by Industrial Resources International Company – Exempted at 99.350% of its capital

AMMAN-JORDAN
February 28, 2019

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


DR. GEORGE BUTFI GHAWI
LICENSE NO. 133

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

Consolidated Statement of Financial Position

<u>ASSETS</u>	Note	December 31,	
		2018	2017
Current Assets:		JD	JD
Cash on hand and at banks	5	142,167	89,681
Accounts receivable and other debit balances - Net	6	1,925,972	2,168,328
Inventory	7	1,294,718	1,298,558
Prepaid expenses	8	301	7,654
Refundable deposits		1,265	1,705
Total Current Assets		<u>3,364,423</u>	<u>3,565,926</u>
Local and foreign investments	9	<u>3,287,483</u>	<u>3,292,895</u>
Fixed Assets:	10		
Lands - at cost		2,841,495	2,998,420
Fixed assets - at cost		11,066,766	12,148,679
Less: Accumulated depreciation		(3,145,778)	(3,405,107)
Net book value of fixed assets		<u>7,920,988</u>	<u>8,743,572</u>
Total fixed assets		<u>10,762,483</u>	<u>11,741,992</u>
TOTAL ASSETS		<u>17,414,389</u>	<u>18,600,813</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts payable and other Credit balances	11	756,976	1,158,167
Accrued expenses	12	-	82,865
Total current liabilities		<u>756,976</u>	<u>1,241,032</u>
Long - term liabilities:			
Long - term loan	17	<u>901,092</u>	<u>1,096,104</u>
Minority interest		<u>2,750</u>	<u>2,750</u>
<u>SHAREHOLDERS' EQUITY</u>			
Authorized , subscribed and paid-up capital 16,625,000 share at par value		16,625,000	16,625,000
Statutory reserve		873,196	873,196
Premium in kind		18,606	18,606
Retained (losses) - Exhibit (C)		(2,383,306)	(1,937,545)
Foreign Currency exchange differences		<u>620,075</u>	<u>681,670</u>
Total Shareholders' Equity		<u>15,753,571</u>	<u>16,260,927</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>17,414,389</u>	<u>18,600,813</u>

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE STATEMENTS

EXHIBIT (B)

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		For the Year Ended December 31,	
	Note	2018 JD	2017 JD
Sales	13	677,032	781,424
<u>Less: Cost of Sales :</u>			
Finished goods beginning of the year after evaluation	4/B	202,197	212,757
Cost of production	15	543,173	616,189
Finished goods end of the year		<u>(243,143)</u>	<u>(209,979)</u>
Cost of Sales		<u>502,227</u>	<u>618,967</u>
Gross income from operations		174,805	162,457
<u>Less :</u> selling and distributing expenses	14	(30,919)	(9,140)
General, administrative and financial expenses	16	(810,787)	(309,739)
Foreign Currency exchange differences		15,941	(50,547)
Loss on sale of investments		-	(9,208)
Financial expenses , bank interest & commissions		(264,579)	(179,951)
Ukraine income tax		<u>(17,652)</u>	<u>(28,133)</u>
Net (loss) for the year		(933,191)	(424,261)
Other revenue		<u>487,430</u>	<u>12,435</u>
Net (loss) for the year- Exhibit (C)		<u>(445,761)</u>	<u>(411,826)</u>
(Loss) per share		(0.0268)	(0.0248)
Weighted average number of shares during the year		16,625,000	16,625,000

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL
PART OF THESE STATEMENTS

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

**Consolidated Statement of Changes In Shareholders' Equity
For The Year Ended December 31, 2018 And 2017**

	Paid - up Capital JD	Statutory Reserve Local and foregin JD	Premium JD	Foreign Currency exchange differences JD	Retained (losses) JD	Total JD
<u>Year 2018</u>						
Balance - Beginning of the year	16,625,000	873,196	18,606	681,670	(1,937,545)	16,260,927
Net (loss) for the year- Exhibit (B)	-	-	-	-	(445,761)	(445,761)
Foreign Currency translation differences	-	-	-	(61,595)	-	(61,595)
Balance - End of the year	<u>16,625,000</u>	<u>873,196</u>	<u>18,606</u>	<u>620,075</u>	<u>(2,383,306)</u>	<u>15,753,571</u>
<u>Year 2017</u>						
Balance - Beginning of the year	16,625,000	873,196	18,606	619,747	(1,525,719)	16,610,830
Net (loss) for the year- Exhibit (B)	-	-	-	-	(411,826)	(411,826)
Foreign Currency translation differences	-	-	-	61,923	-	61,923
Balance - End of the year	<u>16,625,000</u>	<u>873,196</u>	<u>18,606</u>	<u>681,670</u>	<u>(1,937,545)</u>	<u>16,260,927</u>

