

Philadelphia Insurance

Co. Ltd.

Jabel El - Hussein - Beer Al Sabea Str.

Tel.: 5668131 - 5668132 - 5668133

Fax: 569 3945

E - mail: phico@phicojo.com

Website: phicojo.com

P. O.Box 8663 Amman 11121 Jordan



شركة فيلادلفيا للتأمين

المساهمة العامة المحدودة

جبل الحسين - شارع بئر السبع

تلفون: ٥٦٦٨١٣١ - ٥٦٦٨١٣٢ - ٥٦٦٨١٣٣

فكسلي: ٥٦٩٣٩٤٥

البريد الإلكتروني: phico@phicojo.com

الموقع الإلكتروني: www.phicojo.com

ص.ب: ٨٦٦٣ عمان ١١١٢١ الاردن

Our Ref. :

Your Ref. :

Date :

اشارتنا : ٢٠١٩ / ٨ / ١٠٤٩

اشارتكم :

التاريخ 2019/7/31

السادة/ هيئة الأوراق المالية المحترمين

عمان

تحية وبعد ،،،

الموضوع : البيانات المالية النصف سنوية كما في 2019/6/31

نرفق لكم لكم طيه البيانات المالية النصف سنوية كما في 2019/6/30 باللغة الإنجليزية مصادق عليها من المدقق الخارجي حسب الأصول .

وتفضلوا بقبول فائق الاحترام،،،

محمد فواز أبولباد

المدير المالي

شركة فيلادلفيا للتأمين
مساهمة عامة المحدودة

رئيس - بورصة عمان

بورصة عمان
المدانيرة الإدارية والمالية
الدسوان

٢٠١٩ - آب - ٤

3880

21018

الجهة المختصة

الرقم المتسلسل

رقم الملف

الجهة المختصة

**Philadelphia Insurance co
(P.S.C)
Amman - The Hashemite Kingdom Of Jordan
Condensed interim consolidated financial statements
as of June 30, 2019**

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

Index

	<u>Page</u>
Independent auditors' report on review of condensed interim consolidated financial statements	1
Condensed interim consolidated financial position	2
Condensed interim consolidated statement of income	3
Condensed interim consolidated statement of comprehensive income	4
Condensed interim consolidated statement of change in owners' equity	5
Condensed interim consolidated statement of cash flows	6
Condensed interim consolidated statement of general insurance underwriting revenue	7
Condensed interim consolidated statement of general insurance cost of claims	8
Condensed interim consolidated statement of general insurance underwriting profit (loss)	9
Notes to condensed interim consolidated financial statements	10-17



Report on the review of the condensed interim Consolidated financial statements

715 19 04

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 30 June 2019, and the related condensed interim Consolidated statements of income, condensed interim Consolidated statements of comprehensive income, changes in equity and cash flows for six-month period ended 30 June 2019 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.

Al Abbasi & Partners Co.

Ahmed M. Abbasi
License No. 710



1

Amman in
30 July 2019

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

Condensed interim consolidated financial position As of June 30,2019

Reviewed not audited

	Note	30-Jun-2019 JD (Reviewed)	31-Dec-2018 JD (Audited)
Assets			
Deposits at banks	4	5,916,077	6,487,521
Financial assets at fair value through income statement	5	13,724	15,172
Financial assets at fair value through other comprehensive income	6	407,586	408,922
payment Investments		11,186	11,186
Total investments		6,348,573	6,922,801
Cash on hand & at banks		109,647	155,543
Notes receivable & cheques under collection - net		221,228	231,127
Accounts receivable - net	7	1,530,871	1,567,052
Due from other reinsurers - net	8	928,836	910,772
Property , plant & equipments - net		258,127	263,791
Intangible assets - Net		23	1,377
Other assets		244,290	213,681
Total		3,293,022	3,343,343
Total assets		9,641,595	10,266,144
Liabilities and owners' equity			
Liabilities			
Unearned premium provision - net		2,708,947	2,552,984
Outstanding claims provision - net		1,474,434	2,172,839
Total technical provisions		4,183,381	4,725,823
Liabilities			
Accounts payable	9	370,285	387,531
Accrued expenses		12,871	35,360
Due to other reinsurers	10	425,337	442,950
Variety provisions		36,516	36,516
Provision for income tax	11	-	-
Other liabilities		794,100	525,777
Total liabilities		1,639,109	1,428,134
Total technical provisions & liabilities		5,822,490	6,153,957
Owners' equity			
Authorized & paid capital		4,000,000	4,000,000
Statutory reserve		784,108	784,108
Fair value reserve	12	(99,067)	(97,731)
Accumulated (loss) r		(574,190)	(574,190)
(Loss) for the period		(291,746)	-
Net owners' equity		3,819,105	4,112,187
Total owners' equity & liabilities		9,641,595	10,266,144

