

**UNITED INSURANCE COMPANY**

**PUBLIC SHAREHOLDING COMPANY**

**INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

**30 SEPTEMBER 2022**



Building a better  
working world

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**REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS  
TO THE BOARD OF DIRECTORS OF UNITED INSURANCE COMPANY – PUBLIC SHAREHOLDING COMPANY  
AMMAN - JORDAN**

## **Introduction**

We have reviewed the accompanying interim condensed financial statements of United Insurance Company (Public Shareholding Company) as at 30 September 2022, which comprise of the interim condensed statement of financial position as at 30 September 2022, and the related interim condensed statement of income, interim condensed statement of comprehensive income, interim condensed statement of changes in equity and interim condensed statement of cash flows for the nine months period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

## **Scope of Review**

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

## **Other Matter**

The financial statements of the Company for the year ended on 31 December 2021 and the interim financial statements for the period ended on 30 September 2021 were audited and reviewed by another auditor who expressed an unqualified opinion and unqualified conclusion on 28 February 2022 and 30 October 2021, respectively.

Amman – Jordan  
24 October 2022

**ERNST & YOUNG**  
Amman - Jordan

**UNITED INSURANCE COMPANY – PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2022**

	Notes	30 September 2022 JD (Unaudited)	31 December 2021 JD (Audited)
<b><u>Assets</u></b>			
Deposits at banks	3	8,639,918	8,310,717
Financial assets at fair value through profit or loss	4	104,573	125,322
Financial assets at fair value through other comprehensive income	5	5,656,319	5,429,328
Financial assets at amortized cost	6	4,547,001	4,547,001
Investment properties	7	4,859,981	4,774,382
<b>Total Investments</b>		<b>23,807,792</b>	<b>23,186,750</b>
Cash and cash equivalents	20	271,712	628,387
Checks under collection	8	2,485,034	2,014,578
Accounts receivable	9	9,878,629	6,678,416
Reinsurance receivables	10	439,275	351,384
Deferred tax assets	14/B	633,452	687,298
Property and equipment		4,528,816	4,653,596
Intangible assets		10,273	15,639
Other assets		1,654,318	2,188,027
<b>Total Assets</b>		<b>43,709,301</b>	<b>40,404,075</b>
<b><u>Liabilities and Equity</u></b>			
<b>Liabilities -</b>			
<b>Technical reserves</b>			
Unearned premiums reserve		9,157,306	6,728,139
Outstanding claims reserve		11,299,482	11,081,143
Mathematical reserve		49,908	50,368
<b>Total Technical Reserves</b>		<b>20,506,696</b>	<b>17,859,650</b>
Due to banks		78,685	-
Accounts payable	11	2,018,689	2,372,209
Reinsurance payables	12	3,344,547	3,031,890
Other provisions	13	163,251	176,338
Income tax provision	14/A	264,023	260,536
Deferred tax liabilities	14/B	26,864	26,864
Other Liabilities		184,352	159,637
<b>Total Liabilities</b>		<b>26,587,107</b>	<b>23,887,124</b>
<b>Equity-</b>			
Authorized and paid in capital	15	8,000,000	8,000,000
Share premium		41,507	41,507
Statutory reserve	16	2,000,000	2,000,000
Fair value reserve	17	(140,490)	(308,463)
Retained earnings		5,983,907	6,783,907
Profit for the period		1,237,270	-
<b>Total Equity</b>		<b>17,122,194</b>	<b>16,516,951</b>
<b>Total Liabilities and Equity</b>		<b>43,709,301</b>	<b>40,404,075</b>

The attached notes from 1 to 26 form part of these interim condensed financial statements

**UNITED INSURANCE COMPANY – PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF INCOME**  
**FOR THE NINE-MONTHS PERIOD ENDED 30 SEPTEMBER 2022 (UNAUDITED)**

	Notes	For the three months ended 30 September		For the nine months ended 30 September	
		2022	2021	2022	2021
		JD	JD	JD	JD
<b>Revenue -</b>					
Gross written premiums		6,611,437	5,310,989	21,790,924	18,523,028
Less: Reinsurance share		1,661,613	1,650,586	7,375,788	7,371,410
Net written premiums		4,949,824	3,660,403	14,415,136	11,151,618
Net change in unearned premiums reserve		(541,644)	(120,745)	(2,429,167)	(889,490)
Net change in mathematical reserve		-	-	460	(2,824)
Net earned premiums		4,408,180	3,539,658	11,986,429	10,259,304
Commissions income received		134,580	101,596	415,723	355,281
Insurance policies issuance fees		221,514	200,216	749,175	669,528
Interest Income		155,920	152,907	473,587	432,728
Gain from financial assets and investments	18	11,724	19,069	293,180	267,983
Other revenues		5,965	4,979	45,127	13,127
<b>Total revenue</b>		<b>4,937,883</b>	<b>4,018,425</b>	<b>13,963,221</b>	<b>11,997,951</b>
<b>Claims, Losses and Expenses</b>					
Paid claims		4,731,392	4,952,034	14,354,212	20,035,121
Less: Recoveries		405,628	405,459	1,140,067	1,108,290
Less: Reinsurance share		1,228,078	1,632,881	3,844,387	10,758,524
Net paid claims		3,097,686	2,913,694	9,369,758	8,168,307
Net change in outstanding claims reserve		340,566	(157,766)	218,339	(93,530)
Allocated employees' expenses		299,641	289,702	966,150	899,678
Allocated administrative and general expenses		85,558	111,991	371,140	314,711
Excess of loss premium		27,033	27,500	88,754	94,507
Policies acquisition costs		140,525	144,875	480,039	432,481
Other expenses		145,682	154,596	399,234	348,062
<b>Net claims costs</b>		<b>4,136,691</b>	<b>3,484,592</b>	<b>11,893,414</b>	<b>10,164,216</b>
Unallocated employee's expenses		42,108	42,381	135,869	127,595
Unallocated administrative and general expenses		21,393	27,996	92,788	78,676
Depreciation and amortization		65,764	96,104	204,285	285,076
Expected credit losses		5,003	-	5,003	100,000
Other expenses		-	5,829	29,161	16,665
<b>Total expenses</b>		<b>4,270,959</b>	<b>3,656,902</b>	<b>12,360,520</b>	<b>10,772,228</b>
Profit for the period before tax		666,924	361,523	1,602,701	1,225,723
Income tax expense	14/A	(172,921)	(109,335)	(365,431)	(271,859)
<b>Profit for the period</b>		<b>494,003</b>	<b>252,188</b>	<b>1,237,270</b>	<b>953,864</b>
		<u>JD/Fils</u>	<u>JD/Fils</u>	<u>JD/Fils</u>	<u>JD/Fils</u>
Basic and diluted earnings per share attributable to Company's shareholders	19	0/062	0/032	0/155	0/119

