

# Philadelphia Insurance

Co. Ltd.

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## شركة فيلادلفيا للتأمين

المساهمة العامة المحدودة

جبل الحسين - شارع بئر السبع

تلفون: ٥٦٦٨١٣١ - ٥٦٦٨١٣٢ - ٥٦٦٨١٣٣

فكسملي: ٥٦٩٣٩٤٥

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ص.ب: ٨٦٦٣ عمان ١١٢١ الاردن

Our Ref. : .....

Your Ref. : .....

Date : .....

اشارتنا : ٤٤٠ / ٤٧٠

اشارتكم : .....

التاريخ : 2017/05/14

السادة :- بورصة عمان المحترمين  
عمان - الأردن

الموضوع :- البيانات المالية باللغة الانجليزية للربع الاول لعام 2017

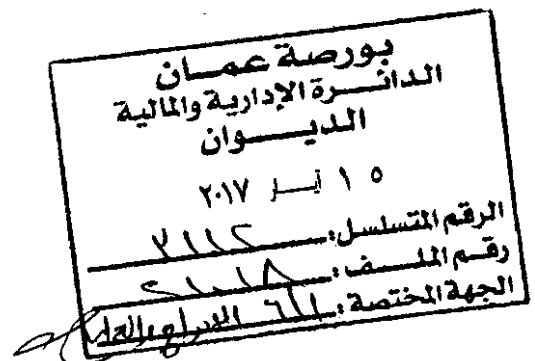
تحية طيبة وبعد ،،،

نرفق لكم طية البيانات المالية للربع الاول 2017 باللغة الانجليزية مصادق عليها  
من المدقق الخارجي حسب الاصول .

وتفضلوا بقبول فائق الاحترام ،،،

هذا البيان  
مصدق من  
المدير المالي

المدير المالي



**Philadelphia Insurance co**  
**(P.S.C)**  
**Amman - The Hashemite Kingdom Of Jordan**  
**Condensed interim consolidated financial statements**  
**and Report on Review as of March 31, 2017**

**Philadelphia Insurance co**  
**(P.S.C)**  
**Amman - The Hashemite Kingdom Of Jordan**

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

715 17 02

To the Board of Directors of

Philadelphia Insurance Co. (P.S.C)

Amman - The Hashemite Kingdom of Jordan

### Introduction:

We have reviewed the accompanying condensed interim Consolidated financial statements of **Philadelphia Insurance Co. (P.S.C)** comprising of condensed interim Consolidated statement of financial position as at 31 March 2017, and the related condensed interim Consolidated statements of comprehensive income, changes in equity and cash flows for three-month period ended 31 March 2017 and the related explanatory notes.

The management is responsible for the preparation and presentation of these condensed interim consolidated financial statements in accordance with IAS 34 – Condensed interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these condensed interim consolidated 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 consolidated financial statements are not prepared, in all material respects in accordance with IAS 34.

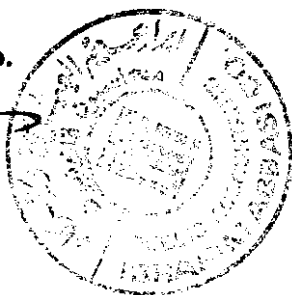
### Other matters:

The interim condensed consolidated financial statements have been prepared for the purposes of the Securities Commission, the Insurance Department and the Companies Control only.

Ibrahim Abbasi & Co.

Ahmed M. Abbasi

License No. 710



Amman in

27 April 2017

**Philadelphia Insurance co**  
**(P.S.C)**  
**Amman - The Hashemite Kingdom Of Jordan**  
**Condensed interim consolidated financial position**  
**As of March 31, 2017**

		<b>Reviewed not audited</b>	
	<u>Note</u>	<u>31-Mar-2017</u>	<u>31-Dec-2016</u>
		<u>JD</u>	<u>JD</u>
<u>Assets</u>		<u>(Reviewed)</u>	<u>(Audited)</u>
Deposits at banks	4	6,520,120	6,647,972
Financial assets at fair value through income statement	5	19,087	13,693
Financial assets at fair value through other comprehensive income	6	465,490	482,644
payment Investments		11,186	11,186
<b>Total investments</b>		<b>7,015,883</b>	<b>7,155,495</b>
Cash on hand & at banks		26,721	46,077
Notes receivable & cheques under collection - net		66,747	57,620
Accounts receivable - net	7	1,625,551	1,456,748
Due from other reinsurers - net	8	391,858	431,245
Property , plant & equipments - net		261,654	263,234
Intangible assets - Net		21	28
Other assets		225,218	188,777
<b>Total</b>		<b>2,597,770</b>	<b>2,443,729</b>
<b>Total assets</b>		<b>9,613,653</b>	<b>9,599,224</b>