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 Six months ended June 30, 2019

Reviewed not audited

	Note	for the six months ended		for the three months ended	
		30-Jun-2019	30-Jun-2018	30-Jun-2019	30-Jun-2018
		JD	JD	JD	JD
Revenues		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Total written premiums		3,724,335	4,160,365	2,014,778	1,997,712
Deduct: reinsurance share		(382,541)	(424,151)	(184,550)	(211,307)
Net written premiums		3,341,794	3,736,214	1,830,228	1,786,405
Net change in unearned premium provision		(155,963)	8,940	(132,810)	117,319
Net earned premium income		3,185,831	3,745,154	1,697,418	1,903,724
Commissions received		14,057	17,166	4,432	8,258
Issuance fees		109,951	118,483	55,254	56,896
Interests revenues		57,929	73,510	16,081	43,697
Gains (losses) from financial assets & investment	13	2,981	5,172	3,619	4,647
Other revenues due to written accounts		106,081	148,584	43,460	82,590
Other revenues		-	2,005	-	49
Total revenues		3,476,830	4,110,074	1,820,264	2,099,861
Cost of claims					
Claims paid		(4,043,791)	(3,501,108)	(1,908,963)	(1,554,172)
Deduct: recoveries		74,875	120,863	37,145	56,081
Deduct: reinsurance share		289,397	192,988	98,300	64,626
Net claims paid		(3,679,519)	(3,187,257)	(1,773,518)	(1,433,465)
Net change in outstanding claims provision		698,405	24,668	276,717	(251,169)
Allocated employees expenses		(267,821)	(262,238)	(141,685)	(138,400)
Allocated administrative expenses		(110,699)	(158,013)	(54,803)	(74,990)
excess of loss		(84,655)	(54,617)	(55,982)	(27,309)
Acquisition policies fees		(235,740)	(173,277)	(170,383)	(80,084)
Other expenses due to written accounts		(359)	(262)	1,431	(52)
Net claims		(3,680,388)	(3,810,996)	(1,918,223)	(2,005,469)
administrative expenses		(27,675)	(39,829)	(13,701)	(8,869)
Employees expenses		(66,955)	(66,863)	(35,421)	(46,107)
Depreciation & amortization		(10,909)	(8,000)	(6,675)	(4,113)
Provision For impairment for debtor		17,351	(25,000)	8,223	(17,500)
Total expenses		(3,768,576)	(3,950,688)	(1,965,797)	(2,082,058)
(Loss)Profit for the period before tax		(291,746)	159,386	(145,533)	17,803
incomeTax	11	-	(44,712)	-	(14,612)
(Loss)Profit for the period		(291,746)	114,674	(145,533)	3,191
		Fils/Dinar	Fils/Dinar	Fils/Dinar	Fils/Dinar
Basic and diluted(Loss) per share	14	(0.073)	0.029	(0.036)	0.001

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 Six months ended June 30, 2019

Reviewed not audited

	for the six months ended		for the three months ended	
	30-Jun-2019	30-Jun-2018	30-Jun-2019	30-Jun-2018
	JD	JD	JD	JD
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
(Loss)Profit for the period after tax	(291,746)	114,674	(145,533)	3,191
change in fair value for the financial assets through income statement	(1,336)	(10,635)	5,020	(57,773)
Total comprehensive income for the period	(293,082)	104,039	(140,513)	(54,582)

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 Six months ended June 30, 2019

