



شركة الأراضي المقدسة للتأمين المساهمة العامة المحدودة

HOLY LAND INSURANCE CO. Ltd. H.L.I.C

التاريخ : 2020/8/19

الرقم : 2020 / 565 / 26

السادة / بورصة عمان المحترمين

عمان - الاردن

الموضوع : البيانات المالية للربع الاول / 2020 و النصف الاول / 2020

تحية طيبة وبعد ،،،

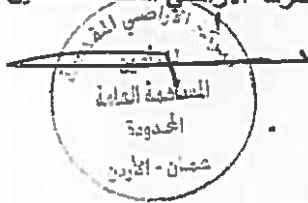
بالإشارة الى الموضوع اعلاه و لاحقا لكتابنا رقم 26 / 538 / 2020 تاريخ 2020/8/6 فاننا نرفق لكم طيه البيانات المالية الموحدة للربع

الاول / 2020 و النصف الاول / 2020 مرفقة بتقرير مدقق الحسابات الخارجي عليها مترجمة الى اللغة الانجليزية .

راجين التكرم بالاستلام حسب الاصول و شاكرين لكم حسن تعاونكم .

و تفضلوا بقبول فائق الاحترام و التقدير .

شركة الأراضي المقدسة للتأمين م.ع.م



بورصة عمان  
الدائرة الإدارية والمالية  
الديسك

١٩ آب ٢٠٢٠

3199

الرقم التسلسل:

21010

رقم الملف:

6110000

الجهة المختصة:

**The Holy Land Insurance Company**  
**Public shareholding company**  
**Amman - The Hashemite Kingdom Of Jordan**

**Consolidated condensed interim  
financial statements**

**As of March 31, 2020**  
**(Reviewed not audited)**

**The Holy Land Insurance Company**  
**Public shareholding company**  
**Amman - The Hashemite Kingdom Of Jordan**

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

785 20 01

To the Board of Directors of  
The Holy Land Insurance Co.  
Public shareholding company  
Amman - The Hashemite Kingdom of Jordan

### Introduction:

We have reviewed the accompanying condensed interim Consolidated financial statements of **The Holy Land Insurance Co. – public shareholding company** which comprising , statement of consolidated condensed interim financial position as at 31 March 2020, and statement of consolidated condensed interim of comprehensive income, statement of consolidated condensed interim of changes in owners' equity and statement of consolidated condensed interim of cash flows for the three-month period ended 31 March 2020 and the related explanatory notes.

The management is responsible for the preparation and presentation of these condensed interim consolidated financial statements in accordance with IAS 34 – *Condensed interim Financial Reporting*. Our responsibility is to express a conclusion on these consolidated condensed interim consolidated financial statements based on our review.

### Scope of review:

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

### Qualified Conclusion:

The consolidated financial statements include deferred tax assets with a value of JD 1,674,443, and this amount is from previous years. We have not been provided with a study on how to recover this amount, and therefore we did not verify the possibility of recovering this asset and

its impact on the financial statements, and the value of the deferred tax assets was not recalculated. Based on the development of their items.

Based on our review, except the effect of what we have mentioned, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial statements are not prepared, in all material respects in accordance with IAS 34.

### **Emphasis of matters:**

The financial statements include recoveries amounting to JD 1,442,924 (legal recourse returns on those causing accidents), that the movement is slow on this item and therefore we have not achieved in any way the possibility of recovering those recoveries, that a large part of these recoveries, especially with regard to allegations that have passed on Paying it more than three years, with cases filed, and according to the instructions of the Insurance Department, there is no need to make provisions for it. The company's management will prepare a detailed study of these recoveries during the year 2020 to express the final opinion.

### **Other matters:**

- The solvency ratio of the company is much less than the required percentage of the insurance department.
- As stated in note no. (11) on the consolidated financial statements, the consolidated financial statements of the subsidiaries (Dead Sea for vehicle surveying & paint Co.) and the (Dead Sea Auto Parts Trading Co.) were not consolidated with the parent company, as the companies are under voluntary liquidation and Cancellation from the Ministry's records based on the decisions of the Extraordinary General Assembly on July 9, 2019 and September 26, 2019, respectively.
- Consolidated condensed interim financial statements were prepared for purpose of the Securities Commission and the Insurance Department.

**Al Abbasi & Partners Co.**

**Nabeel Moh'd Obeidat**

**License No. 877**



**Amman in**

**August 5, 2020**

**The Holy Land Insurance Company**  
**Public shareholding company**  
**Amman - The Hashemite Kingdom Of Jordan**

**Statement of consolidated condensed interim financial position**  
**as of March 31, 2020 (reviewed not audited)**

	Note	31-Mar-2020 JD (Reviewed)	31-Dec-2019 JD (Audited)
<b><u>Assets</u></b>			
Deposits at banks	7	453,994	453,932
Financial assets at fair value through income statement	8	307,653	363,536
Financial assets at fair value through other comprehensive income	9	10,000	10,000
Realestate investments	10	3,784,002	3,784,002
Investments in subsidiary - under liquidation	11	135,000	135,000
<b>Total investments</b>		<b>4,690,649</b>	<b>4,746,470</b>
Cash on hand & at banks		93,877	245,480
Cheques under collection		43,286	54,389
Due from related parties	20	212,620	209,311
Accounts receivable - net	12	1,285,571	1,190,709
Due from reinsurers - net	13	869,160	779,259
Deferred tax assets	14	1,674,443	1,674,443
Property , plant & equipments - net		1,918,852	1,937,560
Intangible assets - Net		9,724	11,844
Other assets		567,501	797,256
<b>Total assets</b>		<b>11,365,683</b>	<b>11,646,721</b>

