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عمان في 2019/08/05

للمرسل  
السادة المحترمين،  
هيئة الأوراق المالية،  
عمان.  
المدعى  
المدعى

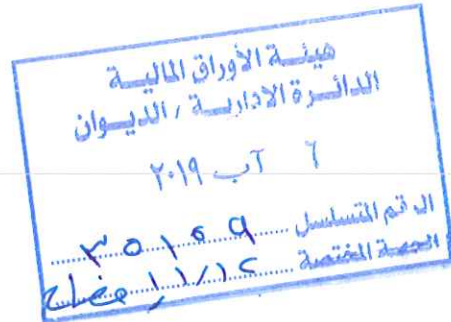
✓

تحية واحتراماً وبعد،،

نرفق لكم طيه البيانات المالية الموحدة للشركة باللغة الانجليزية للفترة من 2019/1/1 لغاية 2019/6/30.

وتفضلوا بقبول فائق الاحترام،،،

بإدارة  
المدير العام  
عماد عبد الخالق



JORDAN INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN – THE HASHEMITE KINGDOM OF JORDAN

CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED JUNE 30, 2019  
TOGETHER WITH THE REVIEW REPORT

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JORDAN INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN – THE HASHEMITE KINGDOM OF JORDAN  
JUNE 30, 2019

TABLE OF CONTENTS

	<u>Page</u>
Review Report	1 - 2
Condensed Interim Statement of Financial Position	3
Condensed Interim Statement of Income	4
Condensed Interim Statement of Comprehensive Income	5
Condensed Interim Statement of Changes in Shareholders' Equity	6
Condensed Interim Statement of Cash Flows	7
Condensed Interim Statement of Underwriting Revenue for General Insurance Activities for Jordan Branches	8
Condensed Interim Statement of Paid Claims Cost for General Insurance Activities for Jordan Branches	9
Condensed Interim Statement of Underwriting Profit for General Insurance Activities for Jordan Branches	10
Condensed Interim Statement of Underwriting Revenue for Life Insurance Activities	11
Condensed Interim Statement of Paid Claims Cost for Life Insurance Activities	12
Condensed Interim Statement of Underwriting Profit for Life Insurance Activities	13
Condensed Interim Statement of Financial Position for Life Insurance Activities	14
Condensed Interim Statement of Underwriting Revenue for General Insurance Activities for Foreign Branches	15
Condensed Interim Statement of Paid Claims Cost for General Insurance Activities for Foreign Branches	16
Condensed Interim Statement of Underwriting Profit for General Insurance Activities for Foreign Branches	17
Notes to the Condensed Interim Financial Statements	18 – 31

## Review Report

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AM/ 007608

To the Chairman and Members of the Board of Directors  
Jordan Insurance Company  
(A Public Shareholding Limited Company)  
Amman – The Hashemite Kingdom of Jordan

### **Introduction**

We have reviewed the accompanying condensed interim financial statement of Jordan Insurance Company (A Public Shareholding Limited Company), as of June 30, 2019 and the related condensed interim statements of financial position, income and comprehensive income, changes in Shareholders' equity and cash flows for the six-month period ended then, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these condensed interim financial statement in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Company". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, 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 information is not prepared in all material respects, in accordance with International Accounting Standard No. (34) related to Interim Financial Reporting.

### **Emphasis of Matters**

We draw attention to:

- 1- Note (29) of the condensed interim financial statements, which describes that the Company has recalculated accrued payment of reinsurance premiums related to previous years, the effect of which was shown on the adjusted opening balance of retained earnings in the statement of changes in shareholders' equity, the statement of income and the statement of cash flows for the period ended on June 30, 2018 in accordance with International Accounting Standard No. (8).



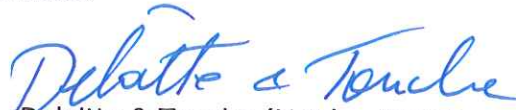
- 2- Note (29) of the condensed interim financial statements, which describes that the Company has adjusted its opening retained earnings in the statement of changes in shareholders' equity as of January 1, 2018 due to amendments in the underlying assumptions on the initial application of IFRS (9).
- 3- Note (30) of the condensed interim financial statements, which describes that the Company did not achieve the required solvency margin according to the instructions of the Insurance Management, which should not be less than 200% as of June 30, 2019. The solvency margin of the Company is 190% without taking into consideration the excesses approved by the Insurance Management.

Our conclusion is not modified in respect of these matters above.

#### Other Matters

1. The Company's fiscal year ends on December 31 of each year. However, the condensed interim financial statements have been prepared for the Company's management and Jordan Securities Commission purposes.
2. The accompanying condensed interim financial statements are a translation of the statutory condensed interim financial statements in the Arabic language to which reference should be made.

Amman - Jordan  
July 29, 2019

  
Deloitte & Touche (M.E.) – Jordan

**Deloitte & Touche (M.E.)**  
ديلويت آند توش (الشرق الأوسط)  
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JORDAN INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - HASHEMITE KINGDOM OF JORDAN  
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

<u>ASSETS</u>	<u>Note</u>	June 30, 2019 (Reviewed not Audited) JD	December 31, 2018 JD
Deposits at banks	4	16,116,874	15,617,578
Financial assets at fair value through profit or loss	5	2,428,549	3,552,267
Financial assets at fair value through comprehensive income	6	18,829,414	18,590,435
Investments property - net	7	19,124,726	19,161,688
Life Insurance policy holders' loans	8	20,289	20,289
Total Investments		<u>56,519,852</u>	<u>56,942,257</u>
Cash on hand and at banks	9	2,645,189	5,604,926
Notes receivable and checks under collection	10	3,489,979	3,231,502
Receivables - net	11	19,895,107	18,706,417
Reinsurance receivable	12	3,991,394	3,310,695
Deferred tax assets	13/d	1,595,261	1,392,462
Property and equipment - Net	14	1,075,117	1,113,915
Intangible assets - Net		45,064	56,734
Other assets	15	2,356,851	1,963,952
TOTAL ASSETS		<u>91,613,814</u>	<u>92,322,860</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>			
<u>LIABILITIES</u>			
Unearned premiums reserve - net		13,718,369	14,170,808
Outstanding claims reserve - net		13,328,903	14,143,459
Mathematical reserve - net	16	1,520,619	1,562,597
Premiums deficiency reserve		80,510	84,500
Total Insurance Contracts Liabilities		<u>28,648,401</u>	<u>29,961,364</u>
Due to Banks	17	13,560,557	14,960,693
Payables		2,683,793	3,004,446
Reinsurance payables	18	9,408,509	8,782,209
Various provisions		1,157,428	962,486
Provision for income tax	13/a	78,049	10
Other liabilities	19	809,858	975,010
TOTAL LIABILITIES		<u>56,346,595</u>	<u>58,646,218</u>
<u>SHAREHOLDERS' EQUITY</u>			
Paid-up capital	20	30,000,000	30,000,000
Statutory reserve		7,500,000	7,500,000
Financial assets valuation reserve	21	(4,690,166)	(5,151,430)
Retained earnings	22	1,267,471	1,328,072
Income for the period		1,189,914	-
TOTAL SHAREHOLDERS' EQUITY		<u>35,267,219</u>	<u>33,676,642</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>91,613,814</u>	<u>92,322,860</u>

THE ACCOMPANYING NOTES FROM (1) TO (31) CONSTITUTE AN INTEGRAL PART OF  
THESE CONDENSED INTERIM FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM  
AND WITH THE ACCOMPANYING REVIEW REPORT.

JORDAN INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - THE HASHEMITE KINGDOM OF JORDAN  
CONDENSED INTERIM STATEMENT OF INCOME  
(REVIEWED NOT AUDITED)

