

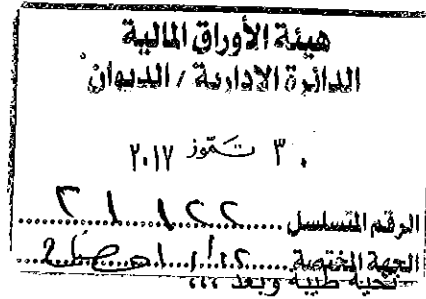
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التاريخ : ٠٦ ذو القعدة ١٤٣٨
الموافق : ٣٠ تموز ٢٠١٧

أ. م. م. م. م.
س. م. م. م.
س. م. م. م.
٢٠١٧



عطوفة رئيس هيئة الاوراق المالية الاكرم

الموضوع : التقرير نصف السنوي لعام ٢٠١٧



إشارة الى تعليمات افصاح الشركات المصدرة والمعايير المحاسبية ومعايير التدقيق لسنة ٢٠٠٨ ، الصادرة عن مجلس مفوضي هيئة الاوراق المالية ، وتطبيقا لاحكام المادة (٢-١/٤٣) من قانون الاوراق المالية التي توجب على مصدري الاوراق المالية ان يقدموا الى هيئة الاوراق المالية تقاريرهم الدورية .

تجدون طيا ما يلي :

١. نسخة من البيانات المالية للشركة الاردنية لضمان القروض كما في ٣٠ حزيران ٢٠١٧ باللغتين العربية والانجليزية ، بالاضافة الى نسخة من هذه البيانات على القرص المدمج المرفق (CD) .
٢. نسخة من البيانات المالية للشركة كما في ٣١ آذار ٢٠١٧ باللغة الانجليزية .
٣. ملخص موجز عن اهم نشاطات وانجازات الشركة خلال النصف الاول من العام الحالي .
٤. صورة عن نشر البيانات المالية للشركة الاردنية لضمان القروض كما في ٢٠١٧/٦/٣٠ في جريدة الغد الصادرة بتاريخ ٢٠١٧/٧/٣٠ في الصفحة رقم ٢٣ من العدد ٤٦٥٩ .

ص.ب ٨٣٠٧٠٣
عمان ١١١٨٣ الاردن
هاتف ٥٦٢٥٤٠٠
فاكس ٥٦٢٥٤٠٨

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لضمان القروض م.ع.م.
شركة الاعمال الصغيرة الأردنية صورة عن نشر الملخص الموجز في الصحف التالية ، علما بان النشر تم بتاريخ
٢٠١٧/٧/٣٠ .

(أ) جريدة الراي في الصفحة رقم ٢٩ من العدد ١٧٠٤٢ .

(ب) جريدة الغد في الصفحة رقم ١٣ من العدد ٤٦٥٩ .

وتفضلوا بقبول فائق الاحترام ،،،

السيد عيسى الطرايرة

السيدة ريم الحجاج

مدير الدائرة المالية

رئيس قسم المالية



لضمان القروض م.ع.م.
شركة الاعمال الصغيرة الأردنية

مرفق

ص.ب ٨٣٠٧٠٣
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هاتف ٥٦٢٥٤٠٠
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النتائج التشغيلية للشركة الاردنية لضمان القروض

تعكس أثر مبادرات البنك المركزي ضمن توصيات مجلس السياسات الاقتصادية

حققت الشركة الاردنية لضمان القروض قفزة واضحة في ايراداتها خلال النصف الاول من عام ٢٠١٧ حيث وصلت الى ١,٤ مليون دينار مقارنة بـ ٠,٨٥ مليون دينار خلال النصف الاول من عام ٢٠١٦ وبنسبة نمو مقدارها ٦٤%. وقد بلغت الايرادات التشغيلية ٦٦٧ ألف دينار مقابل ٥١٩ ألف دينار خلال النصف الاول من عام ٢٠١٦، فيما بلغت الايرادات الاستثمارية ٧١٤ ألف دينار بالمقارنة مع ٣١٧ ألف دينار خلال الفترة ذاتها من عام ٢٠١٦.

