

JORDAN INSURANCE COMPANY

PUBLIC SHAREHOLDING COMPANY

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

30 JUNE 2022

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

Introduction

We have reviewed the accompanying interim condensed financial statements of Jordan Insurance Company a public shareholding company (“the company”) as at 30 June 2022, comprising of the interim condensed statement of financial position as at 30 June 2022 and the related interim condensed income statement, interim condensed statement of comprehensive income, interim condensed statement of changes in equity, and interim condensed statement of cash flows for the six 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). 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 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 the 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 Company’s financial statements for the year ended 31 December 2021 and the interim condensed financial statements for the period ended 30 June 2021 were audited and reviewed by another auditor who issued an unqualified opinion for the year ended 31 December 2021 and an unqualified conclusion for the period ended 30 June 2022 on 28 February 2022 and 19 July 2021 respectively.

JORDAN INSURANCE COMPANY PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Notes	30 June 2022 JD (Unaudited)	31 December 2021 JD (Audited)
Assets			
Investments -			
Bank deposits	3	24,582,474	26,654,164
Financial assets at fair value through profit or loss	4	2,708,989	2,748,881
Financial assets at fair value through other comprehensive income	5	21,646,639	27,866,076
Investment properties	6	15,493,199	15,512,881
Life policyholder's loans	7	35,539	35,539
Total Investments		<u>64,466,840</u>	<u>72,817,541</u>
Other Assets -			
Cash on hand and at banks	8	3,697,542	3,536,478
Notes receivable and checks under collection	9	2,555,115	3,075,583
Accounts receivable, net	10	22,275,977	16,415,063
Reinsurance receivables, net	11	3,931,411	5,831,044
Deferred tax assets	12/D	2,170,706	2,844,555
Property and equipment, net	13	972,513	990,374
Intangible assets, net		189,372	239,895
Other assets	14	2,845,446	2,558,359
Total Assets		<u>103,104,922</u>	<u>108,308,892</u>
Liabilities and Equity			
Insurance contract liabilities -			
Unearned premiums reserve, net		12,818,500	11,365,857
Outstanding claims reserve, net		15,732,286	15,622,637
Mathematical reserve, net	15	1,389,163	1,417,919
Premiums deficiency reserve		256,268	83,177
Total Insurance contract liabilities		<u>30,196,217</u>	<u>28,489,590</u>
Other liabilities -			
Due to banks	16	11,326,573	17,763,534
Accounts payable		4,425,015	3,129,023
Reinsurance payable	17	7,709,216	5,254,165
Other provisions		1,233,626	1,174,191
Income tax provision	12/A	396,328	85,021
Deferred tax liabilities	12/D	471,210	1,446,798
Other liabilities	18	1,468,210	707,047
Total insurance contract liabilities and other liabilities		<u>57,226,395</u>	<u>58,049,369</u>
Equity -			
paid-in capital	19	30,000,000	30,000,000
Statutory reserve		7,500,000	7,500,000
Fair value reserve	20	1,411,122	6,823,258
Retained earnings	21	6,248,780	5,059,826
Profit for the period / year	21	718,625	876,439
Total Equity		<u>45,878,527</u>	<u>50,259,523</u>
Total Liabilities and Equity		<u>103,104,922</u>	<u>108,308,892</u>

The attached notes from 1 to 30 form part of these interim condensed financial statements

JORDAN INSURANCE COMPANY PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED INCOME STATEMENT
FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2022 (UNAUDITED)

	Notes	For the three months ended 30 June		For the six months ended 30 June	
		2022	2021	2022	2021
		JD	JD	JD	JD
Revenues –					
Gross written premiums - general insurance		12,652,937	11,044,987	28,666,125	24,614,165
Gross written premiums - life		7,304,461	5,082,094	13,822,574	10,484,182
Less: reinsurance share - general insurance		6,972,595	6,007,189	15,050,280	12,478,228
Less: reinsurance share - life		5,098,446	3,402,847	8,941,584	6,548,288
Net written premiums		7,886,357	6,717,045	18,496,835	16,071,831
Net change in unearned premiums reserve		496,994	1,063,179	(1,452,643)	(72,939)
Net change in mathematical reserve		(15,976)	3,031	28,756	129,559
Net change in premiums deficiency reserve		(69,918)	23,662	(173,091)	25,887
Net earned premiums		8,297,457	7,806,917	16,899,857	16,154,338
Commissions received		927,830	886,845	1,717,346	1,544,597
Insurance policies issuance fees		426,004	348,186	866,454	744,273
Interest income		61,807	67,722	111,223	123,709
Net gain from financial assets and investments	22	420,704	607,739	796,541	768,820
Other revenues		211,375	559,987	183,012	435,946
Total revenues		10,345,177	10,277,396	20,574,433	19,771,683
Claims, losses and expenses –					
Paid claims		12,588,206	12,370,274	27,338,327	24,748,624
Less: recoveries		945,342	765,100	1,926,147	1,732,371
Less: reinsurance share		5,883,592	6,754,767	13,928,774	12,534,126
Maturity and surrender of insurance policies		-	12,211	44,952	15,711
Net paid claims		5,759,272	4,862,618	11,528,358	10,497,838
Net change in outstanding claims reserve		(160,332)	875,769	109,649	696,045
Allocated employees' expenses		1,165,470	1,080,727	2,186,922	2,119,874
Allocated general and administrative expenses		758,222	562,937	1,355,926	1,058,685
Excess of loss premiums		197,689	144,034	302,177	288,069
Policies acquisition costs		742,086	739,659	1,472,874	1,443,964
Other expenses related to underwriting accounts		406,285	358,013	849,846	737,938
Net claims costs		8,868,692	8,623,757	17,805,752	16,842,413
Unallocated employees' expenses		211,436	186,018	389,728	375,501
Depreciation and amortization		70,704	59,555	140,156	123,988
Unallocated general and administrative expenses		145,340	98,002	263,585	194,028
Provision for expected credit losses	10,11	128,800	-	128,800	-
Bank interests and expenses		290,139	351,195	748,155	702,161
Other Expenses		29,240	34,873	64,609	75,827
Total		875,659	729,643	1,735,033	1,471,505
Gross expenses		9,744,351	9,353,400	19,540,785	18,313,918
		600,826			
Profit for the period before tax		600,826	923,996	1,033,648	1,457,765
Less: income tax expense	12/B	139,806	241,627	315,023	310,884
Profit for the period		461,020	682,369	718,625	1,146,881
Basic and diluted earnings per share for the period	23	0.015	0.023	0.024	0.038

The attached notes from 1 to 30 form part of these interim condensed financial statements

JORDAN INSURANCE COMPANY PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2022 (UNAUDITED)

	For the three months ended 30 June		For the six months ended 30 June	
	2022	2021	2022	2021
	JD	JD	JD	JD
Profit for the period	461,020	682,369	718,625	1,146,881
Add: Other comprehensive income items after tax not to be reclassified to profit or loss in subsequent periods:				
Gain from sale of financial assets at fair value through other comprehensive income	319,532	-	319,532	-
Change in fair value of financial assets through other comprehensive income	(3,844,201)	3,848,034	(5,419,153)	6,004,265
Total comprehensive income for the period	<u>(3,063,649)</u>	<u>4,530,403</u>	<u>(4,380,996)</u>	<u>7,151,146</u>

The attached notes from 1 to 30 form part of these interim condensed financial statements

JORDAN INSURANCE COMPANY PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2022 (UNAUDITED)