		For the Three-Months Period Ended June 30,		For the Six-Months Period Ended June 30,	
	Note	2019 JD	2018 JD	2019 JD	2018 JD
<u>Revenue:</u>					
Gross written premiums - general insurance		10,800,358	12,770,917	25,710,259	30,196,980
Gross written premiums - life		5,039,722	4,812,440	10,136,059	9,827,909
<u>Less:</u> Re-insurers' share - general Insurance		4,416,663	4,848,171	11,364,542	13,012,568
Re-insurers' share - life		3,043,288	3,171,104	5,849,520	6,086,109
Net Written Premiums		8,380,129	9,564,082	18,632,256	20,926,212
Net change in unearned premiums reserve		925,102	290,062	452,439	(825,180)
Net change in mathematical reserve		1,342	182,247	41,978	302,537
Net change in reserve for premiums deficit		3,990	-	3,990	-
Net Written Premiums		9,310,563	10,036,391	19,130,663	20,403,569
Commissions' revenue		620,922	589,476	1,309,885	1,288,429
Insurance policies Issuance fees		356,808	387,632	757,089	830,229
Interest receivable		107,513	50,000	203,735	113,940
Gain from financial assets and Investments	23	385,883	88,819	557,848	313,144
Other revenue		228,121	144,808	238,780	56,290
Total Revenue		11,009,810	11,297,126	22,198,000	23,005,601
<u>Claims, Losses and Expenses</u>					
Paid claims		11,837,877	13,156,016	25,287,163	29,100,730
<u>Less:</u> Recoveries		1,032,700	1,267,613	2,162,169	2,734,494
Re-insurers' share		4,187,179	4,747,634	9,569,399	11,218,355
<u>Add:</u> Matured and dissolved policies		14,453	49,543	39,800	115,573
Net Paid Claims		6,632,451	7,190,312	13,595,395	15,263,454
Net change in claims reserve		(485,190)	47,795	(814,552)	(639,106)
Allocated employees' expenses		1,262,688	1,146,715	2,270,866	2,225,659
Allocated general and administrative expenses		585,399	510,112	1,128,044	1,011,312
Excess of loss premiums		185,107	148,983	288,215	309,778
Policies acquisition costs		837,640	684,213	1,649,866	1,466,503
Other expenses related to underwritings		459,190	474,364	1,099,871	958,423
Net Paid Claims Costs		9,477,285	10,202,494	19,217,705	20,596,023
Unallocated employees' expenses		231,165	203,995	403,160	397,004
Depreciation and amortization		62,609	75,600	129,012	151,231
Unallocated general and administrative expenses		100,751	96,234	199,018	189,230
Accounts receivables and reinsurance receivables Impairment provision	11&12	132,750	91,625	221,625	255,500
Notes Receivable impairment provision	10	-	35,350	-	35,350
Bank interests and charges		537,691	386,012	825,921	656,012
Other expenses		68,446	191,996	109,444	229,132
Total Expenses		1,133,412	1,080,812	1,888,180	1,913,459
Income for the period before Tax		399,113	13,820	1,092,115	496,119
<u>Less:</u> Income tax (surplus) expense	13/b	(212,715)	43,245	(97,799)	145,466
Income for the period		611,828	(29,425)	1,189,914	350,653
Earnings Per Share for the Period (Basic and Diluted)	24			-/040	-/012

Chairman of the Board of Directors

General Manager

THE ACCOMPANYING NOTES FROM (1) TO (31) CONSTITUTE AN INTEGRAL PART OF  
THESE CONDENSED INTERIM FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND  
WITH THE ACCOMPANYING REVIEW REPORT.

JORDAN INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - THE HASHEMITE KINGDOM OF JORDAN  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
(REVIEWED NOT AUDITED)

	For the Three-Months		For the Six-Months Period	
	Period Ended June 30,		Ended June 30,	
	2019	2018	2019	2018
	JD	JD	JD	JD
Income for the period	611,828	(414,425)	1,189,914	350,653
Other Comprehensive Income Items:				
Items not Subsequently Transferrable to the Statement of Income:				
(Loss) from sale of financial assets at fair value through OCI	-	-	(60,601)	-
Change in fair value of financial assets at fair value				
through comprehensive income	<u>119,252</u>	<u>2,794,603</u>	<u>461,264</u>	<u>2,324,872</u>
Total Comprehensive Income for the Period	<u>731,080</u>	<u>2,380,178</u>	<u>1,590,577</u>	<u>2,675,525</u>

THE ACCOMPANYING NOTES FROM (1) TO (31) CONSTITUTE AN INTEGRAL PART OF  
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**JORDAN INSURANCE COMPANY**  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - THE HASHEMITE KINGDOM OF JORDAN  
**CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**(REVIEWED NOT AUDITED)**

	Note	Financial Assets						Retained Earnings		Income for the Period		Total
		Paid - up Capital	Statutory Reserve	Valuation Reserve	Realized		Unrealized	Total	JD	JD		
					JD	JD						
<b>For the Six Months Period Ended June 30, 2019</b>												
Balance - beginning of the Period		30,000,000	7,500,000	(5,151,430)	-	-	1,328,072	1,328,072	-	-	-	33,676,642
Income for the Period		-	-	-	-	-	-	-	-	1,189,914	1,189,914	1,189,914
Total Comprehensive Income Items		-	-	461,264	-	-	(60,601)	(60,601)	-	-	-	400,663
Total Comprehensive Income for the Period		-	-	461,264	-	-	(60,601)	(60,601)	-	1,189,914	1,189,914	1,590,577
Balance - End of the Period		30,000,000	7,500,000	(4,690,166)	-	-	1,267,471	1,267,471	-	1,189,914	1,189,914	35,267,219
<b>For the Six Months Period Ended June 30, 2018</b>												
Balance - beginning of the Period		30,000,000	7,500,000	(4,292,662)	-	379,898	2,164,106	2,544,004	-	-	-	35,751,342
IFRS 9 adoption Impact	29	-	-	-	-	-	(263,720)	(263,720)	-	-	-	(263,720)
Prior year restatement Impact	29	-	-	-	-	(1,067,916)	-	(1,067,916)	-	-	-	(1,067,916)
Balance - beginning of the Period - Adjusted		30,000,000	7,500,000	(4,292,662)	-	(688,018)	1,900,386	1,212,368	-	-	-	34,419,706
Income for the Period		-	-	-	-	-	-	-	-	350,653	350,653	350,653
Change in fair value through comprehensive income		-	-	2,324,872	-	-	-	-	-	-	-	2,324,872
Total Comprehensive Income for the Period		-	-	2,324,872	-	-	-	-	-	350,653	350,653	2,675,525
Balance - End of the Period		30,000,000	7,500,000	(1,967,790)	-	(688,018)	1,900,386	1,212,368	-	350,653	350,653	37,095,231

- a. Retained earnings includes a restricted amount of JD 1,595,261 as of June 30, 2019, representing deferred tax assets (JD 1,392,462 as of December 31, 2018).
- b. Retained earnings includes a balance of JD 1,638,908 as of June 30, 2019, representing the effect of the early adoption of IFRS (9). This amount represents revaluation of financial assets differences that may not be used until realized according to the Jordan Securities Commission's regulations.
- c. According to the regulations of the Jordan Securities Commission, an amount equivalent to the negative accumulated change in fair value balance of JD 3,051,257 as of June 30, 2019 may not be used after taking into consideration what is mentioned in paragraph (b) above.

THE ACCOMPANYING NOTES FROM (1) TO (31) CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING REVIEW REPORT.

JORDAN INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - THE HASHEMITE KINGDOM OF JORDAN  
CONDENSED INTERIM STATEMENT OF CASH FLOWS  
(REVIEWED NOT AUDITED)

	Note	For the Six-Months Period Ended June 30,	
		2019	2018
		JD	JD
CASH FLOWS FROM OPERATING ACTIVITIES:			
Income for the period before tax		1,092,115	496,119
Adjustments:			
Depreciation and amortization		129,012	151,231
Accounts and re-insurance receivables impairment provision	11 & 12	221,625	255,500
End Of Service Indemnity Provision		29,449	20,531
Notes Receivable Impairment provision	10	-	35,350
Loss on revaluation of financial assets at fair value through profit or loss	23	51,812	176,785
(Gain) on sale of financial assets at fair value through profit or loss	23	(58,438)	-
Net change in unearned premiums reserve		(452,439)	825,180
Net change in claims reserve		(814,556)	(639,106)
Net change in mathematical reserve		(41,978)	(302,537)
Net change in net premium deficit provision		(3,990)	-
Cash Flows from Operating Activities before Changes in Working Capital Items		152,612	1,019,053
(Increase) in checks under collection and notes receivable		(258,477)	(1,060,382)
(Increase) in receivables		(1,410,315)	(5,408,498)
Change in financial assets through profit or loss		1,404,441	-
(Increase) Decrease in re-Insurance receivables		(680,699)	(84,320)
(Increase) in other assets		(392,899)	(627,315)
(Decrease) in payables		(320,653)	(1,116,124)
Increase in re-Insurance payables		626,300	3,534,683
Increase in various provisions		165,493	32,201
(Decrease) Increase in other liabilities		(165,152)	308,259
Net Cash Flows (used in) Operating Activities before Income Tax		(879,349)	(3,402,443)
Income tax paid	13/a	(26,961)	(286,868)
Net Cash Flows (used in) Operating Activities		(906,310)	(3,689,311)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Decrease (Increase) in deposits at banks maturing after more than three months		167,558	(141,233)
Change in property and equipment and intangible assets - net		(1,909)	(89,696)
(Increase) in real estate investments		(39,673)	(31,908)
Change in financial assets through comprehensive income		(279,971)	-
Net Cash Flows (used in) Investment Activities		(153,995)	(262,837)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Increase in due to banks		8,913,954	23,942,807
Paid from due to banks		(10,314,090)	(17,748,119)
Net Cash Flows (used in) Financing Activities		(1,400,136)	6,194,688
Net (Decrease) Increase in Cash		(2,460,441)	2,242,540
Cash and cash equivalents - beginning of the period		18,709,972	13,752,743
Cash and Cash Equivalents - End of the period	25	16,249,531	15,995,283

THE ACCOMPANYING NOTES FROM (1) TO (31) CONSTITUTE AN INTEGRAL PART OF  
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AND WITH THE ACCOMPANYING REVIEW REPORT.