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL
PART OF THESE STATEMENTS

JORDAN INDUSTRIAL RESOURCES COMPANY
PUBLIC SHAREHOLDING LIMITED COMPANY
Amman - Jordan

Consolidated Statement of Cash flows

	For the Year Ended	
	December 31,	
	2018	2017
	JD	JD
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) for the year-Exhibit (B)	(445,761)	(411,826)
Adjustments :		
Depreciation and amortization	641,011	62,994
Interest expense	264,579	179,951
Cash flows from (used in) operations before changes in working capital	459,829	(168,881)
Decrease in accounts receivable and other debit balances	242,356	263,421
Decrease in inventory	3,840	71,595
Decrease (Increase) in prepaid expenses	7,353	(6,036)
(Decrease) in accounts payable and other credit balances	(401,191)	(39,981)
(Decrease) Increase in accrued expenses	(82,865)	18,627
Decrease in Refundable deposits	440	-
Cash flows from from operating activities before interest	229,762	138,745
Interest paid	(264,579)	(179,951)
Net cash flows (used in) operating activities	(34,817)	(41,206)
CASH FLOWS FROM INVESTING ACTIVITIES		
Selling of local and foreign investments	5,412	10,964
Purchasing of fixed assets	(3,600)	(1,158)
Selling of fixed assets	185,175	-
Selling of land	156,923	-
Net cash flows from investing activities	343,910	9,806
CASH FLOWS FROM FINANCING ACTIVITIES		
Foreign Currency translation differences	(61,595)	61,923
(Decrease) in loans	(195,012)	(58,644)
Net cash flows (used in) from financing activities	(256,607)	3,279
Net increase (decrease) in cash and at banks	52,486	(28,121)
Cash on hand and at banks - beginning of the year	89,681	117,802
Cash on hand and at banks -end of the year	142,167	89,681

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL
PART OF THESE STATEMENTS

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

Notes, Comprising a Summary of Significant Accounting Policies and
Other Explanatory Information's

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.

- General Assembly decided to increase the capital of the company from JD (6,625,000) to JD (16,625,000), all procedures were completed legally.

B – International Industrial Resources - exempt was established and registered with the Ministry of Industry and trade under number (10) on 9 August 1997 with a capital of JD (30,000), the general assembly decided in its extraordinary meeting held on 25 August, 1999 to increase the capital to JD (1,250,000) and decided in its meeting held on 17 January, 2002 to increase the capital by JD (3,000,000) to JD (4,250,000), the general assembly decided in its extraordinary meeting held on 11 January, 2003 to increase capital to JD (6,250,000) .

The objectives of the Company are:

- Establishing factories of toilet soap, granules, detergents and cosmetics.
- To participate or contribute in any company, project or other works have an interest in, or with.
- To sell or behave in any of its assets and shares and stocks and bonds in companies owned.
- Engage in bidding and tenders of government and private regarding the realization of the company.
- Be bought, buys and leases and rents and mortgage imports of any property, movable or immovable, or any rights or privileges see the company necessary or appropriate to its goals, including the land, buildings, machinery, transportation, and goods and create, evaluate and act and conduct the necessary changes in the buildings and works where necessary or appropriate for the purposes of The company without end be trafficking land immovable or just achieved.
- borrow the funds necessary for the realization of the company to achieve its earnings and its projects as it deems appropriate and that of any party and that are proven money movable and immovable guarantee of debts and obligations.
- The company conducts all actions that are necessary and will help to achieve the goals of the company in accordance with the provisions of the law and regulations in force.
- To do all the things mentioned in the above objectives or any of them, either by itself or through agents or trustees about, or otherwise, and whether alone or in combination with other.

- 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 dollars7, 634,808 equivalent to JD5, 420,714 and there was another increased in capital through the year 2014 to become US dollar10, 657,436 equivalent to JD7,566,708. The capital was increased during the year 2015 to be US dollar11, 781,896, equivalent to JD8, 365,146.

The objectives of the Company:

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

D– The Company had (78) and (83) employees as of December 31, 2018 and 2017.

E–The board of directors approved the financial statements for issuance in their meeting held on January 31, 2019.and the F/S require the approval of the general assembly of shareholders.

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 & indirect</u>
International Industrial Resources - Exempted	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 :

Raw materials , packing materials , finished goods , goods under process and semi-finished goods are stated at cost using the first – in first –out or 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 and sister companies which increase the proportion of its capital contribution the company's capital over 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.