The accompanying notes form is an integral part of these statements

**Philadelphia Insurance co**  
**(P.S.C)**  
**Amman - The Hashemite Kingdom Of Jordan**  
**Follow - condensed interim consolidated financial position**  
**As of March 31, 2017**

**Reviewed not audited**

	Note	31-Mar-2017	31-Dec-2016
		JD	JD
<b><u>Liabilities and owners' equity</u></b>		<b>(Reviewed)</b>	<b>(Audited)</b>
<b><u>Liabilities</u></b>			
Unearned premium provision - net		1,875,078	1,659,317
Outstanding claims provision - net		1,991,800	2,441,283
<b>Total technical provisions</b>		<b>3,866,878</b>	<b>4,100,600</b>
<b><u>Liabilities</u></b>			
Accounts payable	9	592,309	474,627
Accrued expenses		6,675	16,025
Due to other reinsurers	10	359,577	303,950
Varaiety provisions		36,516	36,516
Provision for income tax	11	76,863	78,436
Other liabilities		167,452	177,605
<b>Total liabilities</b>		<b>1,239,392</b>	<b>1,087,159</b>
<b>Total technical provisions &amp; liabilities</b>		<b>5,106,270</b>	<b>5,187,759</b>
<b><u>Owners' equity</u></b>			
Authorized & paid capital		4,000,000	4,000,000
Statutory reserve		768,215	768,215
Fair value reserve	12	(44,831)	(27,678)
Accumulated (loss) at the beginning of period		(329,072)	(329,072)
Profit for the period		113,071	-
<b>Net owners' equity</b>		<b>4,507,383</b>	<b>4,411,465</b>
<b>Total owners' equity &amp; liabilities</b>		<b>9,613,653</b>	<b>9,599,224</b>

The accompanying notes form is an integral part of these statements

Philadelphia Insurance co

(P.S.C)

Amman - The Hashemite Kingdom Of Jordan

Condensed interim consolidated statement of comprehensive income

For the three months ended March 31, 2017

	Note	Reviewed not audited	
		31-Mar-2017	31-Mar-2016
		JD	JD
<b>Revenues</b>		<b>(Reviewed)</b>	<b>(Reviewed)</b>
Total written premiums		1,616,401	1,629,382
Deduct: reinsurance share		(149,451)	(156,843)
<b>Net written premiums</b>		<b>1,466,950</b>	<b>1,472,539</b>
Net change in unearned premium provision		(215,761)	(343,533)
<b>Net earned premium income</b>		<b>1,251,189</b>	<b>1,129,006</b>
Commissions received		8,631	5,576
Issuance fees		37,798	15,529
Interests revenues		37,685	32,746
Gains (losses) from financial assets & investments	13	5,396	(638)
Other revenues due to written accounts		71,035	79,894
Other revenues		3,429	1,245
<b>Total revenues</b>		<b>1,415,163</b>	<b>1,263,358</b>
<b>Cost of claims</b>			
Claims paid		(1,492,305)	(1,828,576)
Deduct: recoveries		24,529	38,369
Deduct: reinsurance share		57,637	442,744
<b>Net claims paid</b>		<b>(1,410,139)</b>	<b>(1,347,463)</b>
Net change in outstanding claims provision		449,483	438,199
Allocated employees expenses		(63,135)	(104,458)
Allocated administrative expenses		(121,218)	(49,927)
Excess of loss		(37,260)	(40,581)
Acquisition policies fees		(64,728)	(50,991)
Other expenses due to written accounts		(113)	(30,477)
<b>Net claims</b>		<b>(1,247,110)</b>	<b>(1,185,698)</b>
Administrative expenses		(15,784)	(12,482)
Employees expenses		(30,306)	(26,114)
Depreciation & amortization		(3,957)	(5,119)
<b>Total expenses</b>		<b>(1,297,157)</b>	<b>(1,229,413)</b>
<b>Profit for the period before tax</b>		<b>118,006</b>	<b>33,945</b>
Tax	11	(4,935)	-
<b>Profit for the period</b>		<b>113,071</b>	<b>33,945</b>
		<b>Fils/Dinar</b>	<b>Fils/Dinar</b>
<b>Basic and diluted earning per share</b>	14	<b>0.028</b>	<b>0.008</b>