The attached notes from 1 to 26 form part of these interim condensed financial statements

**UNITED INSURANCE COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE NINE-MONTHS PERIOD ENDED 30 SEPTEMBER 2022 (UNAUDITED)**

	For the three months ended 30 September		For the nine months ended 30 September	
	2022	2021	2022	2021
	JD	JD	JD	JD
Profit for the period	494,003	252,188	1,237,270	953,864
<b>Other comprehensive income items that will not be reclassified to profit or loss in subsequent periods, net of tax:</b>				
Change in fair value, net of deferred tax liabilities	16,986	(26,026)	167,973	478,671
<b>Total comprehensive income for the period</b>	<b>510,989</b>	<b>226,162</b>	<b>1,405,243</b>	<b>1,432,535</b>

The attached notes from 1 to 26 form part of these interim condensed financial statements

**UNITED INSURANCE COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE-MONTHS PERIOD ENDED 30 SEPTEMBER 2022 (UNAUDITED)**

	Authorized and paid-in capital		Share Premium	Statutory reserve	Fair value reserve	Retained earnings	Profit for the period	Total
	JD	JD						
<b>30 September 2022 -</b>								
Balance as at 1 January 2022	8,000,000	41,507	2,000,000	(308,463)	6,783,907	-	16,516,951	
Total comprehensive income for the period	-	-	-	167,973	-	1,237,270	1,405,243	
Dividends distributed (Note 25)	-	-	-	-	(800,000)	-	(800,000)	
<b>Balance as at 30 September 2022</b>	<b>8,000,000</b>	<b>41,507</b>	<b>2,000,000</b>	<b>(140,490)</b>	<b>5,983,907</b>	<b>1,237,270</b>	<b>17,122,194</b>	
<b>30 September 2021 -</b>								
Balance as at 1 January 2021	8,000,000	41,507	2,000,000	(898,691)	6,261,757	-	15,404,573	
Total comprehensive income for the period	-	-	-	478,671	-	953,864	1,432,535	
Dividends distributed (Note 25)	-	-	-	-	(800,000)	-	(800,000)	
<b>Balance as at 30 September 2021</b>	<b>8,000,000</b>	<b>41,507</b>	<b>2,000,000</b>	<b>(420,020)</b>	<b>5,461,757</b>	<b>953,864</b>	<b>16,037,108</b>	

Retained earnings include an amount of JD 633,452 as at 30 September 2022 compared to JD 687,298 as at 31 December 2021 representing deferred tax assets that are restricted in compliance with the instructions of Jordan Securities Commission.

**UNITED INSURANCE COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF CASH FLOWS**  
**FOR THE NINE-MONTHS PERIOD ENDED 30 SEPTEMBER 2022 (UNAUDITED)**

	Notes	30 September 2022 JD	30 September 2021 JD
<b><u>Cash flows from Operating Activities</u></b>			
Profit for the period before tax		1,602,701	1,225,723
<b>Adjustments for:</b>			
Interest income		(473,587)	(432,728)
Depreciation and amortization		204,285	285,076
Net change in financial assets at fair value through profit or loss		20,749	10,116
Other provisions		237,624	199,108
Provision for expected credit losses		5,003	100,000
Net change in mathematical reserve		(460)	2,824
Net change in unearned premium reserve		2,429,167	889,490
Net change in outstanding claims reserve		218,339	(93,530)
<b>Cash flows from operating activities before changes in working capital</b>		<b>4,243,821</b>	<b>2,186,079</b>
Cheques under collection		(470,456)	(138,444)
Accounts receivable		(3,363,575)	(2,455,605)
Reinsurance receivables		(92,894)	(109,842)
Other assets		725,781	211,426
Accounts payable		(353,520)	479,556
Reinsurance payables		312,657	(1,892,238)
Other liabilities		68,411	20,789
Paid from provisions		(250,500)	(227,933)
Income tax paid	14/A	(367,327)	(568,498)
<b>Net cash flows from (used in) operating activities</b>		<b>452,398</b>	<b>(2,494,710)</b>
<b><u>Cash flows from Investing Activities</u></b>			
Deposits at banks maturing after three months		(7,550,000)	484,840
Interest received		281,515	207,368
Purchase of property and equipment		(9,654)	(11,521)
Purchase of intangible assets		-	(10,799)
Purchase of financial assets at amortized cost		-	(1,420,000)
Proceeds from sale of investment properties		13,278	-
<b>Net cash flows used in from investing activities</b>		<b>(7,264,861)</b>	<b>(750,112)</b>
<b><u>Cash flows from Financing Activities</u></b>			
Dividends paid		(765,011)	(800,000)
<b>Net cash flows used in Financing activities</b>		<b>(765,011)</b>	<b>(800,000)</b>
<b>Net decrease in cash and cash equivalent</b>		<b>(7,577,474)</b>	<b>(4,044,822)</b>
Cash and cash equivalent, at the beginning of the period		6,749,186	5,306,191
<b>Cash and cash equivalent, at the end of the period</b>	20	<b>(828,288)</b>	<b>1,261,369</b>

The attached notes from 1 to 26 form part of these interim condensed financial statements

**UNITED INSURANCE COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**STATEMENT OF UNDER WRITING REVENUES FOR THE LIFE INSURANCE**  
**FOR THE NINE-MONTHS PERIOD ENDED 30 SEPTEMBER 2022 (UNAUDITED)**