**The accompanying notes form from (1) To (25) is an integral part of these statements**

**The Holy Land Insurance Company**  
**Public shareholding company**  
**Amman - The Hashemite Kingdom Of Jordan**

**Follow-statement of consolidated condensed interim financial position**  
**as of March 31, 2020 (reviewed not audited)**

	Note	31-Mar-2020	31-Dec-2019
		JD (Reviewed)	JD (Audited)
<b><u>Liabilities and owners' equity</u></b>			
<b><u>Technical provisions</u></b>			
Unearned premium provision - net		4,176,535	4,897,750
Outstanding claims provision - net		2,281,549	2,464,165
<b>Total technical provisions</b>		<b>6,458,084</b>	<b>7,361,915</b>
<b><u>Liabilities</u></b>			
Banks overdraft		421,935	289,034
Accounts payable	15	227,172	189,509
Due to reinsurers	16	563,652	553,745
Other liabilities		321,295	416,418
<b>Total liabilities</b>		<b>1,534,054</b>	<b>1,448,706</b>
<b>Total technical provisions &amp; liabilities</b>		<b>7,992,138</b>	<b>8,810,621</b>
<b><u>Owners' equity</u></b>			
Capital	1	9,868,691	9,868,691
Issuance discount		(3,522,386)	(3,522,386)
Fair value reserves for financial assets	17	(200,000)	(200,000)
Accumulated (losses)		(3,310,205)	(3,310,205)
Profit for the period		537,445	-
<b>Net owners' equity</b>		<b>3,373,545</b>	<b>2,836,100</b>
<b>Total owners' equity &amp; liabilities</b>		<b>11,365,683</b>	<b>11,646,721</b>

**The accompanying notes form from (1) To (25) is an integral part of these statements**

**The Holy Land Insurance Company**  
**Public shareholding company**  
**Amman - The Hashemite Kingdom Of Jordan**

**Statement of consolidated condensed interim of comprehensive income**  
**for the three months ended March 31, 2020 (reviewed not audited)**

	Note	31-Mar-2020 JD	31-Mar-2019 JD
<b><u>Revenues</u></b>		<b>(Reviewed)</b>	<b>(Reviewed)</b>
Total written premiums		2,416,069	2,734,954
Deduct: reinsurance share		(34,605)	(56,039)
<b>Net written premiums</b>		<b>2,381,464</b>	<b>2,678,915</b>
Net change in unearned premium provision		721,215	(660,005)
<b>Net earned premium income</b>		<b>3,102,679</b>	<b>2,018,910</b>
Commissions received		6,461	12,471
Issuance fees		109,469	109,255
Interests revenues		1,708	3,623
(Losses) from financial assets & investmet	18	(65,935)	(59,630)
Other revenues due to written accounts		402	11,772
Returned from impairment provisions	12 + 13	-	122,169
Other revenues		13,737	13,840
<b>Total revenues</b>		<b>3,168,521</b>	<b>2,232,410</b>
<b><u>Cost of claims</u></b>			
Claims paid		2,061,415	2,954,477
Deduct: recoveries		(104,048)	(202,243)
Deduct: reinsurance share		(255,902)	(9,085)
<b>Net claims paid</b>		<b>1,701,465</b>	<b>2,743,149</b>
Net change in outstanding claims provision		(182,616)	(603,079)
Allocated employees expenses		217,747	241,454
Allocated administrative expenses		152,670	143,323
Excess of loss		83,861	31,688
Acquisition policies cost		543,851	70,763
Other expenses due to written accounts		665	24,143
<b>Net claims</b>		<b>2,517,644</b>	<b>2,651,441</b>

The accompanying notes form from (1) To (25) is an integral part of these statements



**The Holy Land Insurance Company**  
**Public shareholding company**  
**Amman - The Hashemite Kingdom Of Jordan**

**Follow-statement of consolidated condensed interim of comprehensive income**  
**for the three months ended March 31, 2020 (reviewed not audited)**

	Note	31-Mar-2020 JD (Reviewed)	31-Mar-2019 JD (Reviewed)
<b>Net claims</b>		<b>2,517,644</b>	<b>2,651,441</b>
Employees expenses - not allocated		54,437	60,363
Administrative expenses - not allocated		20,828	22,287
Depreciation & amortization		38,168	35,831
Impairment debts	12	-	11,884
<b>Total expenses</b>		<b>2,631,076</b>	<b>2,781,806</b>
<b>Profit (loss) for the period before tax</b>		<b>537,445</b>	<b>(549,396)</b>
Tax	14	-	-
<b>Profit (loss) for the period</b>		<b>537,445</b>	<b>(549,396)</b>
<b>Total comprehensive income (loss) for the period</b>		<b>537,445</b>	<b>(549,396)</b>
		<b>Dinar/Fils</b>	<b>Dinar/Fils</b>
<b>Basic and diluted earning per share</b>	19	<b>0.107</b>	<b>(0.110)</b>

The accompanying notes form from (1) To (25) is an integral part of these statements

**The Holy Land Insurance Company**  
**Public shareholding company**  
**Amman - The Hashemite Kingdom Of Jordan**

**Statement of consolidated condensed interim of change in owners' equity**  
**for the three months ended March 31, 2020 (reviewed not audited)**