وحققت الشركة خلال النصف الاول من العام الحالي أرباحا صافية قبل الضريبة مقدارها ٤٢٣ ألف دينار مقابل ٢٦٣ ألف دينار خلال النصف الاول من عام ٢٠١٦ وبنسبة نمو مقدارها ٦١%، في حين بلغ مجموع موجودات الشركة ١٤٥,٣ مليون دينار في نهاية النصف الاول من هذا العام مقارنة بـ ٧٢,٤ مليون دينار مع نهاية عام ٢٠١٦. أما حقوق المساهمين فقد بلغت ٣٣,٩ مليون دينار مقارنة بـ ٣٣,٥ مليون دينار في نهاية عام ٢٠١٦. وعلى الجانب الاخر، بلغ حجم التعويضات التي قامت الشركة بدفعها خلال تلك الفترة ٣٨٠ ألف دينار مقابل ٣٩٠ ألف دينار خلال الفترة المماثلة من العام الماضي وبانخفاض نسبته ٢,٥%، علما بأنه تم استرداد ما مجموعه ٢٦١ ألف دينار (أي ما نسبته ٦٩% من أصل تلك التعويضات).

وفي تعليقه على نتائج أعمال الشركة، صرح المدير العام للشركة الدكتور محمد الجعفري أن الشركة ماضية في تنفيذ برامجها الطموحة، وتحقيق غاياتها التأسيسية وأهداف برامجها المؤسسية، بالرغم من الظروف الاقتصادية والسياسية الصعبة التي تمر بها المنطقة والتي أثرت سلباً على المملكة. يأتي ذلك، مع الالتزام بنفس الوقت بالدور التنموي الهام الذي تضطلع به الشركة في خدمة الاقتصاد الوطني برعاية ودعم من البنك المركزي وانسجاماً مع توصيات مجلس السياسات الاقتصادية والسياسة العامة للدولة.

وبين الدكتور الجعفري أن الشركة الأردنية لضمان القروض قدمت خلال النصف الاول من عام ٢٠١٧ ضمانات إنتمان لـ ١٠٢٥ قرصاً للمشروعات الصغيرة والمتوسطة بلغت قيمتها الاسمية حوالي ٥٤ مليون دينار، مقابل ٦٠٨ قرص مضمون خلال النصف الاول من عام ٢٠١٦ بلغ مجموعها ٣٣ مليون دينار وبنسبة نمو حوالي ٦٤%. كما قامت الشركة بمنح الضمان لـ ٣٠٠ شحنة تصديرية بقيمة حوالي ٢٠ مليون دينار

و١٢٦ شحنة مبيعات محلية بقيمة حوالي مليوني دينار أي ما مجموعه ٤٢٦ شحنة بقيمة اجمالية تجاوزت الـ ٢٢ مليون دينار مقارنة بـ ٣١٤ شحنة خلال النصف الاول من عام ٢٠١٦ والتي بلغت أحجامها نفس القيمة تقريباً . علماً بأن العمل بتوسيع نطاق تغطية ضمان ائتمان الصادرات بدأ خلال الربع الثاني من هذا العام وبعد تحويل مبلغ ٧٢ مليون دينار أردني للشركة من أصل ١٠٠ مليون دينار خصصها البنك المركزي لرفع القدرة التأمينية للصادرات الوطنية من خلال برنامج ضمان ائتمان الصادرات الذي تديره الشركة منذ عام ١٩٩٩ .