The accompanying notes form is an integral part of these statements

**Philadelphia Insurance co**  
**(P.S.C)**  
**Amman - The Hashemite Kingdom Of Jordan**

**Follow - condensed interim consolidated statement of comprehensive income**  
**For the three months ended March 31, 2017**

**Reviewed not audited - Exhibit B**

	<u>31-Mar-2017</u> JD (Reviewed)	<u>31-Mar-2016</u> JD (Reviewed)
Profit for the period after tax	113,071	33,945
change in fair value for the financial assets thru income statement	<u>(17,153)</u>	<u>(9,311)</u>
<b>Total comprehensive income for the period Distributed as follows :</b>	<b>95,918</b>	<b>24,634</b>
Shareholders of the Company	<u>95,918</u>	<u>24,634</u>
Uncontrollable rights	-	-
<b>Total</b>	<b><u>95,918</u></b>	<b><u>24,634</u></b>

**The accompanying notes form is an integral part of these statements**



Philadelphia Insurance co  
(P.S.C)  
Amman - The Hashemite Kingdom Of Jordan

Condensed interim consolidated statement of change in owners' equity For the three months ended March 31, 2017

Description	Reviewed not audited							
	Capital	Statutory reserve	Fair value reserve	Realized	Unrealized	Accumulated (loss)	Profit for the period	Net
	JD	JD	JD	JD	JD	JD	JD	JD
For the three months ended March 31, 2017								
Balance as of January 1, 2017 ( Audited )	4,000,000	768,215	(27,678)	(2,567)	(326,505)	(329,072)	-	4,411,465
Profit for the period	-	-	-	-	-	-	113,071	113,071
Fair value reserve	-	-	(17,153)	-	-	-	-	(17,153)
Balance as of March 31, 2017 ( Reviewed )	4,000,000	768,215	(44,831)	(2,567)	(326,505)	(329,072)	113,071	4,507,383
For the three months ended March 31, 2016								
Balance as of January 1, 2016 ( Audited )	4,000,000	733,433	(39,431)	(179)	(542,952)	(543,131)	-	4,150,871
Profit for the period	-	-	-	-	-	-	33,945	33,945
Fair value reserve	-	-	(9,311)	-	-	-	-	(9,311)
Balance as of March 31, 2016 ( Reviewed )	4,000,000	733,433	(48,742)	(179)	(542,952)	(543,131)	33,945	4,175,505

The accompanying notes form is an integral part of these statements

**Philadelphia Insurance co**  
**(P.S.C)**  
**Amman - The Hashemite Kingdom Of Jordan**

**Condensed interim consolidated statement of cash flows**  
**For the three months ended March 31, 2017**

**Reviewed not audited**

	Note	31-Mar-2017	31-Mar-2016
		JD	JD
<b><u>Cash flows from operating activities</u></b>		<b>(Reviewed)</b>	<b>(Reviewed)</b>
Profit for the period before tax		113,071	33,945
Adjustment:			
Depreciation		3,957	5,119
Net change in unearned premium provision		215,761	343,533
Net change in outstanding claims provision		(449,483)	(438,199)
Unrealized (gains) losses of financial assets at fair value through income statement		(5,396)	638
<b>Operating income (loss) before changes in working capital</b>		<b>(122,090)</b>	<b>(54,964)</b>
<b><u>Changes in assets &amp; liabilities</u></b>			
Notes receivable & cheques under collection		(9,127)	(8,162)
Accounts receivable		(168,803)	288,490
Due from other reinsurers		39,387	(28,571)
Other assets		(36,440)	(60,967)
Accounts payable		117,682	(112,124)
Accrued expenses		(9,351)	16,812
Provision for income tax		4,935	(22,990)
Due to other reinsurers		55,627	(4,341)
Other liabilities		(10,153)	63,234
<b>Net cash flows provided from (used in) operating activities Before paid tax</b>		<b>(138,333)</b>	<b>76,417</b>
Paid tax		(6,508)	-
<b>Net cash flows provided from (used in) operating activities</b>		<b>(144,841)</b>	<b>76,417</b>
<b><u>Cash flows from investing activities</u></b>			
Acquisitions of property , plant & equipments		(2,367)	(3,400)
<b>Net cash flows (used In) investing activities</b>		<b>(2,367)</b>	<b>(3,400)</b>
<b>Net (dcrease) increas in cash</b>		<b>(147,208)</b>	<b>73,017</b>
Cash on hand and at banks at beginning of period		6,469,049	6,971,849
<b>Cash on hand and at banks at end of period</b>	15	<b>6,321,841</b>	<b>7,044,866</b>