Description	Fair value reserves for financial assets					profit (Loss) for the period		Net
	Capital	Issuance discount	for financial assets	Accumulate (loss)d		JD	JD	JD
	JD	JD	JD	JD	JD	JD	JD	JD
<b>For the three months ended March 31, 2020</b>								
<b>Balance as of January 1, 2020 - audited</b>	9,868,691	(3,522,386)	(200,000)	(3,310,205)	-	-	-	2,836,100
Total comprehensive income for the period	-	-	-	-	537,445	537,445		537,445
<b>Balance as of March 31, 2020 - reviewed</b>	<b>9,868,691</b>	<b>(3,522,386)</b>	<b>(200,000)</b>	<b>(3,310,205)</b>	<b>537,445</b>	<b>537,445</b>		<b>3,373,545</b>
<b>For the three months ended March 31, 2019</b>								
<b>Balance as of January 1, 2019 - audited</b>	5,000,000	(2,061,779)	(200,000)	(758,502)	-	-	-	1,979,719
Total comprehensive (loss) for the period	-	-	-	-	(549,396)	(549,396)		(549,396)
<b>Balance as of March 31, 2019 - reviewed</b>	<b>5,000,000</b>	<b>(2,061,779)</b>	<b>(200,000)</b>	<b>(758,502)</b>	<b>(549,396)</b>	<b>(549,396)</b>		<b>1,430,323</b>

In accordance with the instructions of Securities Commission , it is prohibited to dispose fair value reserve through dividends to shareholders or capitalization or loss amortization or anything else .

The accompanying notes form from (1) To (25) is an integral part of these statements

**The Holy Land Insurance Company**  
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**Amman - The Hashemite Kingdom Of Jordan**

**Statement of consolidated condensed interim of cash flows**  
**for the three months ended March 31, 2020 (reviewed not audited)**

	Note	31-Mar-2020	31-Mar-2019
		JD	JD
<b><u>Cash flows from operating activities</u></b>		<b>(Reviewed)</b>	<b>(Reviewed)</b>
Profit (loss) for the period before tax		537,445	(549,396)
Capital loss		20,828	22,287
Depreciation & amortization		(721,215)	660,005
Net change in unearned premium provision		(182,616)	(603,079)
Net change in outstanding claims provision		65,935	59,630
<b>Operating (loss) before changes in working capital</b>		<b>(279,623)</b>	<b>(410,553)</b>
<b><u>Changes in assets &amp; liabilities</u></b>			
Cheques under collection		11,103	(20,134)
Accounts receivable		(3,309)	(127,011)
Due from related parties		(94,862)	52,701
Due from reinsurers		(89,901)	208,281
Other assets		229,755	(239,922)
Account payable		37,663	(64,027)
Due to reinsurers		9,907	31,776
Other liabilities		(95,123)	(23,177)
<b>Net cash flows from operating activities</b>		<b>(274,390)</b>	<b>(592,066)</b>

**The accompanying notes form from (1) To (25) is an integral part of these statements**

**The Holy Land Insurance Company**  
**Public shareholding company**  
**Amman - The Hashemite Kingdom Of Jordan**

**Follow - statement of consolidated condensed interim of cash flows**  
**for the three months ended March 31, 2020 (reviewed not audited)**

	<u>31-Mar-2020</u>	<u>31-Mar-2019</u>
	JD	JD
<b><u>Cash flows from investing activities</u></b>	<b>(Reviewed)</b>	<b>(Reviewed)</b>
Deposits at banks due over 3 months	(62)	350,224
Acquisitions of property , plant & equipments	-	(3,748)
Proceeds from sales of property , plant & equipments	-	-
Acquisitions of intangible assets	(10,052)	(2,442)
<b>Net cash flows from investing activities</b>	<b>(10,114)</b>	<b>344,034</b>
<b><u>Cash flows from financing activities</u></b>		
Banks Overdraft	132,901	248,568
<b>Net cash flows from financing activities</b>	<b>132,901</b>	<b>248,568</b>
<b>Net (dcrease) increase in cash</b>	<b>(151,603)</b>	<b>536</b>
Cash on hand and at banks at beginning of period	245,480	27,175
<b>Cash on hand and at banks at end of period</b>	<b>93,877</b>	<b>27,711</b>

**The accompanying notes form from (1) To (25) is an integral part of these statements**

**Holy Land Insurance Company**  
**Public shareholding company**  
**Amman - The Hashemite Kingdom Of Jordan**

**Statement of consolidated condensed interim of general insurance underwriting revenue**  
**for the three months ended March 31, 2020**