	Paid-in capital	Statutory reserve	Fair value reserve	Retained earnings	Total
	JD	JD	JD	JD	JD
For the six months ended 30 June 2022 -					
Balance as at 1 January 2022	30,000,000	7,500,000	6,823,258	5,936,265	50,259,523
Profit for the period	-	-	-	718,625	718,625
Other comprehensive income items for the period, net	-	-	(5,099,621)	-	(5,099,621)
Total other comprehensive income for the period	-	-	(5,099,621)	718,625	(4,380,996)
Transfers from fair value reserve to retained earnings	-	-	(312,515)	312,515	-
Balance as at 30 June 2022	30,000,000	7,500,000	1,411,122	6,967,405	45,878,527
For the six months ended 30 June 2021 -					
Balance as at 1 January 2021	30,000,000	7,500,000	(2,736,253)	5,239,835	40,003,582
Profit for the period	-	-	-	1,146,881	1,146,881
Other comprehensive income items for the period, net	-	-	6,004,265	-	6,004,265
Total other comprehensive income for the period	-	-	6,004,265	1,146,881	7,151,146
Balance as at 30 June 2021	30,000,000	7,500,000	3,268,012	6,386,716	47,154,728

The attached notes from 1 to 30 form part of these interim condensed financial statements

JORDAN INSURANCE COMPANY PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2022 (UNAUDITED)

	Notes	For the six months ended 30 June	
		2022	2021
		JD	JD
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>			
Profit for the period before tax -		1,033,648	1,457,765
Adjustments:			
Depreciation and amortization		195,689	123,988
Provision for expected credit losses	10,11	128,800	-
Gain from change in fair value of financial assets at fair value through profit or loss		(139,686)	(406,158)
Gain from sale of financial assets at fair value through profit or loss		(185,880)	-
Dividends income		(310,975)	-
Net change in unearned premiums reserve		1,452,643	(72,939)
Net change in outstanding claims reserve		109,650	696,045
Net change in mathematical reserve		(28,756)	129,559
Net change in premiums deficiency reserve		173,090	25,888
Cash flows from operating activities before change in working capital		2,428,223	1,954,148
Notes receivable and checks under collection		520,468	(271,972)
Accounts receivable		(5,320,896)	(2,553,331)
Reinsurance receivables		1,849,633	(1,370,839)
Other assets		(287,087)	(380,524)
Accounts payable		1,295,992	753,764
Reinsurance payable		2,455,051	1,839,211
Other provisions		59,433	(81,227)
Other liabilities		761,163	(194,033)
Net cash flows from (used in) operating activities before income tax paid		3,761,980	(304,803)
Income tax paid	12/A	(51,892)	(311,173)
Net cash flows from (used in) operating activities		3,710,088	(615,976)
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>			
Bank deposits mature after three months		(3,136,179)	(42,000)
Life policyholder's loans		-	6,000
Purchase of property and equipment and intangible assets		(71,772)	22,064
Purchase of investment properties		(35,851)	(57,866)
Proceeds from sale of financial assets at fair value through profit or loss		365,458	-
Proceeds from sale of financial assets at fair value through other comprehensive income		247,437	-
Dividends distribution received		310,975	-
Net cash flows used in investing activities		(2,319,932)	(71,802)
<u>CASH FLOWS FROM FINANCING ACTIVITIES:</u>			
Due to banks	16	(6,436,961)	5,783,668
Net cash flows (used in) from financing activities		(6,436,961)	5,783,668
Net (decrease) increase in cash and cash equivalents		(5,046,805)	5,095,890
Cash and cash equivalents at the beginning of the period		27,704,532	23,586,890
Cash and cash equivalents at the end of the period	24	22,657,727	28,682,780

The attached notes from 1 to 30 form part of these interim condensed financial statements

JORDAN INSURANCE COMPANY PUBLIC SHAREHOLDING COMPANY
STATEMENT OF INTERIM CONDENSED UNDERWRITING REVENUE FOR THE GENERAL INSURANCE
FOR THE SIX MONTHS ENDED 30 JUNE 2022 (UNAUDITED)

	Motor		Marine		Fire and property		Civil responsibility		Medical		Others		Total	
	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
Written premiums														
Direct insurance	7,394,088	5,983,745	402,242	536,516	10,364,012	8,266,776	325,027	247,413	5,396,664	5,253,574	34,846	45,063	23,916,879	20,333,087
Facultative inward reinsurance business	387,378	154,576	155,721	124,098	1,114,637	600,331	37,778	31,740	-	-	-	-	1,695,514	910,745
Gross written premiums	7,781,466	6,138,321	557,963	660,614	11,478,649	8,867,107	362,805	279,153	5,396,664	5,253,574	34,846	45,063	25,612,393	21,243,832
Less:														
Local reinsurance share	-	-	98,882	104,706	2,278,001	1,231,797	37,440	31,200	-	-	-	-	2,414,323	1,367,703
Foreign reinsurance share	304,896	242,055	366,613	475,238	8,948,252	7,358,937	302,931	227,054	1,919,422	1,846,522	15,618	21,930	11,857,732	10,171,736
Net written premiums	7,476,570	5,896,266	92,468	80,670	252,396	276,373	22,434	20,899	3,477,242	3,407,052	19,228	23,133	11,340,338	9,704,393
Add: unearned premiums reserve at the beginning of the period	6,558,589	6,511,859	277,217	195,325	5,516,778	5,529,699	413,466	352,176	3,677,017	3,557,676	15,612	40,016	16,458,679	16,186,751
Less: reinsurance share	190,755	154,928	235,025	158,471	5,427,171	5,430,957	410,160	346,339	1,250,395	1,220,931	4,321	18,229	7,517,827	7,329,855
Beginning balance of net unearned premiums reserve	6,367,834	6,356,931	42,192	36,854	89,607	98,742	3,306	5,837	2,426,622	2,336,745	11,291	21,787	8,940,852	8,856,896
Less: balance at the end of the period Unearned premiums reserve	7,583,438	6,276,349	289,557	409,625	9,015,315	7,275,579	366,036	285,481	4,471,467	4,297,021	26,470	38,517	21,752,283	18,582,572
Less: Reinsurance share	271,147	205,236	242,292	372,505	8,891,712	7,145,965	352,777	272,402	1,545,905	1,484,294	10,062	18,346	11,313,895	9,498,748
Net unearned Premiums reserve at the end of the period	7,312,291	6,071,113	47,265	37,120	123,603	129,614	13,259	13,079	2,925,562	2,812,727	16,408	20,171	10,438,388	9,083,824
Net earned revenues from written Premiums	6,532,113	6,182,084	87,395	80,404	218,400	245,501	12,481	13,657	2,978,302	2,931,070	14,111	24,749	9,842,802	9,477,465

The attached notes from 1 to 30 form part of these interim condensed financial statements

JORDAN INSURANCE COMPANY PUBLIC SHAREHOLDING COMPANY
STATEMENT OF INTERIM CONDENSED CLAIMS COST FOR THE GENERAL INSURANCE
FOR THE SIX MONTHS ENDED 30 JUNE 2022 (UNAUDITED)

