



عمان في 10 / 05 / 2017

السادة / بورصة عمان المحترمين

تحية طيبة وبعد ،،،

نرفق لكم طيه البيانات المالية باللغة الانجليزية لشركة اللؤلؤة لصناعة الورق الصحي عن الفترة المنتهية في 2017/03/31. يرجى الإيعاز لمن يلزم باستلامها وحفظها لديكم.

وتفضلوا بقبول فائق الاحترام ،،،

محمد العبدالات  
رئيس مجلس الإدارة  
شركة اللؤلؤة لصناعة الورق الصحي

بورصة عمان  
الدائرة الإدارية والمالية  
الديوان  
١٠ ابر ٢٠١٧  
الرقم المتسلسل: ٥٩٧٨  
رقم الملف: ٤١٠٨١  
الجهة المختصة: اللاج البراهمة

ملاحظة:

الرجاء التوقيع بالاستلام

**Pearl Sanitary Paper Converting Co.  
(P.S.C)  
Amman - The Hashemite Kingdom of Jordan**

**Condensed interim financial statements  
As of March 31, 2017  
(Reviewed not audited)**

**Pearl Sanitary Paper Converting Co.  
(P.S.C)  
Amman - The Hashemite Kingdom of Jordan**

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## Report on the review of the condensed interim financial statements

402 17 02

To the Board of Directors of  
Pearl Sanitary Paper Converting Co. (P.S.C)  
Amman - The Hashemite Kingdom of Jordan

### Introduction:

We have reviewed the accompanying condensed interim financial statements of Pearl Sanitary Paper Converting Co. (P.S.C) comprising of condensed interim statement of financial position as at 31 March 2017, and the related condensed interim statements of comprehensive income, changes in owners' equity and cash flows for three months ended 31 March 2017 and the related explanatory notes.

The management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with IAS 34 – Condensed interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

### Scope of review:

We conducted our review in accordance with International Standard on Review 2410 "Review of Condensed interim Financial Information Performed by the Independent Auditor of the Entity". A review of the condensed 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. Consequently, it 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 interim financial statements are not prepared, in all material respects in accordance with IAS 34.

### Other matters:

Condensed interim financial statements were prepared for Instructions for listing the stock exchange in the Amman Stock Exchange & for management's purposes.

Ibrahim Abbasi & Co.

Nabeel Moh'd Obeidat

License No. 877

Amman in

23 April 2017

**Pearl Sanitary Paper Converting Co.**  
**(P.S.C)**  
**Amman - The Hashemite Kingdom of Jordan**  
**Condensed interim financial position**  
**As of March 31, 2017**

Reviewed not audited - Exhibit A

	Note	31-Mar-2017	31-Dec-2016
<b><u>Assets</u></b>		JD	JD
<b><u>Current assets</u></b>		<b>(Reviewed)</b>	<b>(Audited)</b>
Cash at banks & local companies		331,270	326,646
Other debit balances		86,062	191,282
<b>Total current assets</b>		<b>417,332</b>	<b>517,928</b>
Property, plant & equipments - net	5	898,966	911,199
<b>Total assets</b>		<b>1,316,298</b>	<b>1,429,127</b>
<b><u>Liabilities and owners' equity</u></b>			
<b><u>Current liabilities</u></b>			
Accounts payable		11,616	11,564
Income tax provision	6	88,602	86,943
Other credit balances		238,424	233,947
<b>Total current liabilities</b>		<b>338,642</b>	<b>332,454</b>
<b><u>Owners' equity</u></b>			
Capital		500,000	500,000
Statutory reserve		460,508	460,508
Retaind earnings (Exhibit C)	7	10,165	136,165
Profit for the period (Exhibit C)		6,983	-
<b>Total owners' equity</b>		<b>977,656</b>	<b>1,096,673</b>
<b>Total liabilities and owners' equity</b>		<b>1,316,298</b>	<b>1,429,127</b>

The accompanying notes form from (1) To (16) is an integral part of these statements

**Pearl Sanitary Paper Converting Co.  
(P.S.C)  
Amman - The Hashemite Kingdom of Jordan  
Condensed interim statement of comprehensive income  
For the three months ended March 31, 2017**

