



الرقم : ACC/07/2018/06

التاريخ : 2018/07/31

<p>To: Jordan Securities Commission Amman Stock Exchange Date: - 31/7/2018 <u>Subject: Semi- Annual Report As of 30/06/2018</u></p>	<p>السادة هيئة الاوراق المالية السادة بورصة عمان التاريخ:- 2018/7/31 <u>الموضوع : التقرير نصف السنوي كما هو في 2018/06/30</u></p>
<p>Attached the company's Semi- Annual Report of Jordan International Insurance Company – Newton Insurance As of 30/06/2018</p>	<p>مرفق طيه نسخة من التقرير نصف السنوي لشركة الاردن الدولية للتأمين - نيوتن للتأمين كما هو بتاريخ 2018/06/30م</p>
<p>Kindly accept our highly appreciation and respect  Jordan International Insurance Company – Newton Insurance Chief Executive Officer Signature</p>	<p>وتفضلوا بقبول فائق الاحترام،  شركة الاردن الدولية للتأمين - نيوتن للتأمين توقيع الرئيس التنفيذي</p>

بورصة عمان  
الدائرة الإدارية والمالية  
الديوان  
٠١ آب ٢٠١٨  
الرقم المتسلسل: ٢٩٨١  
رقم الملف: ٤٤٤٤  
الجهة المختصة: الدائرة الإدارية

هيئة الأوراق المالية  
٣١ تموز ٢٠١٨  
قسم الديوان

١٧

**JORDAN INTERNATIONAL INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN –JORDAN**

**CONSOLIDATED CONDENSED INTERIM FINANCIAL  
INFORMATION FOR THE SIX-MONTH PERIOD  
ENDED JUNE 30, 2018**

**TOGETHER WITH THE INDEPENDENT AUDITOR'S  
REPORT ON THE REVIEW OF THE CONSOLIDATED  
CONDENSED INTERIM FINANCIAL INFORMATION**

**JORDAN INTERNATIONAL INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN –JORDAN**

**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018**

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**Independent Auditor's Report on the Review of the Consolidated Condensed Interim  
Financial Information**

**To Chairman and the Members of Board of Directors  
Jordan International Insurance Company  
(Public Shareholding Limited Company)  
Amman – Jordan**

We have reviewed the accompanying consolidated condensed interim financial information of **Jordan International Insurance Company – Public Shareholding Limited Company- and its subsidiaries (“the Group”)** which comprise consolidated condensed interim statement of financial position as at June 30, 2018, and the related consolidated condensed interim statements of profit or loss, comprehensive income, changes in Shareholders' equity and cash flows for the six-month period then ended and the notes about consolidated condensed interim financial information. The Group's management is responsible for the preparation and fair presentation of this consolidated condensed interim financial information in accordance with International Accounting Standard number (34) “Interim Financial Reporting”. Our responsibility is to express a conclusion on this consolidated condensed interim financial information 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 consolidated condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial information as at 30 June 2018 is not prepared, in all material respects, in accordance with International Accounting Standard number (34) “Interim Financial Reporting”.



**Other Matter**

The consolidated financial statements for the year ended December 31, 2017 and the consolidated condensed interim financial information for the period ended June 30, 2017, which appears for comparison purposes, were audited and reviewed by another auditor who expressed an unqualified audit opinion and an unqualified conclusion on February 28, 2018 and July 30, 2018 respectively.

This financial information is a translated copy to the English language of the original consolidated condensed interim financial information issued in Arabic language.

**Kawasmy and Partners**  
**KPMG**

Hatem Kawasmy  
License no. (656)

A handwritten signature in blue ink, consisting of a large, stylized loop followed by a horizontal line and a vertical stroke.

Amman - Jordan  
July 31, 2018

**Jordan International Insurance Company  
(A Public Shareholding Limited Company)  
Amman - Jordan**

**Consolidated Condensed Interim Statement of Financial Position**

<i>In Jordanian Dinar</i>	Notes	June 30, 2018 Reviewed not (Audited)	December 31, 2017 (Audited)
<b>Assets</b>			
Deposits at banks	4	6,690,882	7,536,331
Financial assets at fair value through profit or loss	5	471,565	574,742
Financial assets at fair value through statement of comprehensive income	6	6,345,614	6,585,514
Financial assets at amortized cost	7	352,683	562,683
Investment properties - net	8	8,084,010	8,155,406
<b>Total Investments</b>		<b>21,944,754</b>	<b>23,414,676</b>
Cash on hand and at banks	9	630,340	259,269
Cheques under collection	10	428,821	277,607
Accounts receivable - net	11	8,205,844	8,988,991
Trading settlement		10,139	-
Reinsurance receivables	12	521,083	891,886
Settlement guarantee fund contribution	13	25,000	25,000
Due from related parties	23-a	190,010	147,658
Deferred tax assets	16-d	591,479	696,402
Property and equipment - net		2,384,591	2,385,572
Intangible assets - net	14	175,573	403,774
Other assets	17	967,761	533,016
<b>Total Assets</b>		<b>36,075,395</b>	<b>38,023,851</b>
<b>Liabilities and Shareholders' Equity</b>			
<b>Liabilities</b>			
Unearned premiums reserve - net		2,610,944	2,437,190
Claims reserve - net		2,081,462	2,016,907
Mathematical reserve - net	15	57,191	50,465
Premium deficiency reserve - net		-	60,000
<b>Total Insurance Contract Liabilities</b>		<b>4,749,597</b>	<b>4,564,562</b>
Accounts payable	18	3,479,213	2,351,544
Due to Bank	24	267,559	-
Trading settlement		-	32,479
Reinsurance Payables	19	2,001,191	3,538,014
Accrued expenses		18,939	22,500
Due to related parties	23-b	4,790	17,020
Other provisions		152,447	148,948
Income tax provision	16-a	846	846
Deferred tax liabilities	16-d	393,807	453,807
Other liabilities		1,719,276	3,004,861
<b>Total Liabilities</b>		<b>12,787,665</b>	<b>14,134,581</b>
<b>Shareholders' Equity</b>			
Authorized and paid-up capital		18,150,000	18,150,000
Statuary reserve		2,692,344	2,692,344
Special reserve		2,225	2,225
Difference in purchasing non-controlling interest shares		343,355	342,037
Investment revaluation reserve	20	1,228,597	1,422,112
Retained earnings		220,232	420,232
Loss for the period		(210,738)	-
<b>Total Shareholders' Equity - Company's Shareholders</b>		<b>22,426,015</b>	<b>23,028,950</b>
Non-controlling interests		861,715	860,320
<b>Total Shareholders Equity</b>		<b>23,287,730</b>	<b>23,889,270</b>
<b>Total Liabilities and Shareholders Equity</b>		<b>36,075,395</b>	<b>38,023,851</b>

The accompanying notes are an integral part of these consolidated condensed interim financial information and should be read with it and with the review report.

**Chairman of the Board of Directors**

**General Manager**

**Jordan International Insurance Company**  
**(A Public Shareholding Limited Company)**  
**Amman - Jordan**  
**Consolidated Condensed Interim Statement of Profit or Loss (Reviewed not audited )**

<i>In Jordanian Dinnar</i>	Notes	For the Three-Month Period Ended June 30,		For the Six-Month Period Ended June 30,	
		2018	2017	2018	2017
<b>Revenues</b>					
Gross written premiums		3,367,084	4,931,488	7,475,081	9,824,751
Less: re-insurers' share		(2,055,008)	(3,211,383)	(4,007,769)	(5,789,618)
Net written premiums		1,312,076	1,720,105	3,467,312	4,035,133
Net change in unearned premiums reserve		297,918	5,718	(173,754)	(713,340)
Net change in mathematical provision		-	(3,868)	(6,726)	(27,319)
Net change in premium deficiency reserve		-	-	60,000	-
Net earned premiums		1,609,994	1,721,955	3,346,832	3,294,474
Commissions revenue		201,728	346,282	420,348	673,636
Gain of financial assets	21	198,286	10,176	850,186	750,080
Rent revenue		7,625	151,265	10,708	14,891
Income from issuing insurance policies		109,437	52,584	247,162	306,213
Interest income		71,832	253,737	158,925	104,160
Other revenue related to underwriting premium		203,129	191,569	273,891	202,620
Other revenue- net		49,632	22,966	55,031	30,913
<b>Total Revenues</b>		<b>2,451,663</b>	<b>2,750,534</b>	<b>5,363,083</b>	<b>5,376,987</b>
<b>Claims, losses and expenses</b>					
Paid claims		3,563,606	7,027,099	8,432,732	11,769,334
(Less): Recoveries		(146,943)	(188,511)	(327,280)	(310,137)
Re-insurers' share		(1,494,315)	(5,325,410)	(4,398,828)	(8,269,634)
Net paid claims		1,922,348	1,513,178	3,706,624	3,189,563
Net change in claims reserve		50,865	259,108	64,555	54,916
Allocated employees' expenses		388,561	473,378	792,671	866,596
Allocated general and administrative expenses		67,706	68,499	145,628	163,204
Excess of loss premiums		7,250	10,125	14,500	20,250
Cost of policies acquisition		53,836	58,416	110,336	107,628
Other expenses related to underwritings		27,483	83,927	62,181	148,007
Other expenses		(3,151)	51,424	13,884	75,442
<b>Net Paid claims</b>		<b>2,514,898</b>	<b>2,518,055</b>	<b>4,910,379</b>	<b>4,625,606</b>
Unallocated employees' expenses		27,489	31,068	101,222	102,156
Unallocated general and administrative expenses		200,505	158,193	365,374	318,134
(Recovered from) provision on receivables		88	-	(3,610)	-
Depreciation and amortization		47,474	29,527	93,778	62,423
<b>Total Expenses</b>		<b>2,790,454</b>	<b>2,736,843</b>	<b>5,467,143</b>	<b>5,108,319</b>
(Loss) profit for the period before tax		(338,792)	13,691	(104,060)	268,668
Deferred tax assets and liabilities	16-b	(80,988)	96,507	(104,923)	58,791
<b>Net (Loss) Profit for the Period</b>		<b>(419,780)</b>	<b>110,198</b>	<b>(208,983)</b>	<b>327,459</b>
Attributable to:					
Company's shareholders				(210,738)	327,027
Non-controlling interests				1,755	432
				<b>(208,983)</b>	<b>327,459</b>
(Loss) Earnings per share for the period (basic & diluted)	22			(0/012)	0/018

The accompanying notes are an integral part of these consolidated condensed interim financial information and should be read with it and with the review report.