	Motor		Marine		Fire and property		Civil responsibility		Medical		Others		Total	
	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
Paid claims	6,294,851	5,623,542	111,731	86,215	199,515	1,034,043	6,864	302	4,263,722	3,104,479	53,647	83,509	10,930,330	9,932,090
Less:														
Recoveries	1,394,886	1,292,595	603	39,073	9,196	6,672	1,150	107	-	-	1,775	-	1,407,610	1,338,447
Local reinsurance share	-	(324)	-	-	8,496	94,232	-	-	-	-	-	-	8,496	93,908
Foreign reinsurance share	87,766	52,220	78,978	33,138	159,599	890,809	4,173	139	1,829,043	1,313,456	36,310	58,457	2,195,869	2,348,219
Net paid claims	<u>4,812,199</u>	<u>4,279,051</u>	<u>32,150</u>	<u>14,004</u>	<u>22,224</u>	<u>42,330</u>	<u>1,541</u>	<u>56</u>	<u>2,434,679</u>	<u>1,791,023</u>	<u>15,562</u>	<u>25,052</u>	<u>7,318,355</u>	<u>6,151,516</u>
Add: Outstanding claims reserve at the end of the period														
Reported	12,431,515	10,753,883	407,908	927,646	4,121,238	7,330,270	455,325	474,523	583,142	383,926	176,099	260,518	18,175,227	20,130,766
Unreported	2,670,000	2,670,000	18,000	18,000	5,000	5,000	6,000	6,000	525,368	627,254	-	-	3,224,368	3,326,254
Less:														
Reinsurance share	429,694	327,909	349,916	751,266	3,831,925	7,135,322	433,784	457,372	471,668	430,342	137,394	196,488	5,654,381	9,298,699
Recoveries	<u>2,823,214</u>	<u>2,516,615</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,823,214</u>	<u>2,516,615</u>
Net outstanding claims reserve at the end of the period	<u>11,848,607</u>	<u>10,579,359</u>	<u>75,992</u>	<u>194,380</u>	<u>294,313</u>	<u>199,948</u>	<u>27,541</u>	<u>23,151</u>	<u>636,842</u>	<u>580,838</u>	<u>38,705</u>	<u>64,030</u>	<u>12,922,000</u>	<u>11,641,706</u>
Less: Outstanding claims reserve at the end of the period														
Reported	11,513,119	9,894,976	584,403	936,012	3,676,743	9,804,872	413,300	1,419,037	794,562	301,205	230,599	221,410	17,212,726	22,577,512
Unreported	2,670,000	2,670,000	18,000	18,000	5,000	5,000	6,000	6,000	606,508	534,532	-	-	3,305,508	3,233,532
Reinsurance share	364,348	302,345	492,653	755,610	3,468,415	9,591,944	399,689	1,403,739	595,655	354,219	175,544	166,142	5,496,304	12,573,999
Recoveries	<u>2,686,436</u>	<u>2,367,608</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,686,436</u>	<u>2,367,608</u>
Net outstanding claims reserve at the beginning of the period	<u>11,132,335</u>	<u>9,895,023</u>	<u>109,750</u>	<u>198,402</u>	<u>213,328</u>	<u>217,928</u>	<u>19,611</u>	<u>21,298</u>	<u>805,415</u>	<u>481,518</u>	<u>55,055</u>	<u>55,268</u>	<u>12,335,494</u>	<u>10,869,437</u>
Net claims cost	<u>5,528,471</u>	<u>4,963,387</u>	<u>(1,608)</u>	<u>9,982</u>	<u>103,209</u>	<u>24,350</u>	<u>9,471</u>	<u>1,909</u>	<u>2,266,106</u>	<u>1,890,343</u>	<u>(788)</u>	<u>33,814</u>	<u>7,904,861</u>	<u>6,923,785</u>

The attached notes from 1 to 30 form part of these interim condensed financial statements

JORDAN INSURANCE COMPANY PUBLIC SHAREHOLDING COMPANY
STATEMENT OF INTERIM CONDENSED UNDERWRITING PROFIT FOR THE GENERAL INSURANCE
FOR THE SIX MONTHS ENDED 30 JUNE 2022 (UNAUDITED)

	Motor		Marine		Fire and property		Civil responsibility		Medical		Others		Total	
	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
Net earned revenues from written premiums	6,532,113	6,182,084	87,395	80,404	218,400	245,501	12,481	13,657	2,978,302	2,931,070	14,111	24,749	9,842,802	9,477,465
Less:														
Net claims cost	5,528,471	4,963,387	(1,608)	9,982	103,209	24,350	9,471	1,909	2,266,106	1,890,343	(788)	33,814	7,904,861	6,923,785
	1,003,642	1,218,697	89,003	70,422	115,191	221,151	3,010	11,748	712,196	1,040,727	14,899	(9,065)	1,937,941	2,553,680
Add:														
Commissions received	76,193	60,460	122,955	132,473	1,282,487	1,100,510	58,958	69,052	-	-	5,857	8,224	1,546,450	1,370,719
Insurance policies issuance fees	353,691	319,565	6,591	7,921	112,225	92,277	4,895	4,659	152,462	149,759	680	880	630,544	575,061
Other revenues	18,966	18,966	50,246	27,416	-	-	-	-	1,123	-	-	-	70,335	46,382
Total revenues	1,452,492	1,617,688	268,795	238,232	1,509,903	1,413,938	66,863	85,459	865,781	1,190,486	21,436	39	4,185,270	4,545,842
Less:														
Commissions paid	254,181	229,492	18,443	15,994	78,432	100,854	2,166	5,196	84,377	84,745	2,108	1,995	439,707	438,276
Excess of loss premiums	93,037	83,742	18,527	17,760	130,617	122,961	-	-	-	-	-	-	242,181	224,463
Allocated general and administrative expenses	515,810	439,599	36,985	49,690	760,548	633,991	24,049	19,947	357,744	383,414	2,310	3,216	1,697,446	1,529,857
Other expenses	226,957	178,436	2,196	4,924	52,013	43,263	-	-	348,910	347,760	-	-	630,076	574,383
Total expenses	1,089,985	931,269	76,151	88,368	1,021,610	901,069	26,215	25,143	791,031	815,919	4,418	5,211	3,009,410	2,766,979
Underwriting profit	362,507	686,419	192,644	149,864	488,293	512,869	40,648	60,316	74,750	374,567	17,018	(5,172)	1,175,860	1,778,863

The attached notes from 1 to 30 form part of these interim condensed financial statements

JORDAN INSURANCE COMPANY PUBLIC SHAREHOLDING COMPANY
STATEMENT OF INTERIM CONDENSED UNDERWRITING REVENUE FOR THE GENERAL INSURANCE FOR BRANCHES OUTSIDE JORDAN
FOR THE SIX MONTHS ENDED 30 JUNE 2022 (UNAUDITED)