JORDAN INSURANCE COMPANY

JA PUBLIC SHAREHOLDING LIMITED COMPANY

AMMAN - JORDAN

CONDENSED INTERIM STATEMENT OF UNDERWRITING REVENUE FOR GENERAL INSURANCE ACTIVITIES FOR JORDAN BRANCHES

(REVIEWED NOT AUDITED)

	Motor		Marine and Transportation		Fire and Other Damaged to Properties		Liability		Medical		Other Branches		Total	
	For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Written premiums:														
Direct operations	7,047,681	7,463,514	545,747	1,044,838	6,066,126	7,842,889	226,273	217,901	5,356,777	5,578,023	52,354	59,071	20,094,958	22,206,236
Inward voluntary re-insurers'	265,806	295,223	96,232	89,839	230,338	221,410	1,400	675	-	-	-	-	583,856	602,197
Gross Earned Premiums	7,313,567	7,758,787	641,979	1,134,677	7,086,464	8,064,299	227,673	218,576	5,356,777	5,578,023	52,354	59,071	20,678,814	22,813,433
Less: Local re-insurers' share	-	270	86,086	76,299	627,926	601,290	1,012	225	-	-	-	-	715,024	678,084
Foreign re-insurers' share	273,334	276,456	467,094	958,168	6,191,824	7,138,933	207,032	190,375	1,990,394	2,086,675	23,119	39,475	9,152,687	10,864,082
Net Earned Premiums	7,040,233	7,482,061	88,799	106,210	266,714	324,076	19,639	27,976	3,366,483	3,491,348	29,235	28,596	10,811,103	11,451,267
Add: Unearned premiums reserve - beginning of the period	6,906,548	7,492,489	294,561	320,397	6,597,278	6,911,789	400,468	493,370	3,863,027	3,842,305	37,649	31,952	18,099,551	19,093,382
Less: Re-insurers share - beginning of the period	168,625	177,119	244,983	267,947	6,431,430	6,760,387	393,331	484,153	1,406,306	1,460,013	21,840	17,243	8,666,615	9,167,362
Net Unearned Premiums Reserve - beginning of the period	6,737,923	7,315,370	49,578	52,450	165,848	151,402	7,137	9,217	2,456,721	2,382,372	15,729	14,209	9,432,936	9,925,020
Less: Unearned premiums reserve - end of the period	7,067,630	7,526,910	319,638	528,511	7,154,799	7,872,941	302,860	398,646	4,461,797	4,630,715	47,622	46,288	19,354,354	21,004,011
Re-insurers' share - end of the period	228,084	231,209	273,015	478,760	7,087,078	7,705,271	289,504	380,042	1,639,419	1,705,609	22,035	25,477	9,449,735	10,526,368
Net Unearned Premiums Reserve - End of the Period	6,839,546	7,295,701	46,623	49,751	147,721	162,670	13,364	18,604	2,832,278	2,925,106	24,587	29,011	9,004,619	10,477,643
Net Revenue earned from the Underwritten Premiums	6,938,610	7,503,270	91,254	102,909	284,841	307,808	13,412	18,589	2,990,826	2,948,614	19,977	18,994	10,339,420	10,895,644

THE ACCOMPANYING NOTES FROM (1) TO (31) CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING REVIEW REPORT.



**JORDAN INSURANCE COMPANY**  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - JORDAN

**CONDENSED INTERIM STATEMENT OF PAID CLAIMS COST FOR GENERAL INSURANCE ACTIVITIES FOR JORDAN BRANCHES**  
(REVIEWED NOT AUDITED)

	Motor		Marine and Transportation		Fire and Other		Liability		Medical		Other Branches		Total	
	For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Paid claims	7,183,096	9,265,855	169,486	98,757	861,286	1,237,066	20,491	3,288	3,652,440	4,130,066	-	3,059	11,889,599	14,759,101
Less: Recoveries	1,387,338	1,932,419	25,482	4,177	-	23,016	29,643	955	-	-	-	-	1,442,463	1,960,567
Local re-insurers' share	100	36,990	-	-	30,561	27,287	-	-	-	-	-	-	30,661	64,277
Foreign re-insurers' share	184,270	118,957	121,076	76,850	665,829	1,123,317	(2,527)	1,921	1,633,478	1,880,188	-	-	2,692,476	3,309,233
Net Paid Claims	5,611,888	7,198,499	22,928	17,720	165,896	53,446	(6,625)	412	2,018,962	2,241,878	-	3,059	7,814,049	9,525,024
Add: Incurred and reported claims Reserve - End of the Period	9,276,007	10,339,229	1,032,742	1,114,725	7,165,520	11,294,417	1,944,420	1,475,730	286,843	417,261	152,423	134,400	19,867,955	24,775,762
Incurred but not reported claims Reserve (IBNR)	1,793,000	992,452	10,000	10,000	5,000	5,000	6,000	6,000	463,974	706,878	-	-	2,285,974	1,728,330
Less: Re-insurers share - end of the period	340,692	415,244	826,156	978,867	6,942,924	10,813,197	1,924,072	1,452,532	343,721	613,565	134,938	95,727	10,513,103	14,469,132
Recoveries	2,851,310	3,226,679	-	-	-	-	-	-	-	-	-	-	2,851,310	3,226,679
Net Claims Reserve - End of the period	7,869,005	7,689,758	222,596	153,858	227,596	386,220	25,748	29,198	407,096	510,574	37,485	39,623	8,709,516	8,808,201
Less: Incurred and reported Claims Reserve - Beginning of the Period	9,216,206	10,815,192	1,127,400	1,083,962	6,812,050	5,278,309	2,030,184	1,031,835	313,738	404,376	164,923	140,243	19,664,501	18,855,917
Incurred but not reported claims Reserve (IBNR)	1,492,452	992,452	10,000	10,000	5,000	5,000	6,000	6,000	631,052	731,853	-	-	2,152,504	1,753,305
Less: Re-insurers' share - beginning of the period	428,481	496,401	912,011	958,676	6,532,712	5,204,897	2,004,296	1,012,594	426,457	541,419	133,508	95,727	10,427,465	8,309,814
Recoveries	2,918,038	3,246,348	-	-	-	-	-	-	-	-	-	-	2,918,038	3,246,348
Net Claims Reserve - Beginning of the Period	7,362,139	8,064,795	233,389	143,286	284,338	178,412	31,888	25,241	510,333	594,810	41,415	44,516	8,471,502	9,051,060
Net Paid Claims Cost	6,118,754	6,023,462	12,125	28,302	110,154	271,254	(12,765)	4,369	1,802,725	2,157,642	(3,920)	(2,784)	8,132,063	9,282,245

THE ACCOMPANYING NOTES FROM (1) TO (31) CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING REVIEW REPORT.



**JORDAN INSURANCE COMPANY**  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
**AMMAN - JORDAN**

**CONDENSED INTERIM STATEMENT OF UNDERWRITING PROFIT FOR GENERAL INSURANCE ACTIVITIES FOR JORDAN BRANCHES.**

(REVIEWED NOT AUDITED)

	Motor		Marine and Transportation		Fire and Other		Liability		Medical		Other		Total	
	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Net revenue from the written premiums	6,939,610	7,501,730	91,754	102,909	284,941	307,808	13,412	18,589	2,990,826	2,948,614	19,977	18,994	10,339,420	10,896,644
Less: Net paid claims cost	6,110,754	6,833,462	13,125	28,302	110,154	271,254	(13,263)	4,369	1,907,725	2,157,642	(1,930)	(2,704)	8,133,663	9,202,245
	819,856	670,268	79,629	74,607	174,687	36,554	26,177	14,220	1,083,101	790,972	23,907	21,778	2,205,757	1,694,399
Add: Received commissions	81,909	82,998	126,303	158,417	776,407	736,208	50,855	40,006	-	-	8,450	4,477	1,043,924	1,032,106
Insurance policies issuance fees	344,367	357,035	9,011	14,204	82,213	89,665	5,262	4,469	156,410	164,169	1,113	936	596,376	630,478
Other revenue	113,554	53,233	59,918	24,282	-	-	-	-	5,216	2,813	-	-	177,688	80,328
Total Revenue	1,357,686	1,171,524	273,861	271,510	1,033,307	862,427	82,294	50,695	1,244,727	957,954	33,470	27,193	4,026,345	3,349,311
Less: Paid commissions	313,754	338,747	16,811	24,703	109,475	15,352	3,731	5,095	108,783	94,091	3,890	2,173	556,444	480,161
Excess of loss premiums	80,711	70,036	15,369	15,508	125,358	128,404	-	-	-	-	-	-	221,438	214,028
Administrative expenses related to underwriting accounts	403,690	484,766	48,381	83,930	523,669	520,200	19,235	16,906	543,442	407,909	4,079	4,226	1,541,486	1,526,017
Other expenses	364,454	220,114	4,015	6,826	59,853	56,955	-	-	411,774	375,312	-	-	849,096	659,207
Total Expenses	1,162,609	1,113,663	84,576	130,967	812,355	729,071	22,958	22,001	1,063,999	877,312	7,969	6,399	3,159,464	2,879,413
Net Written Profit	195,077	57,871	169,285	140,543	215,952	133,356	59,338	36,694	180,728	80,642	25,501	20,792	866,881	469,898

THE ACCOMPANYING NOTES FROM (1) TO (31) CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING REVIEW REPORT.