	<b>Motor</b>		<b>Marine &amp; transport</b>		<b>Fire &amp; other damage to property</b>		<b>Liability</b>		<b>Total</b>	
	31-Mar-2020	31-Mar-2019	31-Mar-2020	31-Mar-2019	31-Mar-2020	31-Mar-2019	31-Mar-2020	31-Mar-2019	31-Mar-2020	31-Mar-2019
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b><u>Written premiums</u></b>										
Direct insurance	2,328,868	2,624,702	4,389	1,343	37,528	58,107	3,665	6,616	2,374,450	2,690,768
Reinsurance inward business	35,313	38,946	-	-	6,306	5,240	-	-	41,619	44,186
<b>Total premiums</b>	<b>2,364,181</b>	<b>2,663,648</b>	<b>4,389</b>	<b>1,343</b>	<b>43,834</b>	<b>63,347</b>	<b>3,665</b>	<b>6,616</b>	<b>2,416,069</b>	<b>2,734,954</b>
<b><u>Less:</u></b>										
Local reinsurer share	(3,870)	(6,306)	-	-	-	-	-	-	(3,870)	(6,306)
Foreign reinsurer share	-	-	(2,988)	(924)	(27,747)	(48,809)	-	-	(30,735)	(49,733)
<b>Net written premiums</b>	<b>2,360,311</b>	<b>2,657,342</b>	<b>1,401</b>	<b>419</b>	<b>16,087</b>	<b>14,538</b>	<b>3,665</b>	<b>6,616</b>	<b>2,381,464</b>	<b>2,678,915</b>
<b><u>Add : balance at beginning of the year</u></b>										
Unearned premiums reserve	4,884,287	3,156,806	2,001	1,800	91,358	95,929	13,587	14,011	4,991,233	3,268,546
Un expired risks reserve	-	-	-	-	-	-	-	-	-	-
Less: Reinsurer share	(14,547)	(18,931)	(1,286)	(1,374)	(77,650)	(78,030)	-	-	(93,483)	(98,335)
<b>Net unearned premium reserve</b>	<b>4,869,740</b>	<b>3,137,875</b>	<b>715</b>	<b>426</b>	<b>13,708</b>	<b>17,899</b>	<b>13,587</b>	<b>14,011</b>	<b>4,897,750</b>	<b>3,170,211</b>
<b><u>Less : balance at ending of the year</u></b>										
Unearned premiums reserve	4,159,521	3,811,534	4,389	1,343	81,518	103,740	14,379	13,889	4,259,807	3,930,506
Un expired risks reserve	-	-	-	-	-	-	-	-	-	-
Less: Reinsurer share	(11,962)	(15,897)	(2,988)	(924)	(68,322)	(83,469)	-	-	(83,272)	(100,290)
<b>Net unearned premium reserve</b>	<b>4,147,559</b>	<b>3,795,637</b>	<b>1,401</b>	<b>419</b>	<b>13,196</b>	<b>20,271</b>	<b>14,379</b>	<b>13,889</b>	<b>4,176,535</b>	<b>3,830,216</b>
<b>Net earned revenue from written premiums</b>	<b>3,082,492</b>	<b>1,999,580</b>	<b>715</b>	<b>426</b>	<b>16,599</b>	<b>12,166</b>	<b>2,873</b>	<b>6,738</b>	<b>3,102,679</b>	<b>2,018,910</b>

The accompanying notes form from (1) To (23) is an integral part of these statements

**Holy Land Insurance Company**  
Public shareholding company  
Amman - The Hashemite Kingdom Of Jordan

## Statement of consolidated condensed interim of general insurance cost of claims

## for the three months ended March 31, 2020 (reviewed not audited)

	Fire & other damage									
	Motor		Marine & transport		to property		Liability			Total
	31-Mar-2020	31-Mar-2019	31-Mar-2020	31-Mar-2019	31-Mar-2020	31-Mar-2019	31-Mar-2020	31-Mar-2019	31-Mar-2020	31-Mar-2019
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Paid claims	1,879,705	2,941,225	-	-	171,926	13,252	9,784	-	2,061,415	2,954,477
Less:;	(104,048)	(202,243)	-	-	-	-	-	-	(104,048)	(202,243)
Recoveries	-	-	-	-	-	-	-	-	-	-
Local reinsurer share	(121,219)	-	-	-	(134,683)	(9,085)	-	-	(255,902)	(9,085)
Foreign reinsurer share	1,654,438	2,738,982	-	-	37,243	4,167	9,784	-	1,701,465	2,743,149
Net paid claims										
Add: outstanding claims reserve at end of the year										
RCR	1,819,004	2,021,664	-	-	2,206,247	1,934,956	5,105	22,430	4,030,356	3,979,050
IBNER	2,860,979	1,451,447	-	-	-	-	-	-	2,860,979	1,451,447
IBNYR	1,648,663	753,042	-	-	30,786	1,364	1,000	396	1,680,449	754,802
Less:;	(1,217,486)	(879,718)	-	-	(2,085,949)	(1,755,461)	-	-	(3,303,435)	(2,635,179)
Reinsurer share	(2,986,800)	(2,459,115)	-	-	-	-	-	-	(2,986,800)	(2,459,115)
Recoveries	964,360	423,320	-	-	149,247	179,495	5,105	22,430	1,118,712	625,245
Net reported outstanding claims										
Net unreported outstanding claims reserve at end of the year	1,160,000	464,000	-	-	1,837	1,364	1,000	396	1,162,837	465,760
Less: outstanding claims reserve at beginning of the year										
RCR	1,976,641	1,919,062			2,351,247	1,642,794	15,105	22,430	4,342,993	3,584,286
IBNER	2,860,979	1,451,447	-	-	-	-	-	-	2,860,979	1,451,447
IBNYR	1,648,663	1,449,042	-	-	30,786	1,364	1,000	396	1,680,449	1,450,802
Less:	(1,232,167)	(779,563)	-	-	(2,203,871)	(1,544,385)	2,500	-	(3,436,038)	(2,323,948)
Reinsurer share	(2,981,718)	(2,468,503)	-	-	-	-	-	-	(2,981,718)	(2,468,503)
Recoveries	1,112,398	411,485	-	-	176,325	98,409	12,605	22,430	1,301,328	532,324
Net reported outstanding claims reserve at beginning of the year										
Net unreported outstanding claims reserve at beginning of the year	1,160,000	1,160,000	-	-	1,837	1,364	1,000	396	1,162,837	1,161,760
Net claims cost	1,506,400	2,054,817	-	-	10,165	85,253	2,284	-	1,518,849	2,140,070