	Motor		Marine		Fire and property		Civil responsibility		Medical		Others		Total	
	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
Written premiums														
Direct insurance	1,909,827	2,056,010	105,749	178,215	267,069	367,426	36,550	33,554	672,641	661,989	50,979	54,554	3,042,815	3,351,748
Facultative inward reinsurance business	-	-	-	-	10,917	18,585	-	-	-	-	-	-	10,917	18,585
Gross written premiums	1,909,827	2,056,010	105,749	178,215	277,986	386,011	36,550	33,554	672,641	661,989	50,979	54,554	3,053,732	3,370,333
Less:														
Local reinsurance share	-	-	-	-	-	-	-	-	464	274	-	-	464	274
Foreign reinsurance share	82,428	75,593	73,440	145,327	219,729	310,445	32,668	29,463	361,959	370,297	7,537	7,390	777,761	938,515
Net written premiums	1,827,399	1,980,417	32,309	32,888	58,257	75,566	3,882	4,091	310,218	291,418	43,442	47,164	2,275,507	2,431,544
Add: Unearned premiums reserve at the beginning of the period	2,120,996	2,352,440	89,688	91,396	279,250	412,003	49,688	45,667	607,661	630,851	46,198	54,392	3,193,481	3,586,749
Less: Reinsurance shares at the beginning of the period	70,607	57,275	68,641	74,312	245,158	359,072	43,972	40,310	337,120	398,024	2,978	2,465	768,476	931,458
Beginning balance of net unearned premiums reserve	2,050,389	2,295,165	21,047	17,084	34,092	52,931	5,716	5,357	270,541	232,827	43,220	51,927	2,425,005	2,655,291
Add: unearned premiums reserve														
Balance at the end of the period	2,042,404	2,179,276	47,103	84,955	249,742	377,799	44,687	39,226	627,477	617,408	47,109	53,519	3,058,522	3,352,183
Less: Reinsurance shares	39,031	72,291	33,063	68,849	219,975	327,636	40,292	34,816	340,658	342,250	5,391	5,039	678,410	850,881
Net unearned premiums reserve at the end of the period	2,003,373	2,106,985	14,040	16,106	29,767	50,163	4,395	4,410	286,819	275,158	41,718	48,480	2,380,112	2,501,302
Add: beginning balance of premiums deficiency reserve	-	22,857	19,200	9,240	35,850	57,615	-	-	28,127	28,127	-	-	83,177	117,839
Less: ending balance of premiums deficiency reserve	187,829	-	4,122	6,930	37,581	56,895	-	-	26,736	28,127	-	-	256,268	91,952
Net premiums deficiency reserve	(187,829)	22,857	15,078	2,310	(1,731)	720	-	-	1,391	-	-	-	(173,091)	25,887
Net revenues from written premiums	1,686,586	2,191,454	54,394	36,176	60,851	79,054	5,203	5,038	295,331	249,087	44,944	50,611	2,147,309	2,611,420

The attached notes from 1 to 30 form part of these interim condensed financial statements

JORDAN INSURANCE COMPANY PUBLIC SHAREHOLDING COMPANY
STATEMENT OF INTERIM CONDENSED CLAIMS COST FOR THE GENERAL INSURANCE FOR BRANCHES OUTSIDE JORDAN
FOR THE SIX MONTHS ENDED 30 JUNE 2022 (UNAUDITED)

	Motor		Marine		Fire and property		Civil responsibility		Medical		Others		Total	
	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
Paid claims	4,579,990	1,757,560	83,663	163,950	7,385	59,218	-	-	394,319	487,623	1,004	53	5,066,361	2,468,404
Less:														
Recoveries	518,537	393,924	-	-	-	-	-	-	-	-	-	-	518,537	393,924
Local reinsurance share	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign reinsurance share	2,887,872	138,308	51,970	141,632	3,253	7,848	-	-	278,659	330,413	-	-	3,221,754	618,201
Net paid claims	<u>1,173,581</u>	<u>1,225,328</u>	<u>31,693</u>	<u>22,318</u>	<u>4,132</u>	<u>51,370</u>	<u>-</u>	<u>-</u>	<u>115,660</u>	<u>157,210</u>	<u>1,004</u>	<u>53</u>	<u>1,326,070</u>	<u>1,456,279</u>
Add: Outstanding claims reserve at the end of the period														
Reported	1,892,813	2,454,544	701,488	671,618	22,229	121,856	-	-	77,156	79,090	75,013	114,002	2,768,699	3,441,110
Unreported	342,204	639,019	39,587	49,520	76,568	88,429	-	-	69,344	106,859	18,271	18,685	545,974	902,512
Less:														
Reinsurance share	99,670	384,411	639,560	638,709	93,846	199,858	-	-	101,707	129,350	-	-	934,783	1,352,328
Recoveries	815,532	748,317	-	-	-	-	-	-	-	-	-	-	815,532	748,317
Net outstanding claims reserve at the end of the period	<u>1,319,815</u>	<u>1,960,835</u>	<u>101,515</u>	<u>82,429</u>	<u>4,951</u>	<u>10,427</u>	<u>-</u>	<u>-</u>	<u>44,793</u>	<u>56,599</u>	<u>93,284</u>	<u>132,687</u>	<u>1,564,358</u>	<u>2,242,977</u>
Outstanding claims reserve at the beginning of the period														
Reported	3,959,863	2,823,296	610,435	784,991	83,161	150,297	-	-	64,128	71,138	123,564	114,002	4,841,151	3,943,724
Unreported	461,850	707,000	45,090	55,571	81,955	108,336	-	-	88,267	118,400	19,990	21,478	697,152	1,010,785
Reinsurance share	1,996,752	483,890	576,568	736,883	142,019	218,955	-	-	104,620	133,283	-	-	2,819,959	1,573,011
Recoveries	689,373	725,569	-	-	-	-	-	-	-	-	-	-	689,373	725,569
Net outstanding claims reserve at the beginning of the period	<u>1,735,588</u>	<u>2,320,837</u>	<u>78,957</u>	<u>103,679</u>	<u>23,097</u>	<u>39,678</u>	<u>-</u>	<u>-</u>	<u>47,775</u>	<u>56,255</u>	<u>143,554</u>	<u>135,480</u>	<u>2,028,971</u>	<u>2,655,929</u>
Net claims cost	<u>757,808</u>	<u>865,326</u>	<u>54,251</u>	<u>1,068</u>	<u>(14,014)</u>	<u>22,119</u>	<u>-</u>	<u>-</u>	<u>112,678</u>	<u>157,554</u>	<u>(49,266)</u>	<u>(2,740)</u>	<u>861,457</u>	<u>1,043,327</u>

The attached notes from 1 to 30 form part of these interim condensed financial statements

JORDAN INSURANCE COMPANY PUBLIC SHAREHOLDING COMPANY
STATEMENT OF INTERIM CONDENSED UNDERWRITING (LOSSES) PROFIT FOR THE GENERAL INSURANCE FOR BRANCHES OUTSIDE JORDAN
FOR THE SIX MONTHS ENDED 30 JUNE 2022 (UNAUDITED)

	Motor		Marine		Fire and property		Civil responsibility		Medical		Others		Total	
	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
Net earned revenues from written premiums	1,686,586	2,191,454	54,394	36,176	60,851	79,054	5,203	5,038	295,331	249,087	44,944	50,611	2,147,309	2,611,420
Less:														
Net claims cost	757,808	865,326	54,251	1,068	(14,014)	22,119	-	-	112,678	157,554	(49,266)	(2,740)	861,457	1,043,327
	<u>928,778</u>	<u>1,326,128</u>	<u>143</u>	<u>35,108</u>	<u>74,865</u>	<u>56,935</u>	<u>5,203</u>	<u>5,038</u>	<u>182,653</u>	<u>91,533</u>	<u>94,210</u>	<u>53,351</u>	<u>1,285,852</u>	<u>1,568,093</u>
Add:														
Commissions received	20,607	18,921	28,664	39,088	63,980	88,526	9,615	8,471	-	-	2,826	2,770	125,692	157,776
Insurance policies issuance fees	514	644	663	525	845	943	43	39	26	12	82	101	2,173	2,264
Other revenues related to underwriting accounts	10,284	7,304	-	-	-	-	-	-	-	-	-	-	10,284	7,304
Total revenues	<u>960,183</u>	<u>1,352,997</u>	<u>29,470</u>	<u>74,721</u>	<u>139,690</u>	<u>146,404</u>	<u>14,861</u>	<u>13,548</u>	<u>182,679</u>	<u>91,545</u>	<u>97,118</u>	<u>56,222</u>	<u>1,424,001</u>	<u>1,735,437</u>
Less:														
Commissions paid	236,246	250,512	9,291	23,860	22,292	41,504	3,736	3,746	94,436	37,194	5,262	6,805	371,263	363,621
Excess of loss premiums	22,740	28,127	6,473	7,240	30,783	28,239	-	-	-	-	-	-	59,996	63,606
Allocated general and administrative expenses	615,935	597,759	31,053	34,506	77,468	76,534	8,234	5,984	183,989	177,477	12,584	7,886	929,263	900,146
Other expenses	32,681	21,404	-	-	115	730	-	-	48,181	54,056	-	-	80,977	76,190
Total expenses	<u>907,602</u>	<u>897,802</u>	<u>46,817</u>	<u>65,606</u>	<u>130,658</u>	<u>147,007</u>	<u>11,970</u>	<u>9,730</u>	<u>326,606</u>	<u>268,727</u>	<u>17,846</u>	<u>14,691</u>	<u>1,441,499</u>	<u>1,403,563</u>
Underwriting (losses) profit	<u>52,581</u>	<u>455,195</u>	<u>(17,347)</u>	<u>9,115</u>	<u>9,032</u>	<u>(603)</u>	<u>2,891</u>	<u>3,818</u>	<u>(143,927)</u>	<u>(177,182)</u>	<u>79,272</u>	<u>41,531</u>	<u>(17,498)</u>	<u>331,874</u>

