

م. أسامة جعينة  
مدير عام  
شركة المنارة للتأمين  
المنارة للتأمين  
شركة المنارة للتأمين  
شركة المنارة للتأمين

الرقم: 2018/777  
التاريخ: 2018/7/31

السادة / هيئة الأوراق المالية المحترمين  
عمان - الأردن

الموضوع: البيانات المالية النصف سنوية كما في 2018/6/30

تحية طيبة وبعد،،،

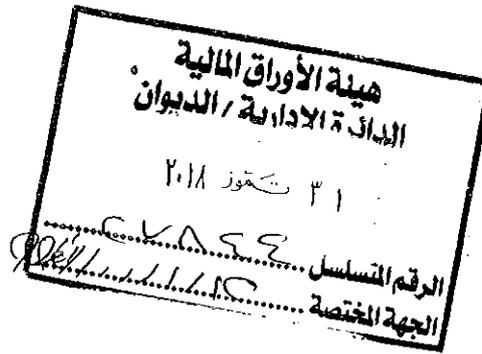
نرفق لكم طيه البيانات المالية النصف سنوية كما في 2018/6/30 لشركة المنارة للتأمين مصادق عليها من المدقق الخارجي حسب الأصول.

بالإضافة إلى المبرانية لنصف سنوية باللغة الإنجليزية كما في 2018/6/30  
بالإضافة إلى تقريره لمن  
واقبلوا فائق الاحترام،

شركة المنارة للتأمين

المدير العام

م. أسامة جعينة



شركة المنارة للتأمين

**Al-Manara Insurance Company**  
**Public Shareholding Company**  
**Condensed Interim Consolidated Financial Statements**  
**(Not Audited)**  
**30 June 2018**

**Al-Manara Insurance Company**  
**Public Shareholding Company**

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**Contents**

|  | <u>Page</u> |
|--|-------------|
| - Report on review of the condensed interim consolidated financial statements                                | 2           |
| - Interim consolidated statement of financial position as at 30 June 2018                                    | 3           |
| - Interim consolidated statement of profit or loss for the six months ended at 30 June 2018                  | 4           |
| - Interim consolidated statement of comprehensive income for the six months ended at 30 June 2018            | 5           |
| - Interim consolidated statement of changes in equity for the six months ended at 30 June 2018               | 6           |
| - Interim consolidated statement of cash flows for the six months ended at 30 June 2018                      | 7           |
| - Interim statements of underwriting accounts for General Insurance for the six months ended at 30 June 2018 | 8 - 10      |
| - Notes to the condensed interim consolidated financial statements   | 11 - 18     |



**Report on Review of the Condensed Interim Consolidated Financial Statements**

To The Board of Directors  
Al-Manara Insurance Company  
Public Shareholding Company  
Amman - Jordan

**Introduction**

We have reviewed the accompanying condensed interim consolidated financial statements of **Al-Manara Insurance Company (PSC)** comprising the interim consolidated statement of financial position as at 30 June 2018 and the related interim consolidated statement of profit or loss, interim consolidated statement of comprehensive income, interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the six-months period then ended. Management is responsible for the preparation and presentation of this interim consolidated financial information in accordance with the International Accounting Standard number (IAS 34) Interim Financial Reporting. Our responsibility is to express a conclusion on this interim consolidated financial statement based on our review.

**Scope of Review**

We conducted our review in accordance with the International Standard on Review Engagements number 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim consolidated 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 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 interim consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard number (IAS 34) Interim Financial Reporting.

**Emphasis of a Matter**

As disclosed in note (15) of the accompanying condensed interim consolidated financial statements, Company's solvency margin as at 30 June 2018 is below than the minimum margin determined by the Insurance Administration which amounts to (150%).

31 July 2018  
Amman - Jordan



  
**Arab Professionals**  
**Ibrahim Hammoudeh**  
License No. (606)

**Al-Manara Insurance Company**  
**Public Shareholding Company**  
**Interim consolidated statement of financial position as at 30 June 2018**

(In Jordanian Dinar)

|   | Notes | 30 June<br>2018   | 31 December<br>2017 |
|---|-------|-------------------|---------------------|
| <b>Assets</b>   |       |                   |                     |
| <b>Investments</b>  |       |                   |                     |
| Bank deposits   | 3     | 6,401,568         | 6,975,076           |
| Financial assets at fair value through other comprehensive income | 4     | 566,252           | 562,526             |
| Financial assets at amortized cost                                | 5     | 306,409           | 311,872             |
| Investment property   |       | 1,231,586         | 1,231,586           |
| <b>Total Investments</b>  |       | <b>8,505,815</b>  | <b>9,081,060</b>    |
| Cash on hand and at banks   |       | 531,247           | 299,808             |
| Checks under collection   |       | 1,044,852         | 641,548             |
| Accounts receivable – net   | 6     | 1,780,933         | 1,833,716           |
| Reinsurers receivables – net                                      | 7     | 133,646           | 172,325             |
| Deferred tax assets   | 10    | 1,089,665         | 1,089,665           |
| Property and equipment  |       | 1,963,265         | 2,001,384           |
| Other assets  |       | 380,422           | 312,904             |
| <b>Total Assets</b>   |       | <b>15,429,845</b> | <b>15,432,410</b>   |
| <b>Liabilities and Equity</b>                                     |       |                   |                     |
| <b>Liabilities</b>  |       |                   |                     |
| Unearned premiums reserve - net                                   |       | 3,806,729         | 3,463,846           |
| Outstanding claims reserve - net                                  |       | 5,762,707         | 5,313,843           |
| <b>Total Technical Reserves</b>                                   |       | <b>9,569,436</b>  | <b>8,777,689</b>    |
| Accounts payable  | 8     | 406,908           | 549,592             |
| Reinsurers payables   | 9     | 1,562,051         | 915,264             |
| Other provisions  |       | 163,260           | 165,714             |
| Other liabilities   |       | 787,881           | 1,006,655           |
| <b>Total Liabilities</b>  |       | <b>12,489,536</b> | <b>11,414,914</b>   |
| <b>Equity</b>   |       |                   |                     |
| Paid – in capital   |       | 5,000,000         | 5,000,000           |
| Statutory reserve   |       | 530,874           | 530,874             |
| Voluntary reserve   |       | 17,684            | 17,684              |
| Cumulative change in fair value                                   |       | ( 464,704)        | ( 541,292)          |
| Accumulated losses  |       | ( 2,143,545)      | ( 989,770)          |
| <b>Net Equity</b>   |       | <b>2,940,309</b>  | <b>4,017,496</b>    |
| <b>Total Liabilities and Equity</b>                               |       | <b>15,429,845</b> | <b>15,432,410</b>   |