**Chairman of the Board of Directors**

**General Manager**

**Jordan International Insurance Company**  
**(A Public Shareholding Limited Company)**  
**Amman - Jordan**

**Consolidated Condensed Interim statement of Comprehensive Income (Reviewed not audited)**

<i>In Jordanian Dinnar</i>	<b>For the Three-Month Period Ended June 30</b>		<b>For the Six-Month Period Ended June 30</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
(Loss) profit for the period	<u>(419,780)</u>	<u>110,198</u>	<u>(208,983)</u>	<u>327,459</u>
<b>Statement of the Comprehensive income items that will never be reclassified subsequently to the constituted condensed interim statement of profit or loss:</b>				
Change in investment valuation reserve	<u>(200,475)</u>	<u>(7,389)</u>	<u>(193,875)</u>	<u>(7,389)</u>
<b>Total Comprehensive Income for the Period</b>	<b><u>(620,255)</u></b>	<b><u>102,809</u></b>	<b><u>(402,858)</u></b>	<b><u>320,070</u></b>
Attributable to :				
Company's shareholders	<u>(622,191)</u>	<u>101,139</u>	<u>(404,253)</u>	<u>319,638</u>
Non-controlling interests	<u>1,936</u>	<u>1,670</u>	<u>1,395</u>	<u>432</u>
	<b><u>(620,255)</u></b>	<b><u>102,809</u></b>	<b><u>(402,858)</u></b>	<b><u>320,070</u></b>

The accompanying notes are an integral part of these consolidated condensed interim financial information and should be read with it and with the review report.

Jordan International Insurance Company  
( A Public Shareholding Limited Company )  
Amman - Jordan

Consolidated Condensed Interim statement of changes in Shareholders' equity (Reviewed not audited )

In Jordanian Dinar	Retained Earnings							Total Shareholders' Equity	Non-controlling Interests	Total Shareholders' Equity	
	Paid up capital	Statutory Reserve	Special Reserve	*Difference in Purchasing Non-controlling Interest Shares	Investment Revaluation Reserve	Realized	Unrealized				Profit (Loss) for the Period
<b>For the Period Ended June 30, 2018</b>											
Balance - beginning of the period	18,150,000	2,692,344	2,225	342,037	1,422,112	(276,170)	696,402	-	23,028,950	860,320	23,889,270
Prior year adjustments (note 29)	-	-	-	-	-	(200,000)	-	-	(200,000)	-	(200,000)
Adjusted Balance as of January 1, 2018	18,150,000	2,692,344	2,225	342,037	1,422,112	(476,170)	696,402	-	22,828,950	860,320	23,689,270
(Loss) for the period	-	-	-	-	-	-	-	(210,738)	(210,738)	1,755	(208,983)
Net change in fair value reserve after-tax	-	-	-	-	(193,515)	-	-	-	(3,875)	(360)	(193,875)
Total other comprehensive income for the period	-	-	-	-	(193,515)	-	-	(210,738)	(214,613)	1,395	(402,858)
Other adjustments- purchasing of non-controlling interests during the period**	-	-	-	1,318	-	-	-	-	1,318	-	1,318
<b>Balance - End of the Period</b>	<b>18,150,000</b>	<b>2,692,344</b>	<b>2,225</b>	<b>343,355</b>	<b>1,228,597</b>	<b>(476,170)</b>	<b>696,402</b>	<b>(210,738)</b>	<b>22,615,655</b>	<b>861,715</b>	<b>23,287,730</b>
<b>For the Period Ended June 30, 2017</b>											
Balance - beginning of the period	18,150,000	2,684,654	2,225	338,613	1,511,072	1,389,696	675,560	-	24,751,820	876,047	25,627,867
Profit for the period	-	-	-	-	-	-	-	327,027	327,027	432	327,459
Net change in fair value reserve after-tax	-	-	-	-	(7,389)	-	-	-	(7,389)	-	(7,389)
Total other comprehensive income for the period	-	-	-	-	(7,389)	-	-	-	(7,389)	432	320,070
Dividends distributed to shareholders*	-	-	-	-	-	1,089,000	-	-	(1,089,000)	-	(1,089,000)
Other adjustments- purchasing of non-controlling interests during the period**	-	-	-	-	-	-	-	-	3,424	(11,450)	(8,026)
<b>Balance - End of the Period</b>	<b>18,150,000</b>	<b>2,684,654</b>	<b>2,225</b>	<b>338,613</b>	<b>1,503,683</b>	<b>300,696</b>	<b>675,560</b>	<b>327,027</b>	<b>32,985,882</b>	<b>865,029</b>	<b>24,850,911</b>

\* In accordance with the general assembly meeting dated March 19, 2017, they resolved the distribution of cash dividends at 6% of paid up capital amounting to JOD 1,089,000.

\*\* This item represents the non-controlling interests of Jordan International Investment Company (the Subsidiary) which was purchased. The Company's share reached 90.70% at June 30, 2018 (90.69% as at June 30, 2017).

- The retained earnings include JOD 591,479 representing the value of deferred tax assets that are restricted as at June 30, 2018 (December 31, 2017: JOD 696,402).

The accompanying notes are an integral part of these consolidated condensed interim financial information and should be read with it and with the review report.

**Jordan International Insurance Company**  
**(A Public Shareholding Limited Company)**  
**Amman - Jordan**  
**Consolidated Condensed Interim Statement of Cash Flows (Reviewed not Audited)**

	Notes	For the Six-Month Period ended June 30,	
		2018	2017
<i>In Jordanian Dinnar</i>			
<b>Cash flows from operating Activities</b>			
(Loss) Profit for the period before income tax		(104,060)	268,668
Adjustments for:			
Depreciation and amortization		93,778	62,423
Net change in unearned premiums reserve		173,754	713,340
Net change in claims reserve		64,555	54,916
Net change in mathematical reserve		6,726	27,319
Net change in premium deficiency reserve		(60,000)	-
(Recovered from) impairment of financial assets at amortized cost	21	(155,000)	-
Net change in financial assets at fair value through profit or loss	21	(64,688)	42,372
Net loss on sale of financial assets at fair value through profit or loss	21	180	-
Net (gain) on sale of investment property	8	(42,621)	(12,811)
Net change in other provisions		3,499	105,000
Recovered from impairment of accounts receivable - net	11	(3,610)	(256)
Net cash flows from operating activities before changes in working capital		(87,487)	1,260,971
Changes in:			
Cheques under collection		(151,214)	20,585
Accounts receivable		958,828	(545,105)
Reinsurance receivables		370,803	(413,522)
Financial assets at fair value through profit or loss		167,685	-
Trading settlement		(42,618)	-
Due from related parties		(214,423)	(38,369)
Other assets		(69,745)	(526,680)
Accounts payable		1,127,669	160,949
Due to related parties		(12,230)	3,785
Accrued expenses		(3,561)	(29,331)
Miscellaneous allowances		-	(5,500)
Reinsurance payables		(1,536,823)	(385,376)
Other liabilities		(1,285,277)	1,012,993
<b>Net Cash Flows (used in) from Operating Activities before income tax</b>		<b>(778,393)</b>	<b>515,400</b>
Income tax paid	16	-	(21,553)
<b>Net Cash Flows (used in) from Operating Activities</b>		<b>(778,393)</b>	<b>493,847</b>
<b>Cash flows from investing activities</b>			
Purchase of financial assets through other comprehensive income		(13,975)	(86,389)
Purchase of property and equipment and intangible assets		(58,485)	(15,107)
Changes in assets at amortized cost		-	-
(Increase) in deposits at banks		(6,115)	-
Proceeds from sale of investment properties	8	107,161	34,000
<b>Net Cash Flows From (Used in) Investing Activities</b>		<b>28,586</b>	<b>(67,496)</b>
<b>Cash flows from financing activities</b>			
Changes in non-controlling interests		1,755	(8,026)
Dividends distributed		-	(1,089,000)
<b>Net Cash Flow From (Used in) Financing Activities</b>		<b>1,755</b>	<b>(1,097,026)</b>
Net (decrease) in cash and cash equivalents		(748,052)	(675,341)
Cash and cash equivalents- beginning of the period		7,427,264	6,877,454
<b>Cash and Cash Equivalents- End of the Period</b>	24	<b>6,679,212</b>	<b>6,202,113</b>
<b>Non cash transactions</b>			
Financial assets at amortized cost transferred to other assets	17	440,021	-

The accompanying notes are an integral part of these consolidated condensed interim financial information and should be read with it and with the review report

JORDAN INTERNATIONAL INSURANCE COMPANY  
(PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - HASHEMITE KINGDOM OF JORDAN  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF UNDERWRITING REVENUE FOR GENERAL INSURANCE ACTIVITIES  
FOR THE SIX-MONTH PERIOD ENDED (REVIEWED NOT AUDITED)