The attached notes from 1 to 30 form part of these interim condensed financial statements

JORDAN INSURANCE COMPANY PUBLIC SHAREHOLDING COMPANY
STATEMENT OF INTERIM CONDENSED UNDER WRITING REVENUES FOR THE LIFE INSURANCE
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022 (UNAUDITED)

	<u>For the six months ended 30 June</u>	
	<u>2022</u>	<u>2021</u>
	JD	JD
Written premiums		
Direct insurance	13,822,574	10,484,182
Facultative inward reinsurance business	-	-
Total premiums	<u>13,822,574</u>	<u>10,484,182</u>
Less: local reinsurance shares	90,129	94,572
Less: foreign reinsurance shares	<u>8,851,455</u>	<u>6,453,716</u>
Net Written premiums	<u>4,880,990</u>	<u>3,935,894</u>
Add: mathematical reserve at the beginning of the period	2,098,997	2,071,353
Less: reinsurance share	<u>681,078</u>	<u>599,127</u>
Net mathematical reserve at the beginning of the period	<u>1,417,919</u>	<u>1,472,226</u>
Less: mathematical reserve at the end of the period	2,009,849	1,673,222
Reinsurance share	<u>620,686</u>	<u>330,555</u>
Net mathematical reserve at the end of the period	<u>1,389,163</u>	<u>1,342,667</u>
Net earned revenues from the written premiums	<u><u>4,909,746</u></u>	<u><u>4,065,453</u></u>

The attached notes from 1 to 30 form part of these interim condensed financial statements

JORDAN INSURANCE COMPANY PUBLIC SHAREHOLDING COMPANY
STATEMENT OF INTERIM CONDENSED CLAIMS COST FOR THE LIFE INSURANCE
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022 (UNAUDITED)

	For the six months ended 30 June	
	2022	2021
	JD	JD
Paid claims	11,341,636	12,348,130
Maturity and surrender of policies	44,952	15,711
Less: local reinsurance share	48,089	105,119
Foreign reinsurance share	8,454,566	9,368,679
Net paid claims	<u>2,883,933</u>	<u>2,890,043</u>
Add: outstanding claims reserve at the end of the period	7,287,160	9,572,199
Less: reinsurance share	6,041,232	7,856,960
Net outstanding claims reserve at the end of the period	<u>1,245,928</u>	<u>1,715,239</u>
Less: outstanding claims reserve at the beginning of the period	7,376,480	7,408,318
Less: reinsurance share	6,118,308	6,029,807
Net outstanding claims reserve at the beginning of the period	<u>1,258,172</u>	<u>1,378,511</u>
Net claims cost	<u><u>2,871,689</u></u>	<u><u>3,226,771</u></u>

The attached notes from 1 to 30 form part of these interim condensed financial statements

JORDAN INSURANCE COMPANY PUBLIC SHAREHOLDING COMPANY
STATEMENT OF INTERIM CONDENSED UNDERWRITING PROFITS (LOSSES) FOR THE LIFE
INSURANCE
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022 (UNAUDITED)

	<u>For the six months ended 30 June</u>	
	<u>2022</u>	<u>2021</u>
	JD	JD
Net earned revenues from written premiums	4,909,746	4,065,453
Less: Net claims cost	2,871,689	3,226,771
	<u>2,038,057</u>	<u>838,682</u>
Add: commission received	45,204	16,102
Insurance policies issuance fees	233,737	166,948
Investment income related to underwriting accounts	100,000	50,000
Other revenues	8,545	23,868
Total revenues	<u>2,425,543</u>	<u>1,095,600</u>
Less: commissions paid	661,904	642,067
Less: general and administrative expenses related to underwriting accounts	916,139	748,557
Other expenses	138,793	87,365
Total expenses	<u>1,716,836</u>	<u>1,477,989</u>
Underwriting profits (losses)	<u>708,707</u>	<u>(382,389)</u>

The attached notes from 1 to 30 form part of these interim condensed financial statements

JORDAN INSURANCE COMPANY PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION FOR THE LIFE INSURANCE
AS AT 30 JUNE 2022

	30 June 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
<u>Assets</u>		
Bank deposits	2,812,910	1,977,347
Financial assets at fair value through profit or loss	748,726	667,644
Life policyholder's loans	35,539	35,539
Total investments	3,597,175	2,680,530
Cash on hand and at banks	2,128,981	2,168,790
Checks under collection	1,284,680	900,602
Accounts receivable	11,071,907	9,158,636
Reinsurance receivables	1,351,685	3,441,385
Property and equipment	23,205	22,544
Other assets	530,475	416,226
Total Assets	19,988,108	18,788,713
<u>Liabilities and head office account</u>		
<u>Liabilities</u>		
Accounts payable	1,503,379	946,212
Reinsurance payable	1,284,961	1,398,743
Other liabilities	67,189	20,339
<u>Technical reserves</u>		
Outstanding claims reserve, net	1,913,093	2,063,587
Mathematical reserve, net	1,389,163	1,417,919
Other technical reserves	144,270	144,270
Total technical reserves	3,446,526	3,625,776
Total liabilities	6,302,055	5,991,070
<u>Head office account</u>		
paid-in capital	12,977,346	13,200,513
Profit (loss) for the period / year	708,707	(402,870)
Total head office account	13,686,053	12,797,643
Total liabilities and head office account	19,988,108	18,788,713

The attached notes from 1 to 30 form part of these interim condensed financial statements

(1) GENERAL

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

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

The interim condensed financial statements were approved for issuance by the board of directors in its meeting held on 27 July 2022.

(2) BASIS OF PREPARATION

The interim condensed financial statements for the six months period ended 30 June 2020 were 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 other comprehensive income and financial assets at fair value through profit or loss that have been measured at fair value at interim condensed the financial statement date.

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 Group annual report as of 31 December 2021. In addition, results for the six - months period ended 30 June 2022 are not necessarily indicative 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 financial statements for the year ended 31 December 2021 except for the adoption of new 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 June 2018 without significantly changing its requirement.

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 recognizes 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 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 premiums 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 is assessing the impact of the application of this standard on the Company's financial statements, which is expected to be completed during the third quarter of 2022.

(2-3) BUSINESS SEGMENT

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 is measured based on the reports used by the Company's chief operating officer and the 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 company's 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 and the changes in fair value that shows in the equity section. Considerable judgment by groups' 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 IFRS "9".
- The financial year is charged with its related income tax in accordance with income tax laws and regulations.
- Management periodically reviews tangible assets' useful lives in order to calculate the depreciation amount depending on the status of these assets and expected future useful lives. The impairment loss (if any) appears on the interim condensed income statement.
- 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.