The accompanying notes form is an integral part of these statements

Discription	Motor		Marine & transport		Fire & ofter damage to property		Liability		Midical		Other Branches		Total	
	JD	31-Mar-2017	JD	31-Mar-2016	JD	31-Mar-2017	JD	31-Mar-2016	JD	31-Mar-2017	JD	31-Mar-2016	JD	31-Mar-2016
<b>Written premiums</b>														
Direct insurance	1,244,915	1,326,246	2,874	3,668	23,198	12,143	1,068	345	153,104	94,557	820	300	1,423,979	1,437,259
Reinsurance inward business	190,005	191,661	-	-	417	947	-	-	-	-	-	(485)	190,422	192,123
<b>Total premiums</b>	<b>1,434,920</b>	<b>1,517,907</b>	<b>2,874</b>	<b>3,668</b>	<b>23,615</b>	<b>13,090</b>	<b>1,068</b>	<b>345</b>	<b>153,104</b>	<b>94,557</b>	<b>820</b>	<b>(185)</b>	<b>1,616,401</b>	<b>1,629,382</b>
<b>Less:</b>														
Local reinsurer share	(125,837)	(143,453)	-	-	-	-	-	-	-	-	-	-	(125,837)	(143,453)
Foreign reinsurer share	-	-	(2,367)	(3,174)	(21,144)	(11,036)	-	-	(515)	(103)	(103)	(305)	(23,614)	(15,030)
<b>Net written premiums</b>	<b>1,309,083</b>	<b>1,374,454</b>	<b>507</b>	<b>494</b>	<b>2,471</b>	<b>2,054</b>	<b>1,068</b>	<b>345</b>	<b>153,104</b>	<b>94,042</b>	<b>717</b>	<b>(490)</b>	<b>1,466,950</b>	<b>1,470,899</b>
<b>Add : Balance at beginning of the year</b>														
Unearned premiums reserve														
Un expired risks reserve	1,460,912	1,629,404	5,755	3,629	34,397	43,864	776	379	243,428	463,526	2,781	2,090	1,748,049	2,144,892
Less: Reinsurer share	(52,883)	(60,606)	(5,163)	(2,951)	(29,073)	(36,205)	-	-	(323,868)	(1,613)	(1,507)	(1,507)	(88,732)	(427,137)
<b>Net unearned premium reserve</b>	<b>1,408,029</b>	<b>1,568,798</b>	<b>592</b>	<b>678</b>	<b>5,324</b>	<b>7,659</b>	<b>776</b>	<b>379</b>	<b>243,428</b>	<b>139,658</b>	<b>1,168</b>	<b>583</b>	<b>1,659,317</b>	<b>1,717,755</b>
<b>Less : Balance at ending of the year</b>														
Unearned premiums reserve														
Un expired risks reserve	1,742,297	1,959,435	2,874	3,668	35,673	36,089	1,118	555	174,872	328,292	2,110	790	1,958,944	2,328,829
Less: Reinsurer share	(49,539)	(57,651)	(2,367)	(3,174)	(30,990)	(29,754)	-	-	(176,376)	(970)	(586)	(586)	(83,866)	(267,541)
<b>Net unearned premium reserve</b>	<b>1,692,758</b>	<b>1,901,784</b>	<b>507</b>	<b>494</b>	<b>4,683</b>	<b>6,335</b>	<b>1,118</b>	<b>555</b>	<b>174,872</b>	<b>151,916</b>	<b>1,140</b>	<b>204</b>	<b>1,875,078</b>	<b>2,061,288</b>
Change in Unearned premiums reserve	(284,729)	(332,986)	85	184	641	1,324	(342,000)	(176,000)	68,556,00	(12,258)	28	379	(215,761)	(343,533)
<b>Net earned revenue from written premiums</b>	<b>1,024,354</b>	<b>1,041,468</b>	<b>592</b>	<b>678</b>	<b>3,112</b>	<b>3,378</b>	<b>726</b>	<b>169</b>	<b>221,660</b>	<b>81,784</b>	<b>745</b>	<b>(111)</b>	<b>1,251,189</b>	<b>1,127,366</b>