	Motor		Marine and transportation		Aviation		Fire and other damage of property		Public Liability		Personal Accidents		Medical		Total	
	Jun-30		Jun-30		Jun-30		Jun-30		Jun-30		Jun-30		Jun-30		Jun-30	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Written premiums	-	-	611,713	718,336	112,025	83,514	914,981	1,576,120	53,096	193,042	48,843	89,328	5,112,649	6,422,190	6,853,307	9,082,530
Direct business	-	-	68,092	79,794	-	-	8,969	10,900	-	-	-	-	-	-	77,061	90,694
Optional re - insurers's share	-	-	679,805	798,130	112,025	83,514	923,950	1,587,020	53,096	193,042	48,843	89,328	5,112,649	6,422,190	6,930,368	9,173,224
Gross premiums	-	-	67,837	79,794	-	-	38,053	42,165	-	-	-	-	-	-	105,890	121,959
(Less): Local re-insurers's share	-	-	464,365	609,093	107,760	83,514	770,705	1,486,711	48,502	183,205	37,782	80,277	2,110,230	2,768,083	3,539,344	5,210,883
Foreign re-insurers's share	-	-	147,603	109,243	4,265	-	115,192	58,144	4,594	9,837	11,061	9,051	3,002,419	3,654,107	3,285,134	3,840,382
Net written premiums	-	-	382,106	333,941	27,420	26,461	840,120	1,718,547	1,312,055	167,426	20,350	959	4,836,270	6,626,202	7,418,321	8,873,536
Add: Unearned premiums reserve - beginning of the period	-	-	328,428	290,172	27,344	26,156	797,891	1,737,318	1,296,479	157,217	17,932	720	2,513,057	3,933,506	4,981,131	6,145,089
Less: Re-insurers's shares - end of the period	-	-	53,678	43,769	76	305	42,229	-18,771	15,576	10,209	2,418	239	2,323,213	2,692,696	2,437,190	2,728,447
Net Unearned premiums reserve - beginning of the period	-	-	-	-	-	-	-	-	-	-	-	-	60,000	-	-	-
Net premium deficiency reserve - beginning of the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Unearned premium reserve - End of the period	-	-	406,427	425,542	82,340	65,581	683,062	1,664,794	1,122,921	157,873	24,926	55,065	4,225,440	6,418,567	6,545,116	8,787,422
Re - insurers's share - end of the period	-	-	336,062	375,936	79,131	65,548	593,376	1,628,226	1,114,592	154,843	17,819	49,424	1,793,192	3,071,658	3,934,172	5,345,635
Net unearned premiums reserve - end of the period	-	-	70,365	49,606	3,209	33	89,686	36,568	8,329	3,030	7,107	5,641	2,432,248	3,346,999	2,610,944	2,441,787
Change in unearned premiums reserve	-	-	16,687	5,837	3,133	(272)	47,457	55,339	(7,247)	(7,179)	4,689	5,402	109,035	654,213	173,754	713,340
Net provision for shortfall in installments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net change in provision for shortfall in installments	-	-	-	-	-	-	-	-	-	-	-	-	(60,000)	-	-	-
Net Revenue from the Underwritten Premiums	-	-	130,916	103,406	1,132	272	67,735	2,805	11,841	17,016	6,372	3,649	2,953,384	2,999,894	3,171,380	3,127,042

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING REVIEW REPORT .

JORDAN INTERNATIONAL INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - HASHEMITE KINGDOM OF JORDAN  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PAID CLAIMS COST FOR GENERAL INSURANCE ACTIVITIES FOR GENERAL INSURANCE ACTIVITIES  
FOR THE SIX-MONTH PERIOD ENDED (REVIEWED NOT AUDITED)

	Jordan International Insurance Company (A Public Shareholding Limited Company) Amman - Hashemite Kingdom of Jordan															
	Motor						Fire and other damage of property						Total			
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017		
Paid Claims	64,834	110,236	634,923	424,677	-	33,844	231,651	3,545,664	1,000	177,757	12,278	5,500	7,218,133	7,069,382	8,162,819	11,367,060
(Less): Recoveries	17,929	35,406	60,541	941	-	11,469	3,718	-	-	-	-	-	245,070	187,106	327,258	234,922
Local re-insurers' share	-	-	-	-	-	-	9,043	-	-	-	-	-	-	-	-	9,043
Foreign re-insurers' share	-	8,100	517,774	371,162	-	33,844	191,954	3,497,218	938	168,415	9,207	4,125	3,471,620	3,912,912	4,191,493	7,995,776
Net Claims Paid	46,905	66,730	56,608	52,574	-	-	35,979	27,934	62	9,342	3,071	1,375	3,501,443	2,989,364	3,644,068	3,127,319
Add: Claims reserve - end of the period	909,815	1,021,214	2,452,817	1,654,025	-	-	4,152,677	4,085,671	1,058,086	494,977	140,801	146,840	220,546	924,820	8,934,742	8,327,547
Reserve for reported claims	25,000	25,000	25,000	30,000	-	-	15,000	30,000	45,000	25,000	-	-	471,213	555,944	581,213	665,944
Less: Re-insurers' share - end of the period	247,004	246,998	1,960,509	1,499,485	-	-	3,998,601	3,965,164	895,737	343,302	106,426	116,939	266,359	802,799	7,474,636	6,974,687
Recoveries	20,786	53,786	-	-	-	-	-	-	-	-	-	-	-	-	20,786	53,786
Net Claims reserve - End of the period	667,025	745,430	517,308	184,540	-	-	169,076	150,507	207,349	176,675	34,375	29,901	425,400	677,965	2,020,533	1,965,018
Net reported claims reserve - end of the period	642,025	720,430	492,308	154,540	-	-	154,076	120,507	162,349	151,675	34,375	29,901	130,287	197,952	1,615,420	1,375,005
Net Unreported claims reserve - end of the period	25,000	25,000	25,000	30,000	-	-	15,000	30,000	45,000	25,000	-	-	295,113	480,013	405,113	590,013
Less: Reported claims reserve - beginning of the period	965,493	1,139,575	1,864,429	2,117,755	-	-	3,973,327	7,858,522	997,464	469,105	140,521	32,772	456,120	520,515	8,397,354	12,138,244
Unreported claims reserve	25,000	25,000	25,000	30,000	-	-	15,000	30,000	45,000	25,000	-	-	884,895	663,478	994,895	773,478
Re-insurers' share - beginning of the period	247,004	286,659	1,665,021	1,881,458	-	-	3,807,165	7,734,139	839,640	353,498	108,465	27,638	708,347	666,636	7,375,642	10,950,028
Recoveries	28,786	59,288	-	-	-	-	-	-	-	-	-	-	-	-	28,786	59,288
Net Claims Reserve - Beginning of the period	714,703	818,628	224,408	266,297	-	-	181,162	154,383	202,824	140,607	32,056	5,134	632,668	517,357	1,987,821	1,902,406
Net reported Claims Reserve - End of the period	689,703	793,628	199,408	236,297	-	-	166,162	124,383	157,824	115,607	32,056	5,134	235,705	197,952	1,480,858	1,473,001
Net Unreported Claims Reserve - End of the period	25,000	25,000	25,000	30,000	-	-	15,000	30,000	45,000	25,000	-	-	396,963	319,405	506,963	429,405
Net change in unreported claims reserve - End of period	(47,674)	(73,198)	(292,900)	(81,757)	-	-	(12,086)	(3,876)	4,525	36,068	2,319	24,767	(207,268)	160,608	32,712	62,612
Net Paid Claims Cost	(773)	(6,488)	349,508	(29,183)	-	-	23,893	24,058	4,587	45,410	5,390	26,142	3,294,175	3,129,972	3,676,780	3,189,931

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING REVIEW REPORT.

**JORDAN INTERNATIONAL INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - HASHEMITE KINGDOM OF JORDAN  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF UNDERWRITING (LOSSES) FOR GENERAL INSURANCE ACTIVITIES  
FOR THE SIX-MONTH PERIOD ENDED JUNE (REVIEWED NOT AUDITED)**

	In Jordanian Dinar															
	Motor		Marine and transportation		Aviation		Fire and other damage of property		Public Liability		Personal Accidents		Medical		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Net revenue from the underwritten premiums	-	-	130,916	103,406	1,132	272	67,735	2,805	11,841	17,016	6,372	3,649	2,953,384	2,999,894	3,171,380	3,127,042
Less: net paid claims cost	(773)	(6,468)	349,508	(29,183)	-	-	23,893	24,058	4,587	45,410	5,390	26,142	3,294,175	3,129,972	3,676,780	3,189,931
	773	6,468	(218,592)	132,589	1,132	272	43,842	(21,253)	7,254	(28,394)	982	(22,493)	(340,791)	(130,078)	505,400	(62,889)
Add: received commissions	-	-	93,199	135,076	14,118	6,587	151,551	243,424	3,572	19,386	770	4,241	157,138	264,922	420,348	673,636
Policy insurance fees and others	-	-	24,350	10,974	2,365	1,730	8,925	24,468	4,764	3,921	923	878	186,460	247,797	227,787	289,768
Other revenues	3	5	143,900	108,279	-	-	45,269	-	-	-	-	-	129,116	45,582	273,019	199,135
Total Revenue	3	5	261,449	254,329	16,483	8,317	160,476	313,161	8,336	23,307	1,693	5,119	472,714	558,301	921,154	1,162,539
Less: paid commissions	-	-	33,091	28,586	-	-	42,449	44,405	657	427	-	-	28,773	23,394	104,970	96,812
Excess of loss premiums	-	-	-	-	-	-	14,500	20,250	-	-	-	-	-	-	14,500	20,250
Underwriting administrative expenses	-	-	141,120	138,775	3,250	2,535	222,384	215,701	3,150	3,883	350	270	447,445	538,521	817,699	899,185
Other expenses	-	-	3,610	3,680	860	613	16,765	39,058	720	940	98	64	30,109	99,513	52,162	143,868
Total Expenses	-	-	177,821	170,541	4,110	3,148	296,098	319,414	4,527	5,250	448	334	506,327	661,428	989,331	1,160,115
Net Underwriting (Loss)	776	6,473	(134,964)	216,377	13,505	5,441	(91,780)	(27,506)	11,063	(10,337)	2,227	(17,708)	(374,404)	(233,205)	(573,577)	(60,465)

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING REVIEW REPORT.