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(3) BANK DEPOSITS

This item consists of the following:

	30 June 2022			31 December 2021	
	Deposits mature during one month JD	Deposits mature during a period between 1 - 3 months JD	Deposits mature during more than one year JD	Total JD (Unaudited)	Total JD (Audited)
Inside Jordan -					
Arab Jordan Invest Bank	1,717,100	-	-	1,717,100	1,256,944
Jordan commercial bank	-	202,852	-	202,852	201,075
Arab Bank*	-	-	800,000	800,000	495,821
Ahli Bank	34,616	-	-	34,616	34,401
Societe Generale Bank	33,326	-	-	33,326	33,194
Blom Bank	989,361	-	-	989,361	601,916
Jordan Kuwait Bank	5,458	-	-	5,458	5,452
Total banks deposits inside Jordan	2,779,861	202,852	800,000	3,782,713	2,628,803
Outside Jordan -					
Arab Bank - UAE	76,800	4,725,504	3,984,000	8,786,304	12,011,904
Sharjah Islamic Bank	-	4,185,600	-	4,185,600	-
Mashreq Bank	-	-	-	-	4,185,600
First Abu Dhabi Bank	6,989,568	-	-	6,989,568	6,989,568
National Bank of Kuwait	-	-	838,289	838,289	838,289
Total bank deposits outside Jordan	7,066,368	8,911,104	4,822,289	20,799,761	24,025,361
Total Bank deposits	9,846,229	9,113,956	5,622,289	24,582,474	26,654,164

* Deposits pledged in favor of insurance administration general manager amounted to JD 800,000 for the period ended 30 June 2022 (JD 495,821 for the year ended 31 December 2021) and mature after three-months.

- Interest rates on bank deposit balances in Jordanian Dinars ranges from 2% - 4% and US Dollar from 0,05% - 0,25% as of 30 June 2022 (31 December 2021: Interest rates on bank deposit balances in Jordanian Dinars ranges from 2% - 4% and US Dollar from 0,05% to 0,25%).

(4) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

This item consists of the following:

	30 June 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Quoted shares	<u>2,708,989</u>	<u>2,748,881</u>

(5) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

This item consists of the following:

	30 June 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Inside Jordan -		
Quoted shares	6,821,463	4,911,088
Unquoted shares	<u>30,209</u>	<u>29,825</u>
	<u>6,851,672</u>	<u>4,940,913</u>
Outside Jordan -		
Quoted shares	10,067,270	18,197,466
Unquoted shares *	<u>4,727,697</u>	<u>4,727,697</u>
	<u>14,794,967</u>	<u>22,925,163</u>
Total Financial assets at fair value through other comprehensive income	<u>21,646,639</u>	<u>27,866,076</u>

* This item represents an amount of JD 4,680,750 (net after increasing the impact of revaluation of JD 610,770 as of 30 June 2022) (31 December 2021: JD 4,680,750) for investment in Asia Insurance Company's shares (Iraq). The shares registered in the Company's name amounted to 5,925,000,000 Share / Iraqi Dinar equivalent to 19,75% of the Company's paid in capital as of 30 June 2022 and 31 December 2021.

(6) INVESTMENT PROPERTIES

This item consists of the following:

	30 June 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Plots of land	11,947,104	11,946,304
Buildings – net after depreciation	3,546,095	3,566,577
	<u>15,493,199</u>	<u>15,512,881</u>

The additions to the investment properties during the six-months period ended 30 June 2022 were JD 35,851 (30 June 2021: JD 57,866).

The fair value of investment property has been determined by real estate experts as of 31 December 2021 to be JD 25,910,404. In Management's opinion, the fair value of the investment properties exceeds its carrying value as of 30 June 2022.

(7) LIFE POLICYHOLDERS' LOANS

This item consists of the following:

	30 June 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Life policyholders' Loans which do not exceed the policy liquidation value	35,539	35,539
	<u>35,539</u>	<u>35,539</u>

(8) CASH ON HAND AND AT BANKS

This item consists of the following:

	30 June 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Cash on hand	152,616	194,356
Cash at banks	3,544,926	3,342,122
	<u>3,697,542</u>	<u>3,536,478</u>

(9) NOTES RECEIVABLE AND CHECKS UNDER COLLECTION

This item consists of the following:

	30 June 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Checks under collection*	2,699,915	3,220,383
Notes receivable	40,550	40,550
	<u>2,740,465</u>	<u>3,260,933</u>
Less: Expected credit losses	185,350	185,350
	<u>2,555,115</u>	<u>3,075,583</u>

* The due date for checks under collection extends until 20 February 2024.

* The movement on the expected credit losses related to checks under collection is as follows:

	30 June 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the period / year	185,350	166,050
Additions for the period / year	-	19,300
	<u>185,350</u>	<u>185,350</u>

(10) ACCOUNTS RECEIVABLE, NET

This item consists of the following:

	30 June 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Policyholders' receivables	19,116,403	15,773,322
Agents' receivables	3,582,889	2,841,349
Employees' receivables	104,217	115,790
Other receivables	3,020,862	1,155,910
	<u>25,824,371</u>	<u>19,886,371</u>
Less: provision for expected credit losses *	3,548,394	3,471,308
	<u>22,275,977</u>	<u>16,415,063</u>

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-The Company seeks to limit its credit risk with respect to customers by setting credit limits for individual customers, and monitoring outstanding receivables. The following table represents the accounts receivable that are not impaired as at the date of the interim condensed financial statements:

	30 June 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Not due	5,178,564	2,766,845
Less than 60 days	9,927,371	7,721,434
From 61 - 90 days	1,266,747	1,180,587
From 91 - 180 days	3,168,986	2,069,354
From 181 - 360 days	6,282,703	6,148,151
	<u>25,824,371</u>	<u>19,886,371</u>

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

	30 June 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Balance at the beginning of the period / year	3,471,308	3,428,412
Currency exchange differences	-	43,069
Adjusted balance	<u>3,471,308</u>	<u>3,471,481</u>
Additions during the period / year	78,800	-
Less: Written-off debts	<u>1,714</u>	<u>173</u>
Balance at the end of the period / year	<u><u>3,548,394</u></u>	<u><u>3,471,308</u></u>

The Company's management believes that the expected credit losses provision for accounts receivable is sufficient after taking into account amounts due from related parties.

(11) REINSURANCE RECEIVABLES, NET

This item consists of the following:

	30 June 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Local reinsurance companies*	3,369,656	2,875,278
Foreign reinsurance companies **	1,773,397	4,117,408
	<u>5,143,053</u>	<u>6,992,686</u>
Less: Expected credit losses***	1,211,642	1,161,642
	<u>3,931,411</u>	<u>5,831,044</u>

* The Company follows the settlement policy on local insurance companies' receivables within three months of the claim.