“The accompanying notes from (1) to (18) are an integral part of these condensed interim consolidated financial statements and read with review report”

**Al-Manara Insurance Company  
Public Shareholding Company**

**Interim consolidated statement of profit or loss for the six months ended at 30 June 2018**

**(In Jordanian Dinar)**

|  | Notes | For the three months ended |                   | For the six months ended |                   |
|--|-------|----------------------------|-------------------|--------------------------|-------------------|
|  |       | 30 June<br>2018            | 30 June<br>2017   | 30 June<br>2018          | 30 June<br>2017   |
| <b>Revenues</b>                                  |       |                            |                   |                          |                   |
| Gross written premiums                           |       | 2,553,848                  | 2,690,414         | 5,247,914                | 5,406,095         |
| Less: Reinsurers' share                          |       | 440,282                    | 531,271           | 1,064,888                | 1,057,176         |
| Net written premiums                             |       | 2,113,566                  | 2,159,143         | 4,183,026                | 4,348,919         |
| Net change in unearned premiums reserve          |       | ( 150,341)                 | ( 413,265)        | ( 342,883)               | ( 1,084,416)      |
| Net earned premiums                              |       | 1,963,225                  | 1,745,878         | 3,840,143                | 3,264,503         |
| Commissions revenues                             |       | 28,262                     | 55,104            | 119,937                  | 132,527           |
| Insurance policies issuance fees                 |       | 96,762                     | 132,987           | 233,564                  | 262,755           |
| Other underwriting revenues                      |       | 53,909                     | 45,427            | 110,267                  | 93,540            |
| Interest income                                  |       | 89,952                     | 89,711            | 174,039                  | 161,107           |
| Gains from financial assets and investments, net | 11    | 19,886                     | 17,048            | 19,886                   | 17,048            |
| Other revenues (expenses)                        |       | -                          | ( 749)            | -                        | 2,371             |
| <b>Total Revenues</b>                            |       | <b>2,251,996</b>           | <b>2,085,406</b>  | <b>4,497,836</b>         | <b>3,933,851</b>  |
| <b>Claims, losses and expenses</b>               |       |                            |                   |                          |                   |
| Paid claims                                      |       | 2,051,785                  | 2,222,728         | 4,317,639                | 4,472,873         |
| Less: Recoveries                                 |       | 160,800                    | 111,826           | 313,234                  | 250,831           |
| Less: Reinsurers' share                          |       | 144,979                    | 470,930           | 233,870                  | 798,851           |
| Net paid claims                                  |       | 1,746,006                  | 1,639,972         | 3,770,535                | 3,423,191         |
| Net change in claims reserve                     |       | 324,091                    | ( 272,104)        | 448,864                  | ( 655,296)        |
| Allocated employees expenses                     |       | 264,708                    | 278,847           | 464,169                  | 502,915           |
| Allocated administrative expenses                |       | 95,672                     | 90,204            | 198,036                  | 191,082           |
| Excess of loss premiums                          |       | 35,621                     | 82,933            | 87,462                   | 130,225           |
| Policies acquisition costs                       |       | 129,377                    | 110,440           | 289,345                  | 250,721           |
| Other underwriting expenses                      |       | 40,173                     | 56,166            | 93,373                   | 102,931           |
| <b>Net Claims</b>                                |       | <b>2,635,648</b>           | <b>1,986,458</b>  | <b>5,351,784</b>         | <b>3,945,769</b>  |
| Unallocated employees expenses                   |       | 66,177                     | 69,712            | 116,042                  | 125,729           |
| Depreciation                                     |       | 19,415                     | 22,553            | 38,932                   | 45,339            |
| Unallocated administrative expenses              |       | 23,918                     | 22,551            | 49,509                   | 47,770            |
| Provision for doubtful debts                     |       | ( 20,352)                  | 162,213           | 25,106                   | 329,213           |
| Other revenues                                   |       | -                          | 580               | 12,730                   | 13,344            |
| <b>Total Expenses</b>                            |       | <b>89,158</b>              | <b>277,609</b>    | <b>242,319</b>           | <b>561,395</b>    |
| <b>Loss for the period</b>                       |       | <b>( 472,810)</b>          | <b>( 178,661)</b> | <b>( 1,096,267)</b>      | <b>( 573,313)</b> |
| <b>Basic and diluted loss per share</b>          | 12    | <b>( 0.095)</b>            | <b>( 0.036)</b>   | <b>( 0.219)</b>          | <b>( 0.115)</b>   |

"The accompanying notes from (1) to (18) are an integral part of these condensed interim consolidated financial statements and read with review report"

**Al-Manara Insurance Company**  
**Public Shareholding Company**  
**Interim consolidated statement of comprehensive income for the six months ended at 30 June 2018**

**(In Jordanian Dinar)**

|  | <u>For the three months ended</u> |                          | <u>For the six months ended</u> |                          |
|--|-----------------------------------|--------------------------|---------------------------------|--------------------------|
|  | <u>30 June<br/>2018</u>           | <u>30 June<br/>2017</u>  | <u>30 June<br/>2018</u>         | <u>30 June<br/>2017</u>  |
| Loss for the period  | ( 472,810)                        | ( 178,661)               | ( 1,096,267)                    | ( 573,313)               |
| <b>Other comprehensive income items:</b>                                     |                                   |                          |                                 |                          |
| Changes in fair value of financial assets through other comprehensive income | ( 17,119)                         | ( 26,105)                | 19,080                          | ( 12,475)                |
| <b>Total comprehensive loss for the period</b>                               | <b><u>( 489,929)</u></b>          | <b><u>( 204,766)</u></b> | <b><u>( 1,077,187)</u></b>      | <b><u>( 585,788)</u></b> |

“The accompanying notes from (1) to (18) are an integral part of these condensed interim consolidated financial statements and read with review report”

**Al-Manara Insurance Company**  
**Public Shareholding Company**  
**Interim consolidated statement of changes in equity for the six months ended at 30 June 2018**