Reviewed not audited

Description	Capital		Statutory reserve	Fair value reserve	Realized	Unrealized	Accumulated (loss)		(loss) Profit for the period		Net	
	JD	JD					JD	JD	JD	JD		JD
For the Six months ended June 30, 2019												
Balance as of January 1, 2019 (Audited)	4,000,000		784,108	(97,731)	(573,103)	(1,087)	(574,190)	-	-	-	4,112,187	
(Loss) for the period	-	-	-	-	-	-	-	-	(291,746)	(291,746)	(291,746)	
Fair value reserve	-	-	-	(1,336)	-	-	-	-	-	-	(1,336)	
Balance as of June 30, 2019 (Reviewed)	4,000,000		784,108	(99,067)	(573,103)	(1,087)	(574,190)	(291,746)	(291,746)	(291,746)	3,819,105	
For the Six months ended June 30, 2018												
Balance as of January 1, 2018 (Audited)	4,000,000		784,108	(354)	3,403	(242,648)	(239,245)	-	-	-	4,544,509	
Profit for the period	-	-	-	-	-	-	-	114,674	114,674	114,674	114,674	
Fair value reserve	-	-	-	(32,549)	-	-	-	-	-	-	(32,549)	
Balance as of June 30, 2018 (Reviewed)	4,000,000		784,108	(32,903)	3,403	(242,648)	(239,245)	114,674	114,674	114,674	4,626,634	

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 Six months ended June 30, 2019**

Reviewed not audited

	Note	30-Jun-2019 JD	30-Jun-2018 JD
<u>Cash flows from operating activities</u>		(Reviewed)	(Reviewed)
(Loss) for the period before tax		(291,746)	159,386
<u>Adjustment:</u>			
Depreciation		10,909	8,000
Net change in unearned premium provision		155,963	(8,940)
Net change in outstanding claims provision		(698,405)	(24,668)
Unrealized (gains) losses of financial assets at fair value through income statement		1,448	1,910
Operating income (loss) Profit before changes in working capital		(821,831)	135,688
<u>Changes in assets & liabilities</u>			
Notes receivable & cheques under collection		9,899	(99,072)
Accounts receivable		36,181	(397,605)
Due from other reinsurers		(18,064)	271,273
Other assets		(30,609)	(56,900)
Accounts payable		(17,246)	6,150
Accrued expenses		(22,489)	(21,549)
Due to other reinsurers		(17,613)	103,208
Other liabilities		268,323	174,417
Net cash flows (used in) provided from operating activities Before paid tax		(613,449)	115,610
Paid tax		-	(37,529)
Net cash flows provided (used in) Provided from operating activities		(613,449)	78,081
<u>Cash flows from investing activities</u>			
Acquisitions of property , plant & equipments		(3,891)	(4,781)
Acquisitions of intangible assets		-	(500)
Net cash flows (used In) investing activities		(3,891)	(5,281)
Net (dcrease) increas in cash		(617,340)	72,800
Cash on hand and at banks at beginning of period		6,418,064	6,864,507
Cash on hand and at banks at end of period	15	5,800,724	6,937,307

The accompanying notes form is an integral part of these statements

Philadelphia Insurance co
Public Shareholder company

Amman - The Hashemite Kingdom Of Jordan

Condensed interim Consolidated General Insurance Underwriting Revenue For the Six months ended June 30, 2019 (Reviewed not audited)