JORDAN INTERNATIONAL INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)

AMMAN - HASHEMITE KINGDOM OF JORDAN

CONSOLIDATED CONDENSED INTERIM STATEMENT OF UNDERWRITING REVENUE FOR LIFE INSURANCE ACTIVITIES  
FOR THE SIX-MONTH PERIOD ENDED (REVIEWED NOT AUDITED)

<i>In Jordanian Dinar</i>	Life		Investment Related		Total	
	Jun-30		Jun-30		Jun-30	
	2018	2017	2018	2017	2018	2017
Written Premiums:						
Direct Insurance	544,713	651,527	-	-	544,713	651,527
Facilitative reinsurance accepted	-	-	-	-	-	-
Gross Earned Premiums	544,713	651,527	-	-	544,713	651,527
<u>Less: Local reinsurance share</u>						
Foreign reinsurance share	362,535	456,776	-	-	362,535	456,776
Net Earned Premiums	182,178	194,751	-	-	182,178	194,751
Add: Mathematical provision - beginning of the period	96,677	97,843	-	-	96,677	97,843
<u>Less: Reinsurance share</u>	46,212	57,360	-	-	46,212	57,360
Net Mathematical Provision - Beginning of the Period	50,465	40,483	-	-	50,465	40,483
<u>Deduct: Mathematical provision - beginning of the period</u>	109,983	163,870	-	-	109,983	163,870
<u>Deduct: Reinsurance share</u>	52,792	96,068	-	-	52,792	96,068
Net Mathematical Provision - End of the Period	57,191	67,802	-	-	57,191	67,802
Change in Mathematical reserve	6,726	27,319	-	-	6,726	27,319
<b>Net Earned Premiums Income from Written Premiums</b>	<b>175,452</b>	<b>167,432</b>	<b>-</b>	<b>-</b>	<b>175,452</b>	<b>167,432</b>

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED  
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**JORDAN INTERNATIONAL INSURANCE COMPANY**  
**(A PUBLIC SHAREHOLDING LIMITED COMPANY)**  
**AMMAN - HASHEMITE KINGDOM OF JORDAN**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PAID CLAIMS COST FOR LIFE INSURANCE ACTIVITIES**  
**FOR THE SIX-MONTH PERIOD ENDED (REVIEWED NOT AUDITED)**

<i>In Jordanian Dinnar</i>	<b>Life</b>		<b>Investment Related</b>		<b>Total</b>	
	<b>Jun-30</b>		<b>Jun-30</b>		<b>Jun-30</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
Paid Claims	269,913	402,274	-	-	269,913	402,274
<u>Less: Recoveries</u>	22	75,215	-	-	22	75,215
Local reinsurance share	-	-	-	-	-	-
Foreign reinsurance share	207,335	264,815	-	-	207,335	264,815
Net Claims Paid	62,556	62,244	-	-	62,556	62,244
<u>Add: Outstanding Claims Provision at the end of the period</u>	193,494	48,691	-	-	193,494	48,691
Incurred but not reported claims	32,500	32,500	-	-	32,500	32,500
<u>Less: Reinsurance share</u>	165,065	49,426	-	-	165,065	49,426
	60,929	31,765	-	-	60,929	31,765
<u>Less: Outstanding Claims Provision at the end of the period</u>	35,483	66,233	-	-	35,483	66,233
Incurred but not reported claims	32,500	32,500	-	-	32,500	32,500
<u>Less: Reinsurance share</u>	38,897	59,272	-	-	38,897	59,272
Net Outstanding Claims Provision at the end of the Period	29,086	39,461	-	-	29,086	39,461
<b>Net Cost of Claims Incurred</b>	<b>94,399</b>	<b>54,548</b>	<b>-</b>	<b>-</b>	<b>94,399</b>	<b>54,548</b>

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING REVIEW REPORT.

**JORDAN INTERNATIONAL INSURANCE COMPANY**  
**(A PUBLIC SHAREHOLDING LIMITED COMPANY)**  
**AMMAN - HASHEMITE KINGDOM OF JORDAN**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF UNDERWRITING (LOSES) FOR LIFE INSURANCE**  
**FOR THE PERIOD ENDED (REVIEWED NOT AUDITED)**

<i>In Jordanian Dinar</i>	<b>Life</b>		<b>Investment Related</b>		<b>Total</b>	
	<b>Jun-30</b>		<b>Jun-30</b>		<b>Jun-30</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
Net Earned Premiums Income	175,452	167,432	-	-	175,452	167,432
<u>Deduct: Cost of Claims Incurred</u>	<u>94,399</u>	<u>54,548</u>	<u>-</u>	<u>-</u>	<u>94,399</u>	<u>54,548</u>
	81,053	112,884	-	-	269,851	221,980
<u>Add: Commissions received</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Policies issuing fees	19,375	16,445	-	-	19,375	16,445
Other revenues	872	3,485	-	-	872	3,485
Total Revenues	<u>101,300</u>	<u>132,814</u>	<u>-</u>	<u>-</u>	<u>101,300</u>	<u>132,814</u>
<u>Deduct: Commissions paid</u>	<u>5,366</u>	<u>10,816</u>	<u>-</u>	<u>-</u>	<u>5,366</u>	<u>10,816</u>
Underwriting administrative expenses	120,600	130,615	-	-	120,600	130,615
Other expenses	10,019	4,139	-	-	10,019	4,139
Total expenses	<u>135,985</u>	<u>145,570</u>	<u>-</u>	<u>-</u>	<u>135,985</u>	<u>145,570</u>
<b>Net Underwriting (Loss)</b>	<b><u>(34,685)</u></b>	<b><u>(12,756)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>(34,685)</u></b>	<b><u>(12,756)</u></b>

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING REVIEW REPORT.

**JORDAN INTERNATIONAL INSURANCE COMPANY**  
**(A PUBLIC SHAREHOLDING LIMITED COMPANY)**  
**AMMAN - HASHEMITE KINGDOM OF JORDAN**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION FOR LIFE**  
**(REVIEWED NOT AUDITED)**

<i>In Jordanian Dinnar</i>	June 30, 2018	December 31, 2017
	(Reviewed not audited)	(Audited)
<b><u>Assets and investments</u></b>		
Deposits at banks	100,000	100,000
Total Investments	<u>100,000</u>	<u>100,000</u>
Accounts Receivable	380,857	262,442
Reinsurance receivables	28,950	46,062
Other revenues	336	236
<b>Assets and Investments</b>	<b><u>510,143</u></b>	<b><u>408,740</u></b>
<b><u>Liabilities and Owners'Equity</u></b>		
<b><u>Liabilities</u></b>		
Accounts payable	54,647	51,443
Reinsurance payable	40,551	76,727
Other liabilities	19,072	19,112
	<u>114,270</u>	<u>147,282</u>
<b><u>Technical provisions:</u></b>		
Outstanding claims provisions - net	60,929	29,086
Mathematical provisions - net	57,191	50,465
Total technical provisions - net	<u>118,120</u>	<u>79,551</u>
Total Liabilities	<u>232,390</u>	<u>226,833</u>
<b><u>Owners'equity</u></b>		
Head of office current account	312,438	266,183
Net (loss) for the period	(34,685)	(84,276)
Total equity	<u>277,753</u>	<u>181,907</u>
<b>Total Liabilities and Owners' Equity</b>	<b><u>510,143</u></b>	<b><u>408,740</u></b>

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING REVIEW REPORT.

**JORDAN INTERNATIONAL INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN –JORDAN**

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION**

**1) GENERAL**

- A-** Jordan International Insurance Company “The Company” was established in 1996 and registered as a Public Shareholding Limited Company at the Companies Control Department under Number (301), Head office in 6<sup>th</sup> Circle, Amman P.O. 3253 Amman 11181 Jordan .The Company's authorized and paid-up capital was JD 4 million, represented by 4 million shares at a par value of one Jordanian Dinar per share. The capital of the Company has been increased in several stages and most recently in 2010 to become JD 18.150 million distributed to 18.150 shares at nominal value of one share.
- B-** The Company's main objectives are:
- Acquiring movable and immovable properties required to operate.
  - Carrying out all insurance business activities.
  - Investing the surplus fund as deemed by the Company.
  - Borrowing needed funds from banks.
- C-** The Board of Directors approved the consolidated condensed interim financial information on July 23, 2018.

**2) BASIS OF PREPARATION OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION**

**a) Statement of compliance**

- The consolidated condensed interim financial information have been prepared in accordance with IAS 34 “Interim Financial Reporting” that include explanatory notes to explain events and transactions that are significant to understand of the changes in financial position and the Group’s performance since the last annual consolidated financial statements as at and for the year ended December 31, 2017.
- These consolidated condensed interim financial information does not include all the information required for full annual consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS).These consolidated condensed interim financial information should be read with the consolidated financial statements for the year ended December 31, 2017. As well as the financial performance for the consolidated condensed interim financial information for the period ended June 30, 2018 does not necessarily give an indication for the expected financial performance for the year that will be ending on December 31, 2018. In addition, no appropriation has been made on the profit for the period to reserves, which will be accounted for in the annual consolidated financial statements at the end of the year 2018.