JORDAN INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - JORDAN  
CONDENSED INTERIM STATEMENT OF UNDERWRITING REVENUE FOR LIFE INSURANCE ACTIVITIES  
(REVIEWED NOT AUDITED)

	For the Six-Month Period Ended June 30,	
	2019	2018
	JD	JD
Written Premiums:		
Direct operations	10,133,431	9,825,548
Inward voluntary re-insurance	2,628	2,361
Gross Written Premiums	10,136,059	9,827,909
<u>Less:</u> Local re-insurers' share	83,934	90,361
Foreign re-insurers' share	5,765,586	5,995,748
Net Written Premiums	4,286,539	3,741,800
 <u>Add:</u> Mathematical reserve - beginning of the period	2,098,823	2,763,732
<u>Less:</u> Re-insurers' share	536,226	687,093
Net Mathematical Reserve - Beginning of the Period	1,562,597	2,076,639
 <u>Less:</u> Mathematical reserve - End of the Period	2,102,162	2,249,619
<u>Less:</u> Re-insurers' share	581,543	475,517
Net Mathematical Reserve - End of the Period	1,520,619	1,774,102
Net Earned Revenue from Written Premiums	4,328,517	4,044,337

THE ACCOMPANYING NOTES FROM (1) TO (31) CONSTITUTE AN INTEGRAL PART OF  
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JORDAN INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - JORDAN  
CONDENSED INTERIM STATEMENT OF PAID CLAIMS COST FOR LIFE INSURANCE ACTIVITIES  
(REVIEWED NOT AUDITED)

	For the Six-Month Period Ended June 30,	
	2019	2018
	JD	JD
Claims paid	8,171,480	8,874,283
Policies settlements and maturities	39,800	115,573
<u>Less:</u> Local re-insurers' share	-	110,817
Foreign re-insurers' share	5,829,391	6,543,962
Net Paid Claims	2,381,889	2,335,077
 <u>Add:</u> Reported claims reserve - end of the period	4,452,525	4,164,640
<u>Less:</u> Re-insurers' share	3,767,878	3,368,805
Net Reported Claims Reserve - End of the period	684,647	795,835
 <u>Add:</u> Reported claims reserve - beginning of the period	4,655,077	4,632,463
<u>Less:</u> Re-insurers' share	3,723,555	3,784,029
Net Reported Claims Reserve - Beginning of the Period	931,522	848,434
 Net Claims Paid Cost	2,135,014	2,282,478

THE ACCOMPANYING NOTES FROM (1) TO (31) CONSTITUTE AN INTEGRAL PART OF  
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JORDAN INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - JORDAN  
CONDENSED INTERIM STATEMENT OF UNDERWRITING PROFIT FOR LIFE INSURANCE ACTIVITIES  
(REVIEWED NOT AUDITED)

	For the Six-Month Period Ended June 30,	
	2019	2018
	JD	JD
Net earned revenue from the written premiums	4,328,517	4,044,337
<u>Less:</u> Net paid claims cost	<u>2,135,014</u>	<u>2,282,478</u>
	2,193,503	1,761,859
<u>Add:</u> Received commissions	49,391	21,556
Insurance policies issuance fees	157,554	194,843
Interest revenue from investment related to underwriting accounts	76,378	70,000
Other revenue	<u>19,533</u>	<u>20,541</u>
Total Revenue	<u>2,496,359</u>	<u>2,068,799</u>
<u>Less:</u> Paid commissions	584,275	234,086
Administrative expenses related to underwriting accounts	867,431	819,256
Other expenses	<u>99,578</u>	<u>98,248</u>
Total Expenses	<u>1,551,284</u>	<u>1,151,590</u>
Net Underwriting Profit	<u>945,075</u>	<u>917,209</u>

THE ACCOMPANYING NOTES FROM (1) TO (31) CONSTITUTE AN INTEGRAL PART OF  
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JORDAN INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - HASHEMITE KINGDOM OF JORDAN  
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION FOR LIFE INSURANCE ACTIVITIES

<u>ASSETS</u>	June 30, 2019 Reviewed not) (Audited JD	December 31, 2018 JD
Deposits at banks	1,131,447	1,126,847
Financial assets at fair value through profit or loss	389,656	363,832
Life insurance policy holders' loans	20,289	20,289
Total Investments	<u>1,541,392</u>	<u>1,510,968</u>
Cash on hand and at banks	1,196,771	2,805,486
Checks under collection	969,903	814,396
Accounts receivable	10,319,435	9,431,711
Re-insurance companies' receivable	1,167,102	1,208,467
Property and equipment	37,112	57,736
Other assets	405,302	352,574
TOTAL ASSETS	<u>15,637,017</u>	<u>16,181,338</u>
<u>LIABILITIES AND HEAD OFFICE'S EQUITY</u>		
<u>LIABILITIES</u>		
Accounts Payable	974,988	934,573
Re-insurance companies' payable	1,866,554	2,254,784
Other liabilities	26,753	30,178
<u>TECHNICAL RESERVES</u>		
Outstanding claims reserve - net	1,118,075	931,522
Mathematical reserve - net	1,520,619	1,562,597
Other technical reserves	125,170	125,170
TOTAL LIABILITIES	<u>5,632,159</u>	<u>5,838,824</u>
<u>HEAD OFFICE'S EQUITY</u>		
Head Office's current account	9,059,783	9,204,062
Income for the period / year	945,075	1,138,452
TOTAL HEAD OFFICE'S EQUITY	<u>10,004,858</u>	<u>10,342,514</u>
TOTAL LIABILITIES AND HEAD OFFICE'S EQUITY	<u>15,637,017</u>	<u>16,181,338</u>

THE ACCOMPANYING NOTES FROM (1) TO (31) CONSTITUTE AN INTEGRAL PART OF  
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JORDAN INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)

AMMAN - JORDAN

CONDENSED INTERIM STATEMENT OF UNDERWRITING REVENUE FOR GENERAL INSURANCE ACTIVITIES FOR FOREIGN BRANCHES.

(REVIEWED NOT AUDITED)

	Motor		Marine and Transportation		Fire and Other Damages		Liability		Medical		Other Branches		Total	
	For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,		For the Six-Month Period Ended June 30,	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Written premiums														
Direct operations	2,990,564	5,091,129	340,956	374,966	416,962	509,153	32,760	61,752	1,148,606	1,236,638	87,220	97,649	5,017,068	7,371,267
Inward voluntary re-insurers'	-	-	-	-	14,377	12,260	-	-	-	-	-	-	14,377	12,260
Gross written premiums	2,990,564	5,091,129	340,956	374,966	431,339	521,413	32,760	61,752	1,148,606	1,236,638	87,220	97,649	5,031,445	7,383,527
Less: Local re-insurance premiums	-	-	-	-	28	-	-	-	694	429	-	-	722	429
Foreign re-insurance premiums	78,129	49,655	291,092	320,089	360,661	439,349	25,852	50,245	732,256	784,989	8,119	5,646	1,456,109	1,649,973
Net earned premiums	2,912,435	5,041,474	49,864	54,877	70,650	82,064	6,908	11,507	415,656	451,220	79,101	92,003	3,534,614	5,733,145
Add: Unearned premiums reserve - beginning of the period	4,279,730	5,108,985	190,920	201,255	580,870	546,309	50,958	48,646	803,981	1,482,602	80,824	110,732	5,987,291	7,498,529
Less: Reinsurers' share - beginning of the period	46,624	36,593	167,341	169,166	501,889	477,225	43,187	39,863	487,268	918,982	3,110	5,777	1,249,419	1,647,206
Net unearned premiums reserve - beginning of the period	4,233,114	5,072,392	23,523	32,089	78,981	69,084	7,771	8,683	316,713	565,620	77,714	104,955	4,737,872	5,850,823
Less: Unearned premiums reserve - End of the period	3,355,564	5,541,803	200,150	220,048	480,672	513,157	39,614	57,782	912,713	1,149,371	83,178	97,975	5,071,891	7,580,136
Re-insurers' share - End of the Period	70,881	51,019	174,239	194,552	407,236	437,475	32,409	46,731	567,650	731,752	5,226	5,227	1,258,141	1,456,756
Net unearned premiums reserve - End of the Period	3,284,683	5,490,784	25,911	25,496	73,416	75,682	7,205	11,051	345,063	427,619	77,452	92,748	3,813,750	6,123,300
Add: Premiums deficiency reserve Beginning of the period	-	180,000	7,500	-	37,000	-	-	-	40,000	-	-	-	84,500	180,000
Less: Premiums deficiency reserve End of the Period	-	180,000	4,875	-	26,035	-	-	-	49,600	-	-	-	80,510	180,000
Net Revenues from the written Premiums	3,869,866	4,623,082	59,157	61,470	87,160	75,466	7,474	9,139	377,706	587,221	79,363	104,210	4,462,726	5,460,588