	Life	
	For the nine months ended 30	
	September	
	2022	2021
	JD	JD
<b>Written premiums -</b>		
Direct insurance	278,181	273,345
<b>Total premiums</b>	<b>278,181</b>	<b>273,345</b>
Less:		
Foreign reinsurance share	201,334	193,494
<b>Net written premiums</b>	<b>76,847</b>	<b>79,851</b>
Add:		
Mathematical reserve at the beginning of the period	161,832	150,712
Less: Reinsurance share	111,464	110,000
<b>Net mathematical reserve at the beginning of the period</b>	<b>50,368</b>	<b>40,712</b>
Less:		
Mathematical reserve at the end of the period	155,353	143,339
Less: Reinsurance share	105,445	99,803
<b>Net mathematical reserve at the end of the period</b>	<b>49,908</b>	<b>43,536</b>
<b>Net earned revenues from the written premiums</b>	<b>77,307</b>	<b>77,027</b>

The attached notes from 1 to 26 form part of these interim condensed financial statements

**UNITED INSURANCE COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**STATEMENT OF CLAIMS COST FOR THE LIFE INSURANCE**  
**FOR THE NINE-MONTHS PERIOD ENDED 30 SEPTEMBER 2022 (UNAUDITED)**

	Life	
	For the nine months ended 30	
	September	
	2022	2021
	JD	JD
Paid claims	134,023	271,690
Less: Reinsurance share	108,430	226,557
<b>Net Paid Claims</b>	<u>25,593</u>	<u>45,133</u>
Add:		
Outstanding Claims Reserve at the end of the period		
Reported	187,109	167,196
Unreported	10,000	10,000
Less:		
Reinsurance share	139,669	126,599
<b>Net Outstanding Claims Reserve at the end of the period</b>	<u>57,440</u>	<u>50,597</u>
Less:		
Outstanding Claims Reserve at the beginning of the period		
Reported	160,644	392,674
Unreported	10,000	10,000
Less:		
Reinsurance share	121,357	325,409
<b>Net Outstanding Claims Reserve at the beginning of the period</b>	<u>49,287</u>	<u>77,265</u>
<b>Net Claims Cost</b>	<u><u>33,746</u></u>	<u><u>18,465</u></u>

The attached notes from 1 to 26 form part of these interim condensed financial statements

**UNITED INSURANCE COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**STATEMENT OF UNDERWRITING PROFITS FOR THE LIFE INSURANCE**  
**FOR THE NINE-MONTHS PERIOD ENDED 30 SEPTEMBER 2022 (UNAUDITED)**

	Life	
	For the nine months ended 30	
	September	
	2022	2021
	JD	JD
<b>Net earned revenues from written premiums</b>	77,307	77,027
Less:		
<b>Net claims cost</b>	33,746	18,465
	43,561	58,562
Add:		
Commissions received	121	71
Insurance policies issuance fees	6,786	6,321
Other Income	12,875	-
<b>Total revenues</b>	19,782	6,392
Less:		
Policies acquisition costs	1,215	2,283
Administrative expenses related to underwriting accounts	11,676	12,176
Other expenses related to underwriting accounts	1,565	(1,739)
<b>Total expenses</b>	14,456	12,720
<b>Underwriting profit</b>	48,887	52,234

The attached notes from 1 to 26 form part of these interim condensed financial statements

**UNITED INSURANCE COMPANY - PUBLIC SHAREHOLDING COMPANY  
STATEMENT OF UNDER WRITING REVENUES FOR THE GENERAL INSURANCE  
FOR THE NINE-MONTHS PERIOD ENDED 30 SEPTEMBER 2022 (UNAUDITED)**

	Motor		Marine and transportations		Aviation		Fire and other property damage		Liability		Medical		Others		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Direct insurance	9,116,160	6,731,636	284,265	233,867	-	99,990	2,222,787	2,209,385	250,083	235,536	8,385,234	7,871,674	53,759	34,624	20,312,288	17,416,712
Facultative inward reinsurance business	939,021	515,400	2,429	838	-	-	258,483	316,291	225	227	-	-	297	215	1,200,455	832,971
<b>Total Premiums</b>	<b>10,055,181</b>	<b>7,247,036</b>	<b>286,694</b>	<b>234,705</b>	<b>-</b>	<b>99,990</b>	<b>2,481,270</b>	<b>2,525,676</b>	<b>250,308</b>	<b>235,763</b>	<b>8,385,234</b>	<b>7,871,674</b>	<b>54,056</b>	<b>34,839</b>	<b>21,512,743</b>	<b>18,249,683</b>
Less:																
Local reinsurance share	778,364	418,146	-	-	-	-	118,032	173,278	-	-	1,506,672	1,061,612	-	-	2,403,068	1,653,036
Foreign reinsurance share	111,566	77,409	241,532	206,211	-	94,138	2,153,200	2,161,865	167,135	142,943	2,089,168	2,835,356	8,785	6,958	4,771,386	5,524,880
<b>Net Written Premiums</b>	<b>9,165,251</b>	<b>6,751,481</b>	<b>45,162</b>	<b>28,494</b>	<b>-</b>	<b>5,852</b>	<b>210,038</b>	<b>190,533</b>	<b>83,173</b>	<b>92,820</b>	<b>4,789,394</b>	<b>3,974,706</b>	<b>45,271</b>	<b>27,881</b>	<b>14,338,289</b>	<b>11,071,767</b>
Add:																
Balance at the beginning of the period																
Unearned premiums reserve	5,235,489	4,954,163	81,362	72,788	16,525	-	926,302	832,877	78,147	86,599	2,869,415	2,050,752	20,105	10,883	9,227,345	8,008,062
Less: Reinsurance share	119,408	101,765	69,724	63,632	15,579	-	833,600	753,593	45,970	58,625	1,407,635	745,313	7,290	7,639	2,499,206	1,730,567
<b>Net Unearned Premiums Reserve</b>	<b>5,116,081</b>	<b>4,852,398</b>	<b>11,638</b>	<b>9,156</b>	<b>946</b>	<b>-</b>	<b>92,702</b>	<b>79,284</b>	<b>32,177</b>	<b>27,974</b>	<b>1,461,780</b>	<b>1,305,439</b>	<b>12,815</b>	<b>3,244</b>	<b>6,728,139</b>	<b>6,277,495</b>
Less:																
Balance at the end of the period																
Unearned premiums reserve	6,420,286	4,934,467	98,487	79,943	-	42,293	1,378,202	1,372,335	119,638	89,861	4,521,568	4,362,435	15,573	23,077	12,533,754	10,904,411
Less: Reinsurance share	142,580	116,635	83,536	70,292	-	39,872	1,265,011	1,264,917	82,693	52,075	1,815,973	2,185,770	6,655	7,865	3,396,448	3,737,426
<b>Net unearned Premiums Reserve</b>	<b>6,277,706</b>	<b>4,817,832</b>	<b>14,951</b>	<b>9,651</b>	<b>-</b>	<b>2,421</b>	<b>113,191</b>	<b>107,418</b>	<b>36,945</b>	<b>37,786</b>	<b>2,705,595</b>	<b>2,176,665</b>	<b>8,918</b>	<b>15,212</b>	<b>9,157,306</b>	<b>7,166,985</b>
<b>Net earned revenues from written Premiums</b>	<b>8,003,626</b>	<b>6,786,047</b>	<b>41,849</b>	<b>27,999</b>	<b>946</b>	<b>3,431</b>	<b>189,549</b>	<b>162,399</b>	<b>78,405</b>	<b>83,008</b>	<b>3,545,579</b>	<b>3,103,480</b>	<b>49,168</b>	<b>15,913</b>	<b>11,909,122</b>	<b>10,182,277</b>