The accompanying notes form (1) To (25) is an integral part of these statements

**Holy Land Insurance Company**  
**Public shareholding company**  
**Amman - The Hashemite Kingdom Of Jordan**

**Statement of consolidated condensed interim of general insurance underwriting profit**  
**for the three months ended March 31, 2020 (reviewed not audited)**

	Fire & other damage to						Liability		Total	
	Motor		Marine & transport		property		31-Mar-2020		31-Mar-2020	
	31-Mar-2020	31-Mar-2019	31-Mar-2020	31-Mar-2019	31-Mar-2020	31-Mar-2019	31-Mar-2020	31-Mar-2019	31-Mar-2020	31-Mar-2019
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b>Net earned revenue from written premiums</b>										
	3,082,492	1,999,580	715	426	16,599	12,166	2,873	6,738	3,102,679	2,018,910
<b>Net claims cost</b>										
	1,506,400	2,054,817	-	-	10,165	85,253	2,284	-	1,518,849	2,140,070
<b>Add:</b>										
Commissions received	45	40	662	243	5,754	12,188	-	-	6,461	12,471
Insurance policies issuance fees	107,063	105,648	251	91	1,903	3,171	252	345	109,469	109,255
Other revenues	402	11,772	-	-	-	-	-	-	402	11,772
<b>Net revenues</b>	<b>107,510</b>	<b>117,460</b>	<b>913</b>	<b>334</b>	<b>7,657</b>	<b>15,359</b>	<b>252</b>	<b>345</b>	<b>116,332</b>	<b>133,498</b>
<b>Less:</b>										
Commissions paid	(542,591)	(70,528)	(77)	-	(1,183)	(235)	-	-	(543,851)	(70,763)
Excess of loss premiums	(83,861)	(31,688)	-	-	-	-	-	-	(83,861)	(31,688)
Allocated general & administrative expenses	(362,462)	(374,755)	(674)	(189)	(6,720)	(8,903)	(562)	(930)	(370,418)	(384,777)
Other allocated expenses	(250)	(23,537)	(10)	(9)	(405)	(597)	-	-	(665)	(24,143)
<b>Total expenses</b>	<b>(989,164)</b>	<b>(500,508)</b>	<b>(761)</b>	<b>(198)</b>	<b>(8,308)</b>	<b>(9,735)</b>	<b>(562)</b>	<b>(930)</b>	<b>(998,795)</b>	<b>(511,371)</b>
<b>Underwriting profit (loss)</b>	<b>694,438</b>	<b>(438,285)</b>	<b>867</b>	<b>562</b>	<b>5,783</b>	<b>(67,463)</b>	<b>279</b>	<b>6,153</b>	<b>701,367</b>	<b>(499,033)</b>

The accompanying notes form from (1) To (25) is an integral part of these statements



**The Holy Land Insurance Company**  
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**Notes to consolidated condensed interim financial statements - reviewed not audited**

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**1- Company's registration and objectives**

The Holy Land Insurance Company was established & registered as a public shareholding company in the Ministry of Industry & Trade under number (136) on the year 1980 .

**The company exercised all kinds of general insurances according to license which obtained from Insurance Authority for these insurance branches :**

- Motor insurance license
- Marine & transport insurance license
- Fire & other damage to property insurance license
- Liability insurance license

General assembly in its extraordinary meeting held on **June 30, 2015** decided to increase capital from JD/Share **6,000,000** to JD/Share **8,000,000** , by increasing amount of JD/Share **2,000,000** and by issuance discount JD/Share **0.35** through private written to the shareholders , by a plan declared by board of directors to correct company's financial status in accordance with regulations and laws for the benefit of the company , legal procedures were completed on **August 2, 2015**. Securities commission approved to register increased shares on **October 6, 2015** , and some of the shares were recovered ( **607,729** shares).

The board of directors decided to recover the unrecovered increased shares amounted of **1,392,271** shares by customize it to the chairman and deputy of chairman of board of directors , legal & official procedures were completed on **February 8, 2016** .

General assembly in its extraordinary meeting held on **September 22, 2016** decided to increase capital from JD/Share **8,000,000** to JD/Share **10,000,000** , by increasing amount of JD/Share **2,000,000** and by issuance discount JD/Share **0.35** through owning land no. **200** basin no. **20** South Om Othaina of Amman lands , its space of **1,009** square meters , this land owned by deputy chairman of board of directors and its evaluated by five realstate evaluators delegated for Ministry of Industry & Trade by average market value of JD **1,836,380** , the rest amount of JD **163,620** was recovered through private written of shareholders , legal procedures were completed on **October 30, 2016**. Securities commission approved to register increased shares on **November 23, 2016**, and in depository center on **November 28, 2016** .

General assembly in its extraordinary meeting held on **December 22, 2016** decided to reduce capital from JD/Share **10,000,000** to JD/Share **5,000,000** , by amortizing amount of JD/Share **5,000,000** from accumulated loss to capital , legal procedures were completed to competent authorities on **April 13, 2017**.

The consolidated condensed interim financial statements were approved by the board of directors at its meeting held on **August 5, 2020**, these financial statements aren't subject to the approval of the general assembly of shareholders .



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**2- Significant accounting policies**

**Basis of preparation of consolidated condensed interim consolidated financial statements**

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

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

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

These consolidated condensed interim financial statements do not include all the information required for a complete set of IFRS financial statements, However , selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the company's financial position and performance since the last annual report of financial statements as of **December 31, 2019**, in addition, The results for the three months period ended **March 31, 2020** are not necessarily indicative of the results that may be expected for the financial year ending **December 31, 2020**.