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JORDAN INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - JORDAN

CONDENSED INTERIM STATEMENT OF PAID CLAIMS COST FOR GENERAL INSURANCE ACTIVITIES FOR FOREIGN BRANCHES.  
(REVIEWED, NOT AUDITED)

	Motor		Marine and Transportation		Fire and Other Damages to Properties		Liability		Medical		Other Branches		Total	
	For the Six-Month Period Ended June 30, 2019	For the Six-Month Period Ended June 30, 2018	For the Six-Month Period Ended June 30, 2019	For the Six-Month Period Ended June 30, 2018	For the Six-Month Period Ended June 30, 2019	For the Six-Month Period Ended June 30, 2018	For the Six-Month Period Ended June 30, 2019	For the Six-Month Period Ended June 30, 2018	For the Six-Month Period Ended June 30, 2019	For the Six-Month Period Ended June 30, 2018	For the Six-Month Period Ended June 30, 2019	For the Six-Month Period Ended June 30, 2018	For the Six-Month Period Ended June 30, 2019	For the Six-Month Period Ended June 30, 2018
Paid claims	3,919,265	3,851,099	315,129	41,418	42,914	28,809	-	-	935,504	1,531,457	13,272	14,563	5,256,084	5,467,346
Less: Recoveries	712,331	771,634	7,375	-	-	2,313	-	-	-	-	-	-	719,706	773,927
Local re-insurers' share	-	-	-	-	-	-	-	-	-	-	-	-	0	0
Foreign re-insurers' share	48,387	23,570	273,056	24,670	36,753	10,004	-	-	740,725	1,223,022	-	-	1,105,921	1,290,066
Net Paid claims	3,159,547	3,055,915	34,698	16,748	6,161	8,492	-	-	186,779	307,635	13,272	14,563	3,399,457	3,803,353
Add: Incurred and reported claims reserve - End of the Period	3,156,033	3,644,555	522,623	655,466	559,313	111,388	-	-	186,469	280,484	107,802	98,606	4,532,420	4,790,499
Incurred but not reported claims reserve (IBNR)	1,508,660	1,567,298	10,957	28,000	2,410	1,000	-	-	138,259	310,509	18,954	17,000	1,679,240	1,923,807
Less: Re-insurers' share - End of the Period	101,750	81,496	462,941	593,685	410,225	101,050	-	-	255,343	472,793	-	-	1,230,259	1,249,024
Recoveries	1,257,877	1,127,660	-	-	-	-	-	-	-	-	-	-	1,257,877	1,127,660
Net Claims Provision - End of the Period	3,305,066	4,002,697	70,639	88,781	151,498	11,338	-	-	69,385	118,200	126,936	115,606	3,723,524	4,327,632
Less: Incurred and reported claims reserve - beginning of the period	4,122,198	3,854,900	822,355	430,921	138,903	115,958	-	-	23,477	232,341	109,823	98,606	5,216,756	4,731,726
Incurred but not reported (IBNR)	1,567,298	1,607,298	28,000	28,000	1,000	1,000	-	-	399,499	399,499	17,000	17,000	2,012,797	2,052,797
Reinsurers' share - beginning of the period	132,485	28,329	745,328	400,968	126,064	87,355	-	-	338,384	505,820	-	-	1,342,261	1,022,480
Recoveries	1,278,078	1,001,693	-	-	-	-	-	-	-	-	-	-	1,278,078	1,001,693
Net Claims Provision - beginning of the period	4,278,931	4,352,176	105,027	57,953	13,839	29,603	-	-	84,592	126,012	126,823	115,606	4,609,214	4,601,350
Net Cost of Claims	2,184,680	2,706,436	310	48,576	143,820	(3,773)	-	-	171,572	299,823	13,305	14,563	2,513,767	3,059,635

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JORDAN INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - JORDAN

CONDENSED INTERIM STATEMENT OF UNDERWRITING PROFIT FOR GENERAL INSURANCE ACTIVITIES FOR FOREIGN BRANCHES.

(REVIEWED NOT AUDITED)

	Fire and Damages Other for										Total	
	Motor		Marine and Transportation		Properties		Liability		Medical		Other Branches	
	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,	For the Six-Month Period Ended June 30,
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Net revenue from the written premiums	3,860,866	4,623,082	51,282	61,470	87,160	75,466	7,474	9,139	377,706	587,221	104,210	4,463,726
Less: Net paid claims cost	2,184,690	2,706,436	310	48,576	143,070	(9,773)	-	-	171,672	299,832	14,563	2,513,767
	1,676,186	1,916,646	49,947	12,894	(56,660)	85,239	7,474	9,139	206,134	287,398	89,647	1,949,959
Add: Received commissions	23,438	14,912	74,261	81,768	106,443	128,287	9,384	17,683	-	-	3,044	216,570
Insurance policies issuance fees	1,368	2,402	606	601	923	1,246	74	301	52	164	136	3,159
Other Revenue	2,810	-	-	-	-	-	-	-	-	-	-	2,810
Total Revenue	1,709,810	1,933,960	124,714	95,263	50,706	214,772	16,932	27,123	206,186	287,562	91,958	2,171,506
Less: Paid commissions	316,766	568,010	40,994	49,430	47,545	51,748	4,978	8,105	87,751	62,695	11,113	599,147
Excess of loss premiums	33,389	63,929	8,631	8,492	24,757	23,329	-	-	-	-	-	66,777
Administrative expenses related to underwriting accounts	761,182	676,739	32,843	35,196	42,131	53,727	2,668	4,825	142,374	112,223	8,895	989,993
Other expenses	46,111	79,613	-	-	-	2,128	-	-	114,006	119,437	-	160,197
Total Expenses	1,157,448	1,388,091	82,468	93,118	114,833	130,932	7,646	12,930	344,111	294,345	20,008	1,276,114
Net Underwritten Profit	546,362	545,869	42,246	2,145	(63,727)	83,840	9,286	14,193	(137,925)	(6,783)	70,702	445,392

THE ACCOMPANYING NOTES FROM (1) TO (31) CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING REVIEW REPORT.



JORDAN INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN – THE HASHEMITE KINGDOM OF JORDAN  
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
(REVIEWED NOT AUDITED)

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1. General

- a. Jordan Insurance Company was established in 1951 and registered as a Jordanian public shareholding limited company under Number (11) with an authorized capital of JD 100 thousand. On July 12, 1981, the Company's capital was increased to JD 1.1 million. On May 1, 1988, General Insurance Society for Near East Company (Al – Ittihad Al-Watani) in Jordan was merged with Jordan Insurance Company after evaluating both companies' assets. Consequently, the Company's capital was increased to JD 5 million, divided into 5 million shares of JD 1 each. Furthermore, the Company's capital was increased in stages, the last of which was during the year 2006. Accordingly, the Company's authorized and paid-up capital was increased by JD 10 million to become JD 30 million, divided into 30 million shares of JD 1 each. The Company's address is P.O. Box 279, Prince Mohammed Street – 11118 Amman, Hashemite Kingdom of Jordan.

The Company conducts all types of insurance inside the Hashemite Kingdom of Jordan and has branches in Abu Dhabi, Sharja and Dubai. It also markets insurance policies in Kuwait through an agency.

- b. The accompanying financial statements were approved by the Board of Directors on July 25, 2019.

2. Accounting Policies

Basis of Preparation of the Condensed Interim Financial Statements

- The accompanying condensed interim financial statements as of June 30, 2019 have been prepared in accordance with International Accounting Standard (IAS) 34 relating to Interim Financial Reporting.
- The condensed interim financial statements are prepared on the historical cost basis except for the financial assets and financial liabilities, which are presented at their fair value through income and comprehensive income as of the condensed interim financial statements date. Stated at fair value are also the financial assets and financial liabilities whose change in fair value risks have been hedged.
- The Jordanian Dinar is the functional and reporting currency of the financial statements.
- The condensed consolidated interim financial statements do not include all information and disclosures required for the annual consolidated financial statements prepared in accordance with International Financial Reporting Standards and should be read with the Company's annual report for the year ended December 31, 2018. Moreover, the results of operations for the Six-month period ended June 30, 2019 do not necessarily provide an indication of the apportionment results of operations for the year ending December 31, 2019. No apportion occurred on the profit of the period ended June 30, 2019 which is performed at the end of the financial year.