Discription	Motor		Marine & transport		Fire & other damage to property		Liability		Medical		Other Branches		Total			
	JD	30-June-2019	JD	30-June-2018	JD	30-June-2019	JD	30-June-2018	JD	30-June-2019	JD	30-June-2018	JD	30-June-2019	JD	30-June-2018
<u>Written premiums</u>																
Direct insurance	3,057,036	3,205,212	1,790	20,582	37,275	46,112	2,995	1,350	316,545	446,296	3,924	5,408	3,419,565	3,724,960		
Reinsurance inward business	304,770	434,847	-	-	-	558	-	-	-	-	-	-	304,770	435,405		
Total premiums	3,361,806	3,640,059	1,790	20,582	37,275	46,670	2,995	1,350	316,545	446,296	3,924	5,408	3,724,335	4,160,365		
<u>Less:</u>																
Local reinsurer share	(345,028)	(374,349)	-	-	(32,301)	-	-	-	-	-	-	-	(377,329)	(374,349)		
Foreign reinsurer share	-	-	(1,511)	(4,914)	-	(43,500)	-	-	-	-	(3,701)	(1,388)	(5,212)	(49,802)		
Net written premiums	3,016,778	3,265,710	279	15,668	4,974	3,170	2,995	1,350	316,545	446,296	223	4,020	3,341,794	3,736,214		
<u>Add: Balance at beginning of the year</u>																
Unearned premiums reserve																
Un expired risks reserve	2,579,733	2,950,391	671	3,962	67,628	43,361	2,120	1,573	221,863	501,630	4,573	3,225	2,876,588	3,504,142		
Less: Reinsurer share	(258,526)	(143,730)	(525)	(3,239)	(62,174)	(39,178)	-	-	-	-	(2,379)	(1,092)	(323,604)	(187,239)		
Net unearned premium reserve	2,321,207	2,806,661	146	723	5,454	4,183	2,120	1,573	221,863	501,630	2,194	2,133	2,552,984	3,316,903		
<u>Less: Balance at ending of the year</u>																
Unearned premiums reserve																
Un expired risks reserve	2,672,480	2,959,174	103	2,234	49,102	43,891	1,098	590	263,565	511,623	3,761	3,636	2,990,109	3,521,148		
Less: Reinsurer share	(233,433)	(171,349)	(82)	(1,841)	(45,066)	(39,116)	-	-	-	-	(2,581)	(879)	(281,162)	(213,185)		
Net unearned premium reserve	2,439,047	2,787,825	21	393	4,036	4,775	1,098	590	263,565	511,623	1,180	2,757	2,708,947	3,307,963		
Change in Unearned premiums reserve	(117,840)	18,836	125	330	1,418	(592)	1,022	983	(41,702)	(9,993)	1,014	(624)	(155,963)	8,940		
Net earned revenue from written premiums	2,898,938	3,284,546	404	15,998	6,392	2,578	4,017	2,333	274,843	436,303	1,237	3,396	3,185,831	3,745,154		

Philadelphia Insurance co
Public Shareholder company

Amman - The Hashemite Kingdom Of Jordan

Condensed interim consolidated statement of general insurance cost of claims For the Six months ended June 30, 2019 (Reviewed not audited)