(In Jordanian Dinar)

|   | <u>Paid - In<br/>Capital</u> | <u>Treasury<br/>Stocks</u> | <u>Statutory<br/>Reserve</u> | <u>Voluntary<br/>Reserve</u> | <u>Cumulative Changes<br/>in Fair Value</u> | <u>Accumulated<br/>Losses</u> | <u>Net<br/>Equity</u> |
|---|------------------------------|----------------------------|------------------------------|------------------------------|---|-------------------------------|-----------------------|
| <b>Balance at 1 January 2018</b>  | 5,000,000                    | -                          | 530,874                      | 17,684                       | ( 541,292)                                  | ( 989,770)                    | 4,017,496             |
| Total comprehensive loss for the period                                   | -                            | -                          | -                            | -                            | 19,080                                      | ( 1,096,267)                  | ( 1,077,187)          |
| Sale of financial assets at fair value through other comprehensive income | -                            | -                          | -                            | -                            | 57,508                                      | ( 57,508)                     | -                     |
| <b>Balance at 30 June 2018</b>  | <u>5,000,000</u>             | <u>-</u>                   | <u>530,874</u>               | <u>17,684</u>                | <u>( 464,704)</u>                           | <u>( 2,143,545)</u>           | <u>2,940,309</u>      |
| <b>Balance at 1 January 2017</b>  | 7,000,000                    | ( 1,172,559)               | 530,874                      | 17,684                       | ( 530,727)                                  | ( 827,441)                    | 5,017,831             |
| Call of treasury stocks   | ( 220,964)                   | 1,172,559                  | -                            | -                            | -   | ( 951,595)                    | -                     |
| Loss extinguishment   | ( 1,779,036)                 | -                          | -                            | -                            | -   | 1,779,036                     | -                     |
| Total comprehensive loss for the period                                   | -                            | -                          | -                            | -                            | ( 12,475)                                   | ( 573,313)                    | ( 585,788)            |
| <b>Balance at 30 June 2017</b>  | <u>5,000,000</u>             | <u>-</u>                   | <u>530,874</u>               | <u>17,684</u>                | <u>( 543,202)</u>                           | <u>( 573,313)</u>             | <u>4,432,043</u>      |

“The accompanying notes from (1) to (18) are an integral part of these condensed interim consolidated financial statements and read with review report”

**Al-Manara Insurance Company**  
**Public Shareholding Company**  
**Interim consolidated statement of cash flows for the six months ended at 30 June 2018**

(In Jordanian Dinar)

|   | Notes | 30 June<br>2018   | 30 June<br>2017     |
|---|-------|-------------------|---------------------|
| <b>Operating Activities</b>                                       |       |                   |                     |
| Loss for the period before tax                                    |       | ( 1,096,267)      | ( 573,313)          |
| Depreciation  |       | 38,932            | 45,339              |
| Provision for doubtful debts                                      |       | 25,106            | 329,213             |
| Net changes in unearned premiums reserve                          |       | 342,883           | 1,084,416           |
| Net changes in claims reserve                                     |       | 448,864           | ( 655,296)          |
| <b>Changes in working capital</b>                                 |       |                   |                     |
| Checks under collection   |       | ( 403,304)        | ( 217,390)          |
| Accounts receivable   |       | 27,677            | ( 664,103)          |
| Reinsurers receivables  |       | 38,679            | ( 91,489)           |
| Other assets  |       | ( 67,518)         | ( 74,066)           |
| Accounts payable  |       | ( 142,684)        | 18,145              |
| Reinsurers payables   |       | 646,787           | ( 347,789)          |
| Other provisions  |       | ( 2,454)          | ( 10,598)           |
| Other liabilities   |       | ( 218,774)        | ( 51,300)           |
| <b>Net cash flows used in operating activities</b>                |       | <b>( 362,073)</b> | <b>( 1,208,231)</b> |
| <b>Investing Activities</b>                                       |       |                   |                     |
| Property and equipment  |       | ( 813)            | ( 26,553)           |
| Financial assets at amortized cost                                |       | 5,463             | -                   |
| Financial assets at fair value through other comprehensive income |       | 15,354            | -                   |
| Deposits mature after three months                                |       | 193,338           | 878,179             |
| <b>Net cash flows from investing activities</b>                   |       | <b>213,342</b>    | <b>851,626</b>      |
| <b>Net changes in cash and cash equivalents</b>                   |       | <b>( 148,731)</b> | <b>( 356,605)</b>   |
| Cash and cash equivalents, beginning of year                      |       | 1,015,645         | 638,057             |
| <b>Cash and cash equivalents, end of period</b>                   | 13    | <b>866,914</b>    | <b>281,452</b>      |

"The accompanying notes from (1) to (18) are an integral part of these condensed interim consolidated financial statements and read with review report"

**Al-Manara Insurance Company**  
**Public Shareholding Company**  
**Interim statement of underwriting revenues for the general insurance for the six months ended at 30 June 2018**  
**(In Jordanian Dinar)**