The attached notes from 1 to 26 form part of these interim condensed financial statements

**UNITED INSURANCE COMPANY - PUBLIC SHAREHOLDING COMPANY  
STATEMENT OF CLAIMS COST FOR THE GENERAL INSURANCE  
FOR THE NINE-MONTHS PERIOD ENDED 30 SEPTEMBER 2022 (UNAUDITED)**

	Motor		Marine and transportations				Aviation				Fire and other property damage				Liability				Medical				Others				Total							
	2022		2021		2022		2021		2022		2021		2022		2021		2022		2021		2022		2021		2022		2021		2022		2021		2022	
	JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD			
<b>Paid claims</b>	7,375,775	6,457,639	21,551	23,297	-	-	293,018	7,825,180	9,839	44,868	6,515,778	5,412,447	4,228	-	14,220,189	19,763,431																		
Less:																																		
Recoveries	1,121,160	1,081,931	216	14,675	-	-	16,326	9,148	1,990	2,536	-	-	375	-	1,140,067	1,108,290																		
Local reinsurance share	90,286	47,257	-	-	-	-	-	-	5,629	7,970	1,095,689	614,315	-	-	1,191,604	669,542																		
Foreign reinsurance share	-	-	12,376	17,395	-	-	270,399	7,811,117	-	-	2,261,578	2,033,913	-	-	2,544,353	9,862,425																		
<b>Net paid claims</b>	6,164,329	5,328,451	8,959	(8,773)	-	-	6,293	4,915	2,220	34,362	3,158,511	2,764,219	3,853	-	9,344,165	8,123,174																		
Add:																																		
Outstanding claims reserve at the end of the period																																		
Reported	11,475,799	11,569,496	106,724	125,041	-	-	2,343,295	2,427,130	44,637	79,413	191,148	229,160	1,262	1,262	14,162,865	14,431,502																		
Unreported	1,100,000	1,100,000	2,134	2,501	-	-	23,433	24,271	446	794	326,316	443,558	13	13	1,452,342	1,571,137																		
Less:																																		
Reinsurance shares from reported outstanding reserve	750,093	840,230	87,573	99,083	-	-	2,171,453	2,262,326	18,368	52,521	88,304	347,954	11	11	3,115,802	3,602,875																		
Reinsurance shares from unreported outstanding reserve	-	-	-	-	-	-	-	-	-	-	152,809	-	-	-	152,809	-																		
Recoveries	1,104,554	1,081,311	-	-	-	-	-	-	-	-	-	-	-	-	1,104,554	1,081,311																		
<b>Net outstanding claims reserve at the end of the period</b>	10,721,152	10,747,955	21,285	28,459	-	-	195,275	189,075	26,715	27,686	276,351	324,764	1,264	514	11,242,042	11,318,453																		
Less:																																		
Outstanding claims reserve at the beginning of the period																																		
Reported	11,328,409	11,193,601	129,189	129,606	-	-	2,330,731	11,327,403	81,911	117,157	243,970	182,075	12	1,262	14,114,222	22,951,104																		
Unreported	1,100,000	1,100,000	2,584	2,592	-	-	23,307	25,959	819	1,172	438,874	598,319	-	13	1,565,584	1,728,055																		
Less:																																		
Reinsurance shares from reported outstanding reserve	1,023,514	922,134	102,199	102,010	-	-	2,173,311	11,146,548	50,631	70,466	136,310	315,874	11	761	3,485,976	12,557,773																		
Reinsurance shares from unreported outstanding reserve	-	-	-	-	-	-	-	-	-	-	241,024	-	-	-	241,024	-																		
Recoveries	920,950	736,071	-	-	-	-	-	-	-	-	-	-	-	-	920,950	736,071																		
<b>Net outstanding claims reserve at the beginning of the period</b>	10,483,945	10,635,396	29,574	30,188	-	-	180,727	206,814	32,099	47,883	305,510	464,520	1	514	11,031,856	11,385,315																		
<b>Net claims cost</b>	6,401,536	5,441,010	670	(10,502)	-	-	20,841	(12,824)	(3,164)	14,165	3,129,352	2,624,463	5,116	-	9,554,351	8,056,312																		

**The attached notes from 1 to 26 form part of these interim condensed financial statements**

**UNITED INSURANCE COMPANY – PUBLIC SHAREHOLDING COMPANY  
STATEMENT OF UNDERWRITING PROFITS FOR THE GENERAL INSURANCE  
FOR THE NINE-MONTHS PERIOD ENDED 30 SEPTEMBER 2022 (UNAUDITED)**