Description	Motor		Marine & transport		Fire & other damage to property		Liability		Medical		Other Branches		Total	
	JD	30-Jun-2019	JD	30-Jun-2019	JD	30-Jun-2019	JD	30-Jun-2019	JD	30-Jun-2019	JD	30-Jun-2019	JD	30-Jun-2019
	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018
<u>claims</u>														
Paid claims	3,675,877	3,054,792	-	74,434	22,221	-	293,480	424,095	-	-	-	-	4,043,791	3,501,108
<u>Less:</u>														
Recoveries	(56,510)	(99,741)	-	-	-	-	(18,365)	(21,122)	-	-	-	-	(74,875)	(120,863)
Reinsurer share	(121,825)	(136,535)	-	-	-	-	-	-	-	-	-	-	(121,825)	(136,535)
Foreign reinsurer share	(101,183)	(39,150)	-	(66,389)	(17,303)	-	-	-	-	-	-	-	(167,572)	(56,453)
Net paid claims	3,396,359	2,779,366	-	8,045	4,918	-	275,115	402,973	-	-	-	-	3,679,519	3,187,257
Add:														
<u>Outstanding claims reserve at end of the year</u>														
RCR	4,236,349	4,279,235	27,028	360,759	206,495	883	2,562	24,986	426	426	426	426	4,720,654	4,540,732
IBNER	844,947	704,166	138	11,284	8,851	60	271	31,758	-	-	-	-	882,671	747,749
<u>Less:</u>														
Reinsurer share	(2,596,910)	(1,751,600)	(20,622)	(314,390)	(173,098)	-	-	-	(298)	(298)	(298)	(298)	(2,932,220)	(1,945,618)
Reinsurer share IBNER	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recoveries	(1,196,671)	(1,292,023)	-	-	-	-	-	-	-	-	-	-	(1,196,671)	(1,292,023)
Net reported outstanding claims reserve at end of the year	1,287,715	1,939,778	6,544	57,653	42,248	943	2,833	56,744	128	128	128	128	1,474,434	2,050,840
RCR	442,768	1,235,612	6,406	46,369	33,397	883	2,562	24,986	128	128	128	128	591,763	1,303,091
IBNER	844,947	704,166	138	11,284	8,851	60	271	31,758	-	-	-	-	882,671	747,749
<u>Less:</u>														
Outstanding Claims Reserve At Beginning Of The Year	4,852,136	4,082,708	27,028	414,366	151,316	1,413	2,280	21,786	426	426	426	426	5,321,073	4,285,544
RCR	844,947	704,166	138	11,284	8,851	60	271	53,219	-	-	-	-	968,165	769,210
<u>Less:</u>														
Reinsurer share	(2,529,102)	(1,580,490)	(20,622)	(363,387)	(138,629)	-	-	-	(298)	(298)	(298)	(298)	(2,913,409)	(1,740,039)
Reinsurer share IBNER	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recoveries	(1,202,990)	(1,239,206)	-	-	-	-	-	-	-	-	-	-	(1,202,990)	(1,239,206)
Net Unreported Outstanding Claims Reserve At Beginning Of The Year	1,964,991	1,967,178	6,544	62,263	21,538	1,473	2,551	75,005	128	128	128	128	2,172,839	2,075,509
Net claims cost	2,719,083	2,751,966	-	3,435	25,628	(530)	282	384,712	-	-	-	-	2,981,114	3,162,588

Philadelphia Insurance co
Public Shareholder company

Anman - The Hashemite Kingdom Of Jordan

Condensed interim consolidated statement of general insurance underwriting profit for the six months ended June 30, 2019 (Reviewed not audited)

Description	Motor		Marine & transport		Fire & other damage to property		Liability		Medical		Other Branches		Total	
	JD	30-Jun-2019	JD	30-Jun-2019	JD	30-Jun-2019	JD	30-Jun-2019	JD	30-Jun-2019	JD	30-Jun-2019	JD	30-Jun-2019
	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018	30-Jun-2018
Net earned revenue from written premiums	2,898,938	3,284,546	404	15,998	6,392	2,578	4,017	2,333	274,843	436,303	1,237	3,396	3,185,831	3,745,154
Less :														
Net claims cost	2,719,083	2,751,966	-	3,435	3,435	25,628	(530)	282	259,126	384,712	-	-	2,981,114	3,162,588
Add:														
Commissions received	-	7	544	1,852	11,370	9,777	-	-	-	-	2,143	5,530	14,057	17,166
Insurance policies issuance fees	76,833	84,661	99	1,232	5,891	5,618	329	150	26,322	26,165	477	657	109,951	118,483
Investment income attributable to subscription accounts	-	-	500	-	-	-	-	-	105,581	148,584	-	-	106,081	148,584
Other revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net revenues	256,688	617,248	1,547	19,082	20,218	-7,655	4,876	2,765	147,620	226,340	3,857	9,583	434,806	866,799
Less:														
Commissions paid	115,403	118,299	193	19	2,108	779	-	54	118,025	54,126	11	-	235,740	173,277
Excess of loss premiums	84,655	54,617	-	-	-	-	-	-	-	-	-	-	84,655	54,617
Allocated general & administration expenses	341,675	367,694	182	2,079	3,788	4,714	304	136	32,172	45,082	399	546	378,520	420,251
Other allocated expenses	-	-	29	20	194	186	6	-	-	-	130	56	359	262
Total expenses	541,733	540,610	404	2,118	6,090	5,679	310	190	150,197	99,208	540	602	699,274	648,407
Underwriting profit (loss)	(285,045)	76,638	1,143	16,964	14,128	(13,334)	4,566	2,575	(2,577)	127,132	3,317	8,981	(264,468)	218,392

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 4,000,000 Divided into 4,000,000 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

The Condensed interim consolidated financial statements were approved by the board of directors at its meeting held on 30 July 2019 it is not subject to the approval of the General Assembly of Shareholders .