وأوضح الدكتور الجعفري أن الشركة ماضية في أداء دورها التنموي انفاذا لتوصيات مجلس السياسات الاقتصادية، والتي من أهمها زيادة حجم البرنامج المخصص لضمان القروض الناشئة من ٥٠ مليون دينار ليصل الى ١٠٠ مليون دينار بدعم من البنك المركزي. ويعمل البرنامج على ضمان الائتمان الممنوح للشركات الناشئة، وبمبلغ ضمان يصل الى ١٠٠ ألف دينار للمشروع الواحد، والمخصص لدعم المشاريع الانتاجية في القطاعات المختلفة، مع اعطاء الاولوية للمشاريع الريادية والمشاريع خارج العاصمة، بالإضافة للمشاريع المدارة من قبل السيدات. علماً بأن عدد القروض الممنوحة ضمن هذا البرنامج بلغ ٥٤ قرصاً من أصل ٧٥ قرصاً استهدفها البرنامج تحقيقها خلال العام الحالي ٢٠١٧ .

كما أوضح الدكتور الجعفري أن الشركة الاردنية لضمان القروض بصدد استكمال الاجراءات النهائية لتأسيس شركة الصندوق الاردني للريادة برأسمال ٩٨ مليون دولار أمريكي بمساهمة ٥٠ مليون دولار من البنك الدولي للانشاء والتعمير و٤٨ مليون دولار من البنك المركزي الاردني . ويهدف الصندوق الى المساهمة المباشرة في المشاريع الريادية الابتكارية لمساعدتها على البدء بنشاطها وتنمية أعمالها لتعزيز فرص نجاحها ووفق مفهوم رأس المال المبادر (Venture Capital). كما تسعى الشركة الى رفع سقف الضمان لبرنامج التمويل الصناعي والخدمات من ٥٥٠ ألف دينار الى مليون دينار للمشروع الواحد بالتنسيق مع وزارة التخطيط والتعاون الدولي لتأمين مبلغ ١٠ مليون دينار من الدول المانحة من أجل تغطية هذه الزيادة.

Jordan Loan Guarantee Corp.
Public Shareholding Company

Condensed Interim Financial Statements (Not Audited)
31 March 2017

Arab Professionals

(Member firm within of Grant Thornton International Ltd)

Jordan Loan Guarantee Corp.
Public Shareholding Company

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Report on Review of Condensed Interim Financial Statements

To The Board of Directors
Jordan Loan Guarantee Corp.
Public Shareholding Company
Amman - Jordan

Introduction

We have reviewed the accompanying condensed interim financial statements of Jordan Loan Guarantee Corp., comprising the interim statement of financial position as at 31 March 2017 and the related interim statement of profit or loss, interim statement of comprehensive income, interim statement of changes in equity and interim statement of cash flows for the three-months period then ended and the notes about condensed interim financial statements. Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with International Accounting Standard number (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements (2410) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial statement consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements as at 31 March 2017 are not prepared, in all material respects, in accordance with International Accounting Standard number (34) "Interim Financial Reporting".

27 April 2017
Amman - Jordan



Ibrahim Hammoudeh
(License No. 606)
Arab Professionals

**Jordan Loan Guarantee Corp.
Public Shareholding Company**
Interim Statement of Financial Position as at 31 March 2017
(In Jordanian Dinar)

	Note	31 March 2017	31 December 2016
Assets			
Cash and cash equivalents		27,297,431	26,556,420
Restricted bank deposits		23,381,165	23,274,359
Restricted financial assets measured at amortized cost		84,493,282	12,578,848
Financial assets measured at fair value through other comprehensive income		778,139	776,410
Financial assets measured at amortized cost		3,590,769	4,590,356
Receivables and other current assets		1,349,604	707,394
Deferred tax assets		794,050	763,344
Property and equipment		3,250,888	3,217,656
Total assets		144,935,328	72,464,787
Liabilities and equity			
Liabilities			
Provisions against loans guarantee	4	5,127,831	4,792,966
Central bank of Jordan loan – industrial loans guarantees program		5,160,695	5,160,695
Central bank of Jordan loan – export credit guarantees program		71,949,409	-
Payables and other current liabilities		1,124,505	1,077,591
Ministry of planning withholdings		1,248,500	1,248,500
Startup micro projects loans		26,498,958	26,498,958
Income tax provision		136,701	100,676
Total liabilities		111,246,599	38,879,386
Equity			
Paid in capital		29,080,310	29,080,310
Statutory reserve		1,526,945	1,526,945
Voluntary reserve		2,204,824	2,204,824
Fair value adjustments		111,258	109,615
Retained earnings		765,392	663,707
Total equity		33,688,729	33,585,401
Total liabilities and equity		144,935,328	72,464,787