|  | Motors           |                  | Marine        |                | Aviation     |              | Fire and other property damage |                | Liability      |                | Medical        |              |
|--|------------------|------------------|---------------|----------------|--------------|--------------|--------------------------------|----------------|----------------|----------------|----------------|--------------|
|  | 30 June 2018     | 30 June 2017     | 30 June 2018  | 30 June 2017   | 30 June 2018 | 30 June 2017 | 30 June 2018                   | 30 June 2017   | 30 June 2018   | 30 June 2017   | 30 June 2018   | 30 June 2017 |
| <b>Written Premiums:</b>                         |                  |                  |               |                |              |              |                                |                |                |                |                |              |
| Direct insurance                                 | 3,466,843        | 3,605,373        | 40,839        | 40,239         | -            | -            | 684,904                        | 511,571        | 38,110         | 12,650         | 452,539        | -            |
| Facultative inward reinsurance                   | 207,485          | 219,379          | 7,409         | 74,539         | 2,698        | -            | 59,301                         | 114,418        | 245,266        | 206,531        | -              | -            |
| <b>Total premiums</b>                            | <b>3,674,328</b> | <b>3,824,752</b> | <b>48,248</b> | <b>114,778</b> | <b>2,698</b> | <b>-</b>     | <b>744,205</b>                 | <b>625,989</b> | <b>283,376</b> | <b>219,181</b> | <b>452,539</b> | <b>-</b>     |
| <b>Less:</b>                                     |                  |                  |               |                |              |              |                                |                |                |                |                |              |
| Local reinsurance share                          | 78,878           | 90,513           | -             | -              | -            | -            | 830                            | 8,866          | -              | -              | -              | -            |
| Foreign reinsurance share                        | -                | -                | 40,318        | 106,634        | -            | -            | 670,178                        | 581,958        | 251,979        | 206,935        | -              | -            |
| <b>Net written premiums</b>                      | <b>3,595,450</b> | <b>3,734,239</b> | <b>7,930</b>  | <b>8,144</b>   | <b>2,698</b> | <b>-</b>     | <b>73,197</b>                  | <b>35,165</b>  | <b>31,397</b>  | <b>12,246</b>  | <b>452,539</b> | <b>-</b>     |
| <b>Add:</b>                                      |                  |                  |               |                |              |              |                                |                |                |                |                |              |
| Balance at beginning of the period               |                  |                  |               |                |              |              |                                |                |                |                |                |              |
| Unearned premiums reserve                        | 2,977,762        | 2,450,188        | 24,759        | 33,304         | -            | 4,332        | 564,069                        | 596,414        | 169,452        | 173,902        | 479,640        | -            |
| Less: Reinsurers' share                          | 61,812           | 70,069           | 19,828        | 27,241         | -            | -            | 538,988                        | 577,516        | 160,142        | 161,327        | -              | -            |
| <b>Net beginning unearned premiums</b>           | <b>2,915,950</b> | <b>2,380,119</b> | <b>4,931</b>  | <b>6,063</b>   | <b>-</b>     | <b>4,332</b> | <b>25,081</b>                  | <b>18,898</b>  | <b>9,310</b>   | <b>12,575</b>  | <b>479,640</b> | <b>-</b>     |
| <b>Less:</b>                                     |                  |                  |               |                |              |              |                                |                |                |                |                |              |
| Balance at end of the period                     |                  |                  |               |                |              |              |                                |                |                |                |                |              |
| Unearned premiums reserve                        | 3,300,627        | 3,223,685        | 22,778        | 75,249         | 1,654        | 1,992        | 669,318                        | 666,591        | 246,283        | 206,210        | 440,691        | -            |
| Less: Reinsurers' share                          | 66,471           | 68,598           | 19,139        | 70,850         | -            | -            | 595,520                        | 632,841        | 217,757        | 196,608        | -              | -            |
| <b>Net ending unearned premiums</b>              | <b>3,234,156</b> | <b>3,155,087</b> | <b>3,639</b>  | <b>4,399</b>   | <b>1,654</b> | <b>1,992</b> | <b>73,798</b>                  | <b>33,750</b>  | <b>28,526</b>  | <b>9,602</b>   | <b>440,691</b> | <b>-</b>     |
| <b>Net earned revenues from written premiums</b> | <b>3,277,244</b> | <b>2,959,271</b> | <b>9,222</b>  | <b>9,808</b>   | <b>1,044</b> | <b>2,340</b> | <b>24,480</b>                  | <b>20,313</b>  | <b>12,181</b>  | <b>15,219</b>  | <b>491,488</b> | <b>-</b>     |

"The accompanying notes from (1) to (18) are an integral part of these condensed interim consolidated financial statements and r

**Al-Manara Insurance Company**  
**Public Shareholding Company**  
**Interim statement of claims cost for the general insurance for the six months ended at 30 June 2018**  
**(In Jordanian Dinar)**