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, 2018 , in addition, The results for the Six months period ended June 30, 2019 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2019

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 30 June 2019 were as follows:

Name of the Company	Assets	Liability	Revenue
Philadelphia for real and financial development	360,655	2,707	3,312

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

* **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 :

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

3- **Significant accounting policies**

The preparation of interim condensed financial information requires to use of significant and specific accounting estimates It also requires management to use its own judgment in the process of applying accounting policies, The significant estimates and assumptions used in the preparation of the financial statements have been disclosed in note No. (2)

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

Change in accounting policies

During the period, the company applied the following adjusted standard and improvements on the (IFRS) Which takes effect for the periods start at January 1,2019

- (IFRS 16 - Rents)
- Interpretations No (23) from Interpretations Committee for IFRS On uncertainties about tax treatment
- Adjustments on (IFRS 9) Financial instruments, Advantages of prepayments with negative
- Adjustments on (IFRS 28) Investments in associates and Joint ventures, Long-term quotas in Sister
- Adjustment on (IFRS 19) Staff benefits, Modification or settlement of the plan
- Adjustment on different standards on the basis of the annual improvements on the IFRS 2015-2017

The company does not expect to have to apply of new and revised IFRSs and improvements to IFRSs have no significant impact on the interim condensed financial statements

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

Notes to condensed interim consolidated financial statements - reviewed not audited

4- Deposits at banks

This item consists of :

	30-Jun-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Deposits at banks	5,916,077	6,487,521
Total	5,916,077	6,487,521
Deposits are maturing within one month	2,602,166	2,479,444
Deposits maturing after one to three months	1,136,374	1,751,653
Deposits are due after more than three months and up to one year	2,177,537	2,256,424
	5,916,077	6,487,521

Interest rate on JD deposit at banks ranging between 2.5 % to 6 % and of USD deposits between 0.35% to 1.5% , 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 June 30, 2019 and December 31,2018 at Arab bank

5- Financial assets at fair value through income statement

This item consists of :

	30-Jun-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Insid Jordan		
Stocks Listed in Amman stock Exchange	13,724	15,172
Total	13,724	15,172

6- Financial assets at fair value through other comprehensive income

This item consists of :

	30-Jun-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Insid Jordan		
Stocks Listed in Amman stock Exchange	407,586	408,922
Total	407,586	408,922

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

Amman - The Hashemite Kingdom Of Jordan

Notes to condensed interim consolidated financial statements - reviewed not audited

7- Accounts receivable - net

A. This item consists of :

	<u>30-Jun-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
Policies compaign receivable	2,010,371	1,978,173
Agents receivable	47,916	81,104
brokers receivables	7,532	4,780
Employees receivable	10,413	8,845
Board of Directors receivables	10,596	7,388
Suppliers receivables	2,909	3,368
Total	2,089,737	2,083,658
Deduct : Provision for receivable debts impairment	(558,866)	(516,606)
Net	1,530,871	1,567,052

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

	<u>30-Jun-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
Balance beginning of the period/year	516,606	433,955
Effect of application of (IFRS No 9)	42,260	78,500
Adjusted opening Balance	558,866	512,455
Additions for the period / year	-	4,151
Balance ending of the period/year	558,866	516,606

8- Due from other reinsurers - net

A. This item consists of :

	<u>30-Jun-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
Local insurance co. receivable	717,872	573,427
foreign reinsurers co. receivable	316,944	502,911
Total	1,034,816	1,076,338
Deduct : Provision for reinsurers debts impairment	(105,980)	(165,566)
Net	928,836	910,772

B. Transaction of provision for reinsurers debts inpairment during the period represents of :

	<u>30-Jun-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
Balance beginning of the period/year	165,566	123,150
Effect of application of (IFRS No 9)	-	33,773
Adjusted opening Balance	165,566	156,923
Additions for the period / year	(59,586)	8,643
Balance ending of the period / year	105,980	165,566