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**3- Basis of consolidated of the financial statements**

- The consolidated condensed interim financial statements consist of assets , liabilities , revenues & expenses of **The Holy Lands Insurance Company and 1 subsidiary** as follows :

Company's name	Date of control	Legal form	Activity	Capital	Ownership rate	Company's share of	
						subsidiary's (loss)	Investment book value
	JD			JD	%	JD	JD
Reyaza Realstate Investments Co.	30-Nov-2014	L.L.C	Real-estates	10,000	100	(6)	5,000

**- Summary for Subsidiary's Assets & Liabilities & Revenues & Profits :**

Company's name	Assets		Liabilities		(Loss) for the period	
	JD		JD		JD	
Reyaza Realstate Investments Co.	158,255		171,810		(6)	

Control realized when company has ability of control the financial and operation policies for subsidiaries for obtained benefets from its activities .

Subsidiaries' income results is being consolidated in statement of consolidated income from date of control up to stop that control on subsidiaries when the actual control on subsidiaries move to company or from company .

The financial statements for the mother company and subsidiaries are prepared for the period of the same accounting policies which used in the mother company (The Holy Lands Insurance Company) , if subsidiary used differnet policies some adjusting must made on its financial statements to be applicable to the policies used in the mother company .

## **The Holy Land Insurance Company**

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

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### **4- Changes in accounting policies**

Accounting policies followed in condensed interim financial statements' preparation for this period are consistent with the policies followed the last year, Except for the Company's application of the following Standards effective for annual periods beginning on 1 January 2019:

Amendments to IFRS 3 "Business Combinations"

Amendments to IFRS 1 "Presentation of financial statements"

Amendments to IFRS 8 "Changes in accounting estimates or notifications"

Amendments to IFRS 7 "Disclosures"

Amendments to IFRS 9 "Financial instruments"

As for the amended standards and the effective date of their application has not yet been determined, they are:

Amendments to IFRS 10 "Consolidated financial statements"

Amendments to IFRS 28 "Investing in associates and joint ventures"

**Not to adopt the new and revised IFRSs and improvements to IFRSs has an important impact on the interim condensed financial statements.**

### **5- Bussiness sector**

Bussiness sector represents a collection of assets and operations which are sharing together for serving produces or services subject to risk and benefits different from those related of other sectors and it measured according to reports used by excutive manager and decision maker of the company .

Geografic sector associated by nserving produces and services in limited economical environment subject to risks and benefits differnt from those related of bussiness sectors in economical environments .

### **6- Use of estimates**

The preparation of the interim condensed consolidated financial statements and the application of accounting policies requires management to make estimates and judgments that affect the amounts of financial assets and liabilities and disclose potential liabilities. These estimates and judgments also affect the income, expenses and provisions as well as changes in fair value that arise in equity. Requires management to issue significant judgments and judgments to estimate the amounts and timing of future cash flows.

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**7- Deposits at banks**

This item consists of :

	31-Mar-2020	31-Dec-2019
	JD	JD
	(Reviewed)	(Audited)
Jordan Trade Bank - JD	7,017	7,017
Cairo Amman Bank - JD	14,155	14,155
Union Bank for Saving & Investment - JD	202,500	202,500
Arab Bank - JD & \$	187,994	187,932
Arab Jordanian Investment Bank - \$	5,306	5,306
Housing Bank for Trade & Finance - JD	16,706	16,706
Jordan Dubai Islamic Bank - JD	11,306	11,306
Oudih Bank - JD	9,010	-
Capital Bank - JD	9,003	9,010
<b>Total</b>	<b>462,997</b>	<b>453,932</b>

Interest rate on JD deposit at banks ranging between **1.25%** to **3.25%** and of USD deposits between **0.5%** to **2.8%** , it accrued quarterly, midterm and yearly .

The mortgaged deposited upon request for general manager of Insurance Authority in addition to his job amounted of JD **225,000** as of **March 31, 2020** , its details as follows :

	31-Mar-2020	31-Dec-2019
	JD	JD
	(Reviewed)	(Audited)
Bank Al Etihad - JD	202,500	202,500
Housing Bank For Trade & Finance - JD	11,250	11,250
Jordan Dubai Islamic Bank - JD	11,250	11,250
<b>Total</b>	<b>225,000</b>	<b>225,000</b>

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

A. This item consists of :

	31-Mar-2020	31-Dec-2019
	JD	JD
<b><u>National</u></b>	<b>(Reviewed)</b>	<b>(Audited)</b>
Stocks in Amman stock Exchange (listed) (8 B)	299,863	355,663
Stocks in Amman stock Exchange (unlisted) (8C)	705	788
<b><u>International</u></b>		
Stocks in international stock Exchange (unlisted) (8C)	7,085	7,085
<b>Total</b>	<b>307,653</b>	<b>363,536</b>

B. For purposes of company's membership in the Investing companys' board of directors, the number of share reserved was **25,000** share of market value amounted of **JD 11,000**.