	Motor		Marine and transportations		Aviation		Fine and property		Liability		Medical		Others		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b>Net earned revenues from written premiums</b>	8,003,626	6,786,047	41,849	27,999	946	3,431	189,549	162,399	78,405	83,008	3,545,579	3,103,480	49,168	15,913	11,909,122	10,182,277
Less:																
<b>Net claims cost</b>	6,401,536	5,441,010	640	(10,502)	-	-	20,841	(12,824)	(3,164)	14,165	3,129,352	2,624,463	5,116	-	9,554,351	8,056,312
	1,602,090	1,345,037	41,179	38,501	946	3,431	168,708	175,223	81,569	68,843	416,227	479,017	44,052	15,913	2,354,771	2,125,965
Add:																
Commissions received	2,326	3,369	115,565	94,662	-	-	269,046	231,570	13,233	14,386	15,067	10,616	365	607	415,602	355,210
Insurance policies issuance fees	391,785	340,530	9,479	10,901	-	2,045	90,110	88,910	9,949	9,621	240,052	209,065	1,014	1,235	742,389	663,207
Other Revenues	17,005	557	-	-	-	-	1,981	-	-	-	-	-	-	-	18,986	557
<b>Total revenues</b>	411,116	344,456	125,044	105,563	-	2,045	361,137	320,480	23,182	24,007	255,119	220,581	1,379	1,842	1,176,977	1,019,374
Less:																
Policy acquisition costs	309,755	290,617	6,499	5,843	-	-	66,811	67,697	17,880	17,068	59,515	40,291	18,364	8,682	478,824	430,198
Excess of loss premiums	54,066	62,507	-	-	-	-	34,688	32,000	-	-	-	-	-	-	88,754	94,507
General and administrative expenses related to underwriting accounts	639,625	516,346	47,478	41,545	-	4,454	153,943	163,453	10,506	10,502	471,792	464,362	2,269	1,552	1,325,613	1,202,214
Other expenses	266,326	205,831	1,535	3,545	-	-	7,776	5,306	117	93	121,512	134,939	403	87	397,669	349,801
<b>Total expenses</b>	1,269,772	1,075,301	55,512	50,933	-	4,454	263,218	268,456	28,503	27,663	652,819	639,592	21,036	10,321	2,290,860	2,076,720
<b>Underwriting profit</b>	743,434	614,192	110,711	93,131	946	1,022	266,627	227,247	76,248	65,187	18,527	60,006	24,395	7,434	1,240,888	1,068,219

The attached notes from 1 to 26 form part of these interim condensed financial statements

**(1) GENERAL**

United Insurance Company was established in 1972 under the Jordanian Companies Law and its amendments under No. (74) as a public limited shareholding company. United Insurance Company was merged with the East Egyptian Insurance Company and the New India Insurance Company in Jordan. The merger took effect as of the beginning of the year 1988, and the resulting company from the merger (United Insurance Company) became a general successor to the merged companies. Several adjustments have been made to the capital, the last of which was during 2008 where the authorized and paid-in capital became JD 8 million, divided into 8 million shares with a nominal value of JD 1 per share.

The Company address is Zahran street, Building number (188), P.O.Box 7521, Amman 11118, Jordan.

The Company's objectives are to practice insurance activities, including life insurance.

The interim condensed financial statements were approved for issuance by the Board of Directors in its meeting No. (7) held on 23 October 2022.

**(2) BASIS OF PREPARATION**

The interim condensed financial statements for the nine months period ended 30 September 2022 have been prepared in accordance with International Accounting Standard (34) Interim Financial Reporting.

The Jordanian Dinar is the functional and reporting currency of the interim condensed financial statements.

The interim condensed financial statements have been prepared on historical cost convention, except for financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income which have been measured at fair value at the date of the interim condensed financial statement.

The interim condensed financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Company's annual report as of 31 December 2021. In addition, results for the nine months period ended 30 September 2022 do not necessarily indicate to the results that may be expected for the financial year ending 31 December 2022.

**(2-1) Changes in accounting policies**

The accounting policies used in the preparation of the interim condensed financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2021 except for the adoption of new amendments on the standards effective as of 1 January 2022 shown below:

**Reference to the Conceptual Framework – Amendments to IFRS 3**

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

These amendments had no material impact on the interim condensed financial statements of the Company.

**Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16**

In May 2020, the IASB issued Property, Plant and Equipment — Proceeds before Intended Use, which prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

These amendments had no material impact on the interim condensed financial statements of the Company.

**Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37**

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

These amendments had no material impact on the interim condensed financial statements of the Company.

**IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities**

As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received by the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

These amendments had no material impact on the interim condensed financial statements of the Company.

**IAS 41 Agriculture – Taxation in fair value measurements**

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued amendment to IAS 41 Agriculture. The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

These amendments had no impact on the interim condensed financial statements of the Company.

**(2-2) STANDARDS ISSUED BUT NOT YET EFFECTIVE**

**IFRS 17 Insurance Contracts**

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) which was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach),
- A simplified approach (the premium allocation approach) mainly for short-duration contracts.

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17.

The Company has prepared a preliminary study on the impact of the standard on the Company's financial statements. The impact of applying these standards on the financial statements as of 1 January 2022 represents a decrease in written premiums by JD (1,251,381), a decrease in claims by JD (11,343,407) and a decrease in retained earnings by JD (961,522).

**(2-3) Business Segments**

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

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

**(2-4) Use Of Estimates**

The preparation of the interim condensed financial statements requires Compnys' management to make estimates and assumptions that affect the reported amounts of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions. Considerable judgment by Company's management is required in the estimation of the amount and timing of future cash flows when determining the level of provisions required. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future changes in such provisions.

The details of significant estimates made by management are as follows:

- A provision for expected credit losses is estimated by the Company's management based on their principles and assumptions according to IFRS9.
- The financial year is charged with its related income tax in accordance with regulations.
- The management periodically reviews tangible assets useful life in order to calculate the depreciation and amortization amount depending on the status of these assets and future benefit. The impairment loss (if any) appears on the interim condensed statement of income.
- The outstanding claim reserve and technical reserve are estimated based on technical studies and according to Insurance Administration regulation. Also mathematical reserve and IBNR are calculated based on actuarial studies.
- A provision on lawsuit against the Company is made based on the Company's lawyers' studies in which contingent risk is determined, review of such study is performed periodically.

**UNITED INSURANCE COMPANY – PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 SEPTEMBER 2022 (UNAUDITED)**

**(3) DEPOSITS AT BANKS**

This item represents the following:

	30 September 2022			31 December 2021	
	Deposits matures	Deposits matures	Total	Total	
	within one month	between 1 month to 3 months			
	JD	JD	JD	JD	JD
Inside Jordan	-	-	8,650,000	8,650,000	8,320,799
Provision for expected credit losses	-	-	(10,082)	(10,082)	(10,082)
	-	-	8,639,918	8,639,918	8,310,717

Interest rates on the deposits in Jordanian Dinar ranged between 4.25% to 5.5% during the period ended 30 September 2022.