** The aging details for the foreign reinsurance receivables as of interim condensed financial statements is as follows:

	30 June 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Not due	-	2,498,438
Less than 60 days	1,052,780	181,320
From 61 - 90 days	445,487	1,932,474
From 91 - 180 days	1,129,749	781,058
From 181 - 360 days	2,515,037	1,599,396
	<u>5,143,053</u>	<u>6,992,686</u>

*** The movement on the expected credit losses related to reinsurance receivables is as follows:

	30 June 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Balance at the beginning of the period / year	1,161,642	961,642
Additions during the period / year	50,000	200,000
	<u>1,211,642</u>	<u>1,161,642</u>

(12) INCOME TAX

A- Income tax provision

The movement on the income tax provision is as follows:

	30 June 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Balance at the beginning of the period / year	85,021	255,662
Accrued income tax of the period / year	315,023	101,352
Accrued tax on sale of financial assets at fair value through other comprehensive income	48,176	-
Accrued income tax for previous years	-	100,000
Income tax paid	<u>(51,892)</u>	<u>(371,993)</u>
	<u>396,328</u>	<u>85,021</u>

B- Income Tax Expense

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

	For the six-months period ended 30 June	
	2022	2021
	JD (Unaudited)	JD (Unaudited)
Accrued income tax for the period / year	253,394	185,000
Deferred tax	<u>61,629</u>	<u>125,884</u>
Income tax expense for the period / year	<u>315,023</u>	<u>310,884</u>

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C- Reconciliation of accounting and tax profit

	For the six-months period ended 30 June	
	2022	2021
	JD (Unaudited)	JD (Unaudited)
Accounting profit - Jordan branches	998,291	1,071,509
<u>Add:</u> nondeductible expenses	691,369	99,074
<u>Less:</u> non- taxable profits	254,282	585,751
Taxable profit	<u>1,435,378</u>	<u>584,832</u>
Income tax rate	<u>26%</u>	<u>26%</u>

- The accrued income tax was calculated for the period ended 30 June 2021 was calculated in accordance with the income tax law.

D- Deferred Tax Assets and Liabilities

The movement on the deferred tax assets is as follows:

Deferred tax assets includes the following accounts:	30 June 2022 (Unaudited)					31 December 2021 (Audited)
	Balance at the beginning of the period	Additions	Released amounts	Balance at the end of the period	Deferred tax	Deferred tax
	JD	JD	JD	JD	JD	JD
Expected credit losses provision	3,451,624	100,000	-	3,551,624	923,422	897,422
End of service indemnity provision	258,998	19,036	40,061	237,973	61,873	67,339
Unreported outstanding claim reserve	3,175,303	-	174,598	3,000,705	780,183	825,578
Losses of valuation of financial assets at fair value through income statement	1,662,700	-	141,417	1,521,283	395,534	432,302
Losses of valuation of financial assets at fair value through comprehensive income	2,391,973	-	2,354,690	37,283	9,694	621,914
	<u>10,940,598</u>	<u>119,036</u>	<u>2,710,766</u>	<u>8,348,868</u>	<u>2,170,706</u>	<u>2,844,555</u>

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The movement on the deferred tax liabilities is as follows:

Deferred tax liabilities includes the following accounts:	30 June 2022 (Unaudited)					31 December 2021 (Audited)
	Beginning balance of the period	Additions	Released amounts	Balance at the end of period	Deferred tax	Deferred tax
	JD	JD	JD	JD	JD	JD
Gain of valuation of financial assets at fair value through income statement	2,291,518	-	-	2,291,518	274,982	274,982
Gain of valuation of financial assets at fair value through comprehensive income	9,765,135	-	8,129,906	1,635,229	196,228	1,171,816
	<u>12,056,653</u>	<u>-</u>	<u>8,129,906</u>	<u>3,926,747</u>	<u>471,210</u>	<u>1,446,798</u>

- The movement on the deferred tax assets during the period / year is as follows:

	30 June 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the period / year	2,844,555	3,167,997
Previous years adjustments	-	52,000
Additions	30,950	54,352
Released	(704,799)	(429,794)
Balance at the end of the period / year	<u>2,170,706</u>	<u>2,844,555</u>

E- Tax Status

- A final settlement of income tax has been reached in Jordan until the end of 2018. The Company submitted its tax return and paid the declared tax for the years 2019, 2020 and 2021. The Company's returns are still under the review of the Income and Sales Tax Department.
- The Company's results of operation in its branches in the United Arab Emirates are not taxable. The Company's profit in Kuwait is subject to income tax at a rate of 10%, which has been settled and paid up to the end of 2018.
- The income tax provision for the six months ended 30 June 2022 and 2021 has been calculated, in the opinion of the Company's management and tax advisor, the provision as of the interim condensed financial statements is sufficient to mitigate any tax liabilities.

(13) PROPERTY AND EQUIPMENT, NET

Additions to the property and equipment during the six-months period ended 30 June 2022 were JD 10,388 (30 June 2021: JD 57,866).

(14) OTHER ASSETS

This item consists of the following:

	30 June 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Refundable deposits	1,344,202	1,390,928
Accrued revenues	72,353	65,638
Prepaid expenses	1,093,080	772,136
Other	335,811	329,657
	<u>2,845,446</u>	<u>2,558,359</u>

(15) MATHEMATICAL RESERVE, NET

This item consists of the following:

	30 June 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Mathematical reserve, net	<u>1,389,163</u>	<u>1,417,919</u>

(16) DUE TO BANKS

This item consists of the following:

	30 June 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Bank of Jordan *	5,000,000	5,000,000
Cairo Amman Bank **	5,947,919	8,301,715
Arab Bank ***	378,654	4,461,819
	<u>11,326,573</u>	<u>17,763,534</u>

- * This item represents the utilized balance as of 30 June 2022 of the overdraft facilities granted by the Bank of Jordan at a ceiling of JD 5 million at an interest rate of 8%, calculated on a daily basis, credited monthly and is guaranteed by the Company's financial solvency. The main objective of these facilities is to finance the Company's activities.
- ** This item represents the utilized balance as of 30 June 2022 of the overdraft facilities granted by the Cairo Amman Bank at a ceiling of JD 6,9 million at an interest rate of 8%, calculated on a daily basis, credited monthly and is guaranteed by the Company's financial solvency. The main objective of these facilities is to finance the Company's activities.
- *** This item represents the utilized balance as of 30 June 2022 of the overdraft facilities granted by the Arab bank at a ceiling of JD 5,5 million at an interest rate of 8,375%, calculated on a daily basis, credited monthly and is guaranteed by the Company's financial solvency. The main objective of these facilities is to finance the Company's activities.

(17) RE-INSURANCE PAYABLE

This item consists of the following:

	30 June 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Local reinsurance companies	2,039,046	1,582,015
Foreign reinsurance companies	5,670,170	3,672,150
	<u>7,709,216</u>	<u>5,254,165</u>

(18) OTHER LIABILITIES

This item consists of the following:

	30 June 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Unearned revenue	218,031	328,813
Accrued expenses	240,168	192,364
Ministry of finance deposits	955,393	99,320
Life deposits	14,556	14,654
Parking deposits	4,775	4,775
Outstanding visa deposits	2,102	6,436
Individual policy claims deposits	5,685	5,685
Board of directors' compensation	27,500	55,000
	<u>1,468,210</u>	<u>707,047</u>

(19) PAID-IN CAPITAL

The authorized and paid in capital amounted to JD 30,000,000 divided into 30,000,000 shares with a par value of JD 1 per each as of 30 June 2022 and 31 December 2021.

(20) FAIR VALUE RESERVE

The movement on this item during the period / year is as follows:

	30 June 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Balance at beginning of the period / year	6,823,258	(2,736,253)
Net change in fair value during the period / year	(5,099,621)	9,559,511
Transferred from fair value reserve to retained earnings	(312,515)	-
Balance at the end of the period / year	<u>1,411,122</u>	<u>6,823,258</u>

(21) RETAINED EARNINGS

The movement on this item during the period / year is as follows:

	30 June 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Balance at beginning of the period / year	5,936,265	5,239,835
Prior year adjustments	-	(200,000)
Adjusted balance	5,936,265	5,039,835
Profit for the period / year	718,625	876,439
Transferred from fair value reserve to retained earnings	312,515	19,991
Balance at the end of the period / year	<u>6,967,405</u>	<u>5,936,265</u>

A- Retained earnings balance includes a restricted amount of JD 2,161,012 as of 30 June 2022 (31 December 2021: JD 2,222,643) related to deferred tax assets.