C. Financial assets are stated at cost according to couldn't mesure its fair value as trustly .

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

A. This item consists of :

	31-Mar-2020	31-Dec-2019
	JD	JD
<b><u>National</u></b>	<b>(Reviewed)</b>	<b>(Audited)</b>
Securities unlisted in Amman Stock Exchang (at cost)	210,000	210,000
Fair value reserve	(200,000)	(200,000)
<b>Total</b>	<b>10,000</b>	<b>10,000</b>

B. Financial assets are stated at cost according to couldn't mesure its fair value as trustly .

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

**10- Real estate investments - net**

A. This item consists of :

	<b>Lands</b>	<b>Buildings</b>	<b>Total</b>
	<b>JD</b>	<b>JD</b>	<b>JD</b>
<b>Cost</b>			
<b>Balance ending of the period</b>	<b>3,630,777</b>	<b>123,737</b>	<b>3,754,514</b>
<b>Accumulated depreciations</b>			
<b>Balance ending of the period</b>	<b>-</b>	<b>123,737</b>	<b>123,737</b>
<b>Net book value as of March 31, 2020</b>	<b>3,630,777</b>	<b>-</b>	<b>3,630,777</b>
<b>Net book value as of December 31, 2019</b>	<b>3,630,777</b>	<b>-</b>	<b>3,630,777</b>

- B. The lands item represents of the cost of land of JD **23,500** and constitute a percentage of **47%** of whole land's value located on land number **853** basin number **11** Wadi Assalt of Amman lands with a totally space of **788** square meters and the buildings constructed on it. As well, the cost of land of JD **153,225** located on land number **2363** basin number **42** alboqan of Assalt lands with a totally space of **1,803** square meters. As well, the cost of land of JD **3,607,277** located on land number **431** basin number **4** of Dabouq lands with a totally space of **4,010** square meters, the cost represents the market value of the land at the date of acquisition on **September 1, 2019**. Thus, the market value of real estate investments, according to the estimation of two licensed real estate experts during the month of **March 2020**, reached an average amount of **887,217** JD, in addition to the cost of owning a plot of land in the amount of **3,607,277** JD, for a total of **4,494,494** JD.

**11- Investment in subsidiary - under liquidation**

A. This item consists of :

	<b>Ownerity rate</b>	<b>31-Mar-2020</b>	<b>31-Dec-2019</b>
	<b>%</b>	<b>JD</b>	<b>JD</b>
<b>National</b>		<b>(Reviewed)</b>	<b>(Audited)</b>
<b>Limited liabilties companies</b>			
The Dead Sea Co. For Vehicle Surveying & Paint (11 B)	100	120,000	120,000
The Dead Sea Co. For Vehicles' Parts Trading (11 B)	100	15,000	15,000
<b>Total</b>		<b>135,000</b>	<b>135,000</b>

- B. According to The Dead Sea Co. for Vehicle surveying & Paint extraordinary genaral assembly meeting held on **July 9, 2019**, it took vulontary liquidation decision , and either , the extraordinary general assembly meeting of The Dead Sea Co. for Vehicle's Parts Trading held on **September 26,2019** decided of cancel the record of the company in ministry of tarde. the subsidiary financial statements have not been consolidated due to absence of one of the consolidated terms in accordance with the requirements of (IFRS 10)(Consolidated Financial Statements) as there is no control over this subsidiary .

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**12- Accounts receivable - net**

A. This item consists of :

	31-Mar-2020	31-Dec-2019
	JD	JD
	(Reviewed)	(Audited)
Policies campaign receivable	1,493,486	1,479,851
Agents receivable	580,602	498,181
Returned cheques	81,027	81,027
Issues and under settelment receivable	122,281	122,771
Garages receivable	17,446	17,698
Employees receivable	34,123	34,575
<b>Total</b>	<b>2,328,965</b>	<b>2,234,103</b>
Deduct : receivable debts impairment (Note 12 B)	(1,043,394)	(1,043,394)
<b>Net</b>	<b>1,285,571</b>	<b>1,190,709</b>

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

	31-Mar-2020	31-Dec-2019
	JD	JD
	(Reviewed)	(Audited)
<b>Balance beginning of the period/year</b>	<b>1,043,394</b>	<b>1,037,754</b>
Additions for the period / year	-	5,640
<b>Balance ending of the period/year</b>	<b>1,043,394</b>	<b>1,043,394</b>

**13- Due from reinsurers - net**

A. This item consists of :

	31-Mar-2020	31-Dec-2019
	JD	JD
	(Reviewed)	(Audited)
Local insurance co. receivable	849,412	856,058
foreign reinsurers co. receivable	486,017	389,470
<b>Total</b>	<b>1,335,429</b>	<b>1,245,528</b>
Deduct : reinsurers debts impairment (Note 13 B)	(466,269)	(466,269)
<b>Net</b>	<b>869,160</b>	<b>779,259</b>

B. Transaction of reinsurers debts impairment during the period represents of :

	31-Mar-2020	31-Dec-2019
	JD	JD
	(Reviewed)	(Audited)
<b>Balance beginning of the period/year</b>	<b>466,269</b>	<b>461,388</b>
Additions for the period / year	-	4,881
<b>Balance ending of the period/year</b>	<b>466,269</b>	<b>466,269</b>



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**14- Income tax**

**A. Income tax provision**

- No income tax allowance was calculated for the results of the work of the parent company and the subsidiary for the current period due to the existence of accumulated losses tax-acceptable for previous years, according to the opinion
- Income tax for the parent company was accepted until the end of 2018 under the sample system, and the self-assessment statement for 2019 has not yet been reviewed. .
- Income tax for the subsidiary company (Riaza Real Estate Investment Company) has been accepted until the end of 2018 under the sample system, and the self-assessment statement for 2019 has been submitted and has not yet been reviewed.