**b) Basis of consolidating the condensed interim financial information**

The consolidated condensed interim financial information include the consolidated condensed interim financial information for the Company and its following subsidiaries, after the elimination of transactions and balances between them, the Company has the following subsidiaries as of June 30, 2018 :

<u>Company Name</u>	<u>Paid - Up Capital</u>	<u>Ownership Percentage</u>	<u>Nature of operation</u>	<u>Country of operation</u>	<u>Date of acquisition</u>
Ibda' for Financial Investments Company	2,500,000	100%	Financial brokerage	Jordan	2005
Jordan International Investment Company	10,000,000	90.70%	Investment in properties	Jordan	2006
Tellal Salem Real Estate Company	150,000	100%	Investment in properties	Jordan	2012
Newton Underwriting Management Company limited	248,500	100%	Insurance	Dubai	2018

**JORDAN INTERNATIONAL INSURANCE COMPANY  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN –JORDAN**

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION**

The following are the most key information about the subsidiaries as of June 30, 2018:

<i>In Jordanian Dinar</i>	<b>June 30, 2018</b>			
	<u>Assets</u>	<u>Liabilities</u>	<u>Revenues</u>	<u>Expenses</u>
Ibda' Financial Investment Company	2,300,081	33,620	61,452	40,637
Jordan International Investment Company	9,407,737	88,630	77,360	58,479
Tellal Salem Real Estate Company	626,230	480,995	-	1,080
Newton Underwriting Management Company limited	248,500	-	-	84,381

The Group accounts for business combinations of a subsidiary in the consolidated condensed interim statement of profit and loss and other comprehensive income starting from the date of the acquisition which is the date when control is transferred to the Group.

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment.

Any gain on bargain purchases is recognized in the condensed consolidated interim statement of profit or loss and other comprehensive income immediately. Transactions costs are expensed as incurred in the consolidated condensed interim statement of profit or loss and other comprehensive income except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationship. Such amounts are generally recognized in the condensed consolidated interim statement of profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as shareholders' equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in the condensed consolidated interim statement of profit or loss.

Non-controlling interest are measured at their proportionate share of the acquirer's identifiable net assets at the acquisition date.

On the loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in the condensed consolidated interim statement of profit or loss.

Balances, transactions and unrealized profits and expenses resulted from transactions within the group are eliminated when preparing these condensed consolidated interim financial information.

**c) Use of judgments and estimates**

These consolidated condensed interim financial information have been prepared in accordance with IAS 34, "interim financial reporting" which requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these consolidated condensed interim financial information, significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at end for the year ended December 31, 2017 and they are reasonable and sufficient.

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION**

**d) Financial risk management and capital management**

- Generally, the Group's objectives, policies and processes for managing risk are the same as those disclosed in its financial statements as of and for the year ended December 31, 2017.
- There have been no changes in the group's approach to capital management during the current financial interim period neither the Group is subject to externally imposed capital requirements.
- Fair value hierarchy for the financial assets has been disclosed in Note 28.

**3) SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted in the condensed consolidated interim financial information are consistent with those adopted for the year ended December 31, 2017 except for the following new and adjusted standards which became applicable in January 1<sup>st</sup>, 2018:

• **IFRS (15) Revenue from Contracts with Customers**

IFRS (15) revenue from contracts with customers, which sets out a comprehensive framework for determining the value and timing of revenue recognition, applies to all entities entering into contracts for the supply of services and goods with customers except for contracts subject to other accounting standards such as the International Standard And IAS (17), which superseded IAS 1, Construction Contracts, IAS (18) Revenue and the Report Standards Committee's Interpretation 13: Customer Loyalty Program, Interpretations Committee Report Criteria (15): Agreement S creation of real estate, and the interpretation of the Standards Committee reports (18): operations of assets from customers transfer, interpretation (31) - barter transactions involving advertising services, the Group believes that the impact of this standard will have no material impact on the consolidated condensed interim financial information for the period ended June 30, 2018.

• **IFRS (9) Financial Instruments**

The Group has adopted IFRS 9 as from 1 January 2018. IFRS 9 defines requirements for the recognition and measurement of both financial assets and liabilities and certain contracts for the purchase or sale of non-financial items. This standard replace IAS 39 (Recognition and Measurement).

The details of the new significant accounting policies are set out below:

**A- Classification and measurement of financial assets and financial liabilities**

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, but eliminates the classification of held-to-maturity financial assets, loans and receivables and available-for-sale assets that fall under the criteria International Accounting standards No. (39).

**- Financial assets**

The Group has early adopted the first phase of IFRS (9) as of January 1<sup>st</sup>, 2011 based on the request of Jordan Securities Commission. There were no material differences between the first phase of the Standard and the final version of the Standard issued on 24 July 2014.

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortized cost; fair value through other comprehensive income – debt investment; fair value through other comprehensive income – equity investment; or FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

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- It's held within a business model whose objective is to hold assets to collect contractual cash flows.
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at fair value through other comprehensive income if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it's held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or fair value through other comprehensive income as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at fair value through other comprehensive income as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The accounting policies applied are similar to the accounting policies adopted by the Group (considering that the Group has applied early to the first phase of IFRS 9) with the exception of the following accounting policies that became effective from January 1, 2018:

Debt investments at fair value through other comprehensive income.	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the consolidated statements of profit or loss. Other net gains and losses are recognized in the consolidated statements of other comprehensive income. On derecognition, accumulated gains and losses transferred from the consolidated statement of other compressive income to consolidated statement of profit or loss.
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The adoption of IFRS 9 did not have any impact on the Group's consolidated financial statements with respect to financial assets.

**- Financial liabilities:**

The adoption of IFRS 9 has no material impact on the Group's accounting policies relating to financial liabilities. IFRS 9 has maintained the requirements of IAS 39 regarding the classification of financial liabilities. IAS 39 requires recognition of the differences in the assessment of financial liabilities classified as financial liabilities at fair value through profit or loss in the consolidated statement of profit or loss, whereas IFRS 9 requires:

- Recognition of differences in valuation of financial liabilities classified as financial liabilities at fair value through statement of profit and loss as a result of changes in credit risk in the consolidated statement of comprehensive income.
- The remaining amount of fair value valuation differences is recognized in the consolidated statement of profit or loss:

The Group has not classified any financial liabilities in financial liabilities at fair value through profit or loss. Accordingly, there is no impact of applying IFRS 9 to the consolidated financial statements:

**B- Impairment on financial assets:**

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IFRS (9) replaces the "loss recognition" model adopted in IAS (39) to calculate the impairment of financial assets over "expected credit loss" model, which requires the use of estimates and judgments to estimate economic factors. The simplified approach model will be applied to financial assets - debt instruments classified at amortized cost or at fair value through other comprehensive income but not to investments in equity instruments. Where credit losses are recognized in accordance with IFRS (9), which is earlier than IAS (39).

Under IFRS (9), loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date:
- Lifetime ECLs: These ECLs result from all possible default events over the expected life of a financial instrument.

The Group measures impairment allowances equal to expected credit losses within 12 months if these assets are classified as Tier 1 and have the following characteristics:

- Debt securities that are determined to have low credit risk at the reporting date.
- Other debt securities and Group balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The expected impairment of the life of the financial instrument to maturity is calculated in the event of a significant increase in credit risk, which requires the conversion of the financial instrument from level 1 to level 2, or if the financial instrument is applied to specific situations within the Standard, Within the second level directly.

If the financial instrument is impaired or there is objective evidence of impairment as a result of a loss or default after initial recognition with a negative impact on the future cash flow, the financial instrument is transferred to the third level. The expected credit loss model requires recognition of the expected loss over the life of the asset debt instruments are very similar to the requirements of IAS (39).

When determining whether the credit risk of financial assets has increased significantly since initial recognition and in estimating the expected credit loss, the Group relies on reasonable and supportive information available and relevant, including quantitative and qualitative information and analysis of this information based on the Group's past experience and credit study, The Group assumes that the credit risk of the financial asset has increased substantially if it is more than 30 days past due or the credit rating of the customer has decreased by two levels.

The expected credit loss mechanism depends on the probability of default, which is calculated according to the credit risk and future economic factors, the loss given default, which depends on the value of the existing collateral, the exposure at default, The expected credit loss is discounted at the effective interest rate of the financial asset.

In each financial period, the Group evaluates the credit rating of financial assets at amortized cost and debt securities at fair value through other consolidated statement of comprehensive income. The credit rating of financial assets is considered to be impaired when one or more events that have a negative impact on the estimated future cash flows of the financial asset occur.

Provisions loss for financial assets measured at amortized cost are deducted from the total carrying amount of the financial asset. For debt securities at fair value through other comprehensive income, the provision for impairment is recognized in other consolidated statement of comprehensive income and is not deducted from the carrying amount of the financial asset. The losses of other financial assets are presented under 'Financing expenses' in the same manner of disclosure used in accordance with IAS (39). Such disclosure is not included in the consolidated statement of profit or loss and other consolidated statement of comprehensive income based on material considerations.

The Group believes that the new model of impairment will have no material impact on the consolidated financial statements.

- IFRS (2): Classification and Measurements of Share-Based Payments.
- IAS (40): Clarify Transfers of Investment in Property.

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- IFRS (2): Classification and Measurements of Share-Based Payments.
- IAS (40): Clarify Transfers of Investment in Property.
- Annual Improvements to IFRSs 2014 –2016 Cycle – Amendments on IFRS (1) adopting IFRS for the first time and IAS (28) Investment in associate and joint venture.
- IFRIC 22 Foreign Currency Transactions and Advance Consideration.
- Amendments to IFRS 4 Insurance Contracts, which relate to the difference between the effective date of IFRS 9 and the new standard for insurance contracts and are effective for financial years beginning on or after January 1, 2019.