B- Retained earnings balance includes an amount of JD 1,244,867 as of 30 June 2022 that represents the impact of the early application of International Financial Reporting Standard "IFRS" (9), which represents unrealized revaluation differences that are prohibited from being used until it is realized under the instructions of the Securities and Exchange Commission.

(22) NET GAIN FROM FINANCIAL ASSETS AND INVESTMENTS

This item consists of the following:

	For the six-months period ended 30 June	
	2022	2021
	JD (Unaudited)	JD (Unaudited)
Dividends income from financial assets at fair value through profit or loss	310,975	207,240
Gain from sale of financial assets at fair value through profit or loss	185,880	-
Gain from revaluation of financial assets at fair value through profit or loss	139,686	406,160
Net rental income	160,000	155,420
Total	796,541	768,820

(23) BASIC AND DILUTED EARNINGS PER SHARE FOR THE PERIOD

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

	For the six-months period ended 30 June	
	2022	2021
	JD (Unaudited)	JD (Unaudited)
Profit for the period	<u>718,625</u>	<u>1,146,881</u>
Weighted average number of shares	<u>Share 30,000,000</u>	<u>Share 30,000,000</u>
	JD / Share	JD/Share
Earnings per share (Basic and diluted)	<u>0.024</u>	<u>0.038</u>

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

	For the six-months period ended 30 June	
	2022	2021
	JD	JD
	(Unaudited)	(Unaudited)
Salaries and other benefits	<u>291,507</u>	<u>315,485</u>

(26) LAWSUITS BY AND AGAINST THE COMPANY

The Company is a defendant in several lawsuits related to accidents claims. Management and legal consultant believe that the lawsuit provision of JD 2,142,911 as of 30 June 2022 (31 December 2021: JD 2,004,103) is sufficient to meet obligations that may arise from the lawsuits and there will be no need for additional provision more than what has been recorded in the outstanding claims reserve.

(27) CONTINGENT LIABILITIES

As of the date of the interim condensed financial statements, the Company had contingent liabilities represented in bank guarantees in an amount of JD 2,865,078 and it is guaranteed by the Company's financial solvency as of 30 June 2021 (JD 3,185,185 as of 31 December 2021).

(28) CAPITAL MANAGEMENT

The capital requirements are regulated by the insurance authority. These requirements have been established to ensure an appropriate margin. Additional objectives were set by the company to maintain strong credit ratings and high capital ratios in order to support its business and maximize shareholders' equity.

The Company manages the capital structure and makes the necessary adjustments in light of changes in working conditions. The company has made no changes to the objectives, policies and procedures relating to capital structure during the current year and the previous year.

In the opinion of the management, regulatory capital is sufficient to meet future risks or liabilities.

The details of the capital and solvency ratio are as follows:

	30 June 2022	31 December 2021
	JD (Unaudited)	JD (Audited)
Total available capital	<u>56,295,733</u>	<u>60,657,046</u>
Capital requirements		
Capital requirement against asset risks	18,733,003	19,234,766
Capital requirement against underwriting liabilities	3,909,725	3,798,152
Capital requirement against the reinsurance risk	626,481	834,909
Capital requirement against life insurance risk	<u>4,804,533</u>	<u>4,629,364</u>
Total required capital	<u>28,073,742</u>	<u>28,497,191</u>
Solvency margin ratio	<u>201%</u>	<u>213%</u>

The Company achieved the required solvency margin according to the instructions of the Insurance Management, which should not be less than 200% as of 30 June 2022, noting that the solvency margin of the Company is 201% without taking into consideration the approvals obtained by the Insurance Management on exceeding the limit.

(29) FAIR VALUE MEASUREMENT

A- FAIR VALUE OF FINANCIAL ASSETS FOR THE COMPANY AND DETERMINED BY THE FAIR VALUE CONTINUOUSLY

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether this price can be observed directly or estimated using another evaluation technique.

When estimating the fair value of the asset or the obligation, the Company takes into account the characteristics of the asset or the obligation if market participants take those characteristics into account when pricing the asset or obligation on the measurement date.

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Some of the Company's financial assets are valued at fair value at the end of each financial period, and the following table shows information on how to determine the fair value of these financial assets (valuation methods and inputs used).

	Fair Value		Fair value levels	Evaluation methods and inputs used	Important intangible inputs	Relationship between the important input method and fair value
	30 June 2022	31 December 2021				
Financial assets	JD	JD				
Financial assets at fair value through profit or loss						
Shares	2,708,989	2,748,881	1 st level	Quoted prices	N/A	N/A
Financial assets at fair value through other comprehensive income:						
Quoted shares	16,888,733	23,108,554	1 st level	Quoted prices Equity method based on last audited financial statements	N/A	N/A
Unquoted Shares	4,757,906	4,757,522	2 nd level		N/A	N/A
	21,646,639	27,866,076				
Total Financial assets at fair value	24,355,628	30,614,957				

There were no transfers between level 1 and level 2 during each of the six months ended 30 June 2022 and the year ended 31 December 2021.

B- FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES FOR THE COMPANY AND NOT DETERMINED BY THE FAIR VALUE CONTINUOUSLY

Except what described in the table below, we believe that the book value of the financial assets and financial liabilities shown in the Company's financial statements is approximately its fair value:

	30 June 2022		31 December 2021		Fair value level
	Book value	Fair value	Book value	Fair value	
	JD	JD	JD	JD	
Financial assets with undetermined fair value					
Bank Deposits	24,582,474	25,074,123	26,654,164	27,187,247	2 nd level
Policyholder's loans	35,539	36,250	35,539	36,250	2 nd level
Investment's property	15,493,199	15,803,063	15,512,881	25,910,404	2 nd level
Total financial assets with undetermined fair value	40,111,212	40,913,436	42,202,584	53,133,901	
	24,582,474	25,074,123	26,654,164	27,187,247	

The fair value of the financial assets included in the second level category above is determined in accordance with the pricing models adopted and accepted based on the discounting of cash flows, taking into account the interest rate as the most important entry into the calculation.

(30) ANALYSIS OF MAIN SECTORS

A. Information about the Company's operational sectors:

For management purposes, the Company was organized to include the general insurance sectors, which include fire, accidents, motor, marine, liability and medical insurance, The transactions between sectors are based on estimated market price basis under the same conditions for others.

B. Information about the geographical distribution:

This note represents the geographical distribution of the Company's operations, the Company mainly conducts its activities in the Kingdom, which represents the local operations, The Company also has international operations through its branches in UAE and Kuwait.

The geographic distribution of the Company's capital expenditures and revenues are as follows:

	Inside Jordan		Outside Jordan		Total	
	30 June		30 June		30 June	
	2022	2021	2022	2021	2022	2021
	JD	JD	JD	JD	JD	JD
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Total revenues	<u>18,156,196</u>	<u>16,871,631</u>	<u>2,488,155</u>	<u>2,900,052</u>	<u>20,644,351</u>	<u>19,771,683</u>
	Inside Jordan		Outside Jordan		Total	
	30 June	31	30 June	31	30 June	31
	2022	December	2022	December	2022	December
	JD	JD	JD	JD	JD	JD
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Total assets	<u>72,526,554</u>	<u>85,816,986</u>	<u>30,578,368</u>	<u>22,491,906</u>	<u>103,104,922</u>	<u>108,308,892</u>