"The accompanying notes from (1) to (7) are an integral part of these condensed interim financial statements and read with review report"

Jordan Loan Guarantee Corp.
Public Shareholding Company
Interim Statement of Profit or Loss For the Three Months Ended at 31 March 2017

(In Jordanian Dinar)

	31 March 2017	31 March 2016
Revenues		
Interest income	249,152	76,273
Bonds interest income	72,966	55,101
Commissions on guaranteed loans	222,941	177,626
Commissions on guaranteed exports and domestic buyers	14,892	18,766
Commissions on guaranteed industrial loans and financial leasing	76,970	55,594
Dividends income	47,247	45,000
Other revenues	7,976	6,837
Total revenues	692,144	435,197
Deduct :		
Administrative expenses	308,854	273,124
(Unneeded) provisions against loans guarantee	228,674	(16,024)
Provision against end of service indemnity	5,425	5,298
Profit for the period before income tax	149,191	172,799
Income tax for the period	(47,506)	(24,484)
Profit for the period	101,685	148,315
 Basic and diluted earnings per share	 0.004	 0.015

"The accompanying notes from (1) to (7) are an integral part of these condensed interim financial statements and read with review report"

Jordan Loan Guarantee Corp.
Public Shareholding Company
Interim Statement of Comprehensive Income For the Three Months Ended at 31 March 2017
(In Jordanian Dinar)

	31 March 2017	31 March 2016
Profit for the period	101,685	148,315
Other comprehensive income:		
Changes in fair value of financial assets through other comprehensive income	1,643	-
Total comprehensive income for the period	<u>103,328</u>	<u>148,315</u>

"The accompanying notes from (1) to (7) are an integral part of these condensed interim financial statements and read with review report"

Jordan Loan Guarantee Corp.
Public Shareholding Company
Interim Statement of Changes in Equity For the Three Months Ended at 31 March 2017
(In Jordanian Dinar)

	Paid in capital	Reserves		Fair value adjustments	Retained earnings	Total
		Statutory	Voluntary			
Balance at 1 January 2017	29,080,310	1,526,945	2,204,824	109,615	663,707	33,585,401
Total comprehensive income for the period	-	-	-	1,643	101,685	103,328
Balance at 31 March 2017	29,080,310	1,526,945	2,204,824	111,258	765,392	33,688,729
Balance at 1 January 2016	10,000,000	1,483,583	2,204,824	112,243	889,542	14,690,192
Dividends paid	-	-	-	-	(300,000)	(300,000)
Total comprehensive income for the period	-	-	-	-	148,315	148,315
Balance at 31 March 2016	10,000,000	1,483,583	2,204,824	112,243	737,857	14,538,507

"The accompanying notes from (1) to (7) are an integral part of these condensed interim financial statements and read with review report"

Jordan Loan Guarantee Corp.
Public Shareholding Company
Interim Statement of Cash Flows For the Three Months Ended at 31 March 2017

(In Jordanian Dinar)