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.

A- Fair value:

The carrying value of cash in hand and at banks, accounts receivable, creditor bank, accounts payable, long-term loans and some debit balances and other payables approximate their fair value in accordance with International Accounting Standard no. (32).

- General

The carrying value of financial instruments of the Company approximates their fair value because the maturity of these tools within one year from the Date of the financial statements.

B- Financial Assets:**-Impairment of Assets**

At the end of the financial year the Company reviews the carrying value of financial assets, except for those financial assets through the statement of comprehensive income whether there is objective evidence of impairment in the financial assets, and have a financial asset low in case there is objective evidence to suggest an event resulting in a loss after recognition The initial financial asset, and it is recognized lows when you become a book value in excess of the amount expected to be recovered from a financial asset, in accordance with the requirements of international financial reporting standards.

- Financial assets are stated at cost amortized

Represents the impairment loss reduced the present value of future cash flows expected to be collected discounted at Murabaha original when recognition at the beginning of financial assets (recoverable value) for the financial value of the asset on the books, and this represents the difference impairment loss is recognized in the statement of comprehensive income and in the case of low value decline the decline recorded in the statement of comprehensive income.

-Loans

The fair values of loans represent at the present value for the future cash flows to be paid using prevalent interest rates which is similar to it.

- Minority rights

Minority rights represent non-owned by the Company of ownership rights in subsidiaries companies.

C- Risk interest rate:

IAS no.(39) requires disclosure about the interest rates risks which most financial instruments in the financial position is not subject to the risk of interest rates with the exception of creditor banks and long-term loans, the interest rates amount as at December 31, 2018 as follows :

Loans	Interest rate
FUIB bank loan amount 35,140,495 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 2017.

5 - Cash on Hand and at Banks

This item consists of the following:

Local accounts
Foreign accounts

December 31,	
2018	2017
JD	JD
97,585	5,714
44,582	83,967
<u>142,167</u>	<u>89,681</u>

6 - Accounts Receivable and Other Debit balances

This item consists of the following:

Foreign
Local
Foreign Sales tax
Income foreign & local tax

December 31,	
2018	2017
JD	JD
345,194	582,583
68,364	74,557
1,485,446	1,484,584
26,968	26,604
<u>1,925,972</u>	<u>2,168,328</u>

7- Inventory

This item consists of finished goods , goods under process , raw materials & packing materials

Local goods
Foreign goods

December 31,	
2018	2017
JD	JD
331,384	337,436
963,334	961,122
<u>1,294,718</u>	<u>1,298,558</u>

8 - Prepaid Expenses

This item consists of the following:

Local Insurance fees
Foreign others

December 31,	
2018	2017
JD	JD
-	120
301	7,534
<u>301</u>	<u>7,654</u>

9 - Local and foreign investments

This item consists of the following:

Foreign investments - Ukraine

December 31,	
2018	2017
JD	JD
3,287,483	3,292,895
<u>3,287,483</u>	<u>3,292,895</u>

10 - Fixed Assets

This item consists of the following:

	Buildings and		Machinery and		Furniture and		Total	
	Lands	Constructions	equipments	Fixtures	except lands	Total		
	JD	JD	JD	JD	JD	JD	JD	
Cost								
Balance - beginning of the year - local *	2,091,227	1,263,052	2,098,226	110,377	3,471,655	5,562,882		
Balance - beginning of the year - external	907,191	6,179,533	2,373,917	123,568	8,677,018	9,584,209		
Additions - local	-	-	3,600	-	3,600	3,600		
Withdrawals - local	(156,923)	(1,085,507)	-	-	(1,085,507)	(1,242,430)		
Balance - Ending of the year	2,841,495	6,357,078	4,475,743	233,945	11,066,766	13,908,261		
Accumulated Depreciation								
Balance - beginning of the year - local	-	974,952	723,126	110,376	1,808,454	1,808,454		
Balance - beginning of the year - external	-	483,927	1,060,768	51,950	1,596,645	1,596,645		
Additions - external & external	-	24,385	616,626	-	641,011	641,011		
Withdrawals - local & external	-	(899,183)	(1,149)	-	(900,332)	(900,332)		
Balance - Ending of the year	-	584,081	2,399,371	162,326	3,145,778	3,145,778		
Net book value as of								
December 31, 2018	2,841,495	5,772,997	2,076,372	71,619	7,920,988	10,762,483		
Net book value as of								
December 31, 2017	2,998,418	5,983,706	2,688,249	71,619	8,743,574	11,741,992		

, * Local lands include an amount of JD1,917,160 value of land and glicirine factory located in Ukraine.