The adoption of the above standards has not affected the amounts or disclosures in the interim condensed consolidated financial information.

• **New Standards and Interpretation not yet adopted:**

The following new and revised IFRSs have been issued but are not effective yet, the Company has not early adopted any of the following new and revised IFRSs that are available for early application but are not effective yet:

<u>Standards</u>	<u>Effective Date</u>
IFRS 16 Leases	January 1st, 2019
IFRS 17 Insurance Contracts	January 1st, 2021
IFRIC 23 Uncertainty over Income Tax Treatments	January 1st, 2019
Prepayment Features with Negative Compensation (Amendments to IFRS 9)	January 1st, 2019
Plan Amendments, Curtailment or Settlement (Amendments to IAS 19)	January 1st, 2019
Annual Improvements to IFRSs 2015–2017 Cycle (Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23)	January 1st, 2019
Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)	Not assigned yet
Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28)	January 1st, 2019

**4) DEPOSITS AT BANKS**

	<b>June 30, 2018</b>			<b>December 31, 2017</b>
	<b>(Reviewed not audited)</b>			<b>(Audited)</b>
<i>In Jordanian Dinar</i>	<b>Deposits due within one month</b>	<b>Deposits due after three months</b>	<b>Total</b>	<b>Total</b>
Inside Jordan	6,316,431	374,451	6,690,882	7,536,331
	<b>6,316,431</b>	<b>374,451</b>	<b>6,690,882</b>	<b>7,536,331</b>

- Interest rates on banks' deposits in JOD from 3.25% to 5.85% and deposits in US Dollar 2.25% during the year 2018.
- Deposits pledged to the Director General of the Insurance Commission in addition to his job amounted to JOD 374,451 as at June 30, 2018 (JD 368,336 as at December 31, 2017).

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5) FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF PROFIT OR LOSS

<i>In Jordanian Dinar</i>	June 30, 2018 (Reviewed not audited)	December 31, 2017 (Audited)
<u>Inside Jordan</u>		
Listed Shares	62,460	228,962
<u>Outside Jordan</u>		
Listed Shares	409,105	345,780
	<u>471,565</u>	<u>574,742</u>

6) FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF OTHER COMPREHENSIVE INCOME

<i>In Jordanian Dinar</i>	Number of shares	June 30, 2018 (Reviewed not audited)	December 31, (Audited) 2017
Shares of International Silica Industries Company	425,440	552,170	802,170
Cairo Amman Bank	50,000	75,000	75,000
Shares of Jordan Electricity Company	20,600	27,800	17,700
		<u>904,970</u>	<u>894,870</u>
 <u>Unlisted shares in Amman stock exchange</u>			
Shares of Royal Jordanian Air Academy*	622,913	5,690,644	5,690,644
		<u>5,690,644</u>	<u>5,690,644</u>
		<u>6,595,614</u>	<u>6,585,514</u>

\* These shares have been valued according to the latest valuation available at the end of 2017.

7) FINANCIAL ASSETS AT AMORTIZED COST

<i>In Jordanian Dinar</i>	June 30, 2018 (Reviewed not audited)	December 31, 2017 (Audited)
Bonds of Specialized Investment Companies*	-	210,000
Government bonds (Kingdom of Jordan)	352,683	352,683
	<u>352,683</u>	<u>562,683</u>

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\* This debt instrument is secured by real estate guarantees in the name of the Issuance manager. During the period ended June 30, 2018, the real estate guarantees were secured and acquired by the Issuance Manager (The Housing Bank for Trade and Finance), the Issuance Manager will compensate all parties participated in these debt instruments once they sold.

Thus, this item has been reclassified to Other Assets, and the provision for this bond has been reversed.

The movement in the provision for impairment for the period ended 30 June 2018 is as follows:

<i>In Jordanian Dinar</i>	<b>June 30, 2018 (Reviewed not audited)</b>	<b>December 31, 2017 (Audited)</b>
Balance at the beginning of the year	155,000	50,000
Released during the period	(155,000)	105,000
<b>Balance at the end of the period</b>	<b>-</b>	<b>155,000</b>

**8) INVESTMENT PROPERTIES - NET**

This item consists of the following:

<i>In Jordanian Dinar</i>	<b>June 30, 2018 (Reviewed not audited)</b>	<b>December 31, 2017 (Audited)</b>
Lands	7,552,103	7,616,643
Buildings	467,119	467,119
Apartments	120,697	120,697
Wadi Saqra Office	88,433	88,433
	<b>8,228,352</b>	<b>8,292,892</b>
<u>Less: Accumulated depreciation</u>	(138,216)	(131,360)
<u>Impairment in investments properties</u>	(6,126)	(6,126)
	<b>8,084,010</b>	<b>8,155,406</b>

- The fair value of the investment properties (other than buildings) was reassessed by two accredited valuers with an average market value of JOD 10,510,548 (2017: JOD 10,617,387) under the latest real estate valuation available to the Company on June 30, 2018. The fair value of investment properties was determined by comparing them with the market value of similar investment properties.

- During the period, a plot of land costing JOD 64,540 (2017: JOD 21,189) has been sold in Telal Salem Zone for JOD 107,161 (2017: JOD 34,000) which resulted in a gain in amount of JOD 42,621 (2017: JOD 12,811) on the sale of real estate investments recognized in the consolidated condensed statement of profit or loss and other comprehensive income.

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9) CASH ON HAND AND AT BANKS

This item consists of the following:

<i>In Jordanian Dinar</i>	<b>June 30, 2018 (Reviewed not audited)</b>	<b>December 31, 2017 (Audited)</b>
Cash on hand	5,315	14,480
Current accounts at bank	624,807	241,930
Current accounts - facilities	218	2,859
	<b>630,340</b>	<b>259,269</b>

10) CHEQUES UNDER COLLECTION

This item consists of the following:

<i>In Jordanian Dinar</i>	<b>June 30, 2018 (Reviewed not audited)</b>	<b>December 31, 2017 (Audited)</b>
Cheques under collection at banks – long term	426,821	277,607
Cheques under collection at banks – short term	2,000	-
	<b>428,821</b>	<b>277,607</b>

\* The maturities of cheques under collection extends up to May 15, 2019.

11) ACCOUNTS RECEIVABLE – NET

This item consists of the following:

<i>In Jordanian dinar</i>	<b>June 30, 2018 (Reviewed not audited)</b>	<b>December 31, 2017 (Audited)</b>
Policyholders	7,778,553	8,885,804
Brokerage customers	538,283	596,897
Agents	27,095	26,088
Employees	14,950	11,829
Commercials	114,246	116,831
Brokers	206,059	225,639
Other receivables	635,192	238,047
	<b>9,314,378</b>	<b>10,101,135</b>
Less: Provision for doubtful debts*	(1,108,534)	(1,112,144)
	<b>8,205,844</b>	<b>8,988,991</b>

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- The Aging of receivables is as follows:

<i>In Jordanian dinar</i>	<b>June 30, 2018</b> <b>(Reviewed not audited)</b>	<b>December 31,</b> <b>2017</b> <b>(Audited)</b>
Not Matured yet	5,844,644	4,645,920
Less than 60 days	883,675	834,604
From 61 – 90 days	143,743	1,064,691
From 91 – 180 days	327,085	480,810
From 181 – 360 days	407,672	1,631,753
More than 360 days	1,707,559	1,443,357
	<b>9,314,378</b>	<b>10,101,135</b>

The Company follows a policy of dealing with creditworthy parties as well as obtaining adequate collateral where appropriate to mitigate the risk of financial losses arising from non-performance of obligations.

\* Movement on the provision for doubtful debts is as follows:

<i>In Jordanian dinar</i>	<b>June 30, 2018</b> <b>(Reviewed not audited)</b>	<b>December 31,</b> <b>2017</b> <b>(Audited)</b>
Balance – beginning of the Period / Year	1,112,144	1,153,399
Additions	-	14,010
Released from provision**	(3,610)	(55,265)
Balance – End of the Period / Year	<b>1,108,534</b>	<b>1,112,144</b>

\*\* On July 24, 2017, the Court of First Instance of Amman issued a decision empowering the Amman Stock Exchange to sell the shares of some brokerage clients against them in favor of Ibda' Financial Investment Company. Accordingly, Ibda' Financial Investment Company (a subsidiary) has released the provision of JOD 55,265 As of December 31, 2017, which represents the share of Ibda' Financial Investment Company (a subsidiary) of the value of the sale of shares. The sale procedures commenced on 6 February 2018 and have completed on 18 April 2018 with a total value of JOD 58,875.

**12) REINSURANCE RECEIVABLES**

This item consists of the following:

<i>In Jordanian dinar</i>	<b>June 30, 2018</b> <b>(Reviewed not audited)</b>	<b>December 31,</b> <b>2017</b> <b>(Audited)</b>
Local insurance companies	210,874	217,727
Foreign reinsurance companies	371,671	735,621
	582,545	953,348
<u>Less: Provision for doubtful debts of insurance companies</u>	(61,462)	(61,462)
	<b>521,083</b>	<b>891,886</b>

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13) **SETTLEMENT GUARANTEE FUND DEPOSITS**

The item represents the balance of Ibda' for Financial Investment Company (subsidiary company) in the settlement guarantee fund in accordance with article provisions No. (90) of the securities law No. (76) for the year 2002 and the internal regulations of the settlement guarantee fund for the year 2004.

14) **INTANGIBLE ASSETS – NET**

This item represents the value of margin trading license which is fully amortized. Moreover, there were no additions to intangible assets during the six months ended 30 June 2018 and for the year ended 31 December 2017.