Deposits pledged in favor of the Governor of the Central Bank of Jordan amounted to JD 800,000 as at 30 September 2022 and 31 December 2021 at Invest Bank.

Restricted balances amounted to JD 300,000 as at 30 September 2022 (31 December 2021: JD 300,000) in the form of mortgaged deposits of the order of the Director General of the Insurance Administration.

**(4) FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF INCOME**

This item consists of the following:

	30 September 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
<b>Inside Jordan</b>		
Quoted shares	104,573	125,322
	104,573	125,322

**UNITED INSURANCE COMPANY – PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 SEPTEMBER 2022 (UNAUDITED)**

**(5) FINANCIAL ASSETS THROUGH OTHER COMPREHENSIVE INCOME**

This item consists of the following:

	30 September 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
<b><u>Inside Jordan</u></b>		
Quoted shares	5,464,816	5,237,825
	<u>5,464,816</u>	<u>5,237,825</u>
<b><u>Outside Jordan</u></b>		
Arab reinsurance Company	191,503	191,503
	<u>191,503</u>	<u>191,503</u>
	<u>5,656,319</u>	<u>5,429,328</u>

**(6) FINANCIAL ASSETS AT AMORTIZED COST**

This item consists of the following:

	30 September 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
<b><u>Inside Jordan</u></b>		
Arab Corp subordinated Company bonds*	50,000	50,000
<u>Less:</u> Fair value reserve for Arab Corp company	49,999	49,999
	1	1
Ahli Bank subordinated bonds**	1,000,000	1,000,000
Jordanian Treasury subordinated bonds***	3,124,000	3,124,000
Turkish Government subordinated bonds****	426,000	426,000
Total	<u>4,550,001</u>	<u>4,550,001</u>
<u>Less:</u> Expected credit losses	3,000	3,000
	<u>4,547,001</u>	<u>4,547,001</u>

**UNITED INSURANCE COMPANY – PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 SEPTEMBER 2022 (UNAUDITED)**

- \* The Arab Corp. subordinated loan bond became due on the first of April 2014 and the principal of the bond or any interest to the Company was not paid. A provision was taken for the full value of this bond and the recognition of interest has been suspended during the past years.
- \*\* On 12 October 2017, the Company invested in (10) loan bonds with a nominal value of JD 100,000 / loan bond with a total value of JD one million from the Jordan Ahli Bank, with a contribution rate of 4% in the bond. These bonds mature on 12 November 2023 and yields interest of 6.75 % for the first six months and a variable interest rate, where the interest is recalculated every six months during the life of the bond so that the interest at the beginning of each period is equal to the discount interest rate at the Central Bank plus a margin of 2%.
- \*\*\*On 17 September 2021, the Company invested in (13) Jordanian Government loan bonds with a nominal value of USD 200,000 / loan bond with a total value of USD 2,600,000. On 28 March 2021, the Company invested in (1) Jordanian government loan bond with a nominal value of USD 200,000 / bond A loan through the Housing Bank. These bonds mature on 10 October 2047, with a fixed interest rate of 7.375% per annum, calculated based on the number of actual days divided by 360 days.
- \*\*\*\*On 5 April 2021, the Company invested in (3) Turkish government loan bonds with a nominal value of USD 200,000 / loan bond with a total value of USD 600,000 through the Housing Bank. These bonds mature on 14 January 2041, at a fixed interest rate of 6% annually, which is calculated Based on the actual number of days divided by 360 days.

**(7) INVESTMENT PROPERTIES**

This item consists of the following:

	30 September 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Land	723,272	646,985
Buildings	5,081,252	5,007,455
<u>Less: Accumulated depreciation</u>	<u>944,543</u>	<u>880,058</u>
Buildings, net	<u>4,136,709</u>	<u>4,127,397</u>
Total	<u><u>4,859,981</u></u>	<u><u>4,774,382</u></u>

- Investment buildings are depreciated at 2% per annum and appears as net book value.

**UNITED INSURANCE COMPANY – PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 SEPTEMBER 2022 (UNAUDITED)**

**(8) CHECKS UNDER COLLECTION**

This item consists of the following:

	30 September 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Checks under collection	2,491,992	2,021,536
Less: Expected credit losses	6,958	6,958
	<u>2,485,034</u>	<u>2,014,578</u>

**(9) ACCOUNTS RECEIVABLES**

This item consists of the following:

	30 September 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Policy holders' receivables	8,882,680	5,720,874
Brokers' receivables	1,623,853	1,477,469
Agents' receivables	813,092	928,597
Employee receivables	52,224	20,036
Legal cases receivables	356,947	436,677
Other receivables	281,169	226,099
	<u>12,009,965</u>	<u>8,809,752</u>
<u>Less: Expected credit losses*</u>	<u>(2,131,336)</u>	<u>(2,131,336)</u>
Net receivables	<u>9,878,629</u>	<u>6,678,416</u>

\* The movement on the provision of expected credit loss is as follows:

	30 September 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Beginning balance of the period/ year	2,131,336	2,031,336
Provision for the period/ year	-	100,000
<b>Ending balance of the period/ year</b>	<u>2,131,336</u>	<u>2,131,336</u>

**UNITED INSURANCE COMPANY – PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 SEPTEMBER 2022 (UNAUDITED)**

**(10) REINSURANCE RECEIVABLES**

The item consists of the following:

	30 September 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Local insurance Companies	399,686	330,144
Foreign reinsurance Companies	79,799	56,447
	<u>479,485</u>	<u>386,591</u>
<u>Less: Expected credit losses*</u>	<u>(40,210)</u>	<u>(35,207)</u>
Net reinsurance receivable	<u>439,275</u>	<u>351,384</u>

\*The movement on the reinsurance receivables is as follows:

	30 September 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Beginning balance for the period/ year	35,207	35,207
Provision during the period/ year	5,003	-
<b>Ending balance for the period/ year</b>	<u>40,210</u>	<u>35,207</u>

**(11) ACCOUNTS PAYABLE**

This item consists of the following:

	30 September 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Health insurance management company	807,220	713,909
Brokers' payables	313,266	296,859
Agents' payables	254,463	255,737
Policy holders (compensation)	75,554	799,786
Employees' payables	311	311
Others	567,875	305,607
	<u>2,018,689</u>	<u>2,372,209</u>