Pharmaceuticals Branch  
Public Shareholder company  
Amman - The Hashemite Kingdom Of Jordan

**For the three months ended March 31, 2017** Condensed interim consolidated statement of general insurance cost of claims (Reviewed not audited)

Discription	Motor		Marine & transport		Fire & oijer damage to property		Liability		Midical		Other Branches		Total	
	JD	31-Mar-2017	JD	31-Mar-2016	JD	31-Mar-2017	JD	31-Mar-2016	JD	31-Mar-2017	JD	31-Mar-2016	JD	31-Mar-2016
<u>claims</u>														
Paid claims	1,173,482	1,441,470	-	-	1,453	-	-	-	317,370	387,106	-	-	1,492,305	1,828,576
<u>Less::</u>														
Recoveries	(14,207)	(17,738)	-	-	-	-	-	-	(10,322)	(20,631)	-	-	(24,529)	(38,369)
Reinsurer share	(56,268)	(54,444)	-	-	-	-	-	-	-	-	-	-	(56,268)	(54,444)
Foreign reinsurer share	-	(118,191)	-	-	(1,148)	(221)	(221)	-	-	(270,109)	-	-	(1,369)	(388,300)
Net paid claims	1,103,007	1,251,097	-	-	305	(221)	(221)	-	307,048	96,366	-	-	1,410,139	1,347,463
Add:														
<u>Outstanding claims reserve at end of the year</u>														
RCR	3,845,929	5,145,670	27,028	27,028	78,620	160,834	2,280	2,230	66,299	125,626	426	3,426	4,020,582	5,464,814
IBNER	614,616	695,088	-	-	-	-	-	-	17,950	88,941	-	-	632,566	784,029
<u>Less::</u>														
Reinsurer share	(1,782,964)	(1,988,926)	(20,622)	(20,622)	(74,083)	(152,647)	-	-	-	(87,938)	(298)	(2,098)	(1,877,967)	(2,252,231)
Reinsurer share IBNER	-	-	-	-	-	-	-	-	-	(59,122)	-	-	-	(59,122)
Recoveries	(783,381)	(695,424)	-	-	-	-	-	-	-	-	-	-	(783,381)	(695,424)
Net reported outstanding claims reserve at end of the year	1,894,200	3,156,408	6,406	6,406	4,537	8,187	2,280	2,230	84,249	67,507	128	1,328	1,991,800	3,242,066
RCR	1,279,584	2,461,320	6,406	6,406	4,537	8,187	2,280	2,230	66,299	37,688	128	1,328	1,359,234	2,517,159
IBNER	614,616	695,088	-	-	-	-	-	-	17,950	29,819	-	-	632,566	724,907
<u>Less::</u>														
Outstanding Claims Reserve At Beginning Of The Year														
RCR	4,091,753	5,811,445	27,028	27,028	80,073	159,535	2,280	2,230	57,673	32,930	426	3,426	4,259,233	6,036,594
IBNER	614,616	695,088	-	-	-	-	-	-	113,797	76,518	-	-	728,413	771,606
<u>Less::</u>														
Reinsurer share	(1,642,290)	(2,144,537)	(20,622)	(20,622)	(74,304)	(151,196)	-	-	(67,429)	(23,051)	(298)	(2,098)	(1,804,943)	(2,341,504)
Reinsurer share IBNER	-	-	-	-	-	-	-	-	-	(53,563)	-	-	-	(53,563)
Recoveries	(741,420)	(732,868)	-	-	-	-	-	-	-	-	-	-	(741,420)	(732,868)
Net Unreported Outstanding Claims Reserve At Beginning Of The Year	2,322,659	3,629,128	6,406	6,406	5,769	8,339	2,280	2,230	104,041	32,834	128	1,328	2,441,283	3,680,265
Net claims cost	674,548	778,377	-	-	(927)	(152)	(221)	-	287,256	131,039	-	-	960,656	909,264