**Reviewed not audited - Exhibit B**

	<u>Note</u>	<u>31-Mar-2017</u> JD	<u>31-Mar-2016</u> JD
Other revenues	8	41,706	44,823
General & administrative expenses	9	<u>(33,064)</u>	<u>(52,797)</u>
<b>Profit (loss) for the period before tax</b>		<b>8,642</b>	<b>(7,974)</b>
Income tax	6	<u>(1,659)</u>	-
<b>Profit (loss) for the period</b>		<b><u>6,983</u></b>	<b><u>(7,974)</u></b>
<b>Total comprehensive income (loss) for the period (Exhibit C)</b>		<b><u><u>6,983</u></u></b>	<b><u><u>(7,974)</u></u></b>
		<b><u>Fils/Dinar</u></b>	<b><u>Fils/Dinar</u></b>
<b>Basic and diluted earning per share</b>	10	<b><u><u>0.014</u></u></b>	<b><u><u>(0.016)</u></u></b>

**The accompanying notes form from (1) To (16) is an integral part of these statements**

**Pearl Sanitary Paper Converting Co.  
(P.S.C)**

**Amman - The Hashemite Kingdom of Jordan**

**Condensed interim statement of changes in owners' equity**

**For the three months ended March 31, 2017**

Reviewed not audited - Exhibit C

Description	Capital		Statutory reserve		Retained earnings		Profit (loss) for the period		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b>For the three months ended March 31, 2016</b>										
Balance as of January 1, 2016	500,000		460,508		339,476		-		-	1,299,984
(Loss) for the period	-		-		-		(7,974)		(7,974)	(7,974)
Total comprehensive (loss) for the period (Exhibit B)	-		-		-		(7,974)		(7,974)	(7,974)
Balance as of March 31, 2016	500,000		460,508		339,476		(7,974)		(7,974)	1,292,010
<b>For the three months ended March 31, 2017</b>										
Balance as of January 1, 2017 (Exhibit A) - Audited	500,000		460,508		136,165		-		-	1,096,673
Prior years' expenses	-		-		(1,000)		-		-	(1,000)
Adjusted opening balances	500,000		460,508		135,165		-		-	1,095,673
Profit for the period	-		-		-		6,983		6,983	6,983
Total comprehensive income for the period (Exhibit B)	-		-		-		6,983		6,983	6,983
Dividends paid to shareholders (Note 7)	-		-		(125,000)		-		-	(125,000)
Balance as of March 31, 2017 (Exhibit A) - Reviewed	500,000		460,508		10,165		6,983		6,983	977,656

The accompanying notes form from (1) To (16) is an integral part of these statements

**Pearl Sanitary Paper Converting Co.  
(P.S.C)  
Amman - The Hashemite Kingdom of Jordan  
Condensed interim statement of cash flows  
For the three months ended March 31, 2017**

Reviewed not audited - Exhibit D

	Note	31-Mar-2017 JD	31-Mar-2016 JD
<b><u>Cash flows from operating activities</u></b>			
Profit (loss) for the period before tax		8,642	(7,974)
Depreciation & amortization		12,233	12,895
Prior years' expenses		(1,000)	-
<b>Operating income before changes in working capital</b>		<b>19,875</b>	<b>4,921</b>
<b><u>(Increase) decrease in current assets</u></b>			
Other debit balances		105,220	62,862
<b><u>Increase (decrease) in current liabilities</u></b>			
Accounts payable		52	-
Other credit balances		4,477	(1,642)
<b>Net cash provided from operating activities before paid tax</b>		<b>129,624</b>	<b>66,141</b>
Paid tax	6	-	-
<b>Net cash provided from operating activities</b>		<b>129,624</b>	<b>66,141</b>
<b><u>Cash flows from financing activities</u></b>			
Dividends paid to shareholders	7	(125,000)	-
<b>Net cash (used in) financing activities</b>		<b>(125,000)</b>	<b>-</b>
<b>Net increase in cash</b>		<b>4,624</b>	<b>66,141</b>
Cash on hand and at banks at beginning of period		326,646	473,847
<b>Cash on hand and at banks at end of period (Exhibit A)</b>		<b>331,270</b>	<b>539,988</b>

The accompanying notes form from (1) To (16) is an integral part of these statements



**Pearl Sanitary Paper Converting Co.  
(P.S.C)**

**Amman - The Hashemite Kingdom of Jordan**

**Notes to the condensed interim financial statements - reviewed not audited**

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**1- Company's registration and objectives**

Pearl Sanitary Converting Co. P.S.C. was established in accordance of instructions of jordanian companies temporary law number (1) for the year 1989 of capital amounted of JD 4,000,000 distributed on 4,000,000 shares of Nominal value JD 1 per share.

The company registered in public shareholding company record at ministry of industry & trade in JORDAN under number (239) dated of December 21, 1993 , it obtained the right of commence work at April 19, 1994 .