**UNITED INSURANCE COMPANY – PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 SEPTEMBER 2022 (UNAUDITED)**

**(12) REINSURANCE PAYABLES**

This item consists of the following:

	30 September 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Local insurance companies	840,175	477,407
Foreign reinsurance companies	2,504,372	2,554,483
	<u>3,344,547</u>	<u>3,031,890</u>

**(13) OTHER PROVISIONS**

This item consists of the following:

	30 September 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Insurance management fees provision	27,577	5,107
End of service benefits	54,921	40,032
Earned benefits	80,773	131,199
	<u>163,251</u>	<u>176,338</u>

The following table shows the movement on accrued expenses and other provisions:

	Beginning balance	Additions during the period	Released during the period	Ending balance
	JD (Audited)	JD	JD	JD (Unaudited)
Insurance management fees provision	5,107	95,235	72,785	27,557
End of service benefit	130,988	127,500	177,926	80,773
Earned benefits	40,032	14,889	-	54,921
	<u>176,127</u>	<u>237,624</u>	<u>250,711</u>	<u>163,251</u>

**(14) INCOME TAX**

**A- Income Tax provision**

The movement on the income tax provision was as follows:

	30 September 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Beginning balance for the period / year	260,536	479,761
Paid income tax	(367,116)	(568,426)
Income tax expense for the period / year	370,603	349,201
Ending balance for the period / year	<u>264,023</u>	<u>260,536</u>

The income tax shown on the interim condensed statement of income is represented by the following:

	30 September 2022	30 September 2021
	JD	JD
Accrued income tax for the profit for the period	370,603	301,402
(Additions) on Deferred tax assets	(5,172)	(29,543)
	<u>365,431</u>	<u>271,859</u>

**Income Tax**

A final settlement was reached with the Income Tax Department until the end of 2018. The self-assessment returns for 2019 and 2020 were submitted and have not been reviewed by the Income and Sales Tax Department.

**UNITED INSURANCE COMPANY – PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 SEPTEMBER 2022 (UNAUDITED)**

**B- Deferred Tax Assets / Liabilities**

This item consists of the following:

	30 September 2022				31 December 2021	
	Beginning Balance	Released amounts	Added amounts	Ending Balance	Deferred tax	Deferred tax
	JD	JD	JD	JD	JD	JD
					(Unaudited)	(Audited)
<b>A- Deferred tax assets</b>						
Provision for expected credit losses	2,166,543	-	5,003	2,171,546	564,602	563,301
End of service provision	40,032	-	14,889	54,921	14,279	10,408
Fair value reserve – Financial assets	416,842	226,991	-	189,851	49,361	108,379
IFRS 9 implementation effect on deposits and checks under collection	20,040	-	-	20,040	5,210	5,210
	<u>2,643,457</u>	<u>226,991</u>	<u>19,892</u>	<u>2,436,358</u>	<u>633,452</u>	<u>687,298</u>
<b>B- Deferred tax liability</b>						
IFRS 9 implementation effect of financial assets at fair value through other comprehensive income	111,934	-	-	111,934	26,864	26,864
	<u>111,934</u>	<u>-</u>	<u>-</u>	<u>111,934</u>	<u>26,864</u>	<u>26,864</u>

The movement on deferred tax assets and liabilities was as follows:

	Assets		Liabilities	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	JD	JD	JD	JD
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Beginning balance for the period / year	687,298	863,953	26,864	26,864
Addition	5,172	30,723	-	-
Disposal	(59,018)	(207,378)	-	-
Ending balance for the period / year	<u>633,452</u>	<u>687,298</u>	<u>26,864</u>	<u>26,864</u>

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**(15) PAID-IN CAPITAL**

The Company paid-in capital consists of JD 8,000,000 divided to 8,000,000 shares at par value of JD 1 per share as at 30 September 2022.

**(16) LEGAL PROVISIONS**

The Company did not deduct the legal reserves and fees in accordance with the provisions of the Companies Law, as these represent an interim financial statement

**(17) FAIR VALUE RESERVE**

This item represents fair value of financial assets at fair value through other comprehensive income as follow:

	30 September 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Beginning balance for the period / year	308,463	416,842
Change during the period / year	(226,991)	-
Deferred tax liabilities	59,018	(108,379)
<b>Ending balance for the period / year</b>	<b>140,490</b>	<b>308,463</b>

**(18) NET GAIN FOR FINANCIAL ASSETS AND INVESTMENTS**

This item consists of the following:

	For the nine months ending 30 September	
	2022	2021
	JD	JD
Dividend's income	276,060	286,536
Rent revenue, net	37,870	(8,437)
Net change in fair value through statement of income	(20,750)	(10,116)
	<b>293,180</b>	<b>267,983</b>

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**(19) BASIC AND DILUTED SHARE OF THE PROFIT FOR THE PERIOD**

Profit per share is calculated by dividing the profit for the period by the weighted average of the number of shares during the period as follows:

	<u>30 September 2022</u>	<u>30 September 2021</u>
Profit for the period (JD)	1,237,270	953,864
Weighted average number of shares (Share)	<u>8,000,000</u>	<u>8,000,000</u>
	<u>Fils/JD</u>	<u>Fils/JD</u>
	<u>0.155</u>	<u>0/119</u>

The basic earnings per share is equal to the diluted earnings per share for the period profit.

**(20) CASH AND CASH EQUIVALENTS**

This item consists of the following:

	<u>30 September 2022</u>	<u>31 December 2021</u>
	JD	JD
	(Unaudited)	(Audited)
Cash on hand	3,507	1,182
Cash at banks	<u>268,205</u>	<u>627,205</u>
	<u>271,712</u>	<u>628,387</u>

For the purpose of the interim condensed statement of cash flows, cash and cash equivalents consist of the following:

	<u>30 September 2022</u>	<u>30 September 2021</u>
	JD	JD
Cash on hand and at banks	271,712	271,369
Add: Deposits at banks due within three months	-	1,890,000
Less: Deposits pledged in favor of Director General of the Insurance Administration	<u>1,100,000</u>	<u>900,000</u>
<b>Net cash and cash equivalents</b>	<u>(828,288)</u>	<u>1,261,369</u>

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**(21) RELATED PARTIES**

Related parties represent the shareholder, directors and key management personnel and entities controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management.