Philadelphia Insurance co

Public Shareholder company

Amman - The Hashemite Kingdom Of Jordan

Condensed interim consolidated statement of general insurance underwriting profit For the three months ended March 31, 2017 (Reviewed not audited)

Discription	Fire & other damage to												Total	
	Motor			Marine & transport			Liability			Medical			Other Branches	
	JD	31-Mar-2017	31-Mar-2016	JD	31-Mar-2017	31-Mar-2016	JD	31-Mar-2017	31-Mar-2016	JD	31-Mar-2017	31-Mar-2016	JD	31-Mar-2017
Net earned revenue from written premiums	1,024,354	1,041,468	592	678	3,112	3,378	726	169	221,660	81,784	745	(111)	1,251,189	1,127,366
Less :														
Net claims cost	674,548	778,377	-	-	(927)	(152)	(221)	-	287,256	131,039	-	-	960,656	909,264
Add:														
Commissions received	-	-	844	1,493	5,784	4,185	-	-	-	-	2,003	(102)	8,631	5,576
Insurance policies issuance fees	26,961	8,361	98	116	2,206	1,563	143	57	8,298	5,364,00	92	68	37,798	15,529
Investment income attributable to subscription accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenues	-	22,954	-	-	-	-	-	-	71,035	56,940	-	-	71,035	79,894
Net revenues	376,767	294,406	1,534	2,287	12,029	9,278	1,090	226	13,737	13,049	2,840	(145)	407,997	319,101
Less:														
Commissions paid	36,620	42,587	18	399	1,234	965	-	35	26,817	7,018	39	(13)	64,728	50,991
Excess of loss premiums	37,260	40,581	-	-	-	-	-	-	-	8,959	-	-	37,260	49,540
Allocated general & administrative expenses	163,655	143,804	328	348	2,693	1,240	122	33	17,461	-	94	-	184,353	145,425
Other allocated expenses	-	13,610	19	29	86	141	-	-	-	16,696	7	1	112	30,477
Total expenses	237,535	240,582	365	776	4,013	2,346	122	68	44,278	32,673	140	(12)	286,453	276,433
Underwriting profit (loss)	139,232	53,824	1,169	1,511	8,016	6,932	968	158	(30,541)	(19,624)	2,700	(133)	121,544	42,668

**Philadelphia Insurance co**  
**(P.S.C)**

**Amman - The Hashemite Kingdom Of Jordan**

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

**1- Establishment of the company**

**Philadelphia Insurance Company** was established & registered as a public shareholding company in the Ministry of Industry & Trade under number (141) on the year 1980 . With an authorized capital of JD 6,000,000 Divided into 6000,000 shares worth one JD share

**The aim of the company is to:**

The company shall carry out all insurance activities and carry out financial operations that are related to the company's business Contributing to companies and banks, buying and selling development bonds and owning movable and immovable property And the establishment of buildings necessary for its work The company has branches in Amman, Irbid and Zarqa

**2- Basis of preparation of interim consolidated financial statements**

**General**

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

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

These condensed interim consolidated 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**

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

**\* Basis of consolidation of the financial statements**

The consolidated financial statements consist of condensed interim financial statement for the Subsidiary (Philadelphia for real estate and financial development ) After excluding transactions and balances between them

Name of the Company	Capital	Ownership	The nature of the company's business	Place of work
Philadelphia for real and financial development	250,000	100%	Real estate	Amman

The balances of the subsidiary as at 31 March 2017 were as follows:

Name of the Company	Assets	Liability	Revenue
Philadelphia for real and financial development	345,976	2,707	1,596

Control realized when company has ability of control the financial and operation policies for subsidiaries for obtained benefits from its activities . Transactions, balances, income and expenses are eliminated in full during the period between the Company and the subsidiary

# Philadelphia Insurance co

(P.S.C)

Amman - The Hashemite Kingdom Of Jordan

## Notes to condensed interim consolidated financial statements - reviewed not audited

### 3- 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 belcive that the estimates are reasonable and are as follows :

applied according to the length of time past due , based on historical recovery rates .

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.