	31 March 2017	31 March 2016
Operating Activities		
Profit for the period before income tax	149,191	172,799
Depreciation	24,117	23,000
Provision against end of service indemnity	5,425	5,298
Provision against loans guarantees	303,513	25,059
Change in working capital		
Receivables and other current assets	(642,210)	(154,911)
Payables and other current liabilities	41,489	93,599
Net loans guarantee	31,352	(168,801)
Paid income tax	(42,273)	(2,254)
Net Cash Flows Used in Operating Activities	<u>(129,396)</u>	<u>(6,211)</u>
Investing Activities		
Property and equipment	(57,349)	(788)
Financial assets measured at amortized cost	999,587	(373)
Net Cash Flows From (Used in) Investing Activities	<u>942,238</u>	<u>(1,161)</u>
Financing Activities		
Restricted bank deposits	(106,806)	(10,211,262)
Startup micro projects loans	-	10,320,309
Restricted financial assets measured at amortized cost	(71,914,434)	-
Central bank of Jordan loan – export credit guarantees program	71,949,409	-
Net Cash Flows (Used in) From Financing Activities	<u>(71,831)</u>	<u>109,047</u>
Net change in cash and cash equivalents	741,011	101,675
Cash and cash equivalents, beginning of the year	26,556,420	8,733,702
Cash and cash equivalents, end of the period	<u>27,297,431</u>	<u>8,835,377</u>

"The accompanying notes from (1) to (7) are an integral part of these condensed interim financial statements and read with review report"

**Jordan Loan Guarantee Corp.
Public Shareholding Company**
Notes to the Condensed Interim Financial Statements (Not Audited)
31 March 2017

(In Jordanian Dinar)

1. General

Jordan Loan Guarantee Corp. is a public shareholding company incorporated on 26 March 1994. The company was formed as successor to the Loan Guarantee Project as result of the Council of ministers' decision that transferred all accounts and assets of the project to the Central Bank of Jordan in preparation for the establishment of a public shareholding company for loan guarantee. The Company head office is in the Hashemite Kingdom of Jordan.

The company's goals include providing guarantees to fully or partially cover loans of different types, granted by banks and financial institutions for the establishing, expanding, and raising the productive and marketing capacity of economic projects with the aim of creating job opportunities and securing possibilities for earning or saving foreign reserves. The company's goals also include extending guarantees required to cover risks in the field of Jordanian export sector.

The accompanying condensed interim financial statements have been approved for issue by the Company's Board of Directors on 27 April 2017.

2. Summary of Significant Accounting Policies

Basis of Preparation

The condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standard number (34) "Interim Financial Reporting". They do not include all of the information required in annual financial statements in accordance with IFRSs, and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2017.

The condensed interim financial statements have been prepared on a historical cost basis except for financial assets at fair value.

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

The accounting policies are consistent with those used in the previous period.

Use of Estimates

The preparation of the 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, expenses and the provisions. 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 changes in such provisions.

- Management reviews periodically the tangible assets in order to assess the depreciation for the period based on the useful life and future economic benefits. Any impairment is taken to the interim statement of profit or loss.
- Management reviews periodically provisions against loan guarantee to assess their sufficiency according to the Company's policy and the risk management assessment.

Cash and Cash Equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short - term highly liquid investments.

Financial Instruments

Under IFRS (9), financial assets at initial recognition are measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss is expensed in the interim statement of profit or loss.

Debt investments are measured at amortized cost only if both of the following criteria are met: the objective of the Company's business model is to hold the asset to collect the contractual cash flows; and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

If either of the two criteria above is not met, debt investments are measured at fair value through profit or loss.

All equity investments are measured at fair value. Equity investments that are held for trading are measured at fair value through profit or loss. For all other equity investments, the Company can make an irrevocable election at initial recognition to recognize changes in fair value through other comprehensive income rather than profit or loss. If this election is made, all fair value changes, excluding dividends that are a return on investment, will be reported in other comprehensive income. There is no recycling of amounts from other comprehensive income to profit and loss on sale of investments – or are there any impairment requirements. However, the Company may transfer the cumulative gain or loss within equity.

Trading and settlement date accounting

Purchases and sales of financial assets are recognized on the trade date, i.e. the date on which the Company commits its self to purchase or sell the asset.

Fair value

For fair value of investments, which are traded in organized financial markets, is determined by reference to the quoted market bid price at the close of the business on the statement of financial position date. For investments which are listed in inactive stock markets, traded in small quantities or have no current prices, the fair value is measured using the current value of cash flows or any other method adopted. If there is no reliable method for the measurement of these investments, then they are stated at cost less any impairment in their value.

Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment loss. When assets are sold or retired, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in the interim statement of profit or loss.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after property, plant and equipment have been put into operation, such as repairs and maintenance and overhaul costs, are normally charged to income in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property, plant and equipment.

Depreciation is computed on a straight-line basis using the following annual depreciation rates:

Buildings	2%
Furniture & fixtures	10-20%
Vehicles	15%
Computers & software	20%

The useful life and depreciation method are reviewed annually to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment.

Grants

Grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Grants whose primary condition is that the Company should purchase, construct or otherwise acquire depreciable assets are recognized as deferred revenue in the interim statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Accounts payable

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

Provision for end of service indemnity

The provision for end of service indemnity is calculated based on the contractual provisions of the employment.

Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and the company intends to either settle them on a net basis, or to realize the asset and settle the liability simultaneously.

Revenues

Commissions on loan guarantees are recognized annually on the ceilings or guaranteed portion of loans- granted by banks and financial institutions according to guarantee type.

Commissions on post-shipment export credit guarantees are recognized annually on the guaranteed export amount after deducting the reinsurance Company share.

Interest is recognized on a time proportion basis that reflects the effective yield on the assets.

Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the company and the amount of revenue can be measured reliably.

Dividends are recognized when the company's right to receive payment is established.

Income tax

Income tax expenses represent accrued taxes and deferred taxes.

Income tax expenses are accounted for on the basis of taxable income. Taxable income differs from income declared in the financial statements because the latter includes non-taxable revenues or disallowed taxable expenses in the current period but deductible in subsequent periods, accumulated losses acceptable by the tax law, and items not accepted for tax purposes or subject to tax.

Taxes are calculated on the basis of the tax rates according to the prevailing laws, regulations, and instructions of the countries where the Company operates.

Deferred taxes are taxes expected to be paid or recovered as a result of temporary timing differences between the value of the assets and liabilities in the financial statements and the value of the taxable amount. Deferred tax is calculated on the basis of the liability method in the statement of financial position according to the rates expected to be applied when the tax liability is settled or tax assets are recognized. Deferred tax assets are reviewed at the date of the statement of financial position, and reduced in case it is expected that no benefit will arise therefore, partially or totally.

Foreign Currency

Assets and liabilities denominated in foreign currencies are translated to Jordanian Dinar using the prevailing exchange rates at period end. Foreign currency transactions during the period are recorded using exchange rates that were in effect at the dates of the transactions. Foreign exchange gains or losses are reflected in the interim statement of profit or loss.

3. Balances of guaranteed loans and ceilings

	Loans Ceilings		Guaranteed loans	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Housing loans guarantees	29,350,606	30,692,605	23,490,061	25,781,667
Productive loans guarantees	35,217,134	26,077,000	43,789,361	24,716,230
Export credit guarantees & domestic buyers	3,716,731	2,622,989	3,716,731	2,622,989
Industrial loans guarantees	15,867,373	13,879,620	15,867,373	13,879,620
Finance lease	2,609,308	3,576,857	2,609,308	3,576,857
Business vehicles	156,616	222,672	156,616	222,672

4. Provisions against loans guarantee

The breakdown of provisions for loans guarantee presented in the statement of financial position is as follows:

	31 March 2017	31 December 2016
General provision	755,147	673,718
Special provision	1,238,501	1,059,904
Provision for industrial financing	2,225,829	2,224,514
Provision for pioneer projects financing	406,839	395,873
Provision for startup companies financing	501,515	438,957
	<u>5,127,831</u>	<u>4,792,966</u>

5. Tax Status

- The Company has settled its tax liabilities with the Income Tax Department up to the year ended 2014.
- The income tax returns for the years 2015 and 2016 have been filed with the Income Tax Department but the Department has not reviewed the Company's records till the date of this report.
- The income tax provision for the three-months ended 31 March 2017 was calculated in accordance with the Income Tax Law.