The following represent summary of related parties' balances in the interim condensed statement of financial position:

	Nature	30 September	31 December
		2022	2021
		JD	JD
		(Unaudited)	(Audited)
<b><u>Interim condensed statement of financial position items:</u></b>			
<b><u>Account's receivables:</u></b>			
Jordan Projects Tourism Development	Joint chairman	456,187	456,187
Paper and Cardboard Factories Company.	Joint chairman	387,627	387,627
Modern Arab Distribution Ltd.	Owned by BOD member	373,215	359,789
Yousef Nader and Sons Company	Owned by BOD member	160,710	118,009
Specialized Distributors For Consumer Goods Company	Owned by BOD member	38,883	12,233
Abu Jaber Ekhwan Company	Owned by Chairman of BOD	26,877	12
Public Investment Fund	GM is a BOD member	24,248	125,245
Shareholders and Board of Directors	BOD members	17,519	9,930
Bed Food Service Middle East – Jordan	Owned by BOD member	14,037	5,345
Yousef Nader Company – Higher Management	Owned by BOD member	11,025	-
	Owned by previous BOD member		
Saed Abu Jaber and Sons Company	member	9,892	13,786
Jordanian Mutamayzah Distribution Company	Owned by BOD member	7,269	16,797
Advanced Communications Company	Owned by chairman of BOD	7,233	7,233
Arab Italian General Trade Company	Owned by BOD member	7,038	3,287
Alawael Distribution and General Trade Company	Owned by BOD member	2,227	2,440
Alyadoodah for General Trade Company	Owned by BOD member	3,354	3,080
Jordan Spectrum for Information Technology Co.	Owned by BOD member	2,793	-
		<u>1,550,134</u>	<u>1,521,000</u>

The company has allocated an amount of JD 843,814 of the expected credit losses provision against the related parties balances as at 30 September 2022 and 31 December 2021.

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

	Nature	30 September 2022 JD (Unaudited)	31 December 2021 JD (Audited)
<b><u>Checks under collection:</u></b>			
Abu Jaber Ekhwan Company	Owned by Chairman of the BOD	102,747	126,747
		<u>102,747</u>	<u>126,747</u>
<b><u>Account's payables:</u></b>			
Shareholders and Board of Directors	BOD Members	56,455	20,603
Specialized Logistics Services Company	Owned by BOD member	286	286
Marina Plaza Hotel	Joint chairman	169	169
		<u>56,910</u>	<u>21,058</u>
<b><u>Interim condensed Statement of Income items:</u></b>			
Revenue and commissions on written installments		716,926	890,123
Paid claims		356,899	404,235
Rent revenue		47,500	47,500
<b>The following represent benefits summary (salaries and remunerations) for executive management:</b>			
		30 September 2022 JD	30 September 2021 JD
Salaries and other benefits		<u>489,035</u>	<u>571,995</u>

**(22) FAIR VALUE FOR FINANCIAL ASSETS**

The Company uses the following arrangement of valuation methods and alternatives in determining and presenting fair value of financial instruments:

- Level 1: Quoted market prices in active markets for the same assets and liabilities.
- Level 2: Other techniques where all inputs that have an important impact on fair value can be observable, directly or indirectly, from market information.
- Level 3: Other techniques where inputs are used that have an important impact on fair value but are not based on observable market information.

The following table shows the analysis of financial instruments recorded at fair value and in the above hierarchy:

	Level 1	Level 2	Total
	JD	JD	JD
<b>30 September 2022 (Unaudited) -</b>			
<b>Financial assets</b>			
Financial assets at fair value through statement of income	104,573	-	104,573
Financial assets at fair value through other comprehensive income	5,656,319	-	5,656,319
Financial assets at amortized costs	4,547,001	-	4,547,001
<b>31 December 2021 (Audited) -</b>			
<b>Financial assets</b>			
Financial assets at fair value through statement of income	125,322	-	125,322
Financial assets at fair value through other comprehensive income	5,429,328	-	5,429,328
Financial assets at amortized costs	4,547,001	-	4,547,001

**(23) LAWSUITS RAISED BY AND AGAINST THE COMPANY**

The Company is a defendant in a number of lawsuits. The management and legal consultant believe that the lawsuit provision of JD 3,362,282 recorded as at 30 September 2022 (31 December 2021: JD 6,029,845) is sufficient to meet obligations that may arise from the lawsuits.

The value of the cases filed by the Company against others amounts to JD 4,173,830 as at 30 September 2022 (31 December 2021: JD 4,020,874) represented in accounts receivable to the Company and cheques returned as a result of the Company's exercise of its normal activities.

**(24) CONTINGENT LIABILITIES**

As at the date of interim condensed financial statement, the Company has contingent liabilities which are represented in letter of guarantees in the amount of JD 157,810 as at 30 September 2022 compared to JD 181,124 as at 31 December 2021.

**(25) DECLARED DIVIDENDS**

The General Assembly of Shareholders approved in its ordinary meeting on 10 April 2022 to distribute cash dividends in the amount of JD 800,000 equivalent to 10% of paid-in capital from 2021 profit.

The General Assembly of Shareholders in its ordinary meeting of shareholders on 12 April 2021 also approved to distribute cash dividends amounted to JD 800,000 equivalent to 10% of paid-in capital from 2020 profit.

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**(26) STATEMENT OF FINANCIAL POSITION FOR LIFE INSURANCE**

	30 September 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
<b>Assets -</b>		
Deposits at banks	400,000	400,000
<b>Total investments</b>	400,000	400,000
Account receivables	245,678	100,661
Reinsurance receivables	103,531	116,717
Property and equipment	10	19
<b>Total assets</b>	749,219	617,397
<b>Liabilities and head office equity</b>		
<b>Technical reserves-</b>		
Unearned written premium, net	57,440	49,287
Outstanding claim reserve, net	49,908	50,368
<b>Total Technical Reserves</b>	107,348	99,655
Account payables	33,478	48,345
Reinsurance payables, net	266,674	276,993
<b>Total Liabilities</b>	407,500	424,993
<b>Head Office equity</b>		
Head Office current account	292,832	134,178
Profit for the period/ year	48,887	58,226
<b>Total liabilities and head office equity</b>	749,219	617,397