The accounting policies adopted in preparing the condensed consolidated interim financial statements are consistent with those applied in the year ended December 31, 2018 except for the effect of the adoption of the new and revised standards which are applied on or after the 1<sup>st</sup> of January of 2019 as follow:



**a. Amendments with no material effect on the condensed interim financial statements of the company:**

**Annual improvements to IFRSs issued between 2015 and 2017**

Improvements include amendments to IFRS (3) Business Combinations, (11) Joint Arrangements, International Accounting Standards (12), Income Taxes and (23) Borrowing Costs.

**IFRIC (23) Uncertainty on the Treatment of Income Tax**

The interpretation clarifies the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax benefits and tax rates when there is uncertainty about the treatment of income tax under IAS (12) and specifically addresses:

- Whether the tax treatment should be considered in aggregate;
- Assumptions regarding the procedures for the examination of tax authorities;
- Determination of taxable profit (tax loss), tax basis, unused tax losses, unused tax breaks, and tax rates;
- The impact of changes in facts and circumstances.

**Amendments to IFRS (9) "Financial Instruments".**

These amendments relate to the advantages of prepayment with negative compensation, where the current requirements of IFRS (9) regarding termination rights have been amended to allow for the measurement at amortized cost (or on the business model at fair value through other comprehensive income) status of negative compensation payments.

**Amendments to IAS (28) "Investment in Associates and Joint Ventures".**

These amendments relate to long-term shares in allied enterprises and joint ventures. These amendments clarify that an entity applies IFRS (9) "*Financial Instruments*" to long-term interests in an associate or joint venture that forms part of the net investment in an associate or joint venture if the equity method has not been applied to it.

**Amendments to IAS (19) "Employee Benefits".**

These amendments relate to adjustments to plans, reductions, or settlements.

**b. Amendments that has impact on the condensed interim financial statements of the Company:**

**Effect of Application of IFRS (16) "Leases"**

The Company has adopted IFRS (16), "Leases", which replace the existing guidelines on leases, including IAS (17) "Leases", IFRIC (4) "Determining whether an arrangement contains a lease" and the interpretation of the previous Interpretations Committee (15) "Operational leases - incentives" and SIC 27 "Evaluating the Substance of Transactions in the Legal Form of a Lease".

IFRS (16) was issued in January 2016 and is effective for annual periods commencing on or after 1 January 2019. IFRS (16) stipulates that all leases and the associated contractual rights and obligations should generally be recognize in the Company's financial Position, unless the term is 12 months or less or the lease for low value asset. Thus, the classification required under IAS (17) "Leases" into operating or finance leases is eliminated for Lessees. For each lease, the lessee recognizes a liability for the lease obligations incurred in the future. Correspondingly, a right to use the leased asset is capitalized, which is generally equivalent to the present value of the future lease payments plus directly attributable costs and which is amortized over the useful life.

The Company has adopted the simplified and permitted method under the IFRS (16) upon adoption of IFRS 16. During the first time application of IFRS (16) to operating leases individually (for each contract lease separately), the right to use the leased assets was generally measured at the amount of lease liability, using the interest rate at the time of first time application.

As of June 30, 2019, the company doesn't have any long-term lease contracts, however all lease contracts have one year maturity and are renewed by the agreement of both parties. For that, no material effect resulted in adopting IFRS 16.

### 3. Significant accounting Estimates and key sources of uncertainty estimates

Preparation of the accompanying condensed interim financial statements and the application of accounting policies require from the Company's management to estimates, assumptions and diligence some items affecting financial assets and liabilities and to disclose contingent liabilities. These estimates and assumptions also affect income, expenses, provisions, expected credit losses and changes in fair value within condensed interim statement of comprehensive income and statement of shareholders' equity. And in a specific way, it requires the Company's management to estimate and assess the amounts and timing of future cash flows. The aforementioned estimates are based on several assumptions and factors with varying degrees of consideration and uncertainty. Furthermore, the actual results may differ from the estimates due to the changes arising from the conditions and circumstances of those estimates in the future.

We believe that the estimates used in the condensed consolidated interim financial statements are reasonable and consistent with the estimates used in preparing the consolidated financial statements for the year 2018 except for the following:

#### Extension and termination options of lease contracts

Extension and termination options are included in a number of leases. These terms are used to increase the operational flexibility in terms of contract management, most of the retained extension and termination options are exercisable by both the company and the lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The evaluation is reviewed when there is an important event or a significant change in the circumstances that has an effect on this assessment, and in which it is within the control of the lessee.

#### Discounting of lease payments

Lease payments are discounted using the bank's additional borrowing rate ("IBR"). The management has applied the judgements and estimates to determine the additional borrowing rate on the starting date of the lease contract.



#### 4. Deposits at Banks

This item consists of the following:

	June 30, 2019				December 31, 2018
	Deposits Maturing Within Three Months	Deposits Maturing In more than Three Months up to One Year	Deposits Matured after one year	Total	Total
	JD	JD	JD	JD	JD
<u>Inside Jordan:</u>					
Arab Jordan Investment Bank	880,146	-	-	880,146	653,193
Jordan Commercial Bank	190,818	-	-	190,818	159,553
Arab Bank *	-	-	456,243	456,243	456,243
Ahli Bank	761,552	-	-	761,552	597,119
Al-Etihad Bank	195,000	-	-	195,000	195,000
Societe General Bank	32,450	-	-	32,450	32,299
BLOM Bank	42,912	-	-	42,912	42,592
Jordan Kuwait Bank	5,194	-	-	5,194	8,599
Total Banks Inside Jordan	2,108,072	-	456,243	2,564,315	2,144,598
<u>Outside Jordan:</u>					
Arab Bank	138,750	-	1,110,000	1,248,750	1,248,750
Emirates Islamic Bank	4,699,000	-	-	4,699,000	4,625,000
Union National Bank	6,658,520	-	-	6,658,520	6,652,941
National Kuwait Bank	-	-	946,289	946,289	946,289
Total Banks Outside Jordan	11,496,270	-	2,056,289	13,552,559	13,472,980
Total	13,604,342	-	2,512,532	16,116,874	15,617,578
Expected credit loss				-	-
				16,116,874	15,617,578

\* Deposits collateralized to the order of the Director General of the Insurance Commission in addition to his position amounted to JD 325,000 as of June 30, 2019 and December 31, 2018.

- Interest rates on bank deposits ranged between 2%-4% for Jordanian Dinar and 0.05% to 0.25% for USD.

#### 5. Financial Assets at Fair Value through Profit or Loss

This item consists of the following:

	June 30, 2019	December 31, 2018
	JD	JD
Listed Shares	2,428,549	3,552,267
	2,428,549	3,552,267



## 6. Financial Assets at Fair Value through Comprehensive Income

This item consists of the following:

	June 30, 2019	December 31, 2018
	JD	JD
<u>Inside Jordan</u>		
Listed shares	3,420,576	3,366,527
Unlisted shares	21,600	40,032
	<u>3,442,176</u>	<u>3,406,559</u>
<u>Outside Jordan</u>		
Listed shares	10,834,244	9,963,073
Unlisted shares *	4,552,994	5,220,803
	<u>15,387,238</u>	<u>15,183,876</u>
Total Financial Assets at Fair Value	<u>18,829,414</u>	<u>18,590,435</u>

- \* This item includes an amount of JD 4,552,994 (net after deducting the effect of the revaluation amounting to JD 298,303 as of June 30, 2019), representing the investment in Asia Insurance Company (Iraq). Moreover, the shares registered in the Company's name amounted to 5,925,000,000 Share/Iraqi Dinar equivalent to 19.75% of the paid-up capital as of June 30, 2019.

- The fair value of unquoted stocks is determined by the equity method which is the best available instrument for measuring the fair value of these investments and as the latest audited financial statements.

## 7. Investments Property - Net

- a. This item consists of the following:

	June 30, 2019	December 31, 2018
	JD	JD
Lands *	15,328,171	15,325,903
Buildings net of depreciation	3,796,555	3,835,785
	<u>19,124,726</u>	<u>19,161,688</u>

- \* This item includes the price of a two purchased plots of land amounting to JD 3,007,099, plus direct acquisition costs, including appraisal fees, ownership title transfer fees, and taxes. This amount is included in the Company's real estate investments. Based on the Company's Board of Directors' decision on July 25, 2009, 10% of the land value has been transferred to the Company's employee provident fund at a price equivalent to the acquisition cost. However, the transfer to the provident fund has not been documented yet.

- The fair value of real estate investments is evaluated by real estate appraisers at JD 33,755,027 as of December 31, 2018.

## 8. Life Insurance Policy Holders' Loans

This item consists of the following:

	June 30, 2019	December 31, 2018
	JD	JD
Life insurance policy holders' loans not exceeding the policy liquidation value	20,289	20,289
Total	<u>20,289</u>	<u>20,289</u>

9. Cash on Hand and at Banks

This item consists of the following:

	June 30, 2019	December 31, 2018
	JD	JD
Cash on hand	74,691	18,230
Current accounts at banks	2,570,498	5,586,696
	<u>2,645,189</u>	<u>5,604,926</u>

10. Notes Receivables and Cheques under Collection

This item consists of the following:

	June 30, 2019	December 31, 2018
	JD	JD
Notes Receivable	35,350	35,350
Checks under collection *	3,620,679	3,362,202
	3,656,029	3,397,552
<u>Less: Expected credit loss</u>	<u>(166,050)</u>	<u>(166,050)</u>
	<u>3,489,979</u>	<u>3,231,502</u>

\* The maturity date of the checks under collection is valid until March 31, 2021.