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

Amman - The Hashemite Kingdom Of Jordan

Notes to condensed interim consolidated financial statements - reviewed not audited

9- Accounts payable

This item consists of :

	<u>30-Jun-2019</u> JD (Reviewed)	<u>31-Dec-2018</u> JD (Audited)
Agents Payable	30,795	22,674
Employees Payable	613	340
brokers Payable	44,151	39,268
Trade payable	86,038	97,004
Medical network Payable	8,128	22,197
Garages payable	189,965	195,453
Board of Directors Payable	10,595	10,595
Total	<u><u>370,285</u></u>	<u><u>387,531</u></u>

10- Due to other reinsurers

This item consists of :

	<u>30-Jun-2019</u> JD (Reviewed)	<u>31-Dec-2018</u> JD (Audited)
Local insurance co. payable	395,384	255,040
Foreign reinsurers co. payable	29,953	187,910
Total	<u><u>425,337</u></u>	<u><u>442,950</u></u>

11- Income tax

A- This item consists of :

	<u>30-Jun-2019</u> JD (Reviewed)	<u>31-Dec-2018</u> JD (Audited)
Balance beginning of the period / year	(2,931)	37,529
Paid tax during the period / year	-	(37,529)
semi annual Paid tax during the period / year	-	(4,567)
Income tax for the period / year	-	1,636
Balance ending of the period / year(Other asset)	<u><u>(2,931)</u></u>	<u><u>(2,931)</u></u>

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

Amman - The Hashemite Kingdom Of Jordan

Notes to condensed interim consolidated financial statements - reviewed not audited

B- Income tax appearing in the statement of income represents the following:

	30-Jun-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Income tax payable on profit for the period	-	1,636
Balance ending of the period / year	-	1,636

- The self-assessment for 2015,2016,2017 and 2018 was presented to the Income and Sales Tax Department within the specified period and has not yet been reviewed
- According to the management of the company, there is no need to create an income tax provision for the period ended 30 June 2019.

12- **Fair value reserve**

This item consists of :

	30-Jun-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Balance beginning of the period/year	(97,731)	(354)
Net changes in fair value during the period / year	(1,336)	(97,377)
Balance ending of the period/year	(99,067)	(97,731)

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

This item consists of :

	30-Jun-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Reviewed)
Dividends profit	4,429	7,082
Change in fair value for financial assets through income statement	(1,448)	(1,910)
Total	2,981	5,172

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 (loss) earning per share

(Loss) Profit per share is calculated by dividing the (loss) profit of the period by the weighted average number of shares during the year and its statement as follows:

	30-Jun-2019	30-Jun-2018
	JD	JD
	(Reviewed)	(Reviewed)
(Loss) Profit for the period	(291,746)	114,674
Weighted average shares (share)	4,000,000	4,000,000
Basic and diluted earning (Loss) per share	(0.073)	0.029

15- Cash and cash equivalents

This item consists of :

	30-Jun-2019	30-Jun-2018
	JD	JD
	(Reviewed)	(Audited)
Cash on hand and balances with banks	452,464	128,972
Deposits with banks	5,573,260	6,871,934
Total	6,025,724	7,000,906
deposited upon request for general manager of Insurance Authority	(225,000)	(225,000)
Total	5,800,724	6,775,906

16- Related parties transactions

Realated parties include key shareholders , key management personnel , key managers , associates and

	30-Jun-2019	30-Jun-2018
	JD	JD
	(Reviewed)	(Reviewed)
Wages & other benefits	164,177	119,776

Philadelphia Insurance co
(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

	30-Jun-2019	30-Jun-2018
	JD	JD
	(Reviewed)	(Reviewed)
Total of Revenue	3,724,335	4,160,365
	30-Jun-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Total of Assets	9,641,595	10,266,144

18- Issues

There are cases against the company to claim damages for accidents in the Jordanian courts as of June 30, 2019. According to the legal department, the company has not incurred any obligations exceeding the amounts allocated to it within the allocation of claims under settlement as of 30 June 2019.

19- Contingent Liabilities

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

21- Subsequent events

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

22- Comparative

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