|  | Motors           |                  | Marine        |               | Aviation     |              | Fire and other property damage |               | Liability     |               | Medical        |                | Others        |                  | Total            |                  |
|--|------------------|------------------|---------------|---------------|--------------|--------------|--------------------------------|---------------|---------------|---------------|----------------|----------------|---------------|------------------|------------------|------------------|
|  | 30 June 2018     | 30 June 2017     | 30 June 2018  | 30 June 2017  | 30 June 2018 | 30 June 2017 | 30 June 2018                   | 30 June 2017  | 30 June 2018  | 30 June 2017  | 30 June 2018   | 30 June 2017   | 30 June 2018  | 30 June 2017     | 30 June 2018     | 30 June 2017     |
| <b>Paid claims</b>   | 3,632,407        | 3,765,042        | 17,953        | 77,033        | -            | -            | 91,358                         | 335,378       | 1,520         | 200           | 572,453        | 289,937        | 1,948         | 5,283            | 4,317,639        | 4,472,873        |
| <b>Less:</b>   |                  |                  |               |               |              |              |                                |               |               |               |                |                |               |                  |                  |                  |
| Recoveries   | 280,928          | 242,623          | -             | -             | -            | -            | -                              | 2,178         | 200           | -             | 32,030         | 5,901          | 76            | 129              | 313,234          | 250,831          |
| Local reinsurers' share  | 139,571          | 298,556          | -             | -             | -            | -            | 3,141                          | -             | -             | -             | -              | -              | -             | -                | 142,712          | 298,556          |
| Foreign reinsurers' share  | -                | 25,869           | 12,655        | 64,573        | -            | -            | 77,324                         | 309,682       | -             | -             | -              | 96,547         | 1,179         | 3,624            | 91,158           | 500,295          |
| <b>Net Paid Claims</b>   | <b>3,211,908</b> | <b>3,197,994</b> | <b>5,298</b>  | <b>12,460</b> | <b>-</b>     | <b>-</b>     | <b>10,893</b>                  | <b>23,518</b> | <b>1,320</b>  | <b>200</b>    | <b>540,423</b> | <b>187,489</b> | <b>693</b>    | <b>1,530</b>     | <b>3,770,535</b> | <b>3,423,191</b> |
| <b>Add:</b>  |                  |                  |               |               |              |              |                                |               |               |               |                |                |               |                  |                  |                  |
| Outstanding claims reserve at period end                         |                  |                  |               |               |              |              |                                |               |               |               |                |                |               |                  |                  |                  |
| Reported claims  | 5,668,518        | 4,951,799        | 125,681       | 127,511       | -            | -            | 3,112,573                      | 1,650,792     | 240,500       | 844,400       | 161,331        | 67,498         | 45,702        | 94,869           | 9,354,305        | 7,736,869        |
| Incurred but not reported claims                                 | 1,107,000        | 1,100,000        | 7,000         | 6,600         | -            | -            | 38,000                         | 10,000        | 2,000         | 2,000         | 9,609          | 16,175         | 13,000        | 13,000           | 1,176,609        | 1,147,775        |
| Less: Reinsurers' share  | 1,053,233        | 782,068          | 119,405       | 120,746       | -            | -            | 2,993,802                      | 1,577,447     | 220,500       | 790,500       | -              | 20,006         | 24,898        | 79,612           | 4,411,838        | 3,370,379        |
| Less: Recoveries   | 356,370          | 19,000           | -             | -             | -            | -            | -                              | -             | -             | -             | -              | -              | -             | -                | 356,370          | 19,000           |
| <b>Net outstanding claims reserve at period end</b>              | <b>5,365,915</b> | <b>5,250,731</b> | <b>13,276</b> | <b>13,365</b> | <b>-</b>     | <b>-</b>     | <b>156,771</b>                 | <b>83,345</b> | <b>22,000</b> | <b>55,900</b> | <b>170,940</b> | <b>63,667</b>  | <b>33,804</b> | <b>28,257</b>    | <b>5,762,706</b> | <b>5,495,265</b> |
| Reported claims  | 4,258,915        | 4,150,731        | 6,276         | 6,765         | -            | -            | 118,771                        | 73,345        | 20,000        | 53,900        | 161,331        | 57,407         | 20,804        | 15,257           | 4,586,097        | 4,357,405        |
| Incurred but not reported claims                                 | 1,107,000        | 1,100,000        | 7,000         | 6,600         | -            | -            | 38,000                         | 10,000        | 2,000         | 2,000         | 9,609          | 6,260          | 13,000        | 13,000           | 1,176,609        | 1,137,860        |
| <b>Less:</b>   |                  |                  |               |               |              |              |                                |               |               |               |                |                |               |                  |                  |                  |
| Outstanding claims reserve at beginning of the period            |                  |                  |               |               |              |              |                                |               |               |               |                |                |               |                  |                  |                  |
| Reported claims  | 5,089,154        | 5,635,441        | 128,222       | 129,085       | -            | -            | 1,897,950                      | 1,986,441     | 240,500       | 843,600       | 135,672        | 34,787         | 36,124        | 64,802           | 7,527,622        | 8,694,156        |
| Incurred but not reported claims                                 | 1,107,000        | 1,100,000        | 6,500         | 6,500         | -            | -            | 10,000                         | 10,000        | 2,000         | 2,000         | 11,242         | 43,059         | 13,000        | 13,000           | 1,149,742        | 1,174,559        |
| Less: Reinsurers' share  | 835,604          | 832,148          | 121,255       | 121,794       | -            | -            | 1,812,586                      | 1,896,965     | 220,500       | 790,500       | -              | 40,848         | 26,077        | 22,699           | 3,016,022        | 3,704,954        |
| Less: Recoveries   | 347,500          | 13,200           | -             | -             | -            | -            | -                              | -             | -             | -             | -              | -              | -             | -                | 347,500          | 13,200           |
| <b>Net outstanding claims reserve at beginning of the period</b> | <b>5,013,050</b> | <b>5,890,093</b> | <b>13,467</b> | <b>13,791</b> | <b>-</b>     | <b>-</b>     | <b>95,364</b>                  | <b>99,476</b> | <b>22,000</b> | <b>55,100</b> | <b>146,914</b> | <b>36,998</b>  | <b>23,047</b> | <b>55,103</b>    | <b>5,313,842</b> | <b>6,150,561</b> |
| <b>Net claims cost</b>   | <b>3,564,773</b> | <b>2,558,632</b> | <b>5,107</b>  | <b>12,034</b> | <b>-</b>     | <b>-</b>     | <b>72,300</b>                  | <b>7,387</b>  | <b>1,320</b>  | <b>1,000</b>  | <b>564,449</b> | <b>214,158</b> | <b>11,450</b> | <b>( 25,316)</b> | <b>4,219,399</b> | <b>2,767,895</b> |

“The accompanying notes from (1) to (18) are an integral part of these condensed interim consolidated financial statements and read with review report”

**Al-Manara Insurance Company**  
**Public Shareholding Company**  
**Interim statement of underwriting profit (loss) for the general insurance for the six months ended at 30 June 2018**  
**(In Jordanian Dinar)**