The company purposes are to establishing , constructing and managing factories for produce and trade all kinds of face , hands , tolilete , dinning table , kitchen sanitary paper , in addition to other purpose which states in memorandum of association , project of the company considered as certified economic project enjoy exemptions states in investment promotion law number (11) for the year 1988 and most important imported property & equipments exception from all fees and exempt the project of tax for 5 years from November 12, 1996 (Actual production date) .

The general assembly in its extraordinary meeting held on September 6, 2012 decided to decrease capital from JD 2,500,000 to JD 500,000 , the decrease amount was distributed as cash dividends to shareholders according to there sharing rate in capital , legal pcedures were completed to ministry of imdustry & trade on November 14, 2012.

The Condensed interim financial statements were approved by the board of directors at its meeting held on April 23, 2017 these financial statements aren't subject to the approval of the general assembly of shareholders .

**2- Significant accounting policies**

**Basis of preparation of interim financial statements**

These condensed interim financial statement have been prepared in accordance with inernational accounting standards ((IFRS) IAS 34))(Interim Financial Reporting).

The condensed interim financial statements are presented in Jordanian Dinars (JOD) which is the company's presentation functional currency .

The condensed interim financial statements have been prepared on historical cost except financial assets and liabilities which appears on fair value.

These condensed inerim financial statements do not include all the information required for a complete set of IFRS financial statements, However , selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the company's financial position and performance since the last annual report of financial statements as of December 31, 2016 , in addition, The results for the three months period ended March 31, 2017 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2017 .

**Pearl Sanitary Paper Converting Co.**  
**(P.S.C)**

**Amman - The Hashemite Kingdom of Jordan**

**Notes to the condensed interim financial statements - reviewed not audited**

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**Changes in accounting policies**

Accounting policies followed in condensed interim financial statements' preparation for this period are consistent with the policies followed the last year .

**Use of estimates**

The preparation of the interim financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities . These estimates and assumptions also affect the revenues and expenses and the resultant provisions and particular , considerable judgement by management is required in the estimation of the amount and timing of future cash flows . 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 change in such provisions .

Management believe that the estimates are reasonable and are as follows :

- Management evaluates its investments for impairment on a regular basis where there is a prolonged decline , Management estimates the value of impairment and the same is charged in the statement of comprehensive income - An estimate of the collectible amount of trade accounts receivables is made when collection of the full amount is no longer probable . For individually significant amounts , this estimation is performed on an individual basis . Amounts which are not individually significant , but which are past due , are assessed collectively and a provision applied according to the length of time past due , based on historical recovery rates .

- Inventories are held at the lower of either cost or net realizable value . When inventories become old or obsolete , an estimate is made of their realizable value . For individually significant amounts this estimation is performed on an individual basis . Amounts which are not individually significant , but which are old or obsolete , are assessed collectively and a provision applied according to the inventory type and the degree of aging or obsolescence , based on historical selling prices.

- Management reviews periodically the tangible and intangible assets in order to assess the amortization and depreciation for the year based on the useful life and future economic benefits . Any impairment is taken to the statement of comprehensive income.

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Notes to the condensed interim financial statements - Reviewed not audited

**5- Property , plant & equipments - net**

A. This item consists of :

	Lands		Buildings & hangers		Machines, equipments & tools		Cliches, designs & systems		Office equipments & tools		Furnitures & decorations		Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
<b><u>Cost</u></b>													
Balance ending of the period	333,500	1,585,088	305,836	56,308	166,202	87,667	2,534,601						
<b><u>Accumulated depreciations</u></b>													
Balance beginning of the period	-	1,007,393	305,835	56,307	166,201	87,666	1,623,402						
Additions	-	12,233	-	-	-	-	12,233						
Balance ending of the period	-	1,019,626	305,835	56,307	166,201	87,666	1,635,635						
Net book value as of March 31, 2017 (Reviewed)	333,500	565,462	1	1	1	1	898,966						
Net book value as of December 31, 2016 (Audited)	333,500	577,695	1	1	1	1	911,199						

B. No depreciation documents for property , plant & equipments are available.

**Pearl Sanitary Paper Converting Co.  
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**Amman - The Hashemite Kingdom of Jordan**

**Notes to the condensed interim financial statements - reviewed not audited**

**6- Income tax provision**

This item consists of :

**A. Transaction of income tax provision during the period represents of :**

	<u>31-Mar-2017</u>	<u>31-Dec-2016</u>
	JD	JD
	(Reviewed)	(Audited)
<b>Balance beginning of the period/year</b>	86,943	81,670
Tax of the period/year (Note 6 C)	1,659	5,273
<b>Balance ending of the period/year</b>	<u>88,602</u>	<u>86,943</u>

B. The revealed self-esteem for the year 2015 was provided and accepted from Income Tax & Sales Department but not reviewed yet , the year 2016 is not provided yet .