15) **MATHEMATICAL PROVISION - NET**

This item consists of the following:

	<b>June 30, 2018</b> <b>(Reviewed not</b> <b>audited)</b>	<b>December 31,</b> <b>2017</b> <b>(Audited)</b>
<i>In Jordanian dinar</i>		
Net mathematical provision	50,465	40,483
Reserve- life	6,726	9,982
Mathematical provision – Net	<u>57,191</u>	<u>50,465</u>

16) **INCOME TAX:**

- A final settlement has been reached with the Income and Sales Tax Department up to the end of the year 2015. Moreover, the Company has submitted the income tax returns for the years 2016 and 2017 for Jordan International Insurance Company (the Parent Company) and has not been audited by the Income and Sales Tax Department.
- A final settlement has been reached with the Income and Sales Tax Department up to the end of the year 2016 for Jordan International Investment Company (a Subsidiary). Moreover, the Company has submitted the income tax return for the year 2017, which has not been audited from the income and sale tax department.
- The Company has reached a final settlement with the Income and Sales Tax Department up to the year 2016 for Ibda' Financial Investment Company (a Subsidiary). Moreover, the Company has submitted the income tax returns for the years 2016 and 2017 which has not been audited by the Income and Sales Tax Department.
- The Company has reached a final settlement with the Income and Sales Tax Department up to the year 2016 for Tellal Salem (a Subsidiary). Moreover, the Company has submitted the income tax return for the year 2017 which has not been audited by the Income and Sales Tax Department.
- In the opinion of the Company's management and its tax consultant, the provisions in the financial information are sufficient for the purpose of tax liabilities.

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**A- Income tax provision**

- The movement in income tax provision is as follows:

	<b>June 30, 2018</b> <b>(Reviewed not</b> <b>audited)</b>	<b>December 31,</b> <b>2017</b> <b>(Audited)</b>
<i>In Jordanian dinar</i>		
Balance – beginning of the period / year	846	21,553
Income tax paid on credit interest	-	(21,553)
Income tax for the period / year	-	846
	<b>846</b>	<b>846</b>

**B- The income tax presented in the condensed consolidated interim statement of profit or loss is as follows:**

	<b>June 30, 2018</b> <b>(Reviewed not</b> <b>audited)</b>	<b>December 31,</b> <b>2017</b> <b>(Audited)</b>
<i>In Jordanian dinar</i>		
Deferred tax assets	(840)	(80,515)
Amortization of deferred tax assets	105,763	21,312
Deferred tax liabilities	-	-
Income tax for the period	-	412
	<b>104,923</b>	<b>(58,791)</b>

**C- Summary of the accounting income with taxable income during the period/year:**

	<b>June 30, 2018</b> <b>(Reviewed not</b> <b>Audited)</b>	<b>December 31, 2017</b> <b>(Audited)</b>
<i>In Jordanian dinar</i>		
Accounting loss	(210,738)	(548,334)
Non – deductible tax expense	581,283	1,085,164
Nontaxable income	(1,432,329)	(1,384,743)
<b>Taxable Loss</b>	<b>(1,061,784)</b>	<b>(874,913)</b>

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**D- Deferred Tax Assets/Liabilities**

This item consists of the following:

<i>In Jordanian Dinner</i>	Balance at the beginning of the Period	Released amount	Additions	Balance at the end of the period	Deferred Tax	
					June 30, 2018	December 31, 2017
<b>Deferred tax assets</b>						
Provision for doubtful debts	1,173,606	3,610	-	1,169,996	278,288	279,154
Provisions for end of service indemnity	35,000	-	3,500	38,500	9,242	8,402
Impairment in financial assets	195,524	64,688	-	130,836	31,164	46,689
Impairment loss of financial assets at amortized cost	155,000	155,000	-	-	-	37,200
Impairment in investment properties	6,126	-	-	6,126	1,225	1,225
Goodwill impairment losses	111,064	55,533	-	55,531	13,327	26,655
Provisions for administration bonuses	40,000	-	-	40,000	9,600	9,600
Lawsuits provisions	5,448	-	-	5,448	1,090	1,090
Contingent liability provisions	68,500	-	-	68,500	13,700	13,700
Unreported claims provisions	521,964	101,850	-	420,114	100,429	124,873
Provision for disability in installments	60,000	60,000	-	-	-	14,400
Accepted forwarded losses	553,881	-	-	553,881	133,414	133,414
	<b>2,926,113</b>	<b>440,681</b>	<b>3,500</b>	<b>2,488,932</b>	<b>591,479</b>	<b>696,402</b>
<b>Deferred tax liabilities</b>						
Net change in valuation of financial assets through other comprehensive income	1,888,879	250,000	-	1,638,879	393,807	453,807
	<b>1,888,879</b>	<b>250,000</b>	<b>-</b>	<b>1,638,879</b>	<b>393,807</b>	<b>453,807</b>

The movement on deferred tax assets/liabilities is as follows:

<i>In Jordanian Dinner</i>	June 30, 2018 (Reviewed not audited)		December 31, 2017 (Audited)	
	Assets	Liabilities	Assets	Liabilities
Balance at the beginning of the period/year	696,402	453,807	616,357	477,807
Additions	840	-	119,946	-
Disposal	(105,763)	(60,000)	(39,901)	(24,000)
Balance at the ending of the period/year	<b>591,479</b>	<b>393,807</b>	<b>696,402</b>	<b>453,807</b>

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**17) OTHER ASSETS**

This item consists of the following:

<i>In Jordanian Dinner</i>	<b>June 30, 2018 Reviewed not ) (audited</b>	<b>December 31, 2017 (Audited)</b>
Refundable deposits	410,049	309,172
The new trade name	-	92,813
Prepaid expenses	55,493	45,034
Accrued revenues	39,074	46,882
Assets deposited at Housing Bank (SPIC)*	440,021	-
Withholding income tax	9,035	24,462
Other	14,089	14,653
	<b>967,761</b>	<b>533,016</b>

\* As stated in Note (7), the debt instruments have been reclassified to assets deposited at Housing Bank as the Issuance Manager (Housing Bank) acquired the real estate guarantees and pledged to pay the Company's share in the amount of JOD 490,000 in cash when the guarantees are sold, the difference represents the present value of these assets.

**18) ACCOUNTS PAYABLE**

This item consists of the following:

<i>In Jordanian Dinner</i>	<b>June 30, 2018 (Reviewed not audited)</b>	<b>December 31, 2017 (Audited)</b>
Medical	2,702,148	1,648,100
Policyholders	527,067	526,150
Brokerage customers	31,374	11,680
Services companies	122,136	60,107
Garages and car spare part shops	7,652	7,652
Agents	3,220	3,797
Brokerage	36,558	47,997
Employees	657	1,067
Others	48,401	44,994
	<b>3,479,213</b>	<b>2,351,544</b>

**19) REINSURANCE PAYABLE**

This item consists of the following:

<i>In Jordanian Dinner</i>	<b>June 30, 2018 (Reviewed not audited)</b>	<b>December 31, 2017 (Audited)</b>
Local insurance companies	111,379	78,874
Foreign reinsurance companies	1,889,812	3,459,140
	<b>2,001,191</b>	<b>3,538,014</b>

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**20) INVESTMENT REVALUATION RESERVE**

This item represents the net change in the financial assets at fair value through comprehensive income as follows:

	<b>June 30, 2018 Reviewed ) (not Audited)</b>	<b>December 31, 2017 (Audited)</b>
<i>In Jordanian Dinar</i>		
Balance at the beginning of the period/year	1,422,112	1,511,072
Change during the period/year	(253,515)	(112,960)
Change in deferred tax liabilities	60,000	24,000
Balance at the end of the period/year	<b>1,228,597</b>	<b>1,422,112</b>

**21) NET GAINS FROM FINANCIAL ASSETS AND INVESTMENTS**

This item consists of the following:

	<b>For Six-Month Period Ended June 30,</b>	
	<b>2018</b>	<b>2017</b>
<i>In Jordanian Dinar</i>		
Cash dividends for financial assets through statement of profit or loss	7,768	8,922
Cash dividends for financial assets through other comprehensive income	622,910	882,044
Loss from financial assets at fair value through statement of profit or loss	(180)	-
Gain from financial assets at amortized cost	-	6,486
Recovered (Impairment) in value of financial assets at amortized cost	155,000	(105,000)
Cumulative change in fair value of financial assets through statement of profit or loss	64,688	(42,372)
	<b>850,186</b>	<b>750,080</b>

**22) (LOSSES) EARNINGS PER SHARE**

Earnings per share is calculated by dividing the earnings for the period by the weighted average number of shares during the period and the details are as follows:

	<b>For the Six-Month Period Ended June 30,</b>	
	<b>2018</b>	<b>2017</b>
<i>Jordanian Dinar</i>		
(Loss)/Profit for the period attributable to the Shareholders of the Company	(210,738)	327,027
Weighted average for number of shares	18,150,000	18,150,000
<b>(Losses) Earnings per share for the period - basic and diluted - (JOD/Share)</b>	<b>(0.012)</b>	<b>0.018</b>

**23) RELATED PARTIES BALANCES AND TRANSACTIONS**

- The condensed consolidated interim financial statements include the condensed interim financial statements for the Company and its subsidiaries.
- As a part of the Company's operations, the Company and its subsidiaries carry out transactions with their Board of Directors' members and their related parties (companies and individuals) based on the terms governing such transactions and approved by the Board of Directors.