11. Receivables - Net

This item consists of the following:

	June 30, 2019	December 31, 2018
	JD	JD
Policyholders' receivables	19,331,955	17,527,276
Agents' receivables	3,036,132	3,670,858
Employees' receivables	145,345	142,766
Trade receivables and others **	1,300,807	1,065,225
	23,814,239	22,406,125
<u>Less: Expected Credit Loss</u>	<u>(3,919,132)</u>	<u>(3,699,708)</u>
	<u>19,895,107</u>	<u>18,706,417</u>

- The Company follows a policy of dealing with creditworthy counterparties to mitigate the risk of financial losses arising from non-performance of commitments. The following are the accounts receivable that are not impaired as at the date of the interim condensed financial statements:

	June 30, 2019	December 31, 2018
	JD	JD
Not Due	3,288,740	2,904,477
Less than 60 days	8,043,403	7,931,065
From 61-90 days	1,527,829	1,262,024
From 91-180 days	4,137,556	3,285,751
From 181-360 days	2,897,579	3,323,100
Total	<u>19,895,107</u>	<u>18,706,417</u>

\* Movement on the accounts receivables impairment provision is as follows:

	For the Six Months Period Ended June 30, 2019	For the Year Ended December 31, 2018
	JD	JD
Balance – beginning of the period / year	3,699,708	2,989,513
IFRS (9) implementation impact	-	347,000
Adjusted balance	3,699,708	3,336,513
Additions	221,625	366,500
<u>Less: Written-off debts</u>	<u>(2,201)</u>	<u>(3,305)</u>
Balance – End of the Period / Year	<u>3,919,132</u>	<u>3,699,708</u>

- The company's management believes that the accounts receivable impairment provision is sufficient after taking into consideration the amounts due from related parties.

## 12. Reinsurance Receivables

This item consists of the following:

	June 30, 2019	December 31, 2018
	JD	JD
Local insurance companies *	3,218,365	2,514,320
Foreign re-insurance companies **	1,634,671	1,658,017
<u>Less: Re-insurance receivables impairment provision ***</u>	<u>(861,642)</u>	<u>(861,642)</u>
	<u>3,991,394</u>	<u>3,310,695</u>

- \* The company follows the settlement policy of local insurance companies within three months from the date of the claim.

- \*\* The aging details of the external reinsurers' receivables as at the date of the interim condensed financial statements are as follows:

	June 30, 2019	December 31, 2018
	JD	JD
Less than 60 Days	313,073	2,826
61-90 Days	95,329	746,987
91-180 Days	822,105	203,966
181-360 Days	181,323	702,668
More than 360 Days	222,841	1,570
Total	<u>1,634,671</u>	<u>1,658,017</u>

- \*\*\* The movement on the re-insurance receivables impairment provision is as follows:

	June 30, 2019	December 31, 2018
	JD	JD
Balance – beginning of the period / year	861,642	861,642
Additions	-	-
Balance – End of the Period / Year	<u>861,642</u>	<u>861,642</u>



### 13. Income Tax

#### a. Provision for Income Tax

Movement on the income tax provision is as follows:

	June 30, 2019	December 31, 2018
	JD	JD
Balance at the beginning of the period / year	10	186,868
Income tax paid	(26,961)	(302,858)
Income tax for the period / year	105,000	116,000
	<u>78,049</u>	<u>10</u>

#### b. Income Tax (Surplus) Expense

The income tax expense stated in the condensed interim statement of income represents the following:

	For the Six-Months Period Ended June 30,	
	2019	2018
	JD	JD
Income tax for the period	105,000	100,000
Deferred tax assets impact	(202,799)	45,466
	<u>(97,799)</u>	<u>145,466</u>

#### c. Summary of Accounting Profit Adjustment with Tax Profit:

	For the Six-Months Period Ended June 30,	
	2019	2018
	JD	JD
Gain (Loss) Accounting Profit (Jordan)	732,336	(415,885)
Add: Expenses not subject to Tax	264,731	485,592
Less: Profit not subject to Tax	(174,915)	(406,592)
Taxable Income for the period	<u>822,152</u>	<u>(336,885)</u>
Income Tax Percentage	<u>26%</u>	<u>26%</u>

- The tax for the period ended June 30, 2019 is calculated in accordance with the applicable income tax law.

#### d. Deferred Tax Assets:

This item consists of the following:

	June 30, 2019					December 31, 2018
Accounts included	Beginning Balance	Addition amounts	Released amounts	Ending Balance	Deferred tax	Deferred tax
	JD	JD	JD	JD	JD	JD
Provision for doubtful debts	3,355,834	180,000	-	3,535,834	919,317	805,400
End of service Indemnity Provision	284,363	29,449	-	313,812	81,591	70,461
IBNR provision	2,152,504	133,470	-	2,285,974	594,353	516,601
	<u>5,792,701</u>	<u>342,919</u>	<u>-</u>	<u>6,135,620</u>	<u>1,595,261</u>	<u>1,392,462</u>



- The Movement of the Deferred Tax Assets during the period / year is as follows:

	June 30, 2019	December 31, 2018
	JD	JD
Balance at the beginning of the period / year	1,392,462	1,137,157
Effect of IFRS (9) implementation	-	83,280
Adjusted balance	1,392,462	1,220,437
Additions	205,013	196,217
Released	(2,214)	(24,192)
Balance - End of the Period / Year	<u>1,595,261</u>	<u>1,392,462</u>

- Final settlement for the income tax in Jordan has been reached up to the end of the year 2016. Moreover, the Company submitted its income tax return for the year 2017 and 2018 and paid the declared taxes and it is still under review.
- The Company's branches in the United Arab Emirates are not subject to tax. However, the profits of the Company's agent in Kuwait are subject to tax at a rate of 10%. A related tax settlement has been reached up to the end of the year 2014, and the declared taxes have been paid up to the end of the year 2017.
- The income tax for the six months' period ended June 30, 2019 has been calculated. In the opinion of the Company's management and its tax consultant, the provisions in the condensed interim financial statements are adequate for tax purposes for the years that have not been audited yet.

#### 14. Property and Equipment - Net

The total additions on the property and equipment during the six months' ended June 30, 2019 is JD 10,027.

#### 15. Other Assets

This item consists of the following:

	June 30, 2019	December 31, 2018
	JD	JD
Refundable deposits	996,581	984,058
Accrued revenues and not received	153,943	97,882
Prepaid Expenses	865,757	548,414
Others	340,570	333,598
	<u>2,356,851</u>	<u>1,963,952</u>

#### 16. Mathematical Reserve - Net

This item consists of the following:

	June 30, 2019	December 31, 2018
	JD	JD
Net Mathematical Reserve	1,520,619	1,562,597
Net Mathematical Provision-Life	<u>1,520,619</u>	<u>1,562,597</u>

#### 17. Due to Banks

This item consists of the following:

	June 30, 2019	December 31, 2018
	JD	JD
Bank of Jordan*	5,000,000	5,000,000
Arab bank **	1,357,277	3,000,000
Cairo Amman bank ***	7,203,280	6,960,693
	<u>13,560,557</u>	<u>14,960,693</u>

\* This item represents the utilized balance as of June 30, 2019 from an overdraft current account facilities, granted by the Bank of Jordan with a limit of JD 5 million and at interest rate of 8,875%, calculated on a daily basis and recorded on a monthly basis and guaranteed against the Company's solvency. The main purpose from the facilities is to finance the company's financial activity.

\*\* This item represents the utilized balance as of June 30, 2019 from an overdraft current account facilities, granted by the Arab bank with a limit of JD 6.9 million and at an interest rate ranging from 8,25 % to 8,75 %, calculated on a daily basis and recorded on a monthly basis and guaranteed against the Company's solvency. The main purpose from the facilities is to finance the company's financial activity.

\*\*\* This item represents the utilized balance as of June 30, 2019 from an overdraft current account facilities, granted by Cairo Amman bank with a limit of JD 6.9 million and at interest rate of 8,25%, calculated on a daily basis and recorded on a monthly basis and guaranteed against the Company's solvency. The main purpose from the facilities is to finance the company's financial activity.

#### 18. Reinsurance Payables

This item consists of the following:

	June 30, 2019	December 31, 2018
	JD	JD
Local insurance companies	3,137,543	2,589,945
Foreign re-insurance companies	6,270,966	6,192,264
	<u>9,408,509</u>	<u>8,782,209</u>

#### 19. Other Liabilities

This item consists of the following:

	June 30, 2019	December 31, 2018
	JD	JD
Unearned revenues	428,443	435,957
Accrued and unpaid expenses	164,911	267,709
Board of Directors' remunerations	27,500	-
Car parking deposits	4,735	4,735
Life deposits	174	13,567
Ministry of finance deposits	178,410	241,133
Individual policies deposits	5,685	5,685
Unpaid Visa deposits	-	6,224
	<u>809,858</u>	<u>975,010</u>



## 20. Paid-up Capital

Subscribed and paid capital amounted to JD 30 million distributed over 30 shares with a par value of JD 1 as of June 30, 2019 and December 31, 2018.