**C. Reconciliation of taxable income**

	<u>31-Mar-2017</u>	<u>31-Dec-2016</u>
	JD	JD
	(Reviewed)	(Audited)
Recorded profit	8,642	59,986
Non-taxable expenses	13,028	19,885
<b>Taxable income</b>	<u>21,670</u>	<u>79,871</u>
Income tax rate	20%	20%
<b>Income tax for the period / year</b>	<u>4,334</u>	<u>15,974</u>
Deduct : excise tax offsetting	(2,675)	(10,701)
<b>Income tax for the period / year</b>	<u>1,659</u>	<u>5,273</u>

**7- Retained earnings**

A. This item consists of :

	<u>31-Mar-2017</u>	<u>31-Dec-2016</u>
	JD	JD
	(Reviewed)	(Audited)
<b>Retained earnings at beginning of the period / year</b>	136,165	339,476
Prior years' expenses & income tax	(1,000)	(8,024)
<b>Adjusted opening balance</b>	<u>135,165</u>	<u>331,452</u>
Profit for the year	-	54,713
Dividends paid to shareholders (Note 7 B)	(125,000)	(250,000)
<b>Retained earnings at ending of the period / year</b>	<u>10,165</u>	<u>136,165</u>

B. The general assembly decided in its ordinary meeting held on **March 7, 2017** to distribute cash dividends to shareholders rate of **25%** of capital amounted of **JD 125,000**.

**Pearl Sanitary Paper Converting Co.  
(P.S.C)**

**Amman - The Hashemite Kingdom of Jordan**

**Notes to the condensed interim financial statements - reviewed not audited**

**8- Other revenues**

This item consists of :

	31-Mar-2017	31-Mar-2016
	JD	JD
Credit interests revenues	1,606	4,698
Rents revenues	40,100	40,100
Other revenues	-	25
<b>Total</b>	<b>41,706</b>	<b>44,823</b>

**9- General and administrative expenses**

This item consists of :

	31-Mar-2017	31-Mar-2016
	JD	JD
Government fees & subscriptions	20,232	20,752
Depreciations	12,233	12,895
Others	550	1,233
Bank interest	49	55
Professional fees & technical consulting	-	862
Guarantees expenses	-	17,000
<b>Total</b>	<b>33,064</b>	<b>52,797</b>

**10- Basic and diluted earning per share**

This item consists of :

	31-Mar-2017	31-Mar-2016
	JD	JD
Profit (loss) of the period after tax	6,983	(7,974)
Weighted average shares (share)	500,000	500,000
<b>Basic and diluted earning per share</b>	<b>0.014</b>	<b>(0.016)</b>

The diluted earning per share is equal to the basic earning per share .

**11- Contingent liabilities**

There are no contingent liabilities as of financial position date .

**Pearl Sanitary Paper Converting Co.  
(P.S.C)**

**Amman - The Hashemite Kingdom of Jordan**

**Notes to the condensed interim financial statements - reviewed not audited**

**12- Related parties transactions**

Related parties include key shareholders , key management personnel , key managers , associates and subsidiaries and controlled companies . The company's management has approved the pricing policies and terms of transactions with related parties.

**Details of due from related parties appear on statement of income**

	Type of transaction	31-Mar-2017 JD (Reviewed)	31-Mar-2016 JD (reviewed)
<b><u>Sister companies</u></b>			
Investments & integrated industries Co.	Interests	-	4,054
Nuqul Automotive Co.	Rents	36,350	36,350
Integrated Co. for investments	Rents	3,750	3,750
<b>Total</b>		<b>40,100</b>	<b>44,154</b>

**13- Risk management**

Company is facing finance , credit , liquidity and market risks , in general the main objectives and policies of company in finance risk management which financial statement is faced , it is similar to what declared in financial statements on **December 31,2016** .

**14- Subsequent events**

There are no subsequent events may have material affects to financial position .

**15- General**

General assembly approved on **June 14, 2009** the vision of board of directors about changing company's activities according to intense competition which faced company recently which lead to stop production and lease company's building and decrease all expenses & management expenses to minimum limit , and limited the activities in this stage of exploit its trade mark and lease buildings and real estates , until improve economic situation in jordan and clarity of vision around company's future activities .

**16- Comparative figures**

Certain comparative figures were reclassified to conform with the presentation of the current period.