|  | Motors            |                   | Marine        |                 | Aviation     |              | Fire and other property damage |                | Liability     |               | Medical           |                  | Others        |               | Total               |                   |
|--|-------------------|-------------------|---------------|-----------------|--------------|--------------|--------------------------------|----------------|---------------|---------------|-------------------|------------------|---------------|---------------|---------------------|-------------------|
|  | 30 June 2018      | 30 June 2017      | 30 June 2018  | 30 June 2017    | 30 June 2018 | 30 June 2017 | 30 June 2018                   | 30 June 2017   | 30 June 2018  | 30 June 2017  | 30 June 2018      | 30 June 2017     | 30 June 2018  | 30 June 2017  | 30 June 2018        | 30 June 2017      |
| <b>Net earned revenues from written premiums</b> | 3,277,244         | 2,959,271         | 9,222         | 9,808           | 1,044        | 2,340        | 24,480                         | 20,313         | 12,181        | 15,219        | 491,488           | 236,102          | 24,484        | 21,450        | 3,840,143           | 3,264,503         |
| <b>Less:</b>                                     |                   |                   |               |                 |              |              |                                |                |               |               |                   |                  |               |               |                     |                   |
| <b>Net claims cost</b>                           | 3,564,773         | 2,558,632         | 5,107         | 12,034          | -            | -            | 72,300                         | 7,387          | 1,320         | 1,000         | 564,449           | 214,158          | 11,450        | ( 25,316)     | 4,219,399           | 2,767,895         |
| <b>Add:</b>                                      |                   |                   |               |                 |              |              |                                |                |               |               |                   |                  |               |               |                     |                   |
| Commissions revenues                             | -                 | 551               | 11,429        | 17,068          | -            | -            | 87,015                         | 91,577         | 19,484        | 20,388        | -                 | -                | 2,009         | 2,943         | 119,937             | 132,527           |
| Insurance policies issuance fees                 | 155,617           | 184,040           | 2,942         | 3,549           | 568          | -            | 36,373                         | 41,315         | 10,603        | 12,734        | 25,601            | 18,857           | 1,860         | 2,260         | 233,564             | 262,755           |
| Other revenues                                   | 110,267           | 93,540            | -             | -               | -            | -            | -                              | -              | -             | -             | -                 | -                | -             | -             | 110,267             | 93,540            |
| <b>Total revenues</b>                            | <b>( 21,645)</b>  | <b>678,770</b>    | <b>18,486</b> | <b>18,391</b>   | <b>1,612</b> | <b>2,340</b> | <b>75,568</b>                  | <b>145,818</b> | <b>40,948</b> | <b>47,341</b> | <b>( 47,360)</b>  | <b>40,801</b>    | <b>16,903</b> | <b>51,969</b> | <b>84,512</b>       | <b>985,430</b>    |
| <b>Less:</b>                                     |                   |                   |               |                 |              |              |                                |                |               |               |                   |                  |               |               |                     |                   |
| Policies acquisition costs                       | 198,169           | 189,937           | 4,385         | 5,630           | -            | -            | 54,583                         | 38,300         | 5,137         | 1,416         | 24,717            | 13,867           | 2,354         | 1,571         | 289,345             | 250,721           |
| Excess of loss premiums                          | 61,390            | 110,433           | -             | -               | -            | -            | 12,867                         | 12,292         | -             | -             | 13,205            | 7,500            | -             | -             | 87,462              | 130,225           |
| Allocated administrative expenses                | 463,643           | 490,995           | 6,088         | 14,734          | 340          | -            | 93,907                         | 80,360         | 35,758        | 28,137        | 57,103            | 75,231           | 5,365         | 4,539         | 662,204             | 693,996           |
| Other expenses                                   | 51,500            | 64,170            | 635           | 787             | 4            | -            | 7,111                          | 6,820          | 313           | 165           | 33,387            | 30,586           | 423           | 403           | 93,373              | 102,931           |
| <b>Total expenses</b>                            | <b>774,702</b>    | <b>855,535</b>    | <b>11,108</b> | <b>21,151</b>   | <b>344</b>   | <b>-</b>     | <b>168,468</b>                 | <b>137,772</b> | <b>41,208</b> | <b>29,718</b> | <b>128,412</b>    | <b>127,184</b>   | <b>8,142</b>  | <b>6,513</b>  | <b>1,132,384</b>    | <b>1,177,873</b>  |
| <b>Underwriting profit (loss)</b>                | <b>( 796,347)</b> | <b>( 176,765)</b> | <b>7,378</b>  | <b>( 2,760)</b> | <b>1,268</b> | <b>2,340</b> | <b>( 92,900)</b>               | <b>8,046</b>   | <b>( 260)</b> | <b>17,623</b> | <b>( 175,772)</b> | <b>( 86,383)</b> | <b>8,761</b>  | <b>45,456</b> | <b>( 1,047,872)</b> | <b>( 192,443)</b> |

“The accompanying notes from (1) to (18) are an integral part of these condensed interim consolidated financial statements and read with review report”

**Al-Manara Insurance Company**  
**Public Shareholding Company**  
**Notes to the condensed interim consolidated financial statements (Not Audited)**  
**30 June 2018**  
**(In Jordanian Dinar)**

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**1 . General**

Al-Manara Insurance Company (-Previously- Al Bihar Al Arabia for Insurance Company) was incorporated as a public shareholding company during the year 1974 under the number (82) with paid-in capital of JOD (150,000) divided equally into (150,000) shares with par value JOD (1) per share. Many adjustments on the Company's capital, the latest was during the year 2006 to reach an authorized and paid-in capital of JOD (21) Million/share. The General Assembly has resolved in its extraordinary meeting held on 15 June 2014 to decrease the paid - in capital by JOD (14) Million to extinguish accumulated losses as at 31 December 2014 with the same amount, also the General Assembly has resolved in its extraordinary meeting held on 24 April 2017 to decrease the paid-in capital by JOD (2) Million to call treasury stocks and extinguish calling losses and accumulated losses as at 31 December 2016, accordingly the authorized and paid-in capital of the Company became JOD (5) Million/share. Jimbal Holding Company owns 78.8% of the Company's capital. The Company is engaged in the insurance activities including motors, fire and other property damages, personal accidents, marine, transportation, aviation, liability, and medical. The Company's head office is in the Hashemite Kingdom of Jordan.

Company's shares are listed in Amman Stock Exchange.

The condensed interim consolidated financial statements have been approved for issue by the Company's Board of Directors on 31 July 2018.

**2 . Summary of Significant Accounting Policies**

**Basis of Preparation**

The condensed interim consolidated financial statements of the company have been prepared in accordance with IAS number 34 Interim Financial Reporting. They do not include all of the information required in annual financial statements in accordance with IFRS, and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2018.

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

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

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

**Principles of Consolidation**

The consolidated financial statements comprise of the financial statements of the Company and its subsidiaries where the Company has the power to govern the financial and operating policies of the subsidiaries so as to obtain benefits from their activities. The financial statements of the subsidiaries are prepared for the same reporting year as the Company using consistent accounting policies. All balances, transactions, income, and expenses between the Company and its subsidiaries are eliminated.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases.

The results of operations of the subsidiaries are consolidated in the statement of comprehensive income from the acquisition date which is the date on which control over subsidiaries is transferred to the Company. The results of operation of the disposed subsidiaries are consolidated in the comprehensive income to the disposal date which is the date on which the Company loses control over the subsidiaries.

The following subsidiaries have been consolidated:

| Company   | Capital | Ownership | Establishment<br>Country |
|---|---------|-----------|--------------------------|
| Al Bihar Investment and Trading Company                 | 79,503  | 100%      | Jordan                   |
| Overseas for Investment in Real Estates Company         | 50,000  | 100%      | Jordan                   |
| Abar for Investment and Real Estate Development Company | 1,500   | 100%      | Jordan                   |

### **Business Sector**

The business sector represents a set of assets and operations that jointly provide products and service subject to risks and returns different from those of other business sector which in measured based on the reports used by the top management of the Company.

The geographic sector relates to providing products and services in a defined economic environment subject to risks and returns different from those of other economic environments.

### **Use of Estimates**

The preparation of the consolidated 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 in particular, considerable judgment 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 changes in such provisions.

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

- A provision of doubtful debts is estimated by the management based on their principles and assumptions according to International Financial Reporting Standards.
- The financial period is charged with its related income tax in accordance with Jordanian laws and regulations.
- 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 consolidated statement of profit or loss.
- The outstanding claim reserve and technical reserve are estimated based on technical studies and according to insurance administrations regulation and filed actuarial studies.
- A provision on lawsuits against the Company is made based on the Company's lawyers' studies in which contingent risk is determined; review of such study is performed periodically.
- The management periodically reviews whether a financial asset or group of financial assets is impaired, if so this impairment is taken to the interim consolidated statement of profit or loss.

### **3 . Bank Deposits**

|                      | 30 June 2018                           |   |  | 31 December<br>2017 |
|----------------------|--|---|--|---------------------|
|                      | Deposits mature<br>within one<br>month | Deposits mature<br>after one month till<br>three months | Deposits mature<br>after three months<br>till one year | Total               |
| <u>Inside Jordan</u> | 110,667                                | 225,000   | 6,065,901  | 6,401,568           |
|                      |  |   | <b>6,401,568</b>                                       | <b>6,975,076</b>    |

- Deposits pledged to the favor of the General Secretary of the Ministry of Industry, Trade and Supply amounted to JOD (225,000) as at 30 June 2018 and 2017.

4 . Financial Assets at Fair Value Through Other Comprehensive Income

|                                | 30 June<br>2018       | 31 December<br>2017   |
|--------------------------------|-----------------------|-----------------------|
| <b><u>Inside Jordan:</u></b>   |                       |                       |
| Investments in listed shares   | 233,836               | 230,110               |
| Investments in unlisted shares | 128,366               | 128,366               |
| <b>Total</b>                   | <b><u>362,202</u></b> | <b><u>358,476</u></b> |
| <b><u>Outside Jordan:</u></b>  |                       |                       |
| Investments in unlisted shares | 204,050               | 204,050               |
| <b>Total</b>                   | <b><u>566,252</u></b> | <b><u>562,526</u></b> |

5 . Financial Assets at Amortized Cost

|  | 30 June<br>2018       | 31 December<br>2017   |
|--|-----------------------|-----------------------|
| <b><u>Inside Jordan:</u></b>                       |                       |                       |
| Arab Real Estate Development Company bonds - net * | -                     | -                     |
|  | 30 June<br>2018       | 31 December<br>2017   |
| <b><u>Outside Jordan:</u></b>                      |                       |                       |
| NCH.NAC (-previously-Global Kuwait bonds)**        | 306,409               | 311,872               |
| AL Dar Investment bonds / Kuwait - net ***         | -                     | -                     |
| <b>Total</b>                                       | <b><u>306,409</u></b> | <b><u>311,872</u></b> |

\* Arab Real Estate Development Company bonds matured during the year 2011 but not yet collected, an impairment provision has been recorded for the full value of the bonds which amounted to JOD (500,000).

\*\* This item represents investment in bonds issued by Global Investment House - Kuwait (the main shareholder) with an amount of JOD (1) million with an annual interest rate of 7%, these bonds matured on 24 November 2013, the general assembly of bonds holders has resolved in its meeting held on 22 November 2012 to reschedule these bonds and they became to the favor of NAC company with an amount of JOD (750,000) and JOD (250,000) to the favor of NCH company, an impairment provision amounted to JOD (550,000) has been recorded against these bonds, NAC company has redeemed JOD (131,798) during the year 2015 and JOD (6,330) during the year 2016 and JOD (5,463) during the year 2018.

|                         | <u>Bond's value</u> | <u>Redemption</u> | <u>Impairment provision</u> | <u>Total</u>   |
|-------------------------|---------------------|-------------------|-----------------------------|----------------|
| <b>30 June 2018</b>     |                     |                   |                             |                |
| NAC                     | 750,000             | ( 143,591)        | ( 412,500)                  | <b>193,909</b> |
| NCH                     | 250,000             | -                 | ( 137,500)                  | <b>112,500</b> |
|                         | <u>1,000,000</u>    | <u>( 143,591)</u> | <u>( 550,000)</u>           | <u>306,409</u> |
| <b>31 December 2017</b> |                     |                   |                             |                |
| NAC                     | 750,000             | ( 138,128)        | ( 412,500)                  | <b>199,372</b> |
| NCH                     | 250,000             | -                 | ( 137,500)                  | <b>112,500</b> |
|                         | <u>1,000,000</u>    | <u>( 138,128)</u> | <u>( 550,000)</u>           | <u>311,872</u> |

\*\*\* This item represents investment in bonds issued by AL Dar Investment Company - Kuwait with an amount of KWD (500,000) which represents an amount of JOD (1,333,250) with murabaha rate of 7.5% annually, these bonds matured during the year 2009 and haven't been redeemed, as a result a full impairment provision has been recorded. During the year 2013 the bonds have been rescheduled and JOD (72,717) was received and the related impairment provision has been reversed.

## 6 . Accounts Receivable - Net

|                                     | <u>30 June 2018</u>     | <u>31 December 2017</u> |
|-------------------------------------|-------------------------|-------------------------|
| Policy holders                      | 2,733,549               | 2,794,538               |
| Agents receivable                   | 137,722                 | 122,507                 |
| Brokers receivable                  | 115,616                 | 103,291                 |
| Employees receivable                | 61,945                  | 57,641                  |
| Others                              | 24,552                  | 24,887                  |
| <b>Total</b>                        | <b>3,073,384</b>        | <b>3,102,864</b>        |
| Less: Provision for doubtful debts* | <u>( 1,292,451)</u>     | <u>( 1,269,148)</u>     |
| <b>Net Accounts Receivable</b>      | <b><u>1,780,933</u></b> | <b><u>1,833,716</u></b> |

\* Movements on provision for doubtful debts were as follows:

|                                     | <u>30 June 2018</u>     | <u>31 December 2017</u> |
|-------------------------------------|-------------------------|-------------------------|
| Balance at beginning of the period  | 1,269,148               | 1,203,710               |
| Provision for the period            | 25,106                  | 68,483                  |
| Write off                           | <u>( 1,803)</u>         | <u>( 3,045)</u>         |
| <b>Balance at end of the period</b> | <b><u>1,292,451</u></b> | <b><u>1,269,148</u></b> |

7 . Reinsurers Receivables

|                                   | 30 June<br>2018 | 31 December<br>2017 |
|-----------------------------------|-----------------|---------------------|
| Local insurance companies         | 392,433         | 426,794             |
| Foreign reinsurance companies     | 499,828         | 504,146             |
| Provision for doubtful debts*     | ( 758,615)      | ( 758,615)          |
| <b>Net reinsurers receivables</b> | <b>133,646</b>  | <b>172,325</b>      |

\* Movements on provision for doubtful debts were as follows:

|                                     | 30 June<br>2018 | 31 December<br>2017 |
|-------------------------------------|-----------------|---------------------|
| Balance at beginning of the period  | 758,615         | 423,739             |
| Provision for the period            | -               | 334,876             |
| <b>Balance at end of the period</b> | <b>758,615</b>  | <b>758,615</b>      |

8 . Accounts Payable

|                    | 30 June<br>2018 | 31 December<br>2017 |
|--------------------|-----------------|---------------------|
| Policy holders     | 75,365          | 85,320              |
| Agents payable     | 99,128          | 87,163              |
| Brokers payable    | 152,644         | 102,661             |
| Employees payables | 19,154          | 22,818              |
| Other              | 60,617          | 251,630             |
|                    | <b>406,908</b>  | <b>549,592</b>      |

9 . Reinsurers Payables

|                               | 30 June<br>2018  | 31 December<br>2017 |
|-------------------------------|------------------|---------------------|
| Local insurance companies     | 517,297          | 350,650             |
| Foreign reinsurance companies | 1,044,754        | 564,614             |
|                               | <b>1,562,051</b> | <b>915,264</b>      |

10 . Income Tax

A - Income tax status

- The Company has settled its tax liabilities with the Income Tax Department up to the year ended 2015.
- The income tax returns for the years 2016 and 2017 have been filed with the Income Tax Department but the Department has not reviewed the Company's records till the date of this report.
- No income tax provision has been taken on the Company's results of operations for the six months ended at 30 June 2018 as the Company's expenses exceeded its taxable revenues.
- In the opinion of management and the tax consultant the Company will benefit from deferred tax assets in the future according to the future business plan.

B - Deferred tax assets

This item consists of the following:

|  | 30 June<br>2018  | 31 December<br>2017 |
|--|------------------|---------------------|
| Tax accepted accumulated losses          | ( 4,540,271)     | ( 4,540,271)        |
| Statutory tax rate                       | 24%              | 24%                 |
| <b>Deferred tax assets at period end</b> | <b>1,089,665</b> | <b>1,089,665</b>    |

\* Movements on deferred tax asset were as follows:

|                             | 30 June<br>2018  | 31 December<br>2017 |
|-----------------------------|------------------|---------------------|
| Beginning balance           | 1,089,665        | 1,139,723           |
| Utilized deferred tax asset | -                | ( 50,058)           |
| <b>Ending balance</b>       | <b>1,089,665</b> | <b>1,089,665</b>    |

11 . Gains From Financial Assets and Investments - net

|                         | 30 June<br>2018 | 30 June<br>2017 |
|-------------------------|-----------------|-----------------|
| Cash dividends received | <b>19,886</b>   | <b>17,048</b>   |

12 . Basic and Diluted Loss Per Share

|   | 30 June<br>2018 | 30 June<br>2017 |
|---|-----------------|-----------------|
| Loss for the period                           | ( 1,096,267)    | ( 573,313)      |
| Weighted average number of shares outstanding | 5,000,000       | 5,000,000       |
| <b>Basic and diluted loss per share</b>       | <b>( 0.219)</b> | <b>( 0.115)</b> |

### 13 . Cash and Cash Equivalents

The cash and cash equivalents that appear in the interim consolidated statement of cash flows represent the following:

|  | 30 June<br>2018 | 30 June<br>2017 |
|--|-----------------|-----------------|
| Cash on hand and at banks                    | 531,247         | -               |
| Deposits at banks mature within three months | 335,667         | 281,452         |
|  | <b>866,914</b>  | <b>281,452</b>  |

### 14 . Related Party Transactions

- The Company has engaged into transactions with major shareholders, sister companies, board members and directors in the Company within the normal activities of the Company using insurance prices and commercial commissions.

- Below is a summary of related parties' transactions during the period:

|  | 30 June<br>2018 | 31 December<br>2017 |
|--|-----------------|---------------------|
| <b><u>Items of consolidated statement of financial position:</u></b> |                 |                     |
| Financial assets at amortized cost                                   | 306,409         | 311,872             |

- The remunerations of members of key management (salaries, bonuses, and other benefits) are as follows:

|   | 30 June<br>2018 | 30 June<br>2017 |
|---|-----------------|-----------------|
| Salaries and bonuses of key management                | 243,180         | 285,180         |
| Board of directors' remunerations and transportations | 64,973          | 70,752          |
|   | <b>308,153</b>  | <b>355,932</b>  |

### 15 . Analysis of Main Sectors

#### Background information on the Company's business segments

For management purposes, the Company measures its insurance segments in accordance with the reports used by executive manager and the company's primary decision maker to include General insurance sector which comprised fire, accidents, marine, medical, and motor insurance. This sector is the base used by the Company to disclose information related to key sectors, the mentioned sector also includes the Company's investments and cash management. The activities between the business sectors are performed based on commercial basis.

## 16 . Capital Management

- a. The Company manages its capital in line with the regulations of the Ministry of Industry, Trade and Supply-Insurance Administration. These requirements were designed to ensure a suitable margin. Additional targets have been assigned by the Company to maintain strong credit rating and high capital margin in order to support its business and maximize shareholders value.
- b. The Company manages its capital structure and makes necessary adjustments in light of changes in business conditions. No changes were made in the objectives, policy or processes during the current and previous years.
- c. The Company's solvency margin as at 30 June 2018 is below than the minimum margin determined by Insurance Administration which amounts to (150%).

|                                       | 30 June<br>2018  | 31 December<br>2017 |
|---------------------------------------|------------------|---------------------|
| <b>Available capital (A)</b>          | <b>3,989,270</b> | <b>5,066,457</b>    |
| <b>Capital requirements to meet</b>   |                  |                     |
| Assets risks                          | 2,748,862        | 2,551,506           |
| Underwriting liabilities              | 1,447,164        | 1,368,529           |
| Reinsurers' credit risk               | 309,723          | 198,364             |
| <b>Total capital requirements (B)</b> | <b>4,505,749</b> | <b>4,118,399</b>    |
| <b>Solvency margin (A) / (B)</b>      | <b>89%</b>       | <b>123%</b>         |

## 17 . Lawsuits Against the Company

There are lawsuits filed against the Company amounting to JOD (5,290,773) as at 30 June 2018, (2017: JOD 4,553,423).

In the opinion of the Company's management and its lawyer, no obligations shall arise that exceeds the allocated amounts within the net claims reserve.

## 18 . Contingent Liabilities

The Company has bank guarantees of JOD (37,848) as at 30 June 2018.