**B. Deferred tax assets**

This item consists of :

	31-Mar-2020				31-Dec-2019	
Included accounts	Balance at beginning of the period	Amounts released	Amounts added	Balance at ending of the period	Deferred tax assets	Deferred tax assets
	JD	JD	JD	JD	JD	(Audited) JD
Provision for impairment debits	2,593,174	-	-	2,593,174	648,294	648,294
Unrealized gain (loss) for financial assets at fair value through income	-	-	-	-	-	-
End of service indemnity provision	25,663	-	-	25,663	12,832	12,832
IBNER at end of the period	1,160,000	-	-	1,160,000	580,000	580,000
Accumulated loss to tax department for the years 2011,2012,2015	1,733,268	-	-	1,733,268	433,317	433,317
<b>Total</b>	<b>5,512,105</b>	<b>-</b>	<b>-</b>	<b>5,512,105</b>	<b>1,674,443</b>	<b>1,674,443</b>

**- Transaction of deferred tax assets during the period represents of :**

	31-Mar-2020	31-Dec-2019
	JD	JD
<b>Balance beginning of the period/year</b>	<b>(Reviewd)</b>	<b>(Audited)</b>
Additions for the period / year	1,674,443	1,674,443
Disposals during the period / year	-	-
<b>Balance ending of the period/year</b>	<b>1,674,443</b>	<b>1,674,443</b>

- According to tax consultant opinion the company can benefit from this deferred tax assets at future.



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**15- Accounts payable**

This item consists of :

	<u>31-Mar-2020</u>	<u>31-Dec-2019</u>
	JD	JD
	<b>(Reviewed)</b>	<b>(Audited)</b>
Accidents payable	1,734	1,460
Agents payable	44,825	30,294
Policies compaign payable	178,350	154,732
Garages payable	2,263	3,023
<b>Total</b>	<b><u>227,172</u></b>	<b><u>189,509</u></b>

**16- Due to reinsurers**

A. This item consists of :

	<u>31-Mar-2020</u>	<u>31-Dec-2019</u>
	JD	JD
	<b>(Reviewed)</b>	<b>(Audited)</b>
Local insurance co. payable	416,992	414,700
Foreign reinsurers co. payable	146,660	139,045
<b>Total</b>	<b><u>563,652</u></b>	<b><u>553,745</u></b>

**17- Fair value reserve**

This item consists of :

	<u>31-Mar-2020</u>	<u>31-Dec-2019</u>
	JD	JD
	<b>(Reviewed)</b>	<b>(Audited)</b>
<b>Balance beginning of the period/year</b>	<b>200,000</b>	<b>200,000</b>
Net changes in fair value during the period / year	-	-
<b>Balance ending of the period/year</b>	<b><u>200,000</u></b>	<b><u>200,000</u></b>

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**18- (Losses) from financial assets & investments**

This item consists of :

	31-Mar-2020	31-Mar-2019
	JD	JD
Unrealized (losses) from financial assets at fair value through income statement	(65,935)	(59,630)
<b>Total</b>	<b>(65,935)</b>	<b>(59,630)</b>
<b>Amount transfer to income statement</b>	<b>(65,935)</b>	<b>(59,630)</b>

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

This item consists of :

	31-Mar-2020	31-Mar-2019
	JD	JD
Profit (loss) for the period after tax (JD)	537,445	(549,396)
Weighted average shares (share)	5,000,000	5,000,000
<b>Basic and diluted earning per share</b>	<b>0.107</b>	<b>(0.110)</b>

The diluted earning per share is equal to the basic earning per share .

**20- Related parties transactions**

Realated parties include key shareholders , key management personnel , key managers , associates and subsidiaries and controlled companies . The company's management has approved the pricing policies and terms of transactions with related parties.

**- Details of due from related parties appear on financial position**

	Type of transaction	31-Mar-2020	31-Dec-2019
		JD	JD
		(Reviewed)	(Audited)
<b><u>Subsidiary</u></b>			
The Dead Sea Co. For Vehicle Surveying & Paint	Finance	206,350	203,041
The Dead Sea Co. For Vehicles' Parts Trading	Finance	6,270	6,270
<b>Total</b>		<b>212,620</b>	<b>209,311</b>

**Wages, allowances and other benefits for senior excutive managements :**

	31-Mar-2020	31-Mar-2019
	JD	JD
<b>Wages &amp; other benefits</b>	<b>101,194</b>	<b>88,740</b>

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**21- Issues**

There are issues facing company from others subject of accidents amounted of JD ,795,410 , they appear in outstanding claims provision , upon Legal consultant opinion the outstanding claims balance is enough, also there are issues facing others amounted of JD 758,018 subject of recoveries, its appear within recoveries, upon legal consultant opinion the amounts allocated in records for outstanding recoveries which issues arise of it is enough within legal and technical standards and there is a chance to recover thats amounts.

**22- Contingent liabilities**

There are no contingent liabilities as of financial position date .

**23- Subsequent events**

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

**24- Future plan**

- Increase the share capital of the company in order to improve the margin of solvency and equity of the shareholders.
- The collection of the outstanding recoveries and distressed receivables in all the necessary legal ways, through contracting with one of the specialized companies in this field.
- Continue the policy of reservation to accept the risks of insurance.
- Diversify the company's insurance portfolio by creating new types of insurance risks.
- Increase the amount of written premiums by contracting with new and efficient insurance brokers.

**25- Comparative figures**

Certain comparative figures were reclassified to conform with the presentation of the current period , according to the instructions of Insurance Authority no. (2) for the year 2003 and to the decesion of Insurance Authority no. (8) for the year 2007 and the decesion no. (1) for the year 2011 , the reclassification didn't result any effect on company's business results and its owners' equity for the year 2019.