The company loads all administrative and general expenses and expenses of staff distributable for each branch insurance limit approximately 80% of the administrative expenses and expenses of non-staff for distribution to the various insurance departments on the basis of earned premiums for each circle attributed to the total premiums

### 4- Deposits at banks

This item consists of :

	31-Mar-2017	31-Dec-2016
	JD	JD
	(Reviewed)	(Audited)
Deposits at banks	6,520,120	6,647,972
<b>Total</b>	<b>6,520,120</b>	<b>6,647,972</b>
Deposits are maturing within one month	2,762,875	2,784,431
Deposits maturing after one to three months	1,892,590	2,044,356
Deposits are due after more than three months and up to one year	1,864,655	1,819,185
	<b>6,520,120</b>	<b>6,647,972</b>

Interest rate on JD deposit at banks ranging between 1.9 % to 4 % and of USD deposits between 0.35% to .25% , it accrued quarterly, midterm and yearly

The mortgaged deposited upon request for general manager of Insurance Authority in addition to his job amounted of JD 225,000 as of **March 31, 2017**

**Philadelphia Insurance co**  
**(P.S.C)**  
**Amman - The Hashemite Kingdom Of Jordan**

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

**5- Financial assets at fair value through income statement**

This item consists of :

	31-Mar-2017	31-Dec-2016
	JD	JD
	(Reviewed)	(Audited)
<b><u>Insid Jordan</u></b>		
Stocks Listed in Amman stock Exchange	19,087	13,693
<b>Total</b>	<b>19,087</b>	<b>13,693</b>

**6- Financial assets at fair value through other comprehensive income**

This item consists of :

	31-Mar-2017	31-Dec-2016
	JD	JD
	(Reviewed)	(Audited)
<b><u>Insid Jordan</u></b>		
Stocks Listed in Amman stock Exchange	465,490	482,644
<b>Total</b>	<b>465,490</b>	<b>482,644</b>

**7- Accounts receivable - net**

A. This item consists of :

	31-Mar-2017	31-Dec-2016
	JD	JD
	(Reviewed)	(Audited)
Policies compaign receivable	1,980,437	1,817,928
Agents receivable	45,122	43,298
brokers receivables	5,818	5,818
Employees receivable	11,750	8,273
Board of Directors receivables	3,844	2,730
Suppliers receivables	2,535	2,656
<b>Total</b>	<b>2,049,506</b>	<b>1,880,703</b>
Deduct : Provision for receivable debts impairment	(423,955)	(423,955)
<b>Net</b>	<b>1,625,551</b>	<b>1,456,748</b>

**Transaction of provision for receivable debts impairment during the period represents of :**

	31-Mar-2017	31-Dec-2016
	JD	JD
	(Reviewed)	(Audited)
<b>Balance beginning of the period/year</b>	<b>423,955</b>	<b>417,750</b>
Additions for the period / year	-	6,205
<b>Balance ending of the period/year</b>	<b>423,955</b>	<b>423,955</b>



**Philadelphia Insurance co**  
**(P.S.C)**  
**Amman - The Hashemite Kingdom Of Jordan**

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

**8- Due from other reinsurers - net**

A. This item consists of :

	31-Mar-2017	31-Dec-2016
	JD	JD
	(Reviewed)	(Audited)
Local insurance co. receivable	78,961	84,370
foreign reinsurers co. receivable	436,047	470,025
<b>Total</b>	<b>515,008</b>	<b>554,395</b>
Deduct : Provision for reinsurers debts impairment	(123,150)	(123,150)
<b>Net</b>	<b>391,858</b>	<b>431,245</b>

**9- Accounts payable**

This item consists of :

	31-Mar-2017	31-Dec-2016
	JD	JD
	(Reviewed)	(Audited)
Agents Payable	18,270	26,841
Employees Payable	960	370
brokers Payable	27,174	26,838
Trade payable	92,107	75,100
Medical network Payable	335,778	210,335
Garages payable	106,263	122,480
Board of Directors Payable	11,757	12,663
<b>Total</b>	<b>592,309</b>	<b>474,627</b>

**10- Due to other reinsurers**

This item consists of :

	31-Mar-2017	31-Dec-2016
	JD	JD
	(Reviewed)	(Audited)
Local insurance co. payable	160,160	189,418
Foreign reinsurers co. payable	199,417	114,532
<b>Total</b>	<b>359,577</b>	<b>303,950</b>

**Philadelphia Insurance co**  
**(P.S.C)**  
**Amman - The Hashemite Kingdom Of Jordan**

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

**11- Income tax**

This item consists of :