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

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<i>In Jordanian Dinar</i>	<b>June 30, 2018</b> <b>(Reviewed not audited)</b>	<b>December 31,</b> <b>2017</b> <b>(Audited)</b>
<b><u>Consolidated Condensed Interim Statement of Financial Position</u></b>		

**A-Due from related parties**

Board of Directors members and their related parties  
(companies and individuals)\*

<b>190,010</b>	<b>147,658</b>
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**B-Due to related parties**

Board of Directors members and their related parties  
(companies and individuals)

<b>4,790</b>	<b>17,020</b>
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*Jordanian Dinar*

**For the Six-Month Period Ended  
June 30,**

**Consolidated Condensed Interim Statement of Profit or Loss**

<b>2018</b>	<b>2017</b>
-------------	-------------

Insurance premiums	8,040	10,483
Paid claims	12,329	29,765

\*This item includes an amount of JOD 154,151 represents Balances due from related parties (Board of Directors members and their related parties from companies and individuals resigned on April 30, 2018).

**Key Management Benefits**

Salaries and remunerations benefits paid to the Company key management for the six months ended June 30, 2018 amounted to: JD 252,070 (June 30, 2017: JD 328,448).

**24) CASH AND CASH EQUIVALENTS**

This item consists of the following:

<i>In Jordanian Dinar</i>	<b>June 30, 2018</b> <b>(Reviewed not audited)</b>	<b>December 31,</b> <b>2017 (Audited)</b>
Cash on hand and at banks	630,340	259,269
Add: deposits at banks	6,690,882	7,536,331
(Less): restricted deposits	(374,451)	(368,336)
(Less): due to bank (overdrawn bank account)*	(267,559)	-
	<b>6,679,212</b>	<b>7,427,264</b>

\*This item represents Bank current account which is overdrawn in books as of June 30, 2018.

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**25) DISTRIBUTION OF ASSETS AND LIABILITIES PER SECTOR**

The balances of assets and liabilities as of 30 June 2018 and 31 December 2017 are as follows:

	June 30, 2018		December 31, 2017	
	Assets	Liabilities and Shareholders' Equity	Assets	Liabilities and Shareholders' Equity
<b>A-By Activity:</b>				
Insurance*	24,367,577	24,367,577	26,140,645	26,140,645
Investments	9,407,737	9,407,737	9,388,622	9,388,622
Financial brokerage	2,300,081	2,300,081	2,494,584	2,494,584
<b>Total</b>	<b>36,075,395</b>	<b>36,075,395</b>	<b>38,023,851</b>	<b>38,023,851</b>

	June 30, 2018		December 31, 2017	
	Assets	Liabilities and Shareholders' Equity	Assets	Liabilities and Shareholders' Equity
<b>B-By Geographical Distribution:</b>				
Inside Kingdom	35,294,619	33,910,135	36,942,450	34,564,711
Outside Kingdom	780,776	1,889,812	1,081,401	3,459,140
<b>Total</b>	<b>36,075,395</b>	<b>36,075,395</b>	<b>38,023,851</b>	<b>38,023,851</b>

\* After eliminating the subsidiaries.

The Group consolidated revenue for the six months ended June 30, 2018 and 2017 were distributed as follows:

<i>Jordanian Dinar</i>	For the Six-Month Period Ended June 30,	
	2018	2017
<b>By Activity:</b>		
Insurance	4,345,120	4,505,054
Investments	1,009,111	854,240
Financial Brokerage	8,852	17,693
	<b>5,363,083</b>	<b>5,376,987</b>

**26) LAWSUITS AGAINST THE COMPANY**

- There are lawsuits against the Company claiming compensation for various accidents amounted to JOD 2,913,280 at courts as of June 30, 2018 (JOD 3,249,180 as of December 31, 2017). In the opinion of the Company's management and its lawyer, no obligations shall arise that exceeds the allocated amounts within the net claims reserve.
- There is labor cases against the subsidiary (Jordan International Investment Company) amounted to JOD 2,692 as of June 30, 2018 which were provided for where the case has been dropped temporarily due to the plaintiff's absence.
- There is a lawsuit against Tellal Salem (a subsidiary). This lawsuit is to terminate the sale of lands' contracts the Company owned the land in prior year which appears under investment properties (Note 5). The case is currently in the court going through the presentation of the evidence. In the opinion of the company's lawyer, no need to book any lawsuits provision against this case since the legal status of the Company is good.

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

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**27) CONTINGENT LIABILITIES**

- A-** As of the consolidated condensed interim financial position date, the Company had contingent liabilities representing bank letters of guarantees of JOD 3,801,978 as of June 30, 2018 (JOD 3,634,057 as of June 30, 2017)
- B-** There is a claim lodged against the Company by one of the corporation with an amount of JOD 68,500. The claim represents service fees, operational costs, and penalties related to the Company-owned buildings in Halabat Industrial Zone. Consequently, the Company has filed a lawsuit to preclude a claim at the Amman Court of First Instance. Furthermore, a decision was issued prohibiting the Company to claim the above-mentioned amount and dismiss the apprehendable money of the company and guarantee the defendant to take the fees. Moreover, the defendant has presented an appeal and a response on that appeal was made. The defendant filed a cassation therefore, the lawsuit is currently going through the cassation phase. In the opinion of the Company's management and its legal consultant, the Company will not incur any amounts in excess of the provisions taken as of June 30, 2018.

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

**28) FAIR VALUE HIERARCHY**

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

**Level 1:** quoted prices (unadjusted) in active markets for financial assets.

**Level 2:** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instrument evaluated based on:

Prices quoted in active markets for similar instruments or through the use of valuation model that includes inputs that can be traced to markets, these inputs good be defend directly or indirectly.

**Level 3:** inputs for the asset or liability that are not based on observable market data.

**A. Financial Instruments measured at fair value on a frequent basis:**

**As of June 30, 2018 (Reviewed not audited)**

<i>In Jordanian dinar</i>	<b>Carrying Amount</b>	<b>Fair Value</b>		
		<b>Level (1)</b>	<b>Level (2)</b>	<b>Level (3)</b>
<b><u>June 30, 2018</u></b>				
<b><u>Financial Assets</u></b>				
Financial assets at fair value through profit or loss	471,565	471,565	-	-
Financial assets at fair value through statement of other comprehensive income	6,345,614	654,970	5,690,644	-
Cash on hand and at banks	630,340	630,340	-	-

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<b>As of December 31, 2017 (Audited)</b>				
<i>In Jordanian dinar</i>	<b>Carrying Amount</b>	<b>Fair Value</b>		
		<b>Level (1)</b>	<b>Level (2)</b>	<b>Level (3)</b>
<b><u>Financial Assets</u></b>				
Financial assets at fair value through profit or loss	574,742	574,742	-	-
Financial assets at fair value through statement of other comprehensive income	6,585,514	894,870	5,690,644	-
Cash on hand and at banks	259,269	259,269	-	-

There were no transfers between level 1 and level 2 during the period ended June 30, 2018.

**B. Financial Instruments not measured at fair value:**

<b>June 30, 2018 (Reviewed not audited)</b>				
<i>In Jordanian dinar</i>	<b>Carrying Amount</b>	<b>Fair Value</b>		
		<b>Level (1)</b>	<b>Level (2)</b>	<b>Level (3)</b>
<b><u>Financial Assets and liabilities</u></b>				
Deposits at banks	6,690,882	6,690,882	-	-
Financial assets at amortized cost	352,683	-	352,683	-
Accounts receivable	8,205,844	-	8,205,844	-
Reinsurance receivables	521,083	-	521,083	-
Due from related parties	190,010	-	190,010	-
Accounts payable	(3,479,213)	-	(3,479,213)	-
Due to bank	(267,559)	-	(267,559)	-
Reinsurance payables	(2,001,191)	-	(2,001,191)	-
Due to related parties	(4,790)	-	(4,790)	-

<b>December 31, 2017 (Audited)</b>				
<i>In Jordanian dinar</i>	<b>Carrying Amount</b>	<b>Fair Value</b>		
		<b>Level (1)</b>	<b>Level (2)</b>	<b>Level (3)</b>
<b><u>Financial Assets and liabilities</u></b>				
Deposits at banks	7,536,331	7,536,331	-	-
Financial assets at amortized cost	562,683	-	562,683	-
Accounts receivable	8,988,991	-	8,988,991	-
Reinsurance receivable	891,886	-	891,886	-
Due from related parties	147,658	-	147,658	-
Accounts payable	(2,351,544)	-	(2,351,544)	-
Reinsurance payables	(3,538,014)	-	(3,538,014)	-
Due to related parties	(17,020)	-	(17,020)	-

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The Group management believes that the fair values of these assets approximates its carrying amounts.

There were no transfers between level 1 and level 2 during the period ended in June 30, 2018.

**C. Non-financial assets that are not measured at fair value and which are disclosed at fair value in the financial statements:**

<b>As of June 30, 2018 (Reviewed not audited)</b>				
<i>In Jordanian dinar</i>	<b>Carrying Amount</b>	<b>Fair Value</b>		
		<b>Level (1)</b>	<b>Level (2)</b>	<b>Level (3)</b>
<b><u>Non- Financial Assets</u></b>				
Investment properties	8,084,010	-	10,510,548	-

<b>As of December 31, 2017 (Audited)</b>				
<i>In Jordanian dinar</i>	<b>Carrying Amount</b>	<b>Fair Value</b>		
		<b>Level (1)</b>	<b>Level (2)</b>	<b>Level (3)</b>
<b><u>Non- Financial Assets</u></b>				
Investment properties	8,155,406	-	10,757,579	-

The above items represent the fair value of the non- financial assets that are determined based on values of similar financial investments in a non- active market.

**29) PRIOR YEAR ADJUSTMENTS**

Trading license related to IBDA' for financial investment company (Subsidiary) has been amortized in the subsidiary's condensed interim financial information which related to prior years, and the impact of this adjustment has been recorded under retained earnings for the group consolidated condensed interim financial information for the six-month period ended June 30, 2018.