6. Financial Instruments

Financial instruments comprise financial assets and financial liabilities. Financial assets of the Company include cash and cash equivalents, financial securities and receivables. Financial liabilities of the Company include Central Bank of Jordan loan, accounts payable, ministry of planning withholdings and startup micro projects loans.

Fair Value

The fair values of the financial assets and liabilities are not materially different from their carrying values as most of these items are either short-term in nature or re-priced frequently.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

31 March 2017	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income	<u>423,949</u>	<u>-</u>	<u>354,190</u>	<u>778,139</u>
31 December 2016	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income	<u>422,220</u>	<u>-</u>	<u>354,190</u>	<u>776,410</u>

Financial assets included in level 3 are stated at cost less impairment charges, as the fair value of these assets cannot be measured reliably due to the lack of available active markets for identical assets.

Credit Risk

Credit risks are those risks resulting from the default of counterparties to the financial instrument to repay their commitment to the Company. The Company limits its credit risk by only dealing with reputable banks and by setting credit limits for individual customers and monitoring outstanding receivables. The maximum exposure to credit risk is represented by the carrying value of each financial asset.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its net financial obligation. In this respect, the Company's management diversified its funding sources, and managed assets and liabilities taking into consideration liquidity and keeping adequate balances of cash, and cash equivalents and quoted securities.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date:

31 March 2017	Less than one year	More than one year	Total
Provisions against loans guarantee	-	5,127,831	5,127,831
Central bank of Jordan loan – industrial loans guarantees program	-	5,160,695	5,160,695
Central bank of Jordan loan – export credit guarantees program	-	71,949,409	71,949,409
Ministry of planning withholdings	-	1,248,500	1,248,500
Startup micro projects loans	-	26,498,958	26,498,958
Payables and other current liabilities	1,124,505	-	1,124,505
Income tax provision	136,701	-	136,701
	<u>1,261,206</u>	<u>109,985,393</u>	<u>111,246,599</u>
31 December 2016	Less than one year	More than one year	Total
Provisions against loans guarantee	-	4,792,966	4,792,966
Central bank of Jordan loan – industrial loans guarantees program	-	5,160,695	5,160,695
Ministry of planning withholdings	-	1,248,500	1,248,500
Startup micro projects loans	-	26,498,958	26,498,958
Payables and other current liabilities	1,077,591	-	1,077,591
Income tax provision	100,676	-	100,676
	<u>1,178,267</u>	<u>37,701,119</u>	<u>38,879,386</u>

Loans and Exports Guarantee Risks

The company guarantees 70% of productive loans to the low and medium income applicants not exceeding JOD (100,000) and guarantees 75% of housing loans to the low and medium income applicants provided that the loan does not exceed JOD (75,000). The company guarantees 70% of industrial loans and financial leasing up to JOD (550,000) for each.

The company guarantees 90% of post shipment exports losses caused by any of the risks covered by the guarantee contract. The company reinsures the guaranteed capital through agreements with Regional & International Insurance Companies.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will affect the Company's income or the value of its holdings of financial instruments. As most of the Company's financial instruments have fixed interest rates and carried at amortized cost, the sensitivity of the Company's results or equity to movements in interest rates is not considered significant.

Currency Risk

The management considers that the Company is not exposed to significant currency risk. The majority of their transactions and balances are in either Jordanian Dinar or US Dollar. As the Jordanian Dinar is pegged to the US Dollar, balances in US Dollar are not considered to represent significant currency risk and the Company's results or equity to movements in exchange rates is not considered significant.

Equity Price Risk

Equity price risk result from the change in the fair value of equity securities. The Company manages these risks through the diversification of investments in several geographical areas and economic sectors. If the quoted market price of listed equity securities had increased or decreased by 10%, the comprehensive income would been increased / reduced by JOD (40,275) for the three months ended at 31 March 2017 (2016: JOD 40,374).

7. Capital Management

The Company manages its capital structure with the objective of safeguarding the entity's ability to continue as a going concern and providing an adequate return to shareholders.