11 - Accounts Payable and Other Credit Balances

This item consists of the following:

Local
 Foreign
 Board of Directors Payable
 Deposit
 Local and Foreign others

December 31,	
2018	2017
JD	JD
567,111	755,252
69,534	274,273
3,474	3,474
112,857	118,050
4,000	7,118
<u>756,976</u>	<u>1,158,167</u>

12 - Accrued Expenses

This item consists of the following:

Local accrued expenses (Professional fees)
 Foreign due loan payments
 Local others

December 31,	
2018	2017
JD	JD
-	1,165
-	67,547
-	14,153
<u>-</u>	<u>82,865</u>

13 - Sales

This item consists of the following:

Foreign sales - Ukraine

For the year ended December 31,	
2018	2017
JD	JD
677,032	781,424
<u>677,032</u>	<u>781,424</u>

Jordan Industrial Resources did not conducted any business or commercial productions since 2006 to date.

14 - Selling and distribution expenses

This item consists of the following:

Salaries and wages
 Custom fees
 Forwarding & portorage
 Others

For the year ended December 31,	
2018	2017
JD	JD
20,856	-
-	1,171
3,125	3,729
6,938	4,240
<u>30,919</u>	<u>9,140</u>

15- Cost of production

This item consists of the following:

		For the year ended December 31,	
		2018	2017
		JD	JD
Materials Used in production :			
Raw materials-beginning of the year after evaluation	B/4	649,848	742,253
Purchases of raw materials		314,079	307,835
Less: Raw materials-end of the year		(638,654)	(674,816)
Raw materials Used in production		<u>325,273</u>	<u>375,272</u>
Packing materials - beginning of the year after evaluation	B/4	77,467	67,963
Purchase of packing materials		34,169	47,987
Less: Packing materials-end of the year		(77,969)	(80,443)
Packing materials Used in production		<u>33,667</u>	<u>35,507</u>
Total materials Used in production		<u>358,940</u>	<u>410,779</u>
Salaries & wages		<u>71,908</u>	<u>73,573</u>
Other industrial expenses :			
Fees , insurance & certificates of origin		-	8
Transportation fees		3,490	21,353
Fuel		9,317	1,328
Quality Management		406	253
Consumables		734	1,135
Other expenses		<u>74,453</u>	<u>78,580</u>
Total other industrial expenses		<u>160,308</u>	<u>176,230</u>
Depreciation of fixed assets		<u>27,983</u>	<u>28,978</u>
Semi - finished goods - beginning of the year	B/4	966	1,205
Semi - finished goods - end of the year		(5,024)	(1,003)
Total cost of production		<u><u>543,173</u></u>	<u><u>616,189</u></u>

16 - General, Administrative and Financial Expenses

This item consists of the following:

	For the year ended Year ended December 31,	
	2018	2017
	JD	JD
Salaries and wages	116,570	169,433
Social security contribution	8,273	13,329
Mail , telephone & fax	2,418	3,190
Car fuel	2,195	6,200
Printing and stationery	1,770	2,291
Advertising	625	760
Maintenance and repairs	3,082	779
Electricity, water and heating	2,242	1,698
Hospitality	272	560
Fees , licenses , subscriptions and bids	26,740	18,511
Local professional fees	1,000	1,000
Insurance	21	5,006
Travel & transportation	3,904	7,300
Staff indemnity	-	2,930
Depreciation of fixed assets	613,028	34,016
Other expenses	28,647	42,736
	<u>810,787</u>	<u>309,739</u>

17 - Loans

A- Jordan Ahli Bank Loan for Jordan industrial resources.

The balance of Jordan Ahli bank loan as of December 31, 2017 amounted to U.S \$257,172

The origin of loan amounted US \$4,462,000 after the reconciliation agreement dated

April 20, 2005 to be paid by equal monthly installments, The 132 consecutive installments starting July 31, 2005 the value of each premium is US \$21,500 at interest rate of 4%. Guarantees provided still as it before reconciliation , with a mortgage of first degree

The loan was repaid in full in 2018.

B - Prominvest Bank loan to the Ukrainian Industrial Resources

The value of the loan granted to the Ukrainian company is approximately equal to U.S

\$2,200,000 The balance of the loan is US \$1,269,143 as of 31 December 2018 at an interest rate of 13% During the year 2016 it was convert the loan balance above from the dollar to UAH - Ukrainian grivna. the balance of loan is UAH 35,140,495 with an interest rate of 18%