	31-Mar-2017	31-Dec-2016
	JD	JD
	(Reviewed)	(Audited)
<b>Balance beginning of the period/year</b>	<b>78,436</b>	<b>93,563</b>
Paid tax during the period / year	4,935	78,436
Income tax for the period / year	(6,508)	(93,563)
<b>Balance ending of the period/year</b>	<b>76,863</b>	<b>78,436</b>

**Income tax appearing in the statement of income represents the following:**

	31-Mar-2017	31-Dec-2016
	JD	JD
	(Reviewed)	(Audited)
Income tax payable on profit for the period	4,935	78,436
<b>Balance ending of the period/year</b>	<b>4,935</b>	<b>78,436</b>

- A final settlement was reached with the Income Tax Department until the end of 2014
- The self-assessment for 2015 was presented to the Income and Sales Tax Department within the specified period and has not yet been reviewed
- According to the company's tax advisor, a tax provision for the period ended 31 March 2017 is JD 4935

**12- Fair value reserve**

This item consists of :

	31-Mar-2017	31-Dec-2016
	JD	JD
	(Reviewed)	(Audited)
<b>Balance beginning of the period/year</b>	<b>(27,678)</b>	<b>(39,431)</b>
Net changes in fair value during the period / year	(17,153)	11,753
<b>Balance ending of the period/year</b>	<b>(44,831)</b>	<b>(27,678)</b>

**13- Gains (losses) from financial assets & investments**

This item consists of :

	31-Mar-2017	31-Mar-2016
	JD	JD
	(Reviewed)	(Reviewed)
Change in fair value for financial assets through income statement	5,396	(638)
<b>Total</b>	<b>5,396</b>	<b>(638)</b>

**Philadelphia Insurance co**  
**(P.S.C)**  
**Amman - The Hashemite Kingdom Of Jordan**

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

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

This item consists of :

	31-Mar-2017	31-Mar-2016
	JD	JD
	(Reviewed)	(Reviewed)
Profit for the period	113,071	33,945
Weighted average shares (share)	4,000,000	4,000,000
<b>Basic and diluted earning per share</b>	<b>0.028</b>	<b>0.008</b>

**15- Cash and cash equivalents**

This item consists of :

	31-Mar-2017	31-Mar-2016
	JD	JD
	(Reviewed)	(Reviewed)
Cash on hand and balances with banks	26,721	67,093
Deposits with banks	6,520,120	7,202,773
<b>Total</b>	<b>6,546,841</b>	<b>7,269,866</b>
deposited upon request for general manager of Insurance Authority	(225,000)	(225,000)
<b>Total</b>	<b>6,321,841</b>	<b>7,044,866</b>

**16- Related parties transactions**

Realated 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.

	31-Mar-2017	31-Mar-2016
	JD	JD
	(Reviewed)	(Reviewed)
Wages & other benefits	79,608	72,845

**The Holy Lands Insurance Company**  
**(P.S.C)**  
**Amman - The Hashemite Kingdom Of Jordan**

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

**17- Analysis of Main sectors**

- A. The company's activities include the general insurance sector, which includes vehicle insurance, marine insurance, transportation, fire insurance, property damage, liability insurance and general
- B. This sector is the basis used by the company to show information related to the main sector. The company operates mainly in the Hashemite Kingdom of Jordan and does not have any branches outside the Kingdom. The following is the distribution of the company's revenues and assets and capital expenditures by geographical sector

	<u>31-Mar-2017</u>	<u>31-Mar-2016</u>
	JD	JD
	<b>(Reviewed)</b>	<b>(Reviewed)</b>
Total of Revenue	<u>1,415,163</u>	<u>1,263,358</u>
	<u>31-Mar-2017</u>	<u>31-Dec-2016</u>
	JD	JD
Total of Assets	9,613,653	9,599,224

**19- Issues**

There are issues facing company from others amounted of JD **1,003,396**, they appear in outstanding claims provision , upon Legal consultant opinion the outstanding claims balance is enough

**20- Contingent Liabilities**

At the date of financial statements there was contingent liabilities represented of Banks Guarantees 84,947 JD

**21- Subsequent events**

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

**22-**

Certain comparative figures were reclassified to conform with the presentation of the current period , according to the instructions of Insurance Authority no. (2) for the year **2003** and to the decesion of Insurance Authority no. (8) for the year **2008**