## 21. Financial Assets Evaluation Reserve

- The movement of this item during this period/ year is as the following:

	June 30, 2019 JD	December 31, 2018 JD
Balance at the beginning of the period / year	(5,151,430)	(4,292,662)
Changes in fair value	461,264	(858,768)
Balance at the End of the period / year	<u>(4,690,166)</u>	<u>(5,151,430)</u>

## 22. Retained Earnings

- This item consists of the following:

	June 30, 2019 JD	December 31, 2018 JD
Balance at the beginning of the year	1,328,072	2,544,004
IFRS (9) implementation impact	-	(263,7230)
Effect of prior years' adjustments	-	(1,067,916)
Adjusted balance	1,328,072	1,212,368
Profit for the period / year	-	115,704
(Loss) on Sale of Financial Instruments through OCI	(60,601)	-
Balance at the End of the Year	<u>1,267,471</u>	<u>1,328,072</u>

- a. The retained earnings balance includes an amount of JD 1,595,261, restricted against deferred tax assets as of June 30, 2019 (JD 1,392,462 as of December 31, 2018).
- b. The retained earnings balance includes an amount of JD 1,638,908 as of June 30, 2019, representing the effect of early adoption of International Financial Reporting Standard No. (9). This item represents the revaluation differences and may not be used until realized according to the regulations of the Jordan Securities Commission.
- c. According to the regulations of the Jordan Securities Commission, an amount equivalent to the balance of the accumulated change in the fair value negative balance of JD 3,051,258 may not be used, taking into consideration the effect of what is mentioned in paragraph (b) above as of June 30, 2019.

## 23. Net Gain from Financial Assets and Investments

- This item consists of the following:

	For the Six-Months Period Ended June 30,	
	2019 JD	2018 JD
Dividends of financial assets at fair value through profit or loss	95,969	102,530
Dividends of financial assets at fair value through comprehensive income	244,753	187,399
Gain on the evaluation of financial assets at fair value through profit or loss	(51,812)	(176,785)
Gain on the sale of financial assets at fair value through profit or loss	58,438	-
Net rental Income	210,500	200,000
Total	<u>557,848</u>	<u>313,144</u>

#### 24. Earnings per Share for the Period

- The details of this item are as follows:

	For the Six-Months Period Ended June 30,	
	2019	2018
	JD	JD
Income for the period	1,189,914	350,653
Weighted average common shares outstanding	Share	Share
	30,000,000	30,000,000
	JD / Share	JD / Share
Earnings per Share for the Period (Basic and Diluted)	-0/040	-0/012

#### 25. Cash and Cash Equivalents

- This item consists of the following:

	June 30,	
	2019	2018
	JD	JD
Cash on hand	74,691	73,240
Current accounts at banks	13,604,342	2,942,982
Deposits at banks maturing within three months	2,570,498	12,979,061
	16,249,531	15,995,283

#### 26. Balances and Transactions with Related Parties

- The Company entered into transactions with major shareholders, members of the Board of Directors, and executive management within its regular activities. All insurance credit granted to related parties are guaranteed are considered operating, and no related provisions have been taken.

The following item is a summary of the transactions with related parties:

	June 30, 2019	December 31, 2018
	JD	JD
Condensed Interim Statement of Financial Position Items:		
Accounts receivable	1,090,961	990,600
Accounts payable	6,773	121,807

	For the Six-Months Period Ended June 30,	
	2019	2018
	JD	JD
Condensed Interim Statement of Income Items:		
Insurance premiums	772,203	645,818
Net payments to re-insurers	709,478	708,995

Transactions with related parties are related to the Board of Directors and their relatives.

- The following is a summary of the benefits (salaries, bonuses, and other benefits) of the executive management:

<u>Statement</u>	For the Six-Months Period Ended June 30,	
	2019	2018
	JD	JD
Salaries and other benefits	315,556	287,561



## 27. Lawsuits against the Company

There are lawsuits against the Company claiming compensation on various accidents. Moreover, the lawsuits at courts with determined amounts were around JD 2,898,669 as of June 30, 2019 (JD 2,723,719 for the year 2018). In the opinion of the Company's management and its lawyer, no liabilities in excess of the provisions booked within the claims provision shall arise.

## 28. Contingent Liabilities

As of the date of the condensed interim financial statements the Company had contingent liabilities represented in bank guarantees in an amount of JD 3,076,436 and it's guaranteed by the Company's financial solvency as of June 30, 2019.

## 29. Effect of Prior Periods' Adjustments

- a. During the period ended June 30, 2019, the Company's management adjusted the comparative figures for the six months period ended June 30, 2019 through adjusting the opening balance of the retained earnings by JD 1.1 million, as well as the statement of income and the statement of cash flow for the period ended June 30, 2018 with the amount of JD 292,600 in accordance with the requirements of IAS 8 to deal with the treatment of reinsurance premiums payable at that time.
- b. During the period ended 30 June 2019, the management of the company adjusted the opening balance of retained earnings as of January 1, 2018 in accordance with the requirements of IAS (8) due to changes in the underlying borrowings of the first application of the expected credit losses in accordance with the requirements of IFRS (9). These adjustments had no impact on income for the six-months' period ended June 30, 2018.

The reason for adjusting the comparative figures is that the company has applied an approach and a system to calculate the expected credit losses for the financial statements items during the period subsequent to 2018, taking into account the impact of the initial application of IFRS 9.

The effect of the amendments made is as follows:

	January 1, 2018		
	Balance before Restatement	Prior period Restatement	Restated Balance
	JD	JD	JD
<u>Shareholders' Equity</u>			
Retained earnings	2,356,284	(1,143,916)	1,212,368
<u>Assets</u>			
Reinsurance receivable	6,817,764	(546,828)	6,270,936
<u>Liability</u>			
Reinsurance payable	6,942,728	521,088	7,463,816
Income Statement			
Income for the period	58,053	292,600	350,653

## 30. Solvency Margin

The Company did not achieve the required solvency margin according to the instructions of the Insurance Management, which should not be less than 200% as of June 30, 2019. The solvency margin of the Company is 190% without taking into consideration the excesses approved by the Insurance Management.

### 31. Fair Value Hierarchy

#### A. Fair value of financial assets and financial liabilities that are continuously determined at fair value:

Some of the financial assets and financial liabilities are measured at fair value at the end of each financial period. The following table gives information about how the fair value of these financial assets and financial liabilities are determined (evaluation methods and inputs used).

Financial Assets	Fair Value		Fair Value Hierarchy	Evaluation Methods and Used Entries	Significant Unobservable Entries	Relationship of Unobservable Inputs to fair value
	June 30, 2019	December 31, 2018				
	JD	JD				
<b>Financial assets at fair value:</b>						
<b>Financial assets at fair value through profit or loss</b>						
Shares	2,428,549	3,552,267	Level 1	Prices Listed in Financial Markets	Not Applicable	Not Applicable
<b>Financial assets at fair value through comprehensive income</b>						
Shares with available market price	14,254,820	13,329,601	Level 1	Prices Listed in Financial Markets	Not Applicable	Not Applicable
Shares with unavailable market price	4,574,594	5,260,834	Level 2	Owners' Equity Method Based on the Last Audited Financial Statements	Not Applicable	Not Applicable
	18,829,414	18,590,435				
<b>Total Financial Assets at Fair Value</b>	<b>21,257,963</b>	<b>22,142,702</b>				

There were no transfers between level one and level two hierarchies during the six months ended June 30, 2019 and the year ended December 31, 2018

#### B. Fair value of financial assets and financial liabilities that are not continuously determined at fair value:

Except to what is mentioned in the table below, we believe that the carrying amounts of the financial assets and financial liabilities stated in the Company's financial statements approximate their fair values:

Financial assets with undetermined fair value	June 30, 2019		December 31, 2018		Fair value Hierarchy
	Book value	Fair value	Book value	Fair value	
	JD	JD	JD	JD	
Deposits at banks	16,116,874	16,439,211	15,617,578	15,929,929	Level 2
Policyholders' loans	20,289	20,289	20,289	20,694	Level 2
Investment properties	19,124,726	33,755,027	19,161,688	33,755,027	Level 2
<b>Total Financial assets with undetermined fair value</b>	<b>35,261,889</b>	<b>50,214,527</b>	<b>34,799,555</b>	<b>49,705,650</b>	

The fair values of the financial assets included in level 2 hierarchy above have been determined in accordance with the generally accepted pricing models based on the discounted cash flow method taking into consideration the interest rate as the